



# Ministry of Petroleum and Natural Gas

Government of India



Directorate of Hydrocarbons General

## Indian Oil & Gas Sector – Poised for Growth

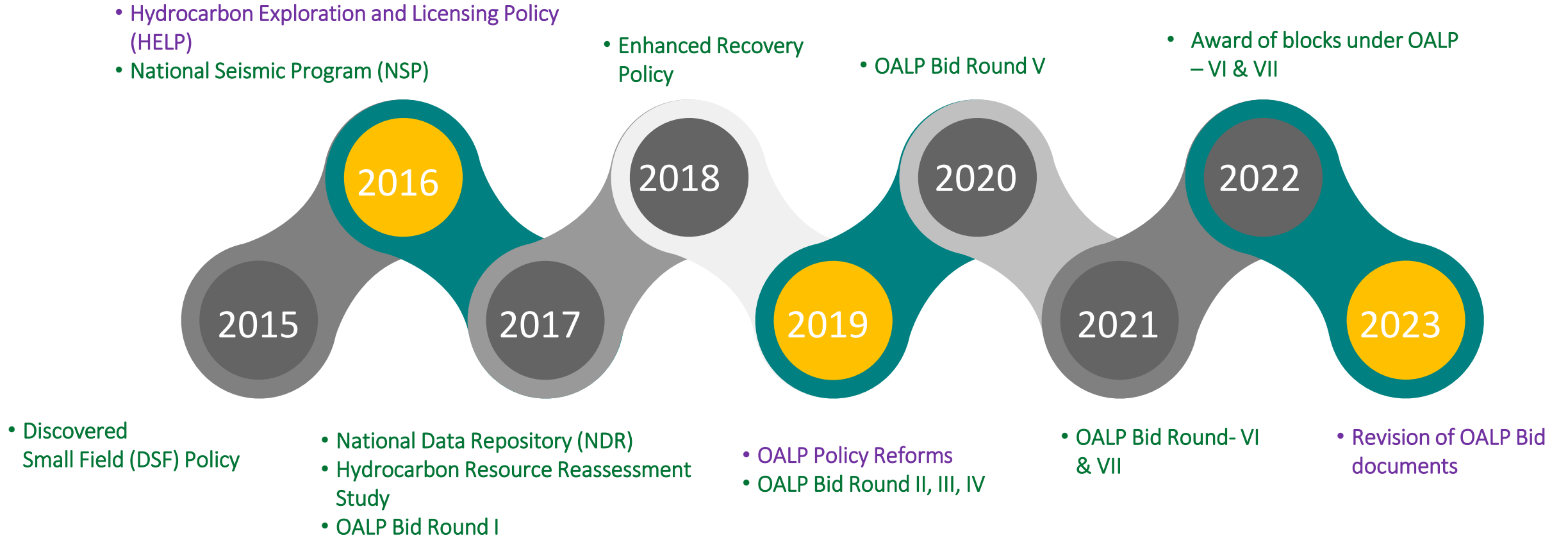




# Evolving E&P Policy Frameworks



## NEW REVENUE SHARING REGIME UNDER **HYDROCARBON EXPLORATION & LICENSING POLICY (HELP)**

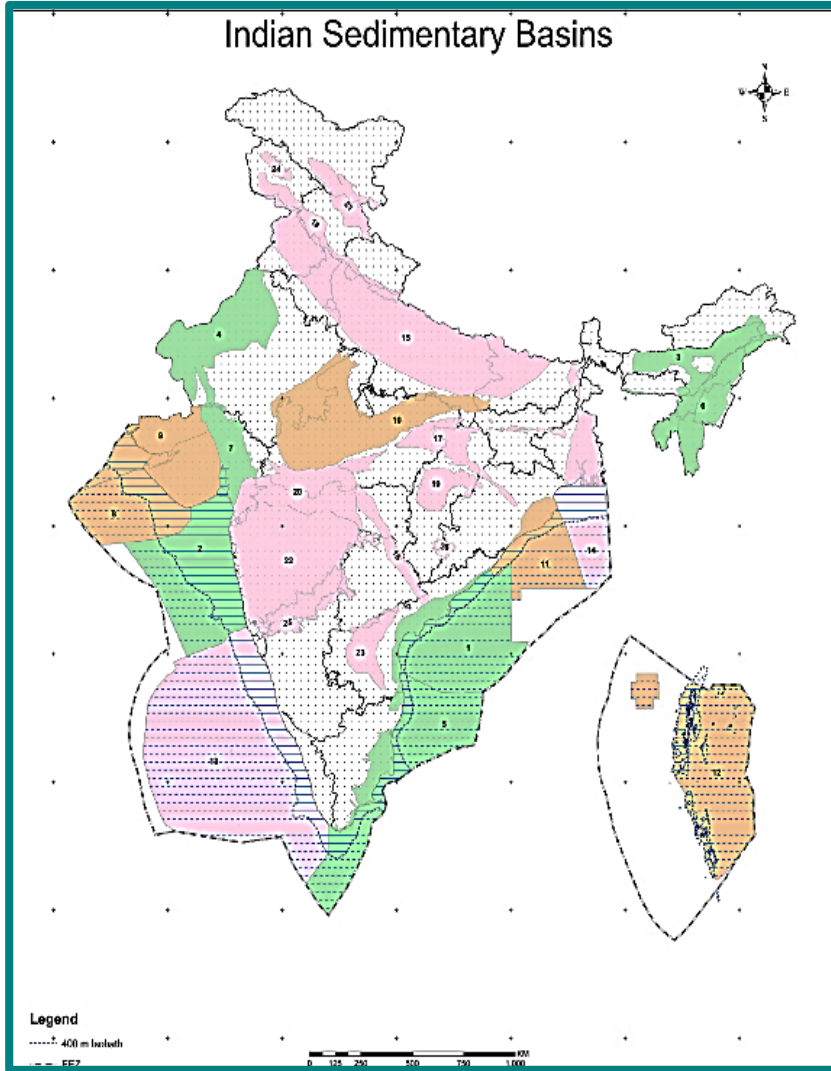


- In 2017, National Data Repository (NDR), Hydrocarbon Resource Reassessment Study is completed.
- OALP is Open Acreage Licensing Programme

