

Ref.No. S&E/E/64/464

Date:25.02.2016

To,
The Nodal Officer (FC Act),
Forest Department
Rehabari,
Guwahati,

Subject:

Forest Clearance for Dirok Development project - Submission of explanation to the query raised regarding Environmental and Wildlife Clearance

Reference:

Our Proposal Number: FP/AS/IND/16231/2015 and your query raised in section H-(ii) and I-ii –(b) of Essential Details Sought on 11/2/2016

Dear Sir

In reference to your query and observations on our application submitted for forestland diversion for laying of underground gas pipeline through Digboi Reserve Forest and Upper Dehing Reserve Forest (West Block), we would like provide the following information with reference to the subject mentioned.

The Block AAP-ON-94/1 is a Pre-NELP Block offered to JV Consortium in the 8th Exploration Round by Government of India. The production Sharing Contract (PSC) was signed between Government of India and the JV Consortium on June 30 1998. The present JV Consortium along with the participating interest is as follows:

1. Oil India Limited (OIL), **Licensee of the Block**, a Navratna Company (PSU) – 44.086 %
2. Indian Oil Corporation Limited (IOCL), Maharatna (PSU) – 29.032 %
3. Hindustan Oil Exploration Company Limited (HOEC), **Operator of the Block** – 26.882%

As per the production Sharing Contract (PSC) **M/s Hindustan Oil Exploration Company** has been appointed as Operator of the block for carrying out Exploration Operations, Development Operations and Production Operations in the Block. **(Relevant pages of PSC copy uploaded as Annexure -9)**

Ministry of Environment and Forest and Climate Change (MoEF & CC) and National Board of Wildlife (NBWL) formally approves and grants clearance for the Operator performing Development and Production Operations in the Block.

M/s Hindustan Oil Exploration Company our JV Consortium partner have already obtained Environmental Clearance from Ministry of Environment and Forest and Climate Change (MoEF & CC) for the Exploratory phase during the period 2007 (via File No. J-11011/50/2006-IA-II(I) dated 06th August 2007)and 2009(via File No. J-11011/112/2009-IA II (I) dated 09th April 2009) and the Ministry have granted the Environmental Clearance for the Joint Venture Consortium **(Copy of Environmental Clearance Uploaded as Annexure -9)**

Presently Operator (**M/s Hindustan Oil Exploration Company**) on behalf of JV Consortium have applied for the Environmental Clearance for Development programme in the same Block for which the Ministry earlier granted Environmental clearance for the Exploratory phase. The Environmental Clearance for the Development phase is in the final stage of granting approval by the Ministry. **(Copy of Environmental Clearance application uploaded as Annexure -10)**

Similarly, **National Board of Wildlife (NBWL) Committee** has recommended the proposal submitted by M/s Hindustan Oil Exploration Company for drilling appraisal well in its 34th and 35th Standing Committee of NBWL for Wildlife

Clearance. And presently the Operator have applied for Development program of the project which was recommended in the 08th meeting of **State Board of Wildlife (SBWL)** conducted on 19th September 2015(**Copy of the NBWL and SBWL Minutes uploaded as annexure 11 & 12**)

However, considering the fact **Oil India Limited** as a Central PSU Company and licensee of the Block, forest application for diversification of forest land for laying **8.074 Km** of underground pipeline was applied by **Oil India Limited**(as User Agency) based on the advice received from your good office.

In this regard we request to consider **M/s Hindustan Oil Exploration Company Ltd (Operator)** to obtain the Environmental and Wildlife Clearances on behalf of JV Consortium due to following facts:

1. Development phase of the project facilities in the Block consists of Drilling of Development wells, construction of Gas Gathering Station and Gas Processing Plant and laying of underground pipeline for a length of 20km for transporting the natural gas. Out of these project facilities, part of a pipeline stretch of **8.074 Km** passes through the boundary of Upper Dehing reserve forest in a buried manner (1M depth).
2. The Environmental Clearance sought for the Development phase of the Block also includes the underground pipeline which is passing along the boundary of the Reserve Forest which is in the final stage of granting approval from the Ministry.
3. As Ministry have granted **Environmental Clearance for Exploratory phase of the project** to the JV Consortium considering **M/s Hindustan Oil Exploration Company Ltd as Operator**, and presently the processing of application for the Development phase of the project under progress. Hence favouring of Environmental Clearance and Wildlife Clearance in name of **Oil India Limited** may lead to controversy.
4. **M/s Hindustan Oil Exploration Company Ltd as Operator** also been considered by the other regulatory authorities like Director General of Mines Safety (DGMS), Pollution Control Board(PCB) etc for granting Consents for both Exploratory and Development phase of this project. (**Uploaded as annexures 13 & 14**)
5. Processing of Environmental and Wildlife Clearance proposal by the authorities for the Development phase applied by our Consortium Partner **M/s Hindustan Oil Exploration Company Ltd** have reached advanced stage and changing of user agency in the present situation will leads to delay in further processing of application.
6. The JV Consortium have planned to execute the developmental activities in phased manner during the pre-monsoon period and any delay will push the project into monsoon period causing avoidable time and cost overruns.

We have uploaded the annexure documents in the “Additional information section” of the application for your ready reference.

Note: Presently as per the advice received from your good office, we have rerouted the underground gas pipeline along the boundary of the Upper Dehing Reserve Forest and updating of Environmental and Wildlife Online application regarding the change in this one stretch of pipeline route will be carried out under the guidance of concerned authorities.

In purview of this we request to consider our submission and process our application at the earliest.

Yours faithfully
Oil India Limited



(AK Acharya)
General Manager (HSE)