

Government of India
Ministry of Environment & Forests
Forest Conservation Division
MINUTES OF THE FOREST ADVISORY COMMITTEE (FAC) MEETING HELD
ON 16th MAY 2017

[Nisheeth Saxena AIG(FC)]

AGENDA NO.1

F. No. 8-49/2016-FC

Sub: Diversion of 6017.00 ha. of forest land in favour of Rashtriya Jal Vikas Abhikaran for development of Ken-Betwa Link Project from Distt. Chattarpur, Panna and Tikamgarh, Madhya Pradesh – reg.

1. The Committee discussed the above proposal of diversion of 6017.00 ha of forest land in favour of Rashtriya Jal Vikas Abhikaran for development of Ken-Betwa Link Project.
2. The Committee noted that the proposal had been considered in thorough detail in the FAC meeting held on 30th March, 2017.
3. The Committee had also observed that subsequently the matter was referred to the competent authority with the following observations.

“The proposal at ‘X’ N-28 [Para 21(3)] will have far reaching consequences and we may take view of an expert on hydrology before taking a final call”.

4. The paragraph under reference is reproduced below:-

“Considering the observations referred above the FAC recommends that the water flow downstream should be regulated in line with the natural flow regime and, in the lean period, 100% of the existing flow regime should be maintained while in the non-lean period, the prescribed minimum by hydrology and aquatic biodiversity experts should be ensured. In drought-prone areas, dams are not filled in the dry period when water is most needed. In this background the height of the Dhaudan dam may be re-examined in the interest of conserving the Park and recommends that the height may be reduced by 10.0 meters if not at least 5.0 meter as a trade-off between conservation and development. Water supply from the dam and also adequate flow in the river during monsoon to recharge the ground water from the dam to the site where it meets the Yamuna should be ensured. Some water should also be spared for PTR management including fire management.”



- B) No physical diversion of forest land will be allowed and no breaking up of forest land to be permitted.
- C) The project proponent has to pay NPV for the area, as applicable.
- D) The grant of permission under section 2(iii) of Forest (Conservation) Act 1980 will not confer any right on the project proponent for diversion under section 2(ii) of Forest (Conservation) Act 1980.
- E) The forest department will be free to manage the forest area as per normal management practices and working plan prescriptions
- F) State government to confirm complete compliance of the provision of FRA 2006 prior to executing/ granting forest area on lease.
- G) The permission is subject to confirmation of NPV amount for the area from Adhoc CAMPA.
- H) User agency shall pay penalty for drilling 13 wells, covering an area of 36.142 ha, without valid clearance under Forest conservation Act 1980.
- I) The user agency shall seek approval under section 2(ii) of FC Act for violations committed for drilling 13 wells covering a forest area of 36.142 ha .
- J) Since the User agency has violated the provisions of FC Act and Rules made thereof, the quantum of penalty shall be imposed and realised as per the recommendations of the committee, constituted for this purpose by the FAC and accepted by the competent authority in the ministry.

The State Government shall submit the revise map and area by excluding the area of Namdhapha tiger Reserve, National Park, Buffer zone of Namdhapha tiger reserve, Eco-sensitive zone area of the protected areas for execution of lease.

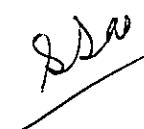
The file shall be processed and submitted to competent authority for approval on receipt of revised area of Petroleum mining lease along with DGPS coordinate and map.

Agenda No. 3

F. No. 8-38/2015-FC

Sub: Proposal for granting of permission under FC Act, 1980 towards re-grant of Kharsang Petroleum Mining Lease (PML) covering 9.94 sq. Km. (originally proposed 11.00 sq. Km) in favour of M/s Geo-Enpro Petroleum Limited falling in Changlang District of Arunachal Pradesh.

1. The above mentioned proposal was considered by the FAC in its meeting held on 16.05.2017 and the FAC, after examination of the proposal and discussion with user agency, observed as below:
2. The proposal was considered by FAC on 31.12.15 and 26.12.2016 and the FAC observed:
3. The Proposal is for granting of permission under FC Act, 1980 towards re-grant of Kharsang Petroleum Mining Lease (PML) under P&NG Rules 1959 covering 9.94 sq.