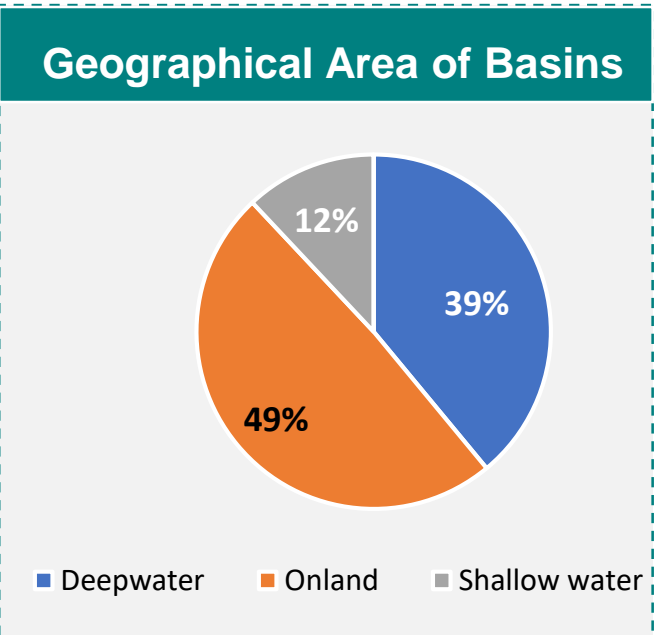
- Major OALP Policy reforms



# Indian Sedimentary Basins and categories



- Category-I** **Commercially Producing Basins**  
 Area: 1 Mn Sq Kms  
 Resource: 21,487 MMTOE
- Category-II** **Discovered Basins, to be developed commercially**  
 Area: 0.78 Mn Sq Kms  
 Resource: 1,951 MMTOE
- Category-III** **Prospective Basins, without discovery**  
 Area: 1.59 Mn Sq Kms  
 Resource: 1,543 MMTOE


















- Category-I**
  - Basins are commercially producing hydrocarbons
  - 7 basins producing conventional Hydrocarbons
- Category-II**
  - Basins have discoveries, not yet commercially developed
  - 5 basins have established conventional hydrocarbons
- Category-III**
  - Basins have no discoveries yet, less explored
  - Out of 14 basins, recently a discovery has been reported in one basin





# Salient Features of HELP

-  Open Acreage Licensing Programme
-  Round the year Eol carving of block
-  Single License for all Hydrocarbon types
-  Consortium Bids allowed
-  100% Foreign PI allowed
-  Low Regulatory Burden
-  Transparent Bidding
-  Marketing and Pricing Freedom
-  Revenue Sharing Model
-  Low and Graded Royalty in Offshore
-  Concessional Royalty for Early Production
-  Low Revenue share in Stabilization Period
-  Minimal bid bond bank guarantee
-  Incentivise early monetization scheme
-  Retention period for sub commercial discoveries



# Special Features for Category II & III Basins



**Bidding only on 2D & 3D Seismic**



**Wells are no longer a biddable criteria**



**Increased Originator Incentive to 10 points**



**No Revenue Share unless Windfall Gains**



**Extended & phase exploration period of 7 years (3 + 2 + 2)**



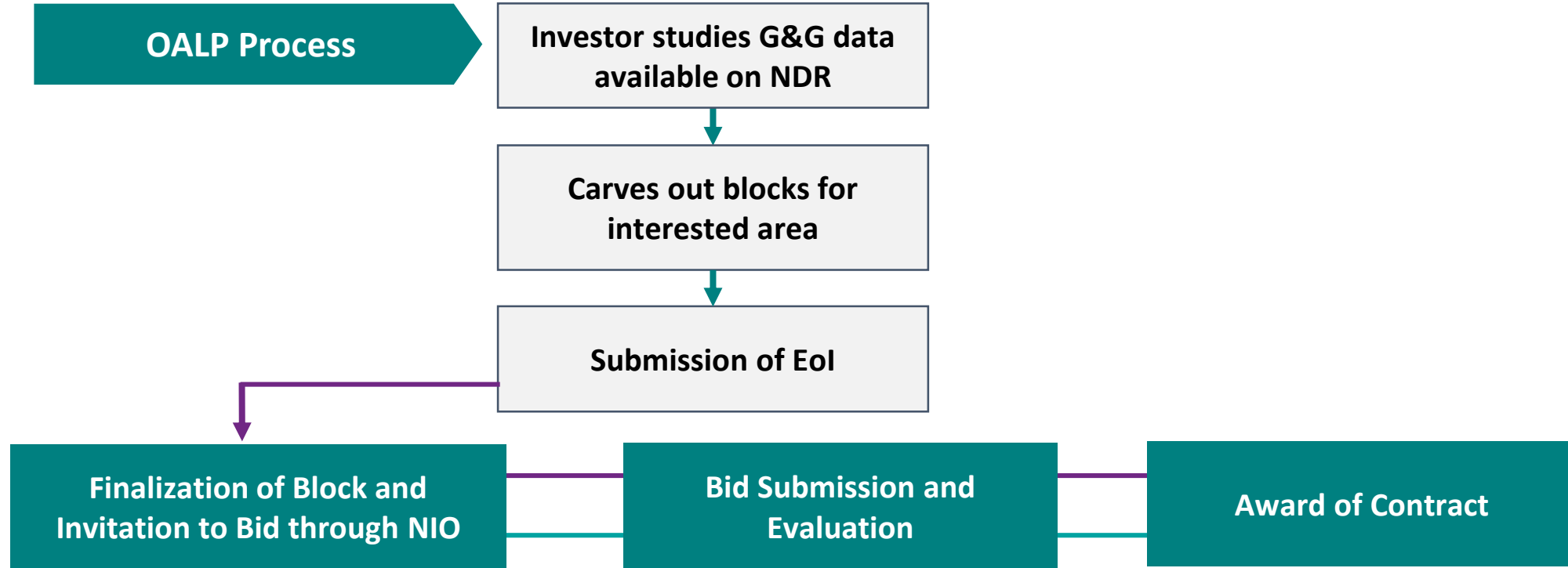
**Operator determined the Well Target Depth**



