



पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय
MINISTRY OF
PETROLEUM AND NATURAL GAS



Opportune liberalized terms & Conditions

- DSF Bid Round III
- Special CBM Bid Round

Dr. Anand Gupta
Additional Director General (Development), DGH

Discovered Small Fields



Government introduced DSF Policy in Year'2015

Policy Features

- Single License for Conventional and Unconventional Hydrocarbons
- Exploration allowed during entire contract period
- Royalty in line with HELP and no Cess
- No upfront Signature Bonus
- 100% participation from foreign companies/JV

DSF Rounds

DSF Rounds	Awarded Contracts
DSF-I (2017)	30
DSF-II (2019)	24
Total	54

Awarded Contracts

Field Development Plans (FDPs) - 29

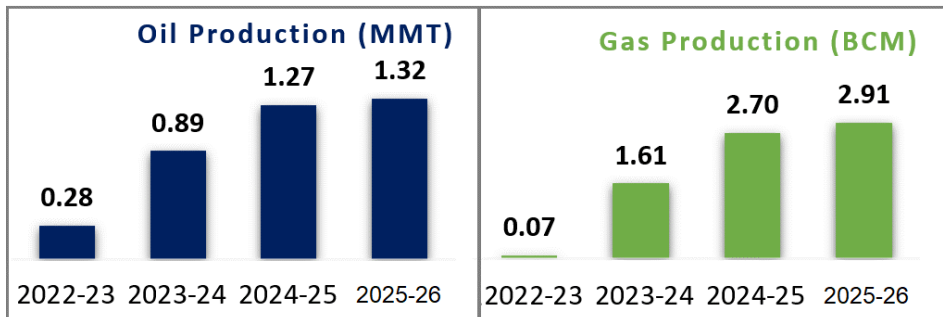
Hydrocarbon In-place
~ 100 MMTOE

Anticipated Investment
~ 1.76 billion USD

First MOPU in Western Offshore at B-80 Field



Anticipated Production



Rig in place & Flaring at Hazarigaon



Well site, Kamboi Field, Gujarat





Anticipated Production timelines (1/2)



			FY 21-22 (02)				FY 22-23 (24)				FY 23-24 (02)				FY 24-25 (01)					
S.No	Contract Area	DSF-I/ DSF-II	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Peak Produ ction, (OIL, STB/D)	Peak Production (Gas, MMSCF/D)
1	MB/OSDSF/B80/2016	DSF-I																	5000	17.3
2	CB/ONDSF/KAMBOI/2016	DSF-I																	165	0.03
3	CB/ONDSF/KHAMBEL/2016	DSF-I																	440	0.09
4	CB/ONDSF/SOUTH PATAN/2016	DSF-I																	138	Nil
5	CB/ONDSF/West Bechraji/2016	DSF-I																	112	0.003
6	AA/ONDSF/BARSILLA/2016	DSF-I																	219	0.1
7	AA/ONDSF/Hazarigaon/2018	DSF-II																	-	4.2
8	KG/ONDSF/BHIMANAPALLI/2016	DSF-I																	Nil	0.7
9	CB/ONDSF/ELAO/2016	DSF-I																	Nil	1.1
10	MB/OSDF/D31/2018	DSF-II																	1713	30
11	AA/ONDSF/LAXMIJAN/2016	DSF-I																	306	-
12	AA/ONDSF/DISAIJAN/2018	DSF-II																	1287	-
13	AA/ONDSF/CHARAIDEO/2016	DSF-I																	730	1.8
14	AA/ONDSF/DUARMARA/2016	DSF-I																	770	11.8
15	KG/ONDSF/ACHANTA/2016	DSF-I																	Nil	0.42
16	KG/OSDSF/GSKV1/2016	DSF-I																	267	4.3



Anticipated Production timelines (2/2)



S.No	Contract Area	DSF-I/ DSF-II	FY 21-22 (02)				FY 22-23 (24)				FY 23-24 (02)				FY 24-25 (01)				Peak Production on, (OIL, STB/D)	Peak Production (Gas, MMSCF/D)
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
17	RJ/ONDSF/Chinnewala/2018	DSF-II																	Nil	7.7
18	MB/OSDSF/B9/2016	DSF-I																	604	20.2
19	AA/ONDSF/DIPLING/2016	DSF-II																	1371	1.4
20	NEC/OSDSF/D11/2018	DSF-II																	181	60
21	AA/ONDSF/UMATARA/2018	DSF-II																	1420	Nil
22	MB/OSDSF/D-18/2018	DSF-II																	8000	Nil
23	MB/OSDSF/CA/2018	DSF-II																	1017	42.5
24	MB/OSDSF/NMT/2018	DSF-II																	993	38.8
25	MB/OSDSF/SB-15/2018	DSF-II																	1564	7.7
26	MB/OSDSF/D33/2018	DSF-II																	1583	52.6
27	KG/OSDSF/GSKW/2018	DSF-II																	472	14.1
28	AA/ONDSF/TULAMARA/2018	DSF-II																	Nil	12.8
29	CB/ONDSF/VADATAL/2018	DSF-II																		



B-80 (Mumbai Offshore)



RSC: MB/OSDSF/B80/2016 (DSF-I)

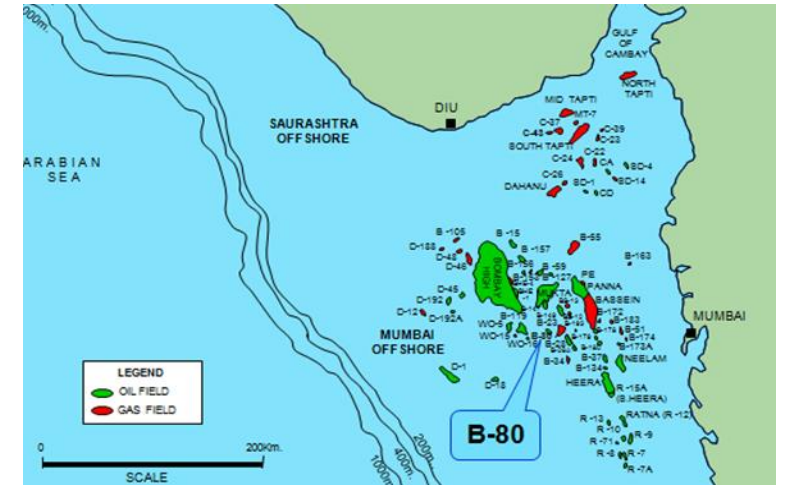
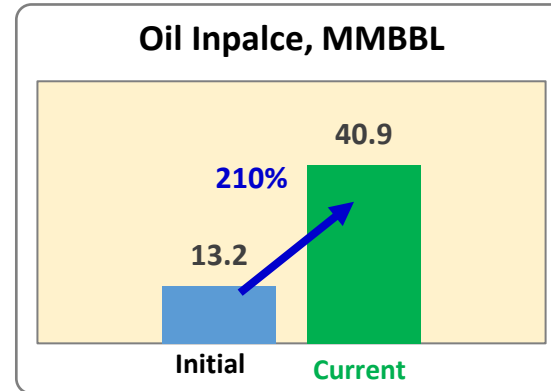
Discovered by: ONGC Ltd.