- Km. (originally proposed 11.00 sq. Km) in favour of M/s Geo-Enpro Petroleum Limited falling in Changlang District of Arunachal Pradesh.
4. The user agency M/s Geo-Enpro Petroleum Ltd., had proposed an area of 1100 ha (11.00 Sq. Km.) for grant of PML. However, after inspection of the site and verification of the boundary co-ordinates, the actual area was found to be 994 hectares (9.94 Sq. Km.) as per FSI's map (2009). However, no physical diversion is involved; proposal is towards grant of Kharsang. Petroleum Mining Lease to GeoEnpro Petroleum Ltd. only.
 5. Density of the vegetation is 0.7 in the scale of 0-1 as per detail below
 - a) Very Dense Forest - 86 ha
 - b) Medium Dense Forest - 466 ha
 - c) Open Forest - 275 ha
 - d) Non forest - 163 ha
 - e) Water body - 04 ha
 6. Enumeration of the trees is not done on the ground that the proposal is exclusively towards grant of Petroleum Mining Lease (PML) for the Kharsang PML block to Geo-Enpro Petroleum Ltd., without any involvement of physical diversion of forest land. After obtaining the PML, Geo-Enpro Petroleum Ltd will submit location-wise FC proposal(s) as and when required under the F(C) Act, 1980 for the forest land involved in its actual drilling & other activities requiring physical diversion of forest land.
 7. The proposed area does not form part of National Park, wildlife sanctuary, biosphere reserve, tiger reserve, elephant corridor, etc. Also, as stated, it does not have any rare/endangered/unique species of flora and fauna.
 8. No land for CA has been identified and no CA scheme has been submitted on the ground that no physical diversion of forest land is involved; the proposal is exclusively for re- grant of Petroleum Mining Lease (PML) for the Kharsang. PML block to Oil India Limited only.
 9. No information has been furnished by the state government regarding Rehabilitation of affected people.
 10. Cost benefit Ratio has not been calculated and submitted.
 11. Compliance of Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 has not been submitted.
 12. The forest land proposed for seeking prior approval of the central Government under Forest (Conservation) Act 1980 was carved out of the PML of the Oil India Limited in 1995 and a separate PML has been executed with effect from 1995 without obtaining the prior approval of the central Government under Forest (Conservation) Act 1980. This appears to be a violation case.
 13. The proposal has been recommended by the state government.
 14. **The FAC after thorough deliberation on 26.12 2016 had recommended that:**
 - a. The State Government may be requested to explain the reasons for execution of the PML in 1995 without obtaining prior permission of the central Government under Forest (Conservation) Act 1980. The state Government may also be asked to intimate the area under the non-forestry use since 1995 without obtaining the approval under Forest (Conservation) Act 1980
 - b. The regional office may carry out the inspection of the proposed area and submit the site inspection report clearly mentioning the area under non



forestry use since 1995 without obtaining the approval under Forest (Conservation) Act 1980

15. Accordingly, the State Government of Arunachal Pradesh and Regional Office was requested vide this Ministry's letter dated 19.01.2016 to furnish the information as sought on the recommendation of FAC in its meeting held on 31.12.2015.
16. With reference to para 14 (a) above State Government of Arunachal Pradesh vide their letter No. FOR.14-9/Cons/05/764-67 dated 16.06.2016 has given their reply stating that prior to execution of PML in 1995 the Oil India Ltd. has drilled 36 wells in the Kharsang Oil field of then Ningru lease area. Even the Department of Environment & Forests, GoAP, Itanagar, vide its letter no. FOR.433/Cons/86/Vol.-I (pt.)/9856-57, dated. 06th Feb 1997 provided the copies of the approval/ clearances letters issued by Govt. of India" pertaining to diversion of forestland in respect of different oil drilling locations in Arunachal Pradesh. It further says "the State Govt. awarded PML in 1995 to Oil India and the companies, since Oil India Ltd is a Govt. company, continued to be a dominant partner in the project and the fact that Oil India has been operating in this area since 1963, the requirement of prior approval of the Central Govt. under FC Act, 1980 was apparently not felt in 1995 .

As far as the area under the non-forestry used since 1995 without obtaining the approval under Forest (conservation) Act, 1980 is concerned, it is to inform that as per information available in this office & provided by M/s Geo Enpro Petroleum Ltd., the commercial production operation in Kharsang Oil field commenced in June 1980 from the 36 wells drilled by M/s Oil India Ltd till 1995. Thereafter, another 34 wells were drilled on the same diverted sites under the Forest (Conservation) Act, 1980 and a total of 70 wells are there at Kharsang Oil field covering an area of 136.171 ha at 44 locations.