**Seismic, re-processing, gravity-magnetic and wells are permitted for swapping**



# Open Acreage licensing programme, Eol & Bidding Process



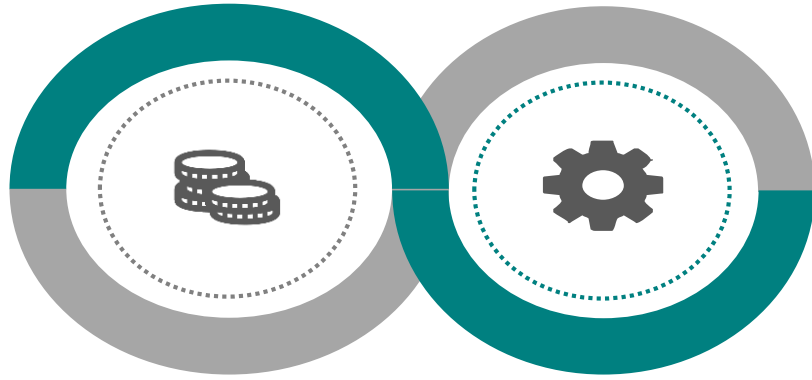
- ❖ Party submitting Eol for an area shall be '**Originator**' and eligible for **Originator Incentive**
- ❖ Originator to submit Bids as whole **10'x10' grid** sectors. **1'x1' grids** allowed if whole grid is not available.
- ❖ **Partial 1'x1' grids** (in polygonal manner) also allowed wherever complete 1'x1' units are not available.
- ❖ Bidding cycle thrice a year (continuous Eol submission, pooled every 4 months)
- ❖ Bidding through **fully secured e-bidding platform**
- ❖ Blocks can be carved out in **single category of Basins**



# Bidding Structure Under OALP



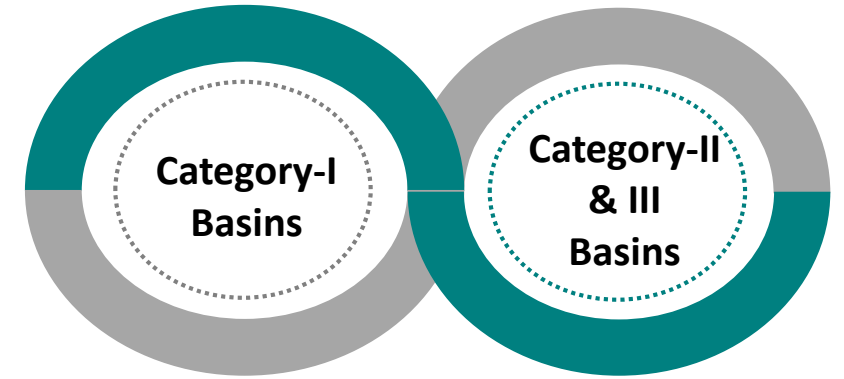
## 1 Qualification Criteria



**Net Worth depending on number of Sectors of Block** (pro-rated up to 1'x1' grids)

- **Operatorship Experience**
  - Minimum 1 year Operatorship Experience
  - Shallow Water/Deep Water/Ultra-Deep Water Experience relevant for ALL blocks.
  - Onland Experience relevant for onland & Shallow Water blocks.
  - CBM Experience relevant for Onland blocks.
- **Positive Acreage Holding in proceeding 10 years, or**
- **Positive Average Annual Production in proceeding 10 years**