Year of Discovery: 1997

Contract awarded: 27th March 2017

Location: Mumbai Offshore

Envisaged start of production: May'2022



Drilling of wells:

- Drilling of 2 wells completed in March'2020
- B-80-D1: Average rate of 5670 bbl/d of oil and 6.8 MMscfd of gas
- B-80-D2: Average rate Oil rate of 802 bbl/d and 23 MMscfd of gas

Project status:

- CTO from OISD obtained
- KGB - Offshore Installation (OI) - KGB Offshore Installation ready Hook-up with FSO Completed
- Flexibles & Umbilical: Connected to KGB- OI; Gas Pipeline Hot-Tapped to ONGC line for gas evacuation; Oil Pipeline to CALM Buoy -FSO Connected
- Marketing plan: Increased flexibility of marketing to any Indian coastal refinery through FSO model; Storage capacity of 900,000 barrels - approximately 5 months of storage capacity; Gas evacuation through ONGC line connected to Hazira





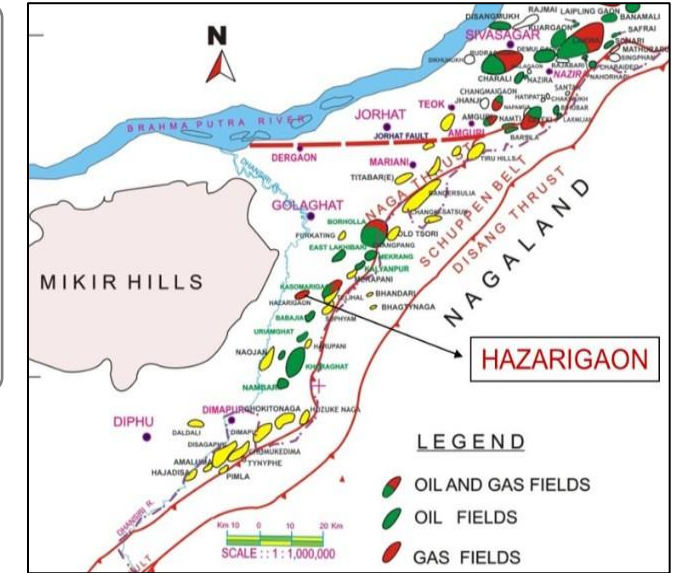
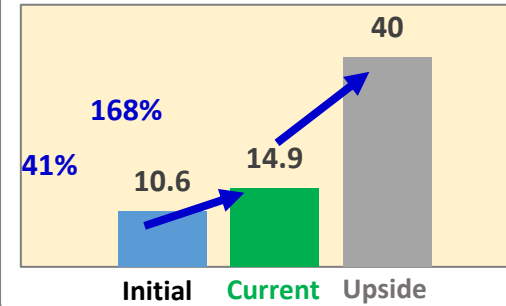
Hazarigaon, Assam (Onland)



Block Overview

Contract Area	: AA/ONDSF/HAZARIGAON/2018
Location	: Assam
Bid Work Program	: Nil
Contract Signing date	: 7 th March 2019
Effective Date	: 24 th April 2020
Development Period	: 30 th December 2024

Gas Inplace, BCF



Production under Extended Well Testing (EWT):

- Successful workover of existing Well completed Aug-Sep'2021.
- Established flow rate of ~5 MMSCFD of gas.
- Gas Sales Agreement signed with M/s Assam Gas Company Limited (AGCL) on 16.12.2021 (Start Date 01.03.2022 End Date: 01.03.2030)
- Production Facility ready at Well Site (M/s Expro)
- Gas Cascading Facility: Cascades to arrive by 25.04.2022. Civil work yet to start.

Upside in Rengma Area:

- Structural entrapment at multiple stratigraphic level has been established.
- Analogues play types of near by other discoveries.
- ~ 40 BCF from multiple stratigraphic level.
- Drilling of Exploratory well started on 06.04.2022 with plan of 35 days till 7" casing.



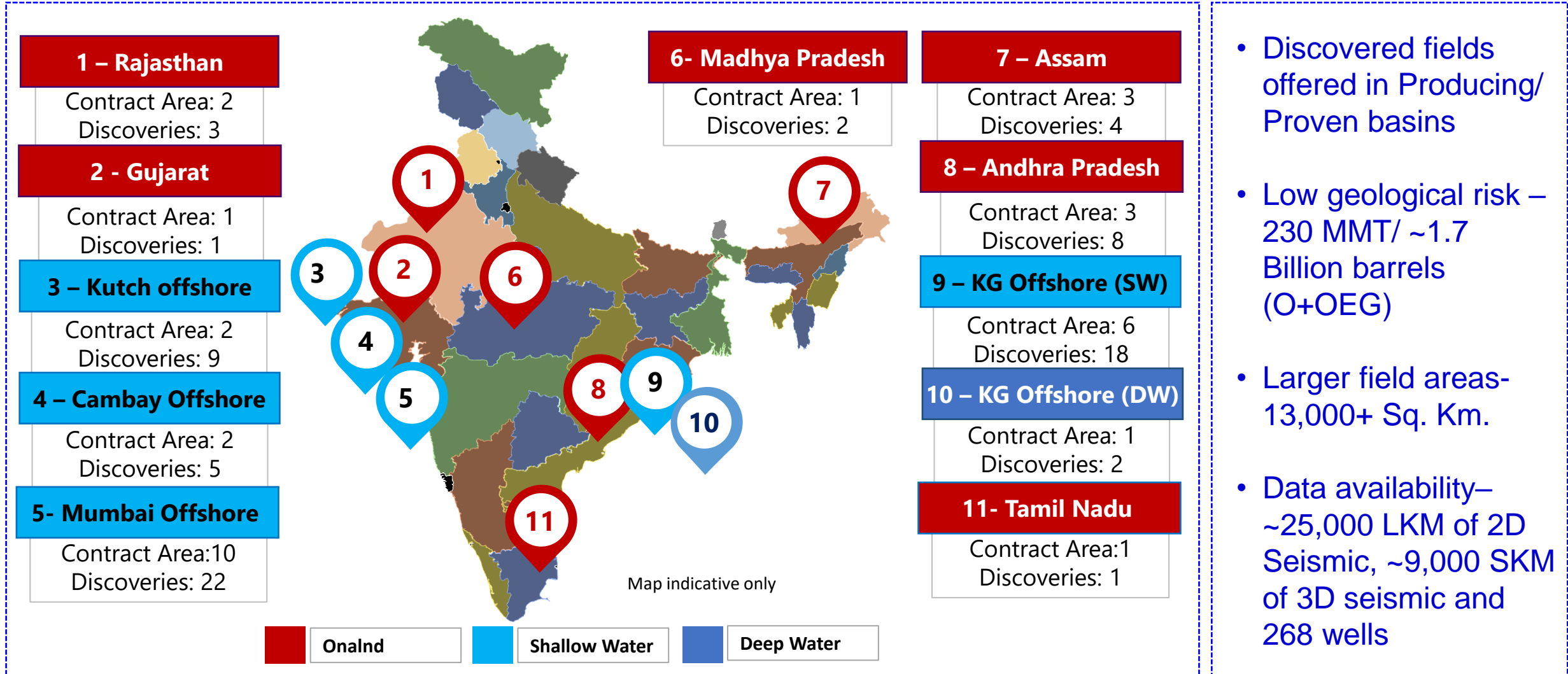
Envisaged start of production: Q2 2022-23 (Under extended well testing)