17. With reference to para 14(b) above, the Site inspection report (SIR) has been carried on 03.03.2016 by Shri B.S.Kharmawphlang IFS, Chief Conservator of Forests (C), RO, Shillong accompanied by Shri Charndee Singh, Dy. MGR Operation Support, Shri Phupong Singpho, PR Engineering Civil, Shri R. Murali DGM(PROON) all of M/s Geo Enpro Petroleum Ltd, Shri C.Loma Divisional Forest Officer Nampong , and Shri T.Mali Range Officer Namphai, Government of Arunachal Pradesh, Forest Department for the proposal of permission under FC Act 1980 towards re-grant of Kharsang Petroleum Mining lease (PML) covering 9.94 sq.km (originally proposed 11.00 sq.km) in favour of M/s Geo Enpro Petroleum Limited falling in Changlang District of Arunachal Pradesh. The detail report are as under:

- i. **Legal status of the forest land proposed for diversion:**
Namchik R.F under Nampong Forest Division District Changlang
- ii. **Item wise break-up details of the forest land proposed for diversion:**
This is a mining lease proposed over an area of 9.94 sq.km, there is no breakup.
- iii. **Whether proposal involves any construction of buildings (including residential) or not. If yes details thereof.**
The area of 1.3347 sq km has been utilized by M/s Geo Enpro Limited for drilling wells, Office & Residential accommodation and roads, all these were transferred over by the Oil India Ltd.

Total cost of the project at present rates:



This is only a proposal for mining lease as submitted by the State Government of Arunachal Pradesh to the MoEF&CC which did not include the cost of the existing drilling wells, roads, accommodation etc.

Whether forest area proposed for diversion is important from wildlife point of view or not:

The Forest area may be habitat for some Wildlife spp as per the approved Working Plan of Nampong Forest Division in chapter (II)(B) the list of Wildlife spp is as per Annexure of Chapter II (B). However as mentioned in the proposal by the State Government the area is not important from the Wildlife point of view. In the area of 1.3347 Sq. Km and the part of the mining lease where tea garden and human settlement exist no wild life can be seen.

iv. Vegetation:

The vegetation of Namchik Forest consist is a typical three storied forest in which Hollong (Dipterocarpus, Macrocarpus and Mikai (Phoebe, attenuate and Pobe cooperiana mixedwith Gonsorai (cinnamum, sam (artocarpus, chaplasa, titasopa (michalia, champaka, pom a tuna ciliate, hoolock (terminalia myriocarpa) etc

As this proposal is for mining lease no felling is involved at present.

Total number of trees to be felled:

No trees were enumerated as it is a Mining Lease, however it was observed during the site visit that a large number of trees were felled for the growing of tea garden and settlement by the local people inside the Namchik R.F. The tea garden were seen to be maintained by the non-local people.

Effect of removal of trees on the general eco-system in the area:

The trees were felled for the establishment of the tea garden and construction of labourer huts by the local people, this has made the large forest area denude of any trees species, the shrubs and the ground cover was completely destroyed. The cultivation of tea requires a huge quantities of pesticides, fungicides which is directly affecting the soil and other micro- organism present in the reserved forest. Therefore, even when there is no felling of tress in the present proposal for the mining lease but the establishment of tea garden and encroachment has effect the forest eco-system in general.

v. Background note on the proposal: As per the information provided by Geo Enpro Petroleum Ltd and the State Government the status of the proposed Kharsang mining lease is in a Namchik Reserved Forest ia as follows.

- (a) Prior to 31.10.1980 twelve oil drilling wells with an area of 25.810 ha was with the Oil India Limited. These were transferred to the M/s Geo Enpro Petroleum Ltd by the Mining Lease Dated 21.10.1997 executed by the Deputy Commissioner, District Changlang, on behalf of the Governor of Arunachal Pradesh (Annexure-2) for twenty years by the Government of Arunachal Pradesh. It is to be mentioned here that the State Government did not sought the prior approval of the Central Government under the Forest (Conservation) Act 1980 which became effective from 31.10.1980.*
- (b) After 31.10.1980 Oil India Ltd obtained the approval for 27 drilling location having an area of 78.317 ha from 15.05.1982 to 04.09 1989. These were also transferred as per the mining lease granted by the State Government Dtd 21.10.1997.*