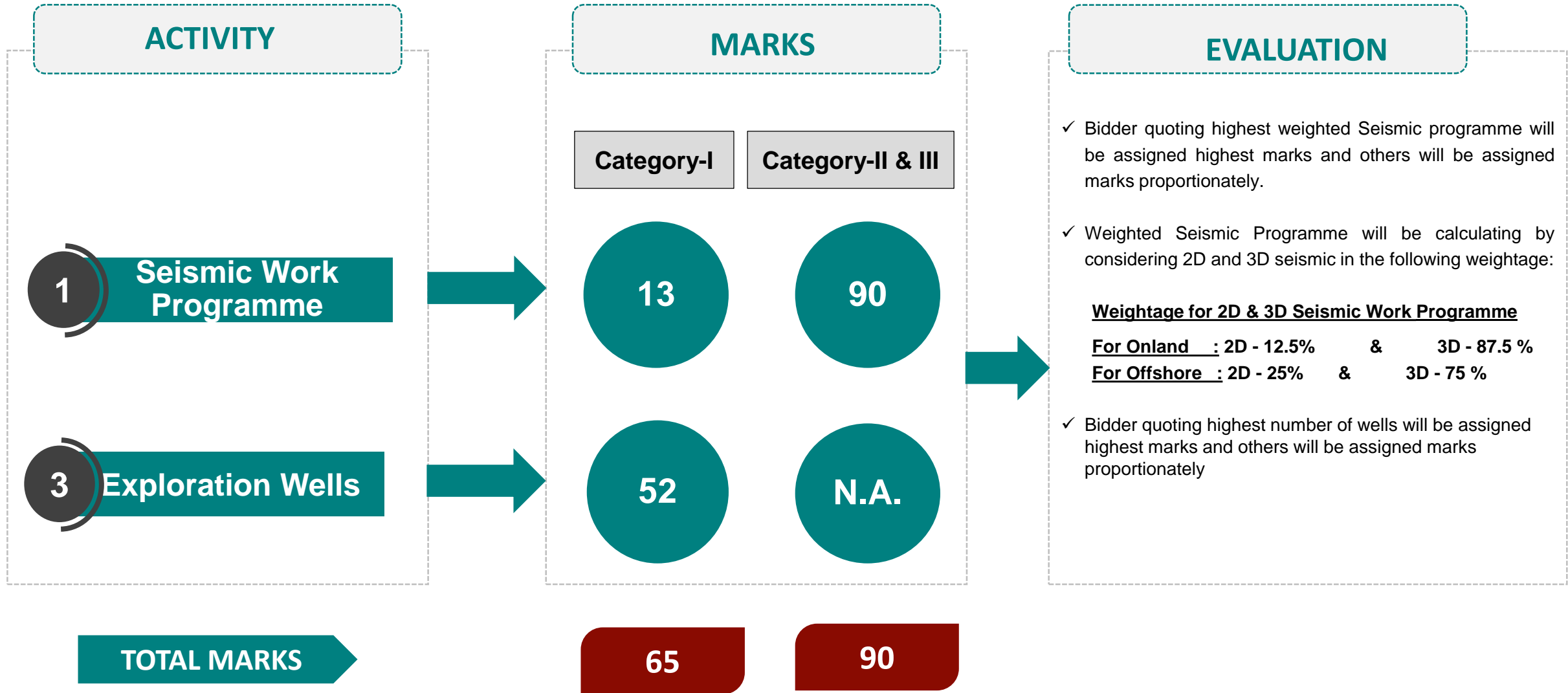
## 2 Bid Evaluation Criteria



	Category I weightage	Category II & III Weightage (Seismic API only)
<b>Work Programme</b>	<b>65%</b>	<b>90%</b>
<b>Revenue Share</b>	<b>30%</b>	<b>0%</b>
<b>Originator Incentive</b>	<b>5%</b>	<b>10%</b>



# Scoring Pattern For Work Programme



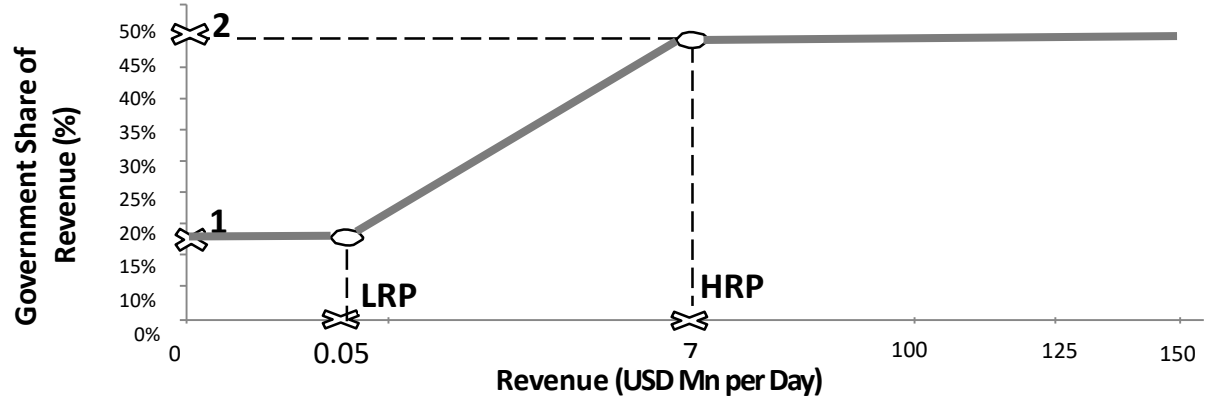


# Revenue Sharing Mechanism



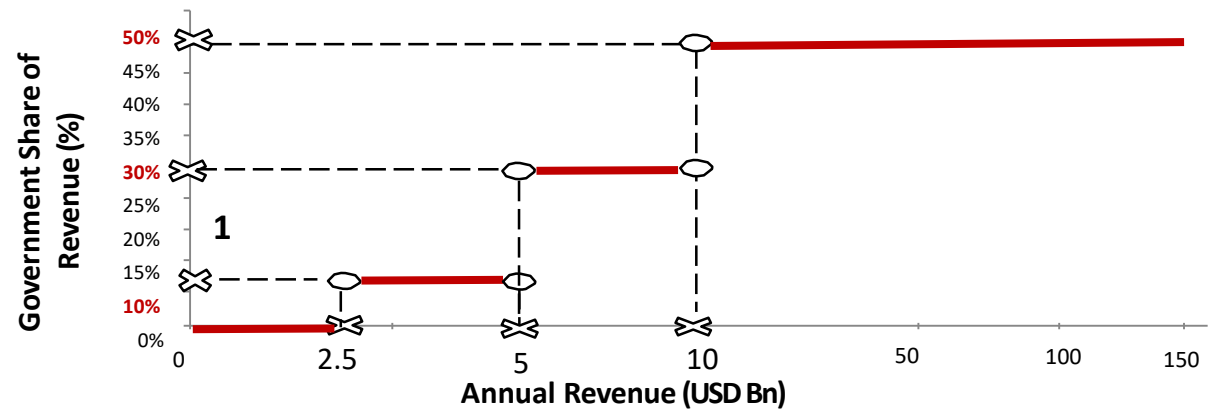
## Category I Basins

- The Revenue Share will have to be bid at two levels: “Lower Revenue Point (LRP)” and “Higher Revenue Point (HRP)”.
- The Revenue Share for intermediate points will be calculated by linear interpolation.
- The bidder offering the highest NPV of the Revenue Share to the Government will score the maximum on this parameter.
- Rate at HRP can not exceed 50%