DSF Bid Round-III: A Valuable Investment Opportunity



75 Discoveries across 32 Contract Areas





Bidding pre-requisites and important terms – DSF Blocks

Registered Company

- ✓ Bidder must be a company individually or in association with other companies, through an incorporated or un-incorporated venture

Sufficient Network

- ✓ Net worth of the bidding company should be equal to or more than its Participating Interest value of the Biddable Work Program commitment with minimum net-worth of \$1 million

Fiscal Terms

- ✓ Tender fee of USD 1,000 for all onshore or offshore contract areas – Through online e-bidding portal
- ✓ Bid bond of INR 1.0 Million per contract area – Through term deposit receipt (TDR)
- ✓ Applicable bank guarantee for each contract area as per biddable work programme – in case of net worth shortfall

Other important terms

- ✓ Hardcopy of supporting documents to be submitted at DGH
- ✓ Any bid with assumptions/ deviations is liable to be rejected
- ✓ Liquidated Damage (LD) shall be imposed at the end of Development period in the event of non-drilling of wells committed in the bid

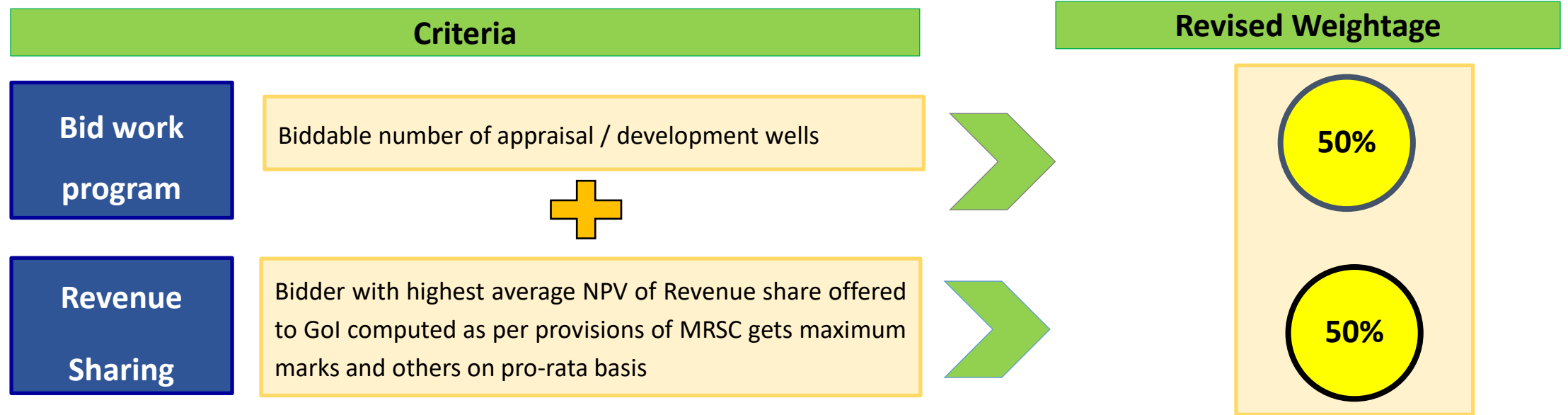
No prior technical experience required



Revised terms – DSF Bid Round III (1/4)



Biddable parameters



Revenue Sharing Mechanism – Introduced Capping on the **HRP can not exceed 50%**



Revised terms – DSF Bid Round III (2/4)



Fiscal modifications

Reduced per well Participating Interest -> Net Worth Requirement

Reduced Liquidated Damages (LD) amount per well:

- @ 0.25 MM USD for Onland,
- @ 0.75 MM USD for Shallow water and
- @ 1.50 MM USD for Deep water

Inclusions in Net Worth Definition

Inclusion of CCD in the Net-Worth Definition

Fiscal Liberty

Effectively Liberalized and relaxed Fiscal terms

- the Net worth Requirement during the Bidding
- The BG requirement per well during execution.