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- (c) (i) The Ministry vide letter No.11-79/2004-FC Dtd 03/11/2004 directed the Regional Office, Shillong to send the entire file along with all the documents related to diversion of 4.88 ha of forest land for Infill Drilling in favour of Geo Enpro Petroleum Ltd.
- (ii) As directed the file was sent to the Ministry by the Regional Office, Shillong vide letter No.8182/2003/RONEAP/2446 Dtd 09/11/2004. However the file was not returned by the Ministry till date.
- (iii) On the recommendation of the Forest Advisory Committee, In-Principle Approval was granted by the Ministry Vide letter No.8-12-82/2003/RONEAP(Vol-2) Dtd 25.01.2005.
- (iv) The Ministry vide letter No.8-12-82/2003/RONE-AP(Vol-2) Dtd 27.01.2005 (Annexure-6) Which reads as (2). It has been noted that the State Government of Arunachal Pradesh Geology & Mining Department has entered into two separate mining lease contracts over forest land without prior permission of the Central Government under the Forest (Conservation) Act, 1980, one with M/s Geo Enpro Ltd on 21.10.1997 w.e.f 16.06.1995 over an area of 11 Sq. Km for a period of 20 years which will expire on 15.06.2015, and another with M/s Oil India Limited on 12.09.1997 w.e.f 27.11.1983 over 551.668 sq km for a period of 20 years which has expired on 27.11.2003. According to Forest (Conservation) Act, 1980. No lease over forest land can be granted for non-forestry purposes without prior permission of the Central Government under the said Act.
- (v) In view of the above, the State Government is requested to revoke the above two petroleum mining leases signed in violation of the Forest (Conservation) Act, 1980 failing which, no further proposal for oil-drilling forwarded by the State Government shall be considered under the Forest (Conservation) Act, 1980.
- (vi) The State Government is also requested to enquire into the matter of leasing the forest land without prior permission of the Central Government under the Forest (Conservation) Act, 1980 fix responsibility for the same, and forward the Action Taken Report before sending the next proposal for oil-drilling.
- (vii) The Ministry on the basis of the State Government letter No.FOR.8-26/Cons/2001/20-22 Dated 04.02.2005 granted the final approval for diversion of 4.884 ha to M/s Geo Enpro vide letter No.8-12-82/2003/RONE-AP(Vol 2) Dtd 17.02.2005.
- (viii) The Department of Environment & Forests, Government of Arunachal Pradesh vide letter No.FOR.226/CONS/09/146-52 Dtd 29.05.2009 informed the Ministry that the Geology & Mining Department, Government of Arunachal Pradesh has not revoke the Mining lease.
- (ix) The MoEF & CC vide letter No.8-38/2015-FC Dtd 19.01.2016 which was received on 2/2/2016 direct the Regional Office to carry out the site inspection. No copy of the proposal was enclosed with the Ministry Letter. This office requested the State Government vide letter No.8-38/2015-FC/3078-79 Dtd 09/02/2016 to provide a copy of the proposal. No immediate respond was received but the copy of the proposal was received only on the date of inspection at Dibrugarh on 03/03/2016.