## Category II & III Basins (Only if Windfall Gains)

- No revenue share is to be quoted at the time of bidding
- Revenue sharing at predetermined rates if annual revenue crosses **USD 2.5 billion** i.e. “Windfall Gain”
- Revenue (Net of Royalty & taxes on sales) to be considered in Financial year (April to March)



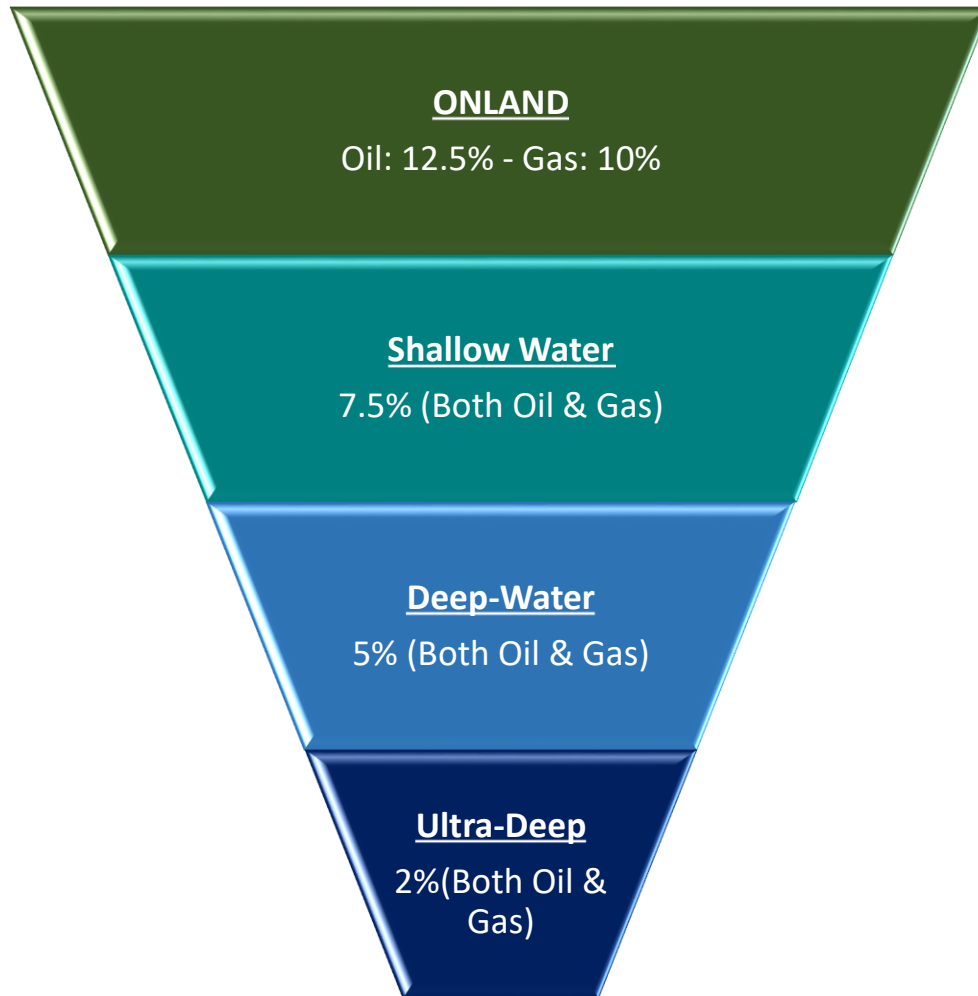


# Royalty Structure under HELP



## ROYALTY RATES FOR OIL - GAS

### GRADED ROYALTY STRUCTURE



## INCENTIVISED ROYALTY STRUCTURE



**Incentive for Offshore Exploration**  
**Reduced Royalty Rates in Offshore**



**Long Royalty Holiday period**  
**7 Years for Deep & Ultra Deep Waters**



**Incentive for Gas & CBM –**  
**2% Reduced Royalty rates for Onland blocks**

## CONCESSIONAL ROYALTY

(Incentive for Early Production)



**Category I Basins**  
**10% Concession**



**Category II Basins**  
**10% Concession**



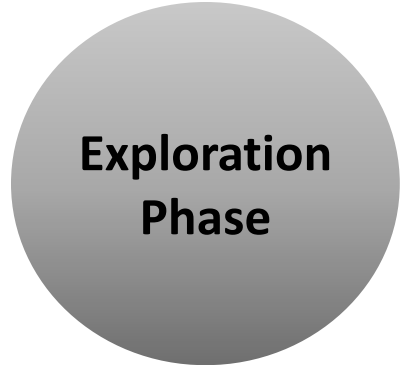
**Category III Basins**  
**10% Concession**

Applicable on Commercial Production within 4 years in Onland & Shallow water;  
 Applicable on Commercial Production within 5 years in Deep & Ultradeep water;



# Contractual Timelines for Category I Basin Blocks

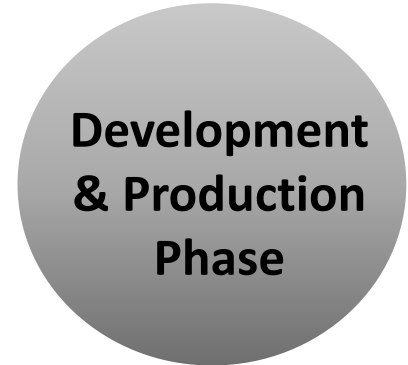
## Summary of Contractual Timelines



Exploration Phase



Appraisal & FDP Phase



Development & Production Phase

**Onland/Shallow Water**

✓ **3 years + 9 months extension**

**Deep/Ultra-Deep Water**

✓ **4 years + 18 months extension**

**Potential Commercial Interest (PCI)**

Discovery  $\xrightarrow{7 \text{ Days}}$  Notice of Discovery  $\xrightarrow{120 \text{ Days}}$  PCI Notice

