

Short Narrative of Proposal and Project Scheme

1.0 Project Background

As per the 'Oil Fields' Regulation and Development Act 1948' and 'Petroleum and Natural Gas Rules, The Government of India has signed a Production Sharing Contract (PSC) with a consortium of Jubilant Oil & Gas Pvt. Ltd. and GAIL (India) Ltd. for a hydrocarbon block namely AA-ONN-2002/1 in the State of Tripura in year 2004.

The consortium carries out exploration activities to prospect for hydrocarbons (Oil & Natural Gas). The PSC stipulates that for doing so the consortium (i.e. Jubilant & GAIL) has to apply to the State Government for Petroleum Exploration License (PEL). Accordingly under the Petroleum and Natural Gas Rules 1959, the consortium has obtained Petroleum Exploration License (PEL) from Tripura State Government. Environmental Clearance from Ministry of Environment & Forest (MoEF), Government of India has also been obtained for doing exploration work in this block.

The Consortium partners (i.e. Jubilant & GAIL) have signed a Joint Operating Agreement. The block spreads over an area of 1680 sq. Kms. After relinquishing 420 sq Km back to Government, current available area under the block is 1260 sq Kms across four districts Khowai, Dhalai Gomati, Belonia in Tripura State. The Consortium has drilled 7 exploratory wells and in the process of planning and preparing for drilling more wells. One of these is on the prospect "Dev 2A".

2.0 Site Justification

Based on investigations it has been assessed that the drilling location **Dev 2A** has promising underground hydrocarbon reserves. The 0.364 Km long Kachha road is leading to this location is currently Kachha road and falling under Pvt./ Govt Land, Apart from this 0.014 Km patch is falling under forest land. Both the proposed Drill Site, Waste Pit, Drill Site Accommodation, TSR Camp & its approach road for location called Dev 2A falls in forest area and need prior forest diversion. As per the state revenue records, project (Drill Site, Waste pit, Drill Site Accommodation, TSR Camp & its approach road for location called Dev 2A falls in Mauja- Birendra Nagar, under Tehsil- Purba Pilak, Sub-Division- Shantir Bazar, District- South Tripura

Realizing the importance of forest land ecological sensitiveness of state, the consortium scouted for an alternative site outside the forest area. No other surface location could be selected since it was not possible to drill and reach this prospect from any other location. Due to the fact an alternate location was not found, the consortium decided to propose this location to State Government for Forest diversion so as initiate necessary drilling activities, taking all preventive environmental and ecological measures.

3.0 Operational Aspects

It is proposed to carry out drilling of one well at proposed site using on-land Rig of approximately 1000- 1800 HP (Horsepower) capacity. The drilling operation is expected to be spread up to a period of 5 months, and shall require storage and usage of equipment's and the personnel to operate these equipments. Prior to the same, site would have to be conditioned to receive the equipment. The breakup of time duration of the project is given below.



3.1 Project Period

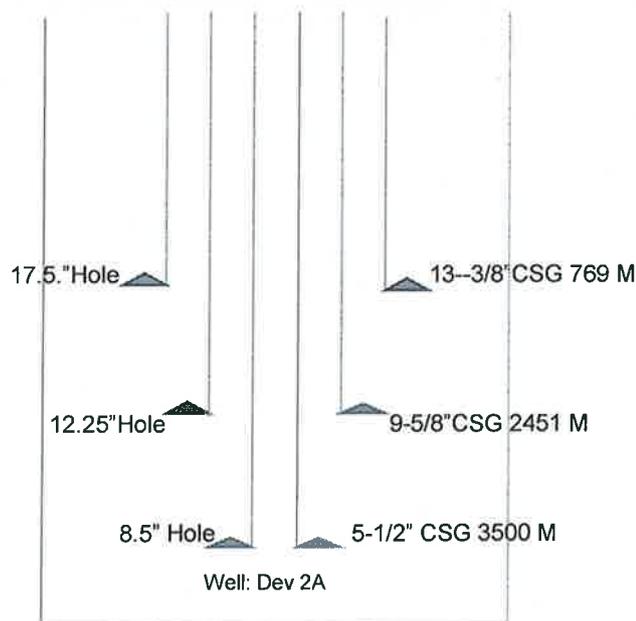
- Civil work for drill site: 3 months (Varies from 2-4 months)
- Drilling of the well: 60 Days (Varies from 20-35 Days)
- Testing of well for hydrocarbon: 20 Days (Varies from 10-25 Days)
- Mobilization and Demobilization of equipment: 2 Month
- Total expected time: 8 months

The completion of drilling may or may not result in discovery of commercially viable hydrocarbons. In case of failure, the consortium shall abandon the well by removing all equipment's, cleaning the area, restoring back the land to its original condition and return to its owner i.e. State Forest Department. During drilling, utmost care is taken to avoid any environmental pollution. If commercially viable hydrocarbon reserves are established the consortium is required to take permissions from relevant Government authorities to extract hydrocarbons.

The rig shall drill the hole of varying diameters and keep covering the drilled hole with casing (with steel pipe that is cemented). After each casing is lowered the diameter of the hole (and the bit to drill it) is reduced so that the bit can pass through the last casing lowered. The proposed hole size and the respective depths are given in table below. The depth of the well is expected to go up to 3500 mtr depending on existing of Hydrocarbon.

3.2 Drilling Depth

Section	Hole Size	Casing Size	Depth Size
1	17.5"	13-3/8"	769
2	12.25"	9-5/8"	2451
3	8-1/2"	5-1/2"	3500



Since drilling operations are carried out round the clock and need constant supervision and involvement of subject specialist, the project needs to provide temporary, portable offices (used to monitor and control drilling) and accommodation to these people during the drilling period only. These offices and accommodation are removed along with equipment and personnel, after the drilling is concluded.

The security assessment of the site is carried out by the Tripura Police and based on this assessment, security forces are deployed at the site to provide security cover to the equipment and machinery. The site is in a remote place and drilling involves highly skilled manpower and use of costly equipment's, hence their security is of utmost concern. It is proposed to utilize the security services of Tripura State Rifles (TSR) an armed security force of the State Government. This force from TSR shall also need to be provided with temporary, makeshift accommodation during the drilling period only. The details breakup of the land requirement for various activities is attached separately.

The space requirement for temporary accommodation shall only be to meet the common utilities, beds for taking rest and the emergency area. This space requirement is minimized by sharing accommodation and by having bunk beds (one bed on top of another) as much as possible. Up to 60 drilling people are expected to make their stay at site besides TSR security personnel and other services personnel that are required from time to time.