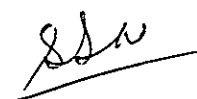


- (vi) **Compensatory afforestation:** Compensatory afforestation is not applicable at this juncture however it will be essentially required when the existing tea garden is cleared of the tea bushes to afforest the denuded forest area. The tea garden which is a non-forestry activity was raised by the local people inside Namchik Reserved Forest. The State Government did not take any action to prevent such large scale tea cultivation.
- vii. **Whether proposal involves violation of Forest (Conservation) Act, 1980 or not.**
If yes, a detailed report on violation including action taken against the concerned officials.
 Yes, this proposal involves the violation of Forest (Conservation) Act, 1980 as stated in the Ministry's letter No. 8-12-82/2003/RONE-AP(Vol-2) Dtd 27.01.2005.
The detailed action taken against the concerned officials by the State Government as per this Ministry's letter is not known to this office till date.
- viii. **Whether proposal involves rehabilitation of displaced persons.** If yes, whether rehabilitation plan has been prepared by the State Government or not:
 No, as this is a Reserved Forest there is no forest villages except encroached area by the local people.
- ix. **Reclamation plan:**
 Details and financial allocation: Details on catchment and command area under the project. Catchment area treatment plan to prevent siltation of reservoir.
 The forest area destroyed by the human settlements and tea garden requires to be reclaimed by planting trees species. The State Government will have to submit a detailed scheme for such reclamation.
- x. **Cost benefit ratio:** *Not Applicable at this stage on the proposal for mining lease.*
- xi. **Recommendations of the Principal Chief Conservator of Forests/State Government.** *As per the Part V of Proposal dated 17.11.2015.*
- xii. **Recommendations of Regional Chief Conservator of Forests (Additional Principal Chief Conservator of Forests) along with detailed reasons:**
 The recommendation of the Additional Principal Chief Conservator of Forests will be his forwarding letter to the Ministry.
- xiii. **Regional Chief Conservator of Forests shall give detailed comments on whether there are any alternatives routes/alignment for locating the project on the non-forest land:** This is a site specific proposal for oil drilling which had existed since 1967 by the Oil India Limited.
Numbers of Scheduled Caste/Scheduled Tribe to be benefited by the project: The State Government of Arunachal Pradesh has not mentioned any existing Forest Village in Namchik Reserved Forest, therefore there is no Scheduled caste/Scheduled Tribe to be benefited by the project. However, also the State Government did not mention such benefits for the Scheduled caste/Scheduled Tribe. But the Project will benefit the tribal of the Changlang District.
- xiv. **Whether land being diverted has any socio-cultural/religious value:**
 Whether any sacred grove or very old growth trees/forests exists in the areas proposed for diversion: No
Whether the land under diversion forms part of any unique eco-system: No

- xv. Situation w.r.t. any P.A.: This proposal is 20 km approximately away from the Namdapha National Park
- xvi. **Any other information relating to the project:**
- (i) The State Government while submission of the working plan for the Reserved Forests under Nampong Forest Division did not provide the factual information of the existence of the forest area occupied M/s Geo Enpro Petroleum Ltd.
 - (ii) The existence of the large areas of the tea garden was also not factual provide while formulation of the working plan.
 - (iii) Therefore the prescriptions under the various working circle can never be implemented in such compartment, where the tea garden encroached area and area occupied by the M/s Geo Enpro Petroleum Ltd. This is a serious withholding of factual information for the scientific management of forest and it attracts the Hon'ble Supreme Court Order in W. P (C) 202/1995 dt 12.12.1996 and dt 15.01.1998.
 - (iv) The proposal submitted by the Environment & Forests Department, Government of Arunachal Pradesh is totally silent on the compartment numbers of the proposed mining lease of 9.94 sq km.
 - (v) The Divisional Forest Officer, Nampong on the date of site inspection could not give any answer when he was asked to indicate in the forest the compartment proposed for the mining lease as per the approved Working Plan.
 - (vi) Also he could not answer, when asked the compartment numbers where the tea garden has been raised. The tea garden as per ocular estimation must had been planted ten years back approximately. The periphery area of the tea garden was travelled from one end to the other and G.P.S Co-ordinates were taken in the presence of the Divisional Forest Officer, Nampong.
 - (vii) There are also human settlements in the Reserved Forests which requires further investigation by the Divisional Forest Officer, Nampong.
 - (viii) He was directed to make a complete survey of the tea gardens and other if any and to submit it within seven days.
 - (ix) The names of the local people who had illegally felled the trees and raised tea garden was provided during the site inspection are (1) Shri. P.K Kimsing of Kharsang, (2) John Morsang of Injan (3) Mrs. K. Longri of Kharsang further investigation is essentially required to know the exact forest area used by the local people non-forestry purposes.
 - (x) The proposal for the mining lease in absence of the compartment number in Namchik Reserved Forest cannot be accepted as the boundary are not factually demarcated in the proposed area.
 - (xi) The area occupied by M/s Geo Enpro is depicted in a map not to scale. The oil drilling location details along with G.P.S Coordinates as provided by M/s Geo Enpro Petroleum Ltd.
 - (xii) The Commissioner (G&M) Govt. of Arunachal Pradesh, Itanagar vide Order No.DGM/ML/GEPL/2248/2014(Pt)/1478-82 Dtd 05.02.2016 has directed the stoppage of all works within Kharsang Oil Field carry out by M/s Geo Enpro Petroleum Ltd.
 - (xiii) The monthly production of crude oil for month of January 2016 was 42268.973 Cumulative Tonnes. The production from April 2016 to January