**FDP Submission Timeline (from PCI)**

- ✓ **Onland**
  - **3 Years + 6 months extension**
- ✓ **Offshore**
  - **4 Years + 12 months extension**

Appraisal activity to be undertaken prior to overall FDP submission Timelines

**Development Phase**

- **3 Years + 6 months extension for all type of blocks**

**Commercial Phase**

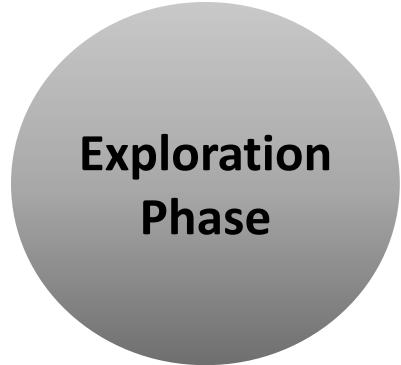
Production to commence from :

- **Onland: 2 Yrs from Lease**
- **Shallow Water: 3 Yrs from Lease**
- **Deep/Ultra-Deep Water: 5 Yrs from Lease**



# Contractual Timelines for Category II & III Basin Blocks

## Summary of Contractual Timelines



**Exploration Phase**

### 7 years Exploration Period

- **Phase-I : 3 years for Seismic API**
- **Phase-II : 4 years for Exploratory Wells**
- **Part – A : 2 Years upon Commitment of 1 Exploratory well**
- **Part – B : 2 Years upon Commitment of additional 1 Exploratory well**

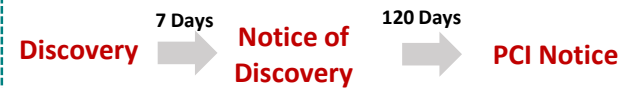
#### Mandatory Area Relinquishment

- 50% & 25% Contract area to be relinquished after Phase-I and Phase-II Part-A., respectively
- Option has option to retain such area by committing additional well for each 25% of retained area otherwise meant for relinquishment



**Appraisal & FDP Phase**

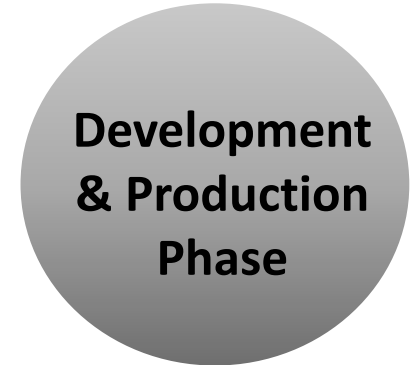
### Potential Commercial Interest (PCI)



### FDP Submission Timeline (from PCI)

- ✓ **Onland**
  - **3 Years + 6 months extension**
- ✓ **Offshore**
  - **4 Years + 12 months extension**

Appraisal activity to be undertaken prior to overall FDP submission Timelines



**Development & Production Phase**

### Development Phase

- **3 Years + 6 months extension for all type of blocks**

### Commercial Phase

Production to commence from :

- **Onland: 2 Yrs from Lease**
- **Shallow Water: 3 Yrs from Lease**
- **Deep/Ultra-Deep Water: 5 Yrs from Lease**



