

Sub: Proposal for seeking prior approval of the Central Government under Section – 2(iii) of the Forest (Conservation) Act, 1980 for grant of petroleum mining lease (PML) over 540.0668 Sq Km (5400668 Ha.) of forest land in favour of Chief Engineer, Oil India Limited, Duliajan in Ningru extension Block, Changlang District in the State of Arunachal Pradesh .

The above mentioned proposal was considered by the FAC in its meeting held on **09th & 10th November, 2016** and the FAC, after examination of the proposal and discussion with user agency, observed as below:

1. The State Government of Arunachal Pradesh vide their letter no. FOR.642/Cons/2015/1711-13 dated 18.12.2015 submitted the above mentioned proposal seeking prior approval of the Central Government under section 2(iii) of Forest (Conservation) Act, 1980.
2. The Ministry of Petroleum and Natural Gas, Government of India has re- granted lease under rule 5(I)(ii) of the Petroleum and Natural Gas rules, 1959 (as amended from time to time) to Oil India Limited over the Ningru Extension Block vide their order no. 0-12012/60/2003-ONG/D-IV dated 23.01.2004.
3. Proposal is exclusively for issuance of Petroleum Mining Lease (PML) for the Ningru Extension PML block without inviting any physical diversion of forest land in accordance with the CEC report dated 25.02.2014 and order dated 8.08.2014 of the Hon'ble Supreme Court of India and also in accordance with the MoEF&CC's Guidelines dated 24.06.2015. The State Government, based in the eco-class and density of forest worked out the 2% NPV to the tune of Rs. 94,24,84,642/-.
4. The State Government has recommended the proposal for approval of the Central Government without any specific condition.
5. The Government of Arunachal Pradesh vide their letter dated FOR 14-8/Cons/03/343-46 dated 22.09.2006 was submitted a proposal for diversion of 54066.80 ha of forest land seeking prior approval of the Central Government under the Forest (Conservation) Act, 1980 in favour of the same user agency. It had been indicated in the said proposal that entire area of 54066.80 ha will be required for Hydrocarbon exploration (which is a continuous) process. The actual requirement of forest land for exploration drilling can only be determined after the interpretation of seismic survey data. A separate permission/clearance will be obtained from the competent authority under the Forest (Conservation) Act, 1980 for the diversion of forest land for exploratory drilling.
6. The Regional Office, Shillong, vide its letter no. 8-85/2006/RONE-AP/256 dated 3.05.2007 reported that the area is having fairly dense vegetation, however, some human settlements and cultivations by some tribal in certain area was also observed.
7. The proposal along with the site inspection report submitted by the Regional Office, shilling was considered by the FAC in its meeting held on 3rd July, 2007 and after considering the various issues mentioned in the proposal as well as site inspection report of the Regional Office, the Committee desired that a presentation may be made by the Nodal Officer (FC) of the State Government and the user agency before the FAC in its next meeting. Recommendation of the Forest Advisory Committee was communicated to the State Government vides this Ministry's letter of even number dated 25.07.2007.
8. **It is observed that the compliance of Scheduled Tribe and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 has not been given.**
9. **Subsequently, the proposal was discussed in the meeting of the FAC held on 9th August, 2007 and the Committee heard the view of user agency in the presence of Nodal Officer.** After examining the relevant aspects, the Committee advised the project proponent to consult the Principal Secretary (Forests) and the PCCF, as well as the Nodal Officer of the State Government and to bifurcate the proposal according to the requirement of forest land and to submit separate proposals, one for exploration and another for diversion of forest land for oil well drilling, infrastructure facilitates, etc. *Recommendation of the Forest Advisory Committee was communicated to the State Government vide this Ministry's letter of even number dated 19.09.2007.*

10. It is also noted by the committee that the project proponent has filed an IA in the Supreme Court praying for exemption of NPV. The Hon'ble Supreme Court, based on the recommendation of the CEC report, vide its order dated 8.8.2014 in I.A. No. 3627 in W.P. (C) No. 202/1995 directed as under:

"Learned counsel representing the applicant states that the conclusions drawn by the Central Empowered Committee (CEC) in its Report dated 25.02.2014 is acceptable to the applicant and that the applicant will make the payment in terms of the determination rendered in paragraph 9 of the Report within four weeks. In view of the statement made by the learned counsel for the applicant, I.A.No.3627 stands disposed of."