- 2016 and year wise from 1995-1996 to 2015-16 upto January 2016. The monthly production of crude oil for month of February 2016 was 4190 MT.
- (xiv) The M/s Geo Enpro Petroleum Ltd even after the issue of order by the Commissioner (G&M) Government of Arunachal Pradesh continued extraction of oil which is evident as per the Monthly Production.
 - (xv) The year wise Net Production Quantity from 1995-1996 upto 2015- 2016 (Upto February,2016) is 1193141.
 - (xvi) The Forest Area under Namchik R.F presently occupied by M/s Geo Enpro Petroleum Ltd is 136.171 ha. The Ministry has accorded approval for in filled oil drilling of 4.884 ha vide letter to M/s Geo Enpro vide letter No.8-12-82/2003/RONE-AP(Vol 2) Dtd 17.02.2005. So 131.171 ha + 2.1830 ha = 133.47 ha forest area where non-forestry activities is being carried out since 1995 without obtaining prior approval from Central Government. This was when the lease was executed and oil drilling location transferred from Oil India Ltd without the approval of Central Government when there was a changed in the User Agency.
 - (xvii) The other remaining forest area i.e. 9.94 sq km -1.334 sq km = 8.60 sq km is unbroken.
 - (xviii) From the document available the non-forestry used since 1995 without obtaining the approval under Forest (Conservation) Act,1980 (i) was the execution of the Mining Lease on 21.10.1997 on behalf of the Governor of Arunachal Pradesh by the Deputy Commissioner, Changlang. From the site inspection (ii) tea garden raised in this Reserved Forest by the local people and (iii) the encroachment of forest land by the local people, (iv) the extraction of oil by M/s Geo Enpro Petroleum Ltd by way of transferred of oil wells from Oil India Ltd which involves a change of user agency in the forest land was without prior approval of the Ministry of Environment & Forests. (v) continued extraction of oil after 05/02/2016 (vi) Crude oil extracted was 4190 mt this was after the order to stop all the works issued by the Commissioner (G&M) Government of Arunachal Pradesh, Itanagar Dated 05.02.2016 (vii) 30 additional wells were drilled and crude oil extracted without approval of MoEF under FC Act 1980.
 - (xix) The violation of the Forest (Conservation) Act, 1980 is thus the signing of the Mining Lease as mentioned at 5(a) above.
 - (xx) The action of the Deputy Commissioner on behalf of the Governor of Arunachal Pradesh is not only a violation of the Forest (Conservation) Act, 1980 but a serious violation of the Hon'ble Supreme Court Order in W.P (C) No.202/1995 Dated 12.12.1996.
 - (xxi) The Public Memorandum handed on 04.03.2016 signed by Smti. Korong Longri, ZPM, Kharsang and twenty two others claimed that the mining lease in Namchik R.F is their ancestral land (Annexure-12). Another Public Memorandum handed on 04.03.2016 (Annexure-13) signed by Smti. Korong Longri, ZPM, and nineteen others also claimed the mining lease in Namchik R.F is their ancestral land. From the content of these Public Memorandum only the State Government of Arunachal Pradesh may take necessary action as Reserved Forests is under its control, management as per the existing local Forest acts and Rules.



- (xxii) The State Government may take first priority in settling the claims of the local tribal people to avoid any legal complications, in case due merit is found.
- (xxiii) The Environment & Forests Department Government of Arunachal Pradesh must immediately ensure that prompt action is taken for the non-forestry activities viz tea garden and encroachments. These forest areas must be regenerated with tree species.
- (xxiv) The natural forests is completely destroyed by way of illegal felling for raising tea garden. The amount of fungicides and pesticides used in the tea garden seriously affected the soil, micro -organisms and also destroyed the habitats of birds and other wild life mammals.
- (xxv) The proposed forest land for re- grant of the mining lease have to be resurveyed again. (a) This is to ensure that there are no tea gardens or human settlements while giving approval under Section 2 of the Forest (Conservation) Act, 1980. (b) To ensure no complaints from the local people with regards to the Namchik R.F. (c) To ensure that no illegal payment of land compensation or tea garden in the reserved forests by M/s Geo Enpro Petroleum Ltd to the encroachers. (d) To ensure that there are no legal complications from the local people as evident from the public memorandum submitted by the local people as per. (e) The proposed forest area for re grant of the Mining Lease must be depicted in a map alone' with compartment numbers. (f) Post Ex-facto approval for the 30 wells drilled without prior approval under FC Act 1980 as mentioned at Six^o 18 may be considered by the Ministry with penalty.
- (xxvi) The GPS co-ordinates of the Tea Gardens reference were plotted in the D.S.S and the map showing the locations of the tea garden inside Namchik R.F and within the mining lease of 9.94 sq.km.
- (xxvii) Photographs taken during the site visit are enclosed for reference in the site inspection

