

REGD LETTER

15 MAY 2007



भारत सरकार
पर्यावरण एवं वन मंत्रालय
पूर्वोत्तर क्षेत्रीय कार्यालय
GOVERNMENT OF INDIA
MINISTRY OF ENVIRONMENT AND FORESTS
NORTH EASTERN REGIONAL OFFICE

No. 8-85/2006/RONE-AP/ 256

Dated: 3.5.2007.

To,

Director General of Forests
Ministry of Environment & Forests
Govt of India, Paryavaran Bhawan,
C.G.O Complex, Lodhi Road,
New Delhi. 110 003.

Subj: Diversion of 540.668 sq.km of forest land for Petroleum Mining Lease at Ningru Area under Lohit and Changlang District of Arunachal Pradesh - site inspection report regarding

Reference: Ministry's letter No.8-118/2006-FC, Dated: 12th October 2006.

Sir,

In inviting reference to the subject and your letter cited above, this is to inform that Site Inspection of the area concerned has been carried out by DCF(C) of this office on 21.3.2007, followed by discussion with representative of the User agency in this office. Brief summary on the proposal is as follows:-

1. Grant of Mining Lease, in favour of OIL India Limited, for an area measuring 551.668 sq.km in Ningru area in the then Tirap District (Now Lohit and Changlang Districts) of Arunachal Pradesh, was accorded by the Ministry of Energy (Department of Petroleum) under Petroleum & Natural Gas Rules, 1959, vide their letter dated 28.11.1984, for a period of 20 years with effect from 27.11.1983, without having forestry clearance under Forest(Conservation)Act, 1980.
2. Out of 551.668 sq.km covering the areas of Manabhum, Kumchai and Kharsang, an area of 11.0 sq.km falling in Kharsang area was further transferred in favour of M/s Geo-Enpro Petroleum Ltd, Hence Lease area in respect of OIL India Ltd reduced to 540.668 sq.km.
3. Accordingly the State Govt entered into two separate petroleum mining lease contracts: one with M/s OIL India Ltd on 12.9.1997 w.e.f 27.11.1983 over 551.668

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sq.km for a period of 20 years which has expired on 27.11.2003., and another with M/s Geo-Enpro Limited on 21.10.1997 w.e.f 16.06.1995 over an area of 1.1 sq.km for a period of 20 years which will expire on 15.06.2015.

4..The validity of the Mining Lease expired on 26.11.2003. As per the Petroleum & Natural Gas Rules, OIL India Ltd applied to the State Govt of Arunachal Pradesh for re-grant of Mining Lease on 28.9.2002. In turn, Govt of Arunachal Pradesh sent its recommendation to the Ministry of Petroleum & Natural Gas, Govt of India on 21.8.2003, accordingly, Ministry of Petroleum & Natural Gas accorded its approval on 23.01.2004.

6. As the Petroleum Mining Lease contracts over Forest land entered into by the by the State Govt and the two companies were without prior approval of the MOEF under FC Act, 1980, hence MOEF asked the State Govt of Arunachal Pradesh to revoke the Lease Deeds executed for the purpose, vide moEF letter No.8-12-82/2003/RONE-AP(Vol.2),dated 27th January 2005.
7. Accordingly, Govt of Arunachal Pradesh directed Oil India Ltd on 8.9.2004 to resubmit the proposal in the prescribed format under FC Act. In compliance to that Oil India Ltd submitted the proposal on format-B in respect Ningru Mining area covering 540.668 sq.km, with the plea that the proposal is for re-grant/renewal of Mining Lease, which was forwarded by the State Govt to the MOEF, vide State Govt letter No.FOR.14-8/CONS/03/343-46 dated.22.09.2006.

It may be mentioned that, in the past starting from 1982 till 1994, OIL India Ltd has obtained prior approval of Central Govt for diversion of of forest land under FC Act for 14 number of separate proposals , covering a total area of 108.659 ha (1.08 sq.km) for exploratory drilling and setting up of other allied infrastructures, which are located within the Ningru Mining Lease area, the list of which is enclosed in the instant proposal submitted to the Ministry. However some of the diverted area now comes under the Mining Lease area of M/s Geo-Enpro Petroleum Ltd as stated in the para no.2.

Subsequently, approval under FC Act have also been obtained by OIL India Ltd, for 2D Seismic Survey operations for petroleum exploration in Namchik -Namphuk RF covering an area of 194 sq.km, and also for Seismic Survey operations for petroleum exploration in Manabhun, Noa Dihing, Namsiai, Koriapani, Kotha and Miao RF covering an area of 9250 ha(92.5 sq.km), vide MOEF letter dated 24.8.2006 and dated 24.11.2005 respectively. It is reported by OIL India Ltd that the area covered by the above cited approvals partially covers the area of the present proposed area for Ningru Mining lease.

The legal status of land is Reserved Forests. The proposed area is about 30 km away from the boundary of Kamlang Wildlife Sanctuary and about 80 km away from the boundary of Namdapha National Park. As per the inspection report the area is having fairly dense vegetation, however some human settlements and cultivations by some tribals in certain pockets are also observed, as may be seen in the photographs enclosed.

OIL India Ltd reported that it has a very ambitious plan to accelerate the exploration work in these areas in the next 20 years. They stated that though the entire

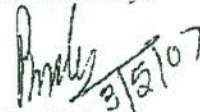
area of 540.668 sq.km will be required for the hydro carbon exploration which is a continuous process. the actual requirement of forest land for exploratory drilling purpose (where diversion of forest will be required) can only be determined after the interpretation of the seismic survey data. For the actual requirement of forest land for diversion, a separate proposal would be submitted by them for obtaining prior approval of the competent authority under FC Act as they had done in the past.

In the light of the explanation given in the foregoing paras, it may be understood that the instant proposal is a request for permission from this Ministry for exploration of hydrocarbon by the User Agency, which may include seismic survey and other geophysical surveys in the proposed area of 540.668 sq.km, as the permission from this Ministry has been made mandatory prior to obtaining Grant of Mining Lease from the concerned Ministry and State Govt.

Hence, it is requested that Ministry may consider the proposal for permission for the exploration of Hydrocarbon. An Inspection note is also enclosed herewith for the needful.

Encl: As stated above.

Yours faithfully,



(Shri. B.N. JHA)

Chief Conservator of Forests (Central)