11. As per the report of CEC dated 25.02.2014 and above-mentioned order of the Hon'ble Supreme Court, OIL is ready to pay the notional NPV amount at the rate of 2% of the estimated NPV of Rs 3700 crore for renewal/grant of the petroleum mining leases falling in reserved forests with fairly dense vegetation, as and when the demand for such payment is raised by the competent authority.
12. The FAC discussed the above proposal in its meeting held on 31.12.2015 and noted as below:
- i. Proposal of the State Government submitted vide their letter no. FOR.642/Cons/2015/1711-13 dated 18.12.2015 is exclusively for prior approval of the Central Government under Section – 2(iii) of the Forest (Conservation) Act, 1980 for issuance of Petroleum Mining Lease (PML) for the Ningru PML block without inviting any physical diversion of forest land in accordance with the CEC report dated 25.02.2014 and order dated 08.08.2014 of the Hon'ble Supreme Court of India and also in accordance with the MoEF&CC's Guidelines dated 24.06.2015.
 - ii. The State Government, based in the eco-class and density of forest worked out the 2% NPV to the tune of Rs. 94,24,84,642.
 - iii. Legal status of the land proposed for assignment of the Petroleum Mining Lease is Reserve Forest under Nampong Forest Division (343.397 Sq Km or 34339.7 ha) and Namsai Forest Division(197.271 Sq Km or 19727.1 ha)
 - iv. However, no physical diversion is involved; proposal is towards grant of Ningru Petroleum Mining Lease to OIL only.
 - v. Density of the vegetation is 0.7 in the scale of 0-1 as per detail below
 - a. Very dense Forests - 11,151.986 ha
 - b. Moderately Dense - 19,927.731 ha
 - c. Open Forests - 22,482.521 ha
 - d. Water Body - 504.563 ha
 - vi. Enumeration of the trees is not done on the ground that the proposal is exclusively for grant of Petroleum Mining Lease (PML) for the Ningru PML block to Oil India Limited (OIL) without any involvement of physical diversion of forest land. After obtaining the PML, OIL will submit location-wise FC proposal(s) as & 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.
 - vii. 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.
 - viii. 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 towards grant of Petroleum Mining Lease (PML) for the Ningru PML block to Oil India Limited only.
 - ix. The Ningru Block, which covers 540.668 Sq Km of forest land in Arunachal Pradesh and a part of above province, have been identified to be potential areas for hydrocarbon resources and accordingly awarded to OIL by Govt. of India under nomination basis for its Hydrocarbon Exploration & Production (E&P) activities. As, such, the area cannot be changed.
 - x. No displacement of people is involved.
 - xi. The State Government has recommended the proposal for approval of the Central Government without any specific condition.

- xii. The original proposal was submitted by the Government of Arunachal Pradesh vide their letter dated FOR 14-8/Cons/03/343-46 dated 22.09.2006 for diversion of 54066.80 ha of forest land. As per the site inspection report of this proposal submitted by the Regional Office, Shillong, vide its letter no. 8-85/2006/RONE-AP/256 dated 3.05.2007 Regional office had reported that the area is having fairly dense vegetation, however, some human settlements and cultivations by some tribal in certain area was also observed.
- xiii. The original proposal for diversion of the forest land was discussed in the meeting of the FAC held on 9th August, 2007. After examining the proposal the Committee advised the project proponent to consult the Principal Secretary (Forests) and the PCCF, as well as the Nodal Officer of the State Government and to bifurcate the proposal according to the requirement of forest land and to submit separate proposals, one for exploration and another for diversion of forest land for oil well drilling, infrastructure facilitates, etc. Recommendation of the Forest Advisory Committee was communicated to the State Government vides this Ministry's letter of even number dated 19.09.2007.
- xiv. The State Government, vide their letter no. FOR 14-8/Cons/03/Part/8016-18 dated 24.12.2013, in compliance to above recommendations of the FAC, submitted
- xv. Proposal No.1in Form-'B' meant for seeking prior approval under Section-2 for renewal of leases which have been earlier granted clearance under Forest (Conservation) Act,1980.It is mentioned that 54023.09 ha .(out of total 54066.80 ha) under Ningru Mining Lease area is required for OIL exploration related activities in Mining Lease areas where no diversion of forest- land for non-forest purposes is immediately required.
- xvi. Proposal No. 2 in Form-'A' meant for seeking prior approval under Section-2 of the Forest (Conservation) Act, 1980 for diversion of 43.713 ha of forest land in the Ningru Mining Lease area (i.e. 54066.80 ha) is submitted for drilling location "Loc-NMA".
- xvii. In the meantime, the project proponent filed an IA in the Supreme Court praying for exemption of NPV. The Hon'ble Supreme Court, based on the recommendation of the CEC report, vide its order dated 8.8.2014 in I.A. No. 3627 in W.P. (C) No. 202/1995 directed as under:
 - a. *"Learned counsel representing the applicant states that the conclusions drawn by the Central Empowered Committee (CEC) in its Report dated 25.02.2014 is acceptable to the applicant and that the applicant will make the payment in terms of the determination rendered in paragraph 9 of the Report within four weeks. In view of the statement made by the learned counsel for the applicant, I.A.No.3627 stands disposed of."*
- xviii. Subsequently the Oil India Limited intimated that as per the report of CEC dated 25.02.2014 and above-mentioned order of the Hon'ble Supreme Court, OIL is ready to pay the notional NPV amount at the rate of 2% of the estimated NPV of Rs 3700 crore for renewal/grant of the petroleum mining leases falling in reserved forests with fairly dense vegetation, as and when the demand for such payment is raised by the competent authority.
- xix. In light of directions contained in the Hon'ble Supreme Court order dated 8.08.2014 and on the request of the State Government the matter was taken up in the Ministry and after thorough consultation with the State Government and the user agency the MoEF&CC vide its letter dated 24.06.2015 has issued Guidelines streamlining the procedure for grant of approval under the Forest (Conservation) Act, 1980 for Petroleum Mining Leases under Petroleum and Natural Gas Rules 1959.
- xx. New Petroleum Mining Lease has been executed with effect from 2003 after the expiry of old mining lease which were effective from 1983 to 2003. However no prior approval of the Government of India was obtained before the execution of the PML. The petroleum production in the area proposed for assignment by way of Petroleum mining lease is in progress. Therefore this is a violation case.