# Success Journey of HELP



**7**

**Bid Rounds  
Concluded**

**USD 3.13b  
Committed  
Investment**

**134  
Blocks  
Awarded**

**2,07,691  
Sq. Km  
Awarded**

**39,460 LKM  
2D Seismic  
56,173 SKM  
3D seismic  
487 Expl. Wells**

## **BID ROUND – IX**

**2,23,031 sq.km**

**(Blocks Launched)**

**XVI<sup>th</sup> EoI Window**

**1<sup>st</sup> April, 2021 to 31<sup>st</sup> July, 2021**



# Mega Offshore Bid Round ( OALP-IX) | 26 Blocks | 223k+ sq. km.



## 1 – Cambay

✓ CB-ONHP-2022/2

## 2 – Saurashtra Offshore

✓ GS-OSHP-2022/1  
 ✓ GS-OSHP-2022/2  
 GS-OSHP-2022/3  
 GS-OSHP-2022/4  
 GS-UDWHP-2022/1

## 3 – Mumbai Offshore

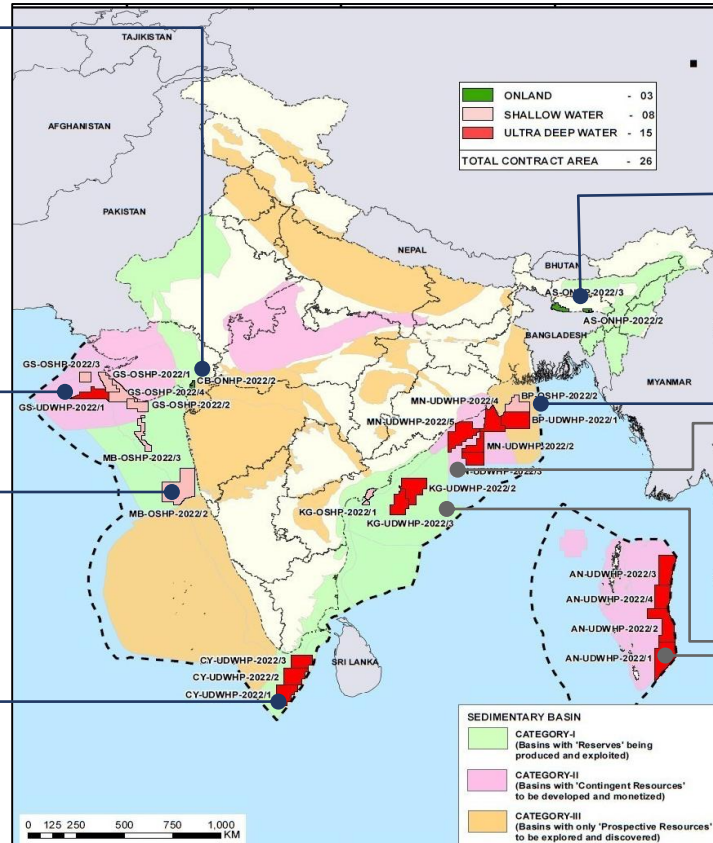
MB-OSHP-2022/2  
 MB-OSHP-2022/3

## 4 – Cauvery Offshore

✓ CY-UDWHP-2022/1  
 ✓ CY-UDWHP-2022/2  
 ✓ CY-UDWHP-2022/3

- Category 1 Basins
- Category 2 Basins
- Category 3 Basins

✓ Ticks indicate Operator carved out blocks



## 5 – Assam Shelf

✓ AS-ONHP-2022/2  
 ✓ AS-ONHP-2022/3

## 6 – Bengal-Purnea Offshore

BP-OSHP-2022/2  
 BP-UDWHP-2022/1

## 7 – Mahanadi Offshore

MN-UDWHP-2022/2  
 MN-UDWHP-2022/3  
 MN-UDWHP-2022/4  
 MN-UDWHP-2022/5

## 8 – KG Offshore

KG-OSHP-2022/1  
 KG-UDWHP-2022/2  
 KG-UDWHP-2022/3

## 9 – Andaman Offshore

AN-UDWHP-2022/1  
 AN-UDWHP-2022/2  
 AN-UDWHP-2022/3  
 AN-UDWHP-2022/4

Type	Contract Areas	Area (Sq. Kilometres)
Onshore	3	3,666
Shallow Water	8	59,925
Deepwater	15	1,59,440



# Mega Offshore Bid Round ( OALP-IX)



## Category I Block

- No of Blocks : 11
- Acreage : 83 K +sq.km
- Type of Block : On land – 3, Offshore -8

## Category II & III Blocks

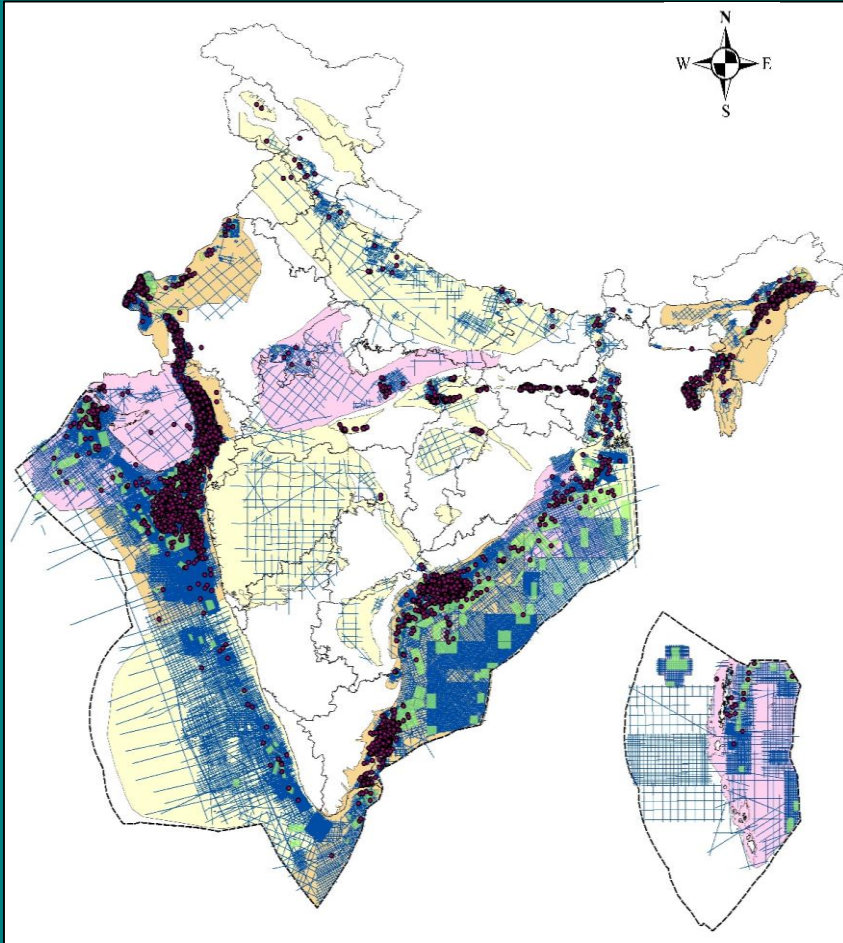
- No of Blocks : 15
- Acreage : 140k+ sq.km
- Type of Block : Offshore - 15

## Expression of Interest Windows (Eol) Status

- April 2022 –March 2023, 29 Eols , ~142k sq.km Acreage
- April 2023 – July 2023 : open for Eol submission.

## DGH Carve Out Blocks: Pro-Eol

- 18 number of blocks carved out by DGH covering an acreage of 181k+ sq.km
- Investors are welcome to carved out Eols on DGH carved out blocks



- Integrated repository of Indian E&P data
- Access to raw and unprocessed seismic data
- Prepares data package for Bid Rounds and hosts data room