18. Recommendation of FAC in its meeting held on 26.12.2016: FAC after through deliberation recommended that:

- (i) It is observed that there has been continuous violation of the provision of Forest Conservation Act, 1980. State Government to fix the responsibility of the officials responsible for violation and report the names to the Regional Office, Shillong.
- (ii) Regional Office, Shillong shall take action against the responsible officials under section 3 A and 3 B of Forest Conservation Act, 1980.
- (iii) The State Government to ensure that the non-forestry works being carried out on the forest land in violation of the provision of Forest Conservation Act, 1980 shall be stopped immediately.
- (iv) Impact Assessment Division of MOEF and CC shall be informed about the operation being carried out in violation of the provision of Forest conservation Act 1980 by the user agency.

19. Accordingly the State Govt. of Arunachal Pradesh was requested vide this Ministry's letter dated 12.01.2017 to furnish the information as sought on the recommendation of FAC. The State Govt. vide their letter no. FOR.14-9/Cons./2005/234 dated 21.03.2017



has submitted their response. The details of information sought by MoEF&CC and reply thereof are given in below table:

S. No.	Observation of the FAC	Submission of the State
1.	It is observed that there has been continuous violation of the provision of Forest (Conservation) Act, 1980. State Government to fix the responsibility of the officials responsible for violation and report the names to the Regional Office, Shillong.	In this regard, it is reported by the State Govt. that the explanations on violation of FC Act, 1980 were sought from concerned CCF/DFO and the Dept. of Geology & Mining, Govt. of AP, being nodal department for regulating mining. In reply, the Dept. of Geology & Mining has submitted that the State Govt. awarded PML in 1995 to Oil India and other companies. Since Oil India Ltd. as a Govt. company, continued to be a dominant partner in the project and as Oil India has been operating in this area since 1963, the requirement of prior approval of the Central Govt. under FC Act, 1980 was apparently not felt in 1995.
2.	Regional Office, Shillong shall take action against the responsible officials under section 3A and 3B of Forest (Conservation) Act, 1980.	The CCF, SAC Deomali has submitted that mining of petroleum product in notified forest without prior approval from 1995 onward is not true and no any officer who were DFO Nampong division from 1995 onward be made responsible for entry of M/s Geo Enpro Petroleum Ltd in Kharsang Oil Field.
3.	The State Govt. to ensure that the non-forestry works being carried out on the forest land in violation of the provision of Forest (Conservation) Act, 1980 shall be stopped immediately.	In this regard, it is reported by the State Govt. that it has been informed by the user agency that the stoppage of work shall adversely impact the production of crude Oil from Kharsang Field as the restoration of the production to the current levels (1000 BOPD) may not be possible since there is high likelihood of permanent damage to the reservoir, which will be detrimental to all the parties concerned including, the State Govt. It is also submitted that M/s Oil India Limited had drilled a total of 36 wells in Kharsang Oil Field prior to 1995 and M/s Geo Enpro has drilled another 34 wells till date either on already FC cleared locations of M/s Oil India Ltd or on FC cleared location of M/s Geo Enpro Ltd (except 5 wells). It is gathered from the location-wise summary statement that non-forest activities are being carried out at 45 locations, of which 13 location covering 37.750 ha were