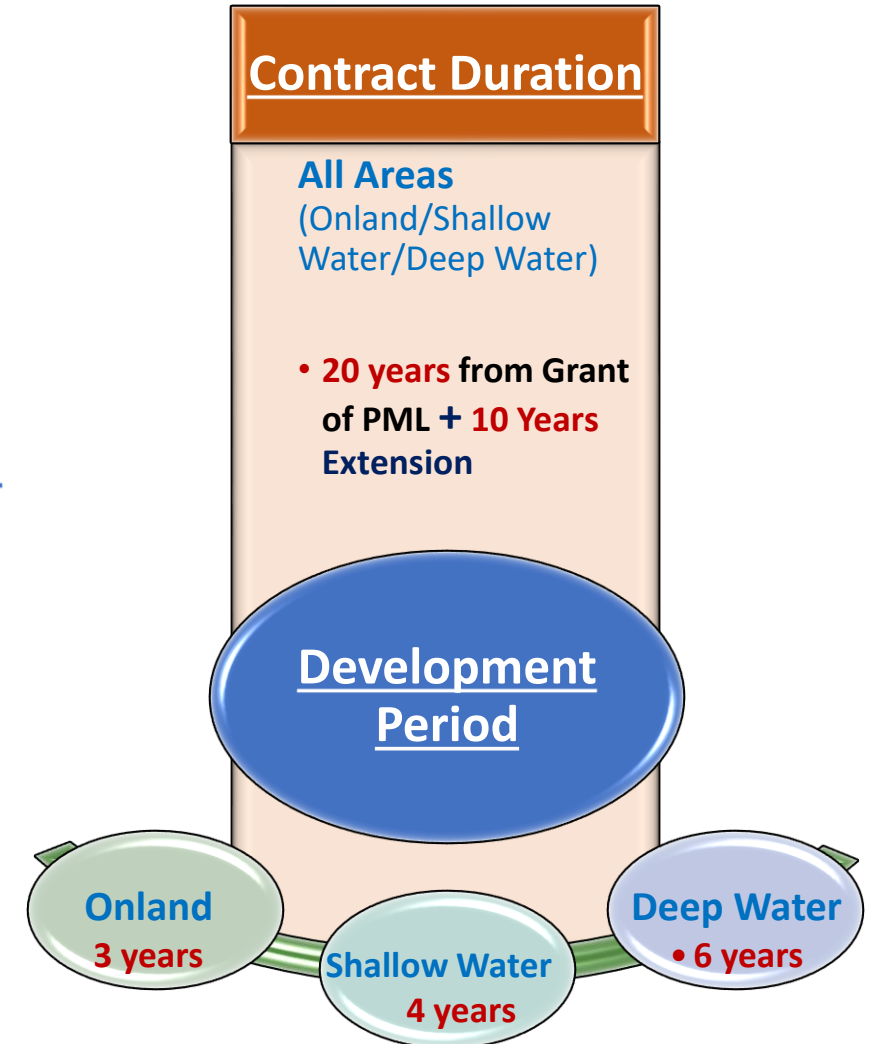
Contractual Timelines

Introduced

Paid Extensions –

Contractor can extend Development period for a maximum of period of one (01) year by payment of fee.

- USD 15,000 per month for Onshore
- USD 25,000 per month for Offshore



Others modifications

- 6 Incentivizing early commercial production during the development Period
- 7 Income Tax benefit under Section 42
- 8 FDP timelines : Nine (9) months from the date of the Signing of the Contract
- 9 Post Award Free of cost data sharing without submission of BG
- 10 to take possession of all wells and facilities within a period not later than twelve (12) months from the date of signing of this Contract.
- 11 Engagement of technically competent & experienced team within 180 days of signing of contract.



Special CBM Bid Round- 2021





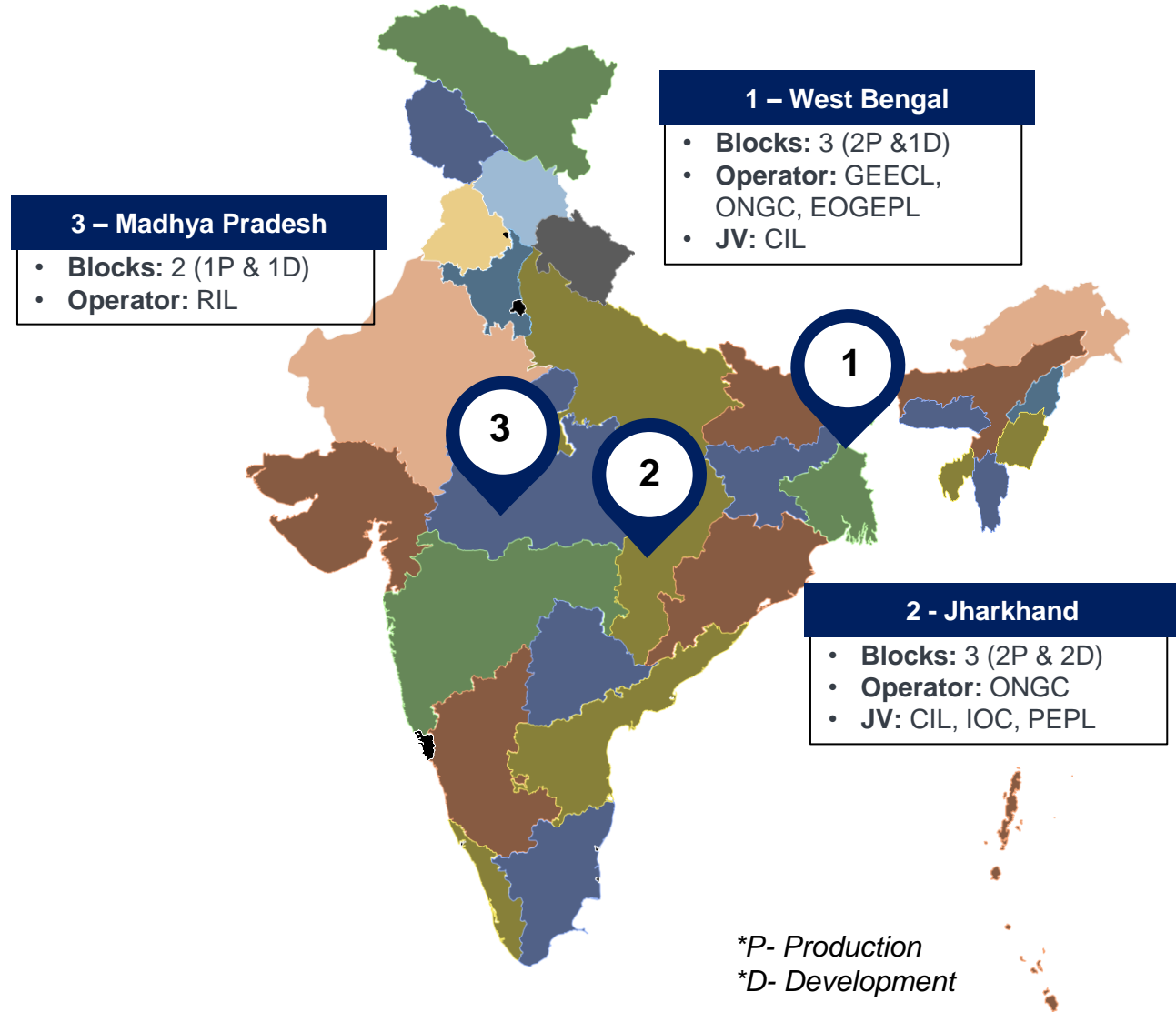
CBM Bid Rounds



8 Blocks of CBM under Production and Development in 3 states

Blocks awarded -33

- **Investment Made:**
USD 2.1 Billion
- **Cumulative
Production Achieved :**
~5.1 BCM