**2D Seismic Data (Lkm)**

**~3.3 million**



**3D Seismic Data (sq. kilometer)**

**~1.1 million**



**Seismic Reports**

**~16,000**



**Well & Log Data**

**22,000+ wells**



**Well Reports**

**48,000+**



**Registered Companies**

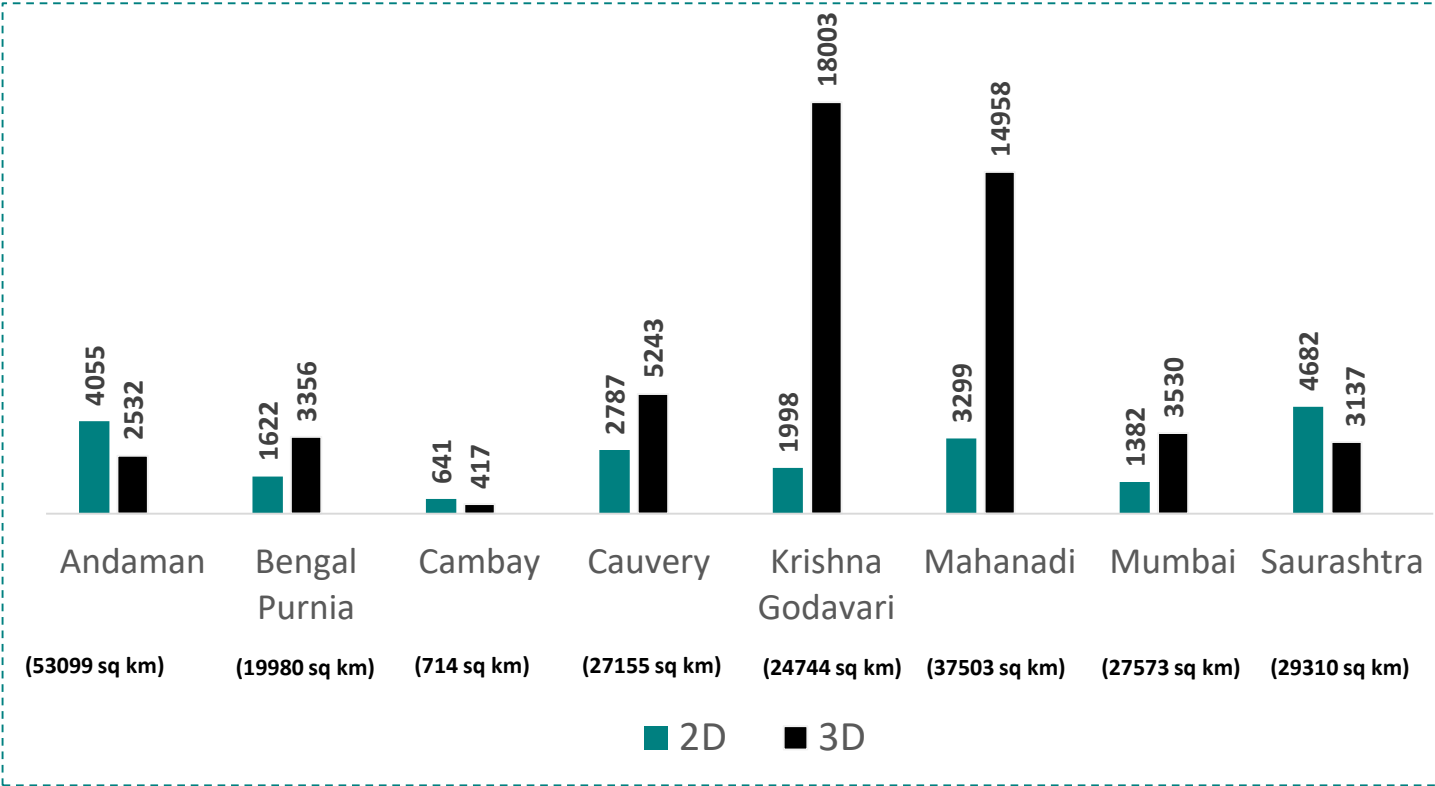
**300+**



# Mega Offshore Bid Round ( OALP-IX) | E&P Data within Blocks

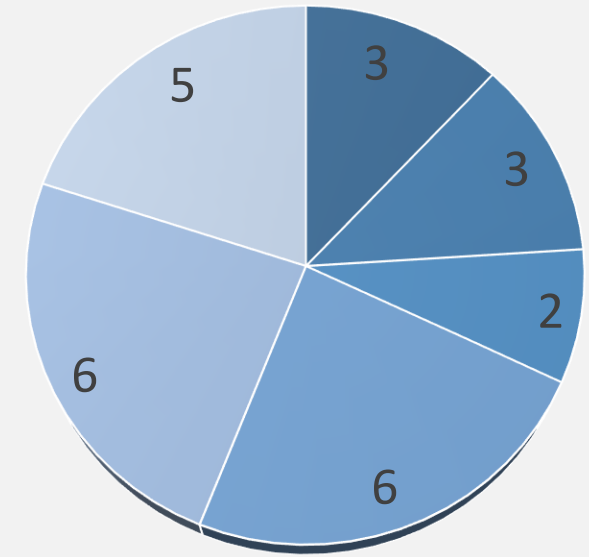


## Data Availability



**Total Area : 223031 Sq. km**  
**Total Available 2D Data : 20466 LKM**  
**Total Available 3D Data : 51176 Sq. km**  
**Total Exploratory Wells : 30 nos**

## Number of Exploratory Wells



■ Cambay                      ■ Cauvery  
 ■ Krishna Godavari      ■ Mahanadi  
 ■ Mumbai                    ■ Saurashtra



# Key Touch Points for Facilitation



Ministry of Petroleum & Natural Gas  
Government of India

## Ministry of Petroleum and Natural Gas

Website- <http://petroleum.nic.in/>

Contact us: <https://mopng.gov.in/en/about-us/phone-directory>

## Hydrocarbon Exploration and Licensing Policy OALP Bid Rounds

Website- <http://online.dghindia.org/oalp/>

Facilitation Desk Email: [Facilitationoal@dghindia.gov.in](mailto:Facilitationoal@dghindia.gov.in)



## Directorate General of Hydrocarbons

Website- <http://petroleum.nic.in/>

Contact us:

[http://dghindia.gov.in/contact\\_english.php](http://dghindia.gov.in/contact_english.php)

## National Data Repository

Website: <https://www.ndrdgh.gov.in/NDR/>

Email: [indr@dghindia.gov.in](mailto:indr@dghindia.gov.in)



सत्यमेव जयते

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