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		<p>broken prior to 1980. Of the remaining 32 locations, 25 locations have FC clearances as indicated against sl. no, 1421 & sl. no. 29-45 covering an area of 99.631 ha.</p> <p>The records maintained in our office reveal that only 7 locations covering an area of 5.318 ha do not have valid FC clearance. M/s Geo Enpro has submitted that these 7 locations were identified prior to 1995 by M/s Oil India Ltd before taking over of the Kharsang oil field by M/s Geo Enpro.</p> <p>In view of the above, it is requested to kindly permit regularization of these 7 locations (with 6 oil producing wells) by imposing penalty under Penal CA or as deemed fit by MoEF&CC.</p>
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In addition to the above, it is also reported by the State Govt. that the Kharsang Oil Field was awarded by Govt. of India on 16th June 1995 to a consortium of companies comprising of M/s (Geo Petrol International, M/s Jubilant Energy (Kharsang) Private Limited & M/s Geo Enpro Petroleum Limited on Production Sharing Contract (PSC) for carrying out petroleum Operations and activities ancillary thereto. Accordingly, the State Govt. granted and/or executed the Petroleum Mining Lease (PML) with consortium of companies on 21st October 1997 (effective from 16th June 1995) for a term of 20 years, extendable for further period up to but not exceeding 35 years in accordance with the production sharing contract. At present around 35 wells are on production at Kharsang Field producing around 1000 BOPD.

It is also mentioned by the State Govt that the PML only permits rights over oil deposits to the User Agency and does not grant any surface right over the land. As a result, over the years some of the PML area has been encroached upon by the schedule tribe population of the State. The regularization of encroachments are under active consideration of the State Govt. As the regularization process is a time consuming activity, the outcome of this exercises will be intimated in due course of time after the receipt of report from concerned DFO & DC.

20. With regard to recommendation of FAC at para 2(b), the Regional Office, Shillong vide their letter no. 8-38/2015-FC/236-237. Dated 19th April, 2017 informed that in pursuant to Ministry's direction, this office has written to the State Government of Arunachal Pradesh vide letter dated 27/03/2017 requesting the state Government to submit detailed report on the violation as per Ministry's letter dated 07/12/1999 & Regional Office guideline for reporting violation dated 28.12.2006 in a self-contained note and supported by requisite documents, including particularly the names and designations of the officials/persons, present posting etc. who are prima-facie responsible for the contravention of the Act within a period of one month from the date of issue of this letter for contravention of the Act within a period of one month from the date of issue of this letter for further processing .

Recommendation of FAC

After thorough deliberation FAC recommended the proposal for approval under section 2(iii) of Forest (Conservation) Act 1980 with general, standard and following specific conditions:

- A) No physical diversion of forest land will be allowed and no breaking up of forest land to be permitted.
- B) The project proponent has to pay NPV for the area, as applicable.
- C) The grant of permission under section 2(iii) of Forest (Conservation) Act 1980 will not confer any right on the project proponent for diversion under section 2(ii) of Forest (Conservation) Act 1980.
- D) The forest department will be free to manage the forest area as per normal management practices and working plan prescriptions
- E) State government to confirm complete compliance of the provision of FRA 2006 prior to executing/ granting forest area on lease.
- F) The permission is subject to confirmation of NPV amount for the area from Adhoc CAMPA
- G) Approval under section 2(ii) for the 30 wells drilled without prior approval under FC Act 1980 shall be obtained.
- K) User agency shall pay penalty for drilling oil wells, without valid clearance under Forest conservation Act 1980
- H) Since the User agency has violated the provisions of FC Act and Rules made thereof, the quantum of penalty shall be imposed and realised as per the recommendations of the committee, constituted for this purpose by the FAC and accepted by the competent authority in the ministry
- I) Action shall be initiated against the erring officials by the state government for transferring and executing lease in 1997 w.e.f 1995. Without prior approval of MOEF&CC
- J) User agency shall pay the lease transfer charges as per the procedure laid down in ministry's guideline related to lease transfer. These charges shall be 5 times to the actual charges proposed in the guidelines.
- K) No new oil wells shall be drilled in PML area without approval under section 2(ii) of Forest Conservation Act 1980.
- L) The proposed forest land for re-grant of the mining lease has to be resurveyed again. and the state government to ensure that
 - a. There are no tea gardens or human settlements while giving submitting proposal under Section 2 (ii) of the Forest (Conservation) Act, 1980.
 - b. No complaints exist from the local people with regards to the Namchik R.F.
 - c. That no illegal payment of land compensation or tea garden in the reserved forests has been given by M/s Geo Enpro Petroleum Ltd to the encroachers.
 - d. That there are no legal complications from the local people as evident from the public memorandum submitted by the local people as per.
 - e. The proposed forest area for re-grant of the Mining Lease must be depicted in a map alone' with compartment numbers.

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