Current status of CBM operations



1	CBM Resources (Active + Proposed CBM blocks) - 980 BCM
2	Avg Gas Production (5 blocks) - FY 20-21 - 1.76 MMSCMD
3	Avg Gas Production (5 blocks) – FY21-22 - 1.9 MMSCMD
4	Established Gas-In-Place ~295 BCM
5	Annual Production (FY 2021-22) 683 MMSCM
6	Cumulative Production till Mar 2021 ~5.1 BCM
7	Number of Wells Drilled ~1040
8	Number of Producing Wells ~686

Drilling



Well Site facility



LP Compressor at GGS



HP Compressor at MCS



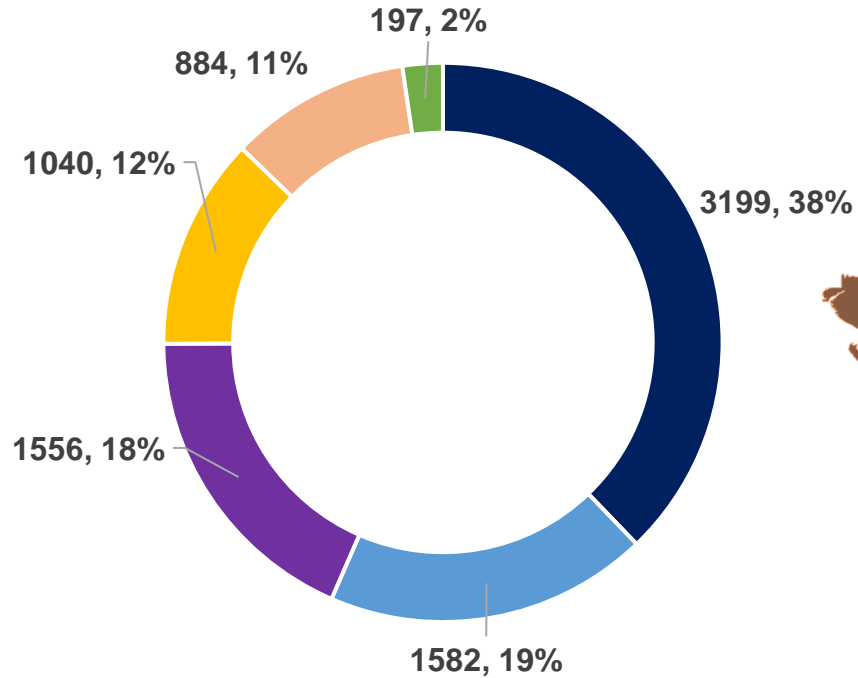


Special CBM Bid Round-2021: Areas on offer



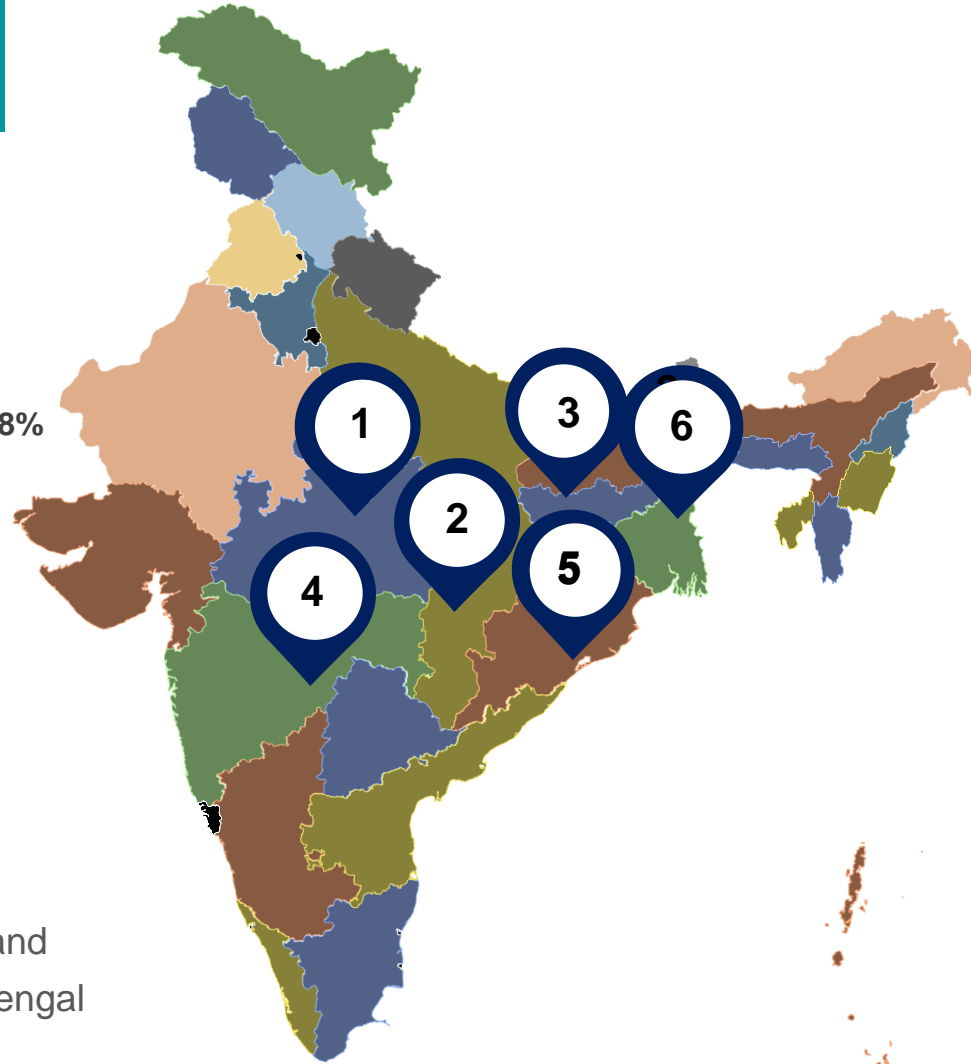
- 15 blocks
- 4 Sedimentary Basins covered
- 8458 Sq. kms. on offer

State Wise Area (Sq. Kms.)



- Madhya Pradesh
- Chhattisgarh
- Jharkhand
- Maharashtra
- Odisha
- West Bengal

**Prognosticated Resources
~700 BCM**



Map indicative only

1 – Madhya Pradesh

- **Blocks:** 5
- **Area:** 3199 Sq. Kms.

2 – Chhattisgarh

- **Blocks:** 3
- **Area:** 1582 Sq. Kms.

3 – Jharkhand

- **Blocks:** 2
- **Area:** 1556 Sq. Kms.

4 – Maharashtra

- **Blocks:** 2
- **Area:** 1040 Sq. Kms.

5 – Odisha

- **Blocks:** 2
- **Area:** 884 Sq. Kms.

6 – West Bengal

- **Blocks:** 1
- **Area:** 197 Sq. Kms.

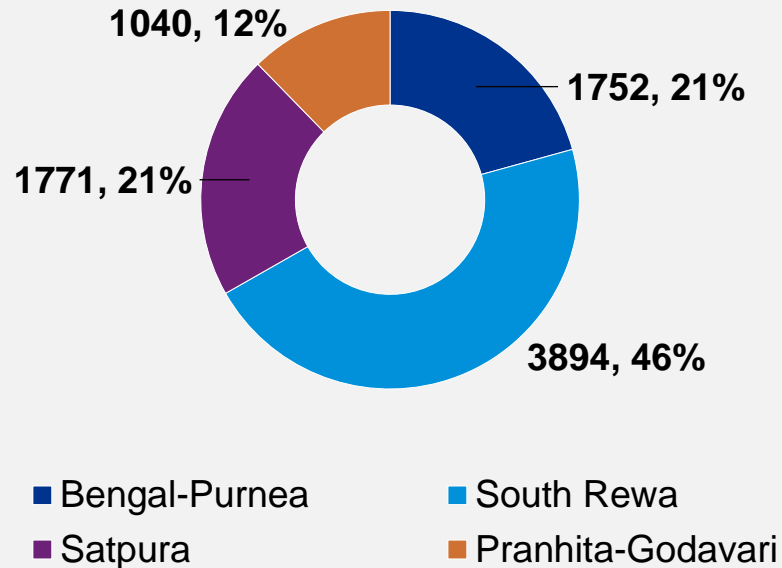


Salient features – CBM blocks



15 Coal Bed Methane (CBM) Blocks in 6 states

Sedimentary Basin Wise Area (Sq. Kms.)



1

All Blocks on offer in Category-III basin i.e. no revenue sharing until windfall gain.

2

Single License for Conventional & Un-conventional Hydrocarbon

3

Full Marketing and Pricing Freedom for Gas produced.

4

Exploration allowed during entire contract period.

5

One block in one state, No overlap with existing/proposed Coal Blocks/Mines.

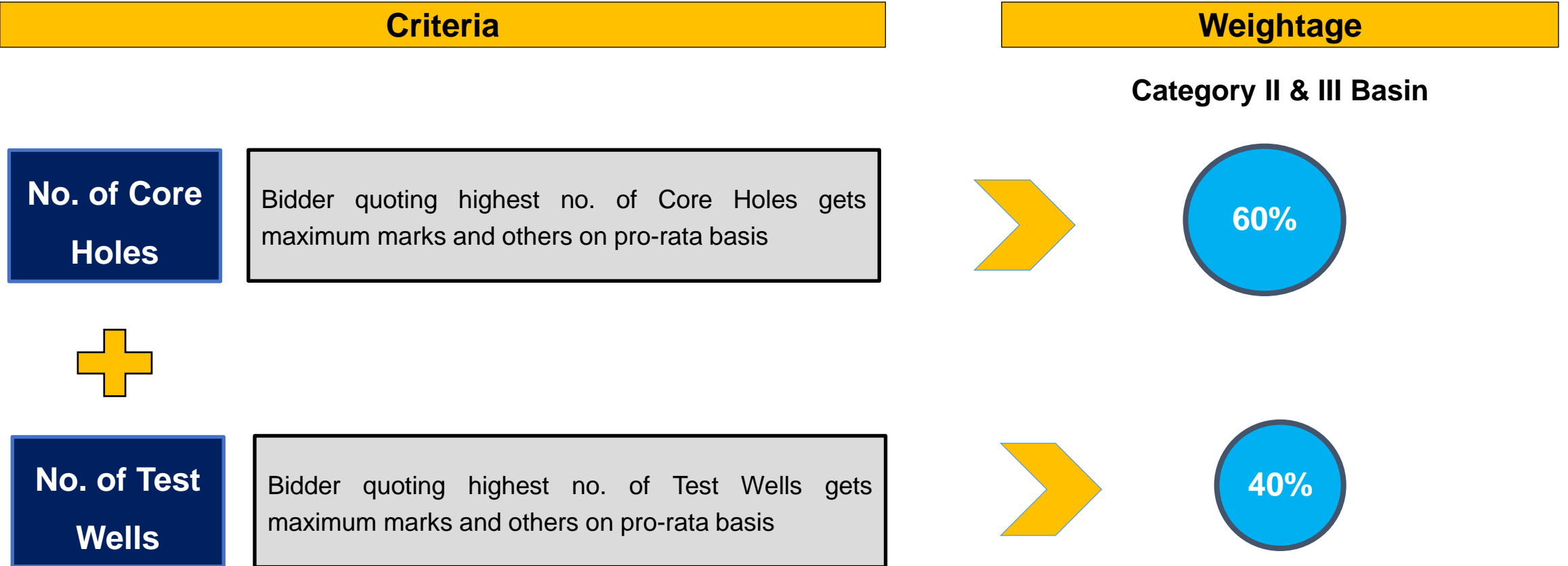
6

100% participation from foreign companies/Joint ventures.