13.The FAC in its meeting held on 31.12.2015 after thorough deliberation recommended that :

- a. Considering the violations observed by the FAC the state government may be asked to explain the reasons for the execution of the PML 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 2003 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 2003 without obtaining the approval under Forest (Conservation) Act 1980.
 - c. The state government may also submit the detailed DGPS maps of the area under non forestry use of forest land as well as lease area.
14. The State Government of Arunachal Pradesh vide their letter no. FOR.14-8/Cons/20063/Part /291-93 dated 10.03.2016 submitted the requisite information as sought vide this Ministry's letter dated 19.01.2016 on the recommendation of FAC in its meeting held on 31.12.2015.
15. The forest land proposed to be diverted has been **inspected by Shri B.S. Kharmawphlang, Addl. Chief Conservator of Forests (Central), Regional office (North East Zone), Shillong.** During the Site Inspection of the 540.668 sq km it was observed that a large area has been occupied by the people for settlement and cultivation. To ensure that the Mining Lease of 540.668 [sq.km](#) of forest land is free from encroachment and occupation by various Department of Government of Arunachal Pradesh and other people a detailed survey is to be carried out under the supervision of an Officer not below the Chief Conservator of Forests , Government of Arunachal Pradesh.

In the proposal for mining lease for 540.668 [sq.km](#) only the names Manabhum R.F, Miao R.F, Namphuk R.F, Namchik R.F are mentioned in the SOI Toposheet submitted along with the proposal. The other R.F namely Tengapani, Diyun, Honkap, Namgoi and Rima were not mentioned in the SOI Toposheet showing the 540.668 [sq.km](#) proposed mining lease. No compartment numbers were either depicted in this map with G.P.S-Cordinate authenticated by the Divisional Forest Officer. This clearly reflected that proper site identification by the field officers as per the Approved Working Plan of Namsai and Nampong has not been carried out. Therefore the entire exercise of survey, demarcation and to determine the forest land illegally occupied by the people and State Government area and forest area is to be carried out again.

In case the forest area under the mining lease is illegally occupied by the people and various Department Government of Arunachal Pradesh immediate action is to be taken or the NPV is to be paid by the Government of Arunachal Pradesh.

After the State Government takes immediate action for the illegal encroachment in Reserved Forest by the local people and Ministry may consider the mining lease

16. The proposal was again placed in FAC meeting held on 03.05.2016 and after thorough deliberation recommended that:

- i. The state government shall provide the details of approval under FC Act 1980, if any obtained for execution of lease deed in year 1997 for a period of 20 years with effect from 1983 to 2003. It may also be clarified if any well was operating in the area after expiry of lease in 2003.
 - ii. The State Government shall also provide its comments on the observations contained in the Site Inspection Report of the Regional Office of the MOEF & CC
17. The State Government, vide their letter no. FOR.14-8/Cons/2003/Part/1289-91 dated 26.08.2016 has submitted point wise reply of the Ministry's letter dated 26.05.2016 on the recommendation of FAC. The reply is reproduced below:

Point no. 1: *The state government shall provide the details of approval under FC Act 1980, if any obtained for execution of lease deed in year 1997 for a period of 20 years with effect from*

1983 to 2003. It may also be clarified if any well was operating in the area after expiry of lease in 2003:

It is reported by the State Govt. that out of 27 drilling locations identified by M/s Oil India Limited in the above PML area so far, drillings were done at 14 locations only (location details at Annexure-I (Of these 14 locations, FC clearance was obtained in respect of only 1 location i.e., for well at L. no. 5 (KMC-5 / KUF of Annexure-I the FC clearances in respect of other 13 drilling locations were not obtained. It is however, submitted that no mining activity or any other surface activity are going on at these locations since 2003 except only one well (KMC-13 at S.1 no. 13 of Annexure-I which is currently operating in the area. This well KMC-13 (location-KUAK) does not have FC clearance. Copy of the site inspection report duly signed by the representative of M/s Oil India Ltd is also submitted for perusal. It is also submitted that out of 136.123 ha forest land identified for non-forest use at 27 locations in Ningru Block, 59.59 ha was broken prior to 1980. Of the remaining 76.533 ha of forest land, mining / other surface activity are going on since 2003 except involving 3.1 ha forest land at well no. KMC -13 (KUAK/KUB) However, 11 FC approvals including 08. In-Principle and 03 final (covering 11 drilling locations and measuring 40.391 ha of forest) were obtained.

Point-2 The State Government shall also provide its comments on the observations contained in the Site Inspection Report of the Regional Office of the MOEF & CC.

Reply of State Govt.: In this regard it is informed by the State Govt. that the detail survey of the area has been undertaken by the DFOs concerned and it may take some time to complete the entire exercise as per the observations of the Regional CCF in its SIR. In the meantime, M/s OIL has been pressuring the State Govt. for pursuing the matter with the Central Govt. for re-grant of PML to enable them to set up the 10 MW gas based thermal power plant in Changlang district of Arunachal Pradesh. The state government has just forwarded the comments of OIL which are as follows:

- I. OIL has been operating in the Ningru area of Arunachal Pradesh since 1963 originally on the strength of Petroleum Exploration License (PEL) and thereafter on the Petroleum Mining Lease (PML) w.e.f. 27.11.1983 for a period of 20 years.
- II. The surface right issue, viz. various Govt. establishments, towns, villages, encroachments, etc., within the Ningru block had never come up and linked to the grant of PEL in 1963 as well as during the grant of the PML from 1983 to 2003. when such establishments, towns, villages, etc. co-existed within the block area.
- III. Grant of PML does not automatically authorize the lessee to alter the surface position & undertake non-forestry activities in the PML area and the onus of the block does not lie with the lessee.
- IV. In PML granted under Petroleum & Natural Gas Rules, 1959 (PNGR 1959) which normally covers a large area, only a very small area comprising hardly 1-2% of total PML area is usually diverted for lessee's drilling, production and other allied activities.
- V. Re-grant of the Ningru PML will not authorize OIL to directly take up non-forestry activities within the PML block; it will give OIL only the Preferential Right without any Surface Right over the block area.
- VI. OIL will have to obtain FC clearances under section 2 (ii) of FC Act, 1980 for each and every piece of forestland required for its drilling, production and other allied activities.
- VII. Unlike mining lease granted under MMDR Act, 1957, in PML granted under PNGR, 1959 the onus of the block does not lie with the lessee and as such all other activities of day to day common life including settlements of villages, towns, habitations, cultivations, etc., including encroachment, if any, can co-exist as surface rights within the block area.
- VIII. As per MoEF&CC's guidelines dated 07.10.2014. Conditions which are beyond the control of User Agency must not be linked to the grant of approval under F Act, 1980 to any specific project. Since, OIL does not have any various government establishments

town, villages, encroachments etc. 1.1:IT. the block the same should not be linked with approval under F (Conservation) Act. 1980 towards re-grant of the PML.

18. Recommendation of FAC: After thorough deliberation FAC recommended providing following information. Till such time the proposal remain deferred.

- i. The proposed area for petroleum mining Lease appears to be in Namdapha Tiger reserve when seen on DSS. Comments of NTCA shall be sought.
- ii. The State Government shall provide specific comments on the Site Inspection Report (SIR) on Regional Office of the MoEF&CC.
- iii. State Government shall submit complete compliance on Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 in accordance with Ministry's guidelines dated 03.08.2009 read with 05.07.2013.

19. The above recommendation of the of FAC was communicated to State Government and NTCA vide this Ministry's letter dated 14.12.2016 (**Pg.368-369/c**) for compliance.

20. The point-wise reply as given by the State Govt. of Arunachal Pradesh vide their letter no. FOR.14-8/Cons/2003/Part/292-95 dated 07.04.2017 on the Ministry's letter dated 14.12.2016 are as follows:

S. No.	The observation of the FAC	Submission of the State
I.	The proposed area for Petroleum Mining Lease to be in Namdapha tiger Reserve which seen on DSS. Comments of NTCA shall be sought.	In this regard it is reported by the State Govt. that the MoEF&CC issued a Gazette Notification dated 08.12.2015 declaring Namdapha Tiger Reserve Eco-Sensitive Zone (ESZ) covering an area of 4314.30 ha with boundary descriptions. On superimposition of this boundary over the proposed PML area of 540