7

Gas Pipeline infrastructure through GAIL Pradhan Mantri Urja Ganga Pipeline

“Average block size is ~600 Sq. Kms. Which is almost two times the size of earlier CBM blocks (~300 Sq. Kms)”





Bid Qualification Criteria



- ✓ **Mandatory data purchase from NDR for the blocks - Price for the Mandatory Data Package is indicated in NIO for each block**
- ✓ **Bidders will have to submit a non-refundable tender fee of INR 75,000 (Rupees seventy-five thousand)**

✓ **Technical Qualification Criteria**

- **Prior experience in Oil & Gas operations is NOT mandatory.**
- **Bidder to appoint a team of technically competent and experienced team consisting of Subsurface, Surface, Drilling and HSE professionals post the award of Block.**

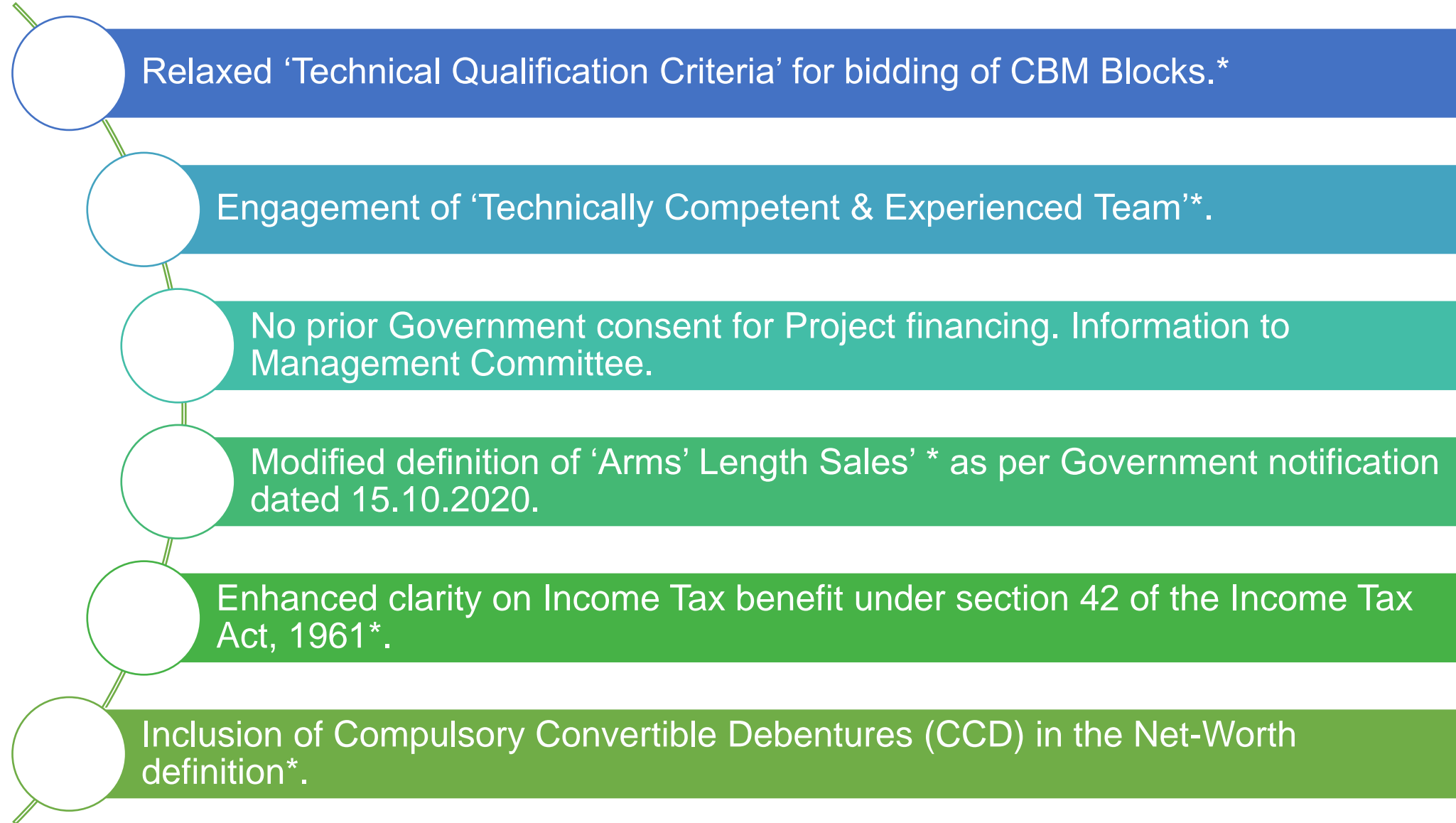
✓ **Financial Qualification Criteria**

S. No.	Type of Block	Requisite Net Worth for one sector (in million USD)	Net Worth for additional sectors (in million USD/ sector)
1	CBM	2.5	0.5

***Net Worth requirement against each block mentioned in NIO document. Varies from 2.5 to 4.8 Million USD**



Amendments in Bid Documents- Special CBM Bid Round 2021





Amendments in NIO



	Reference	Existing Provision	Modifications
1.	Technical Qualification	<p>1. Minimum operatorship (Oil&Gas) for 1 year in preceding 10 years</p> <p>AND</p> <p>1. Acreage holding in preceding 10 years*</p> <p>OR</p> <p>1. Annual production from previous 5 years*</p>	<p>In line with DSF Policy relaxation in Qualifying Criteria be considered.</p> <p>Nil Technical Qualifying Criteria by means of following Declaration from Bidder.</p> <p>“Declaration with respect to appointment of technically competent experienced representatives within One hundred eighty (180) days from signing of Contract in line with Article 8.3 (g) of MRSC.”</p>
* (for Onland, Shallow Water, Deep Water/ Ultra-Deep Water and CBM)			



Amendments in MRSC



	Reference	Existing Provision	Modifications
1.	Work Programme	Existing Work Programme covers articles from 5.1 to 5.6	Addition of new sub-Article Article 5.7: If Contractors completes CWP ahead of stipulated timelines, and then time saved may be added to other statutory timelines (Assessment Period /FDP submission/ commencement of commercial production etc).
2	Rights and Obligation of Parties	appoint a technically competent and sufficiently experienced representative, within ninety (90) days after commencement of the first Contract Year.	to engage technically competent and experienced team within One hundred eighty (180) days from signing of Contract with each member having experience of 5 years in their respective area.
3	Govt Consent for financing	keeping in view the national interest of India, prior consent of the Government shall be required (which consent shall not be unreasonably withheld) of the list of potential lenders with whom such Party can consider hypothecation	the list of potential lenders with whom such Party can consider hypothecation may be submitted to SC for information to protect the fiscal stability of the project.



Business Enabling Environment among States (Ease of Doing Business)

MADHYA PRADESH

- First state in the country to implement GIS based land allotment system.
- land booking in an Industrial area can be done at a click.
- Automatic & deemed diversion of Private Land through MPBHULEKH.
- NoC for distance from Forest Land within 15 days.

JHARKHAND

- Developed the Single Window portal which is a one-stop solution for providing clearances and approvals to all new and existing investors in the state of Jharkhand.
- Accelerated and Time bound grant of licenses, permission and approval to promote Industrial Development through single window system.

ODISHA

- GO-SWIFT Single Window Portal.
- Integrated Portal with 52 services from 18 departments.
- Dedicated Project Monitoring Group.
- Industry Care Field Visits.
- Investment facilitation and aftercare at district-level are boosting Investors Confidence.



Business Enabling Environment among States (Ease of Doing Business)

West Bengal

Ease of Doing Business in Bengal includes:

- Incentives and land allotment in industrial parks & estates and GIS maps
- Introduction of self-declaration and self-certification
- E-Services and single window system for business through Single Window Act

Environment (Pollution)

- Online Consent to Establish (NOC) and Consent to Operate (CTO) including auto-renewal facility
- Computerized risk assessment of industries and allocation of inspectors

Land matters

- Deemed No Objection from ULC and Local Body etc. for mutation and conversion respectively if not responded in 14 days of reference
- Dedicated Unique Clearance Centres (UCC) in districts for fast-tracking mutation and conversion of industrial land

Maharashtra

- Single Window Authority **MAITRI**: act as a Single Window Authority and, 41 Officers and 16 Departments have been appointed to facilitate investors
- Common Application Form (CAF) Providing one-time information for getting multiple approvals
- Single Window System: Single portal of contact for grant of industry related approvals/ licensees,
- Knowledge Bank: A transparent & speedy Interface for information dissemination, Removal of Redundancy – information collection through Single Channel
- Information Wizard: To guide investors on applicable list of approvals/ licenses for pre-establishment & pre-operation business phase

Chhattisgarh

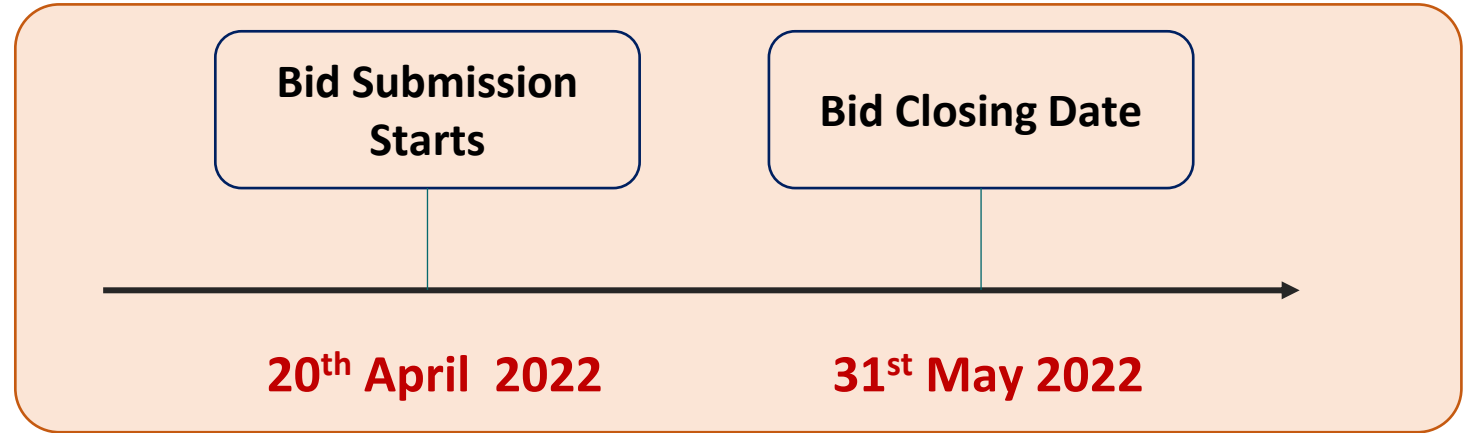
- Online system for “construction permit” in Chhattisgarh has been adjudged as the ‘Best Practice’ in India (as per BRAP 2016 assessment)
- Single window system for granting construction permits integrated with external agencies Online Common application form (CAF) for granting all incentives
- **Janmat**: Online portal for collecting feedback from industrialists on draft policy and reforms
- Online system for all Registrations and renewals under the Legal Metrology Act, 2009
- Service can be availed through the Single window system
- Computerised Risk-based allocation of Inspectors for granting permissions



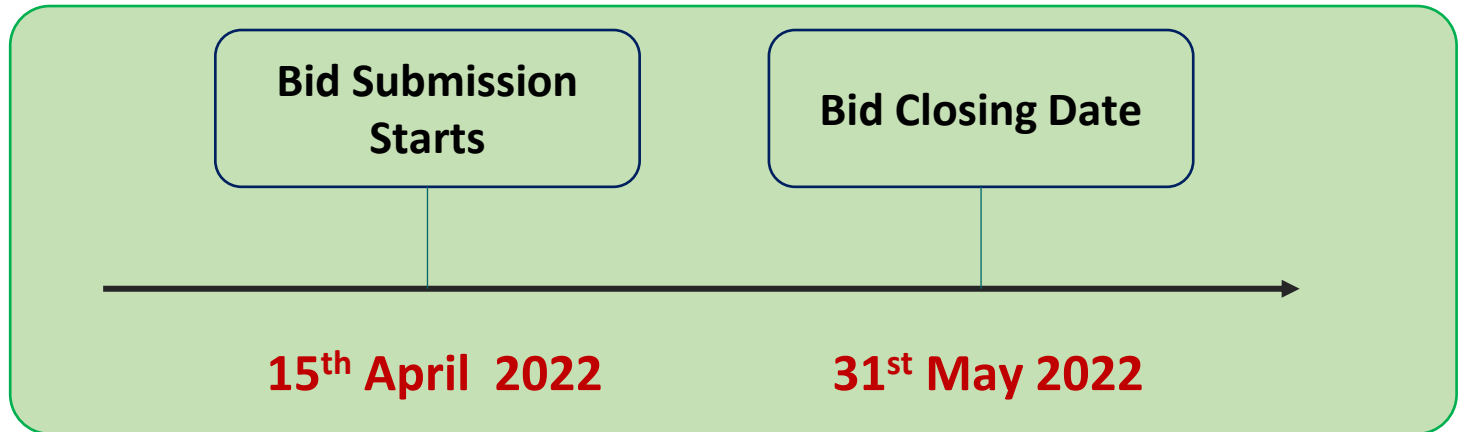
Bidding Timelines



DSF Bid Round-III



Special CBM Round





Thank You



सत्यमेव जयते

Ministry of Petroleum & Natural Gas
Government of India

<http://mopng.gov.in/>



<http://dghindia.gov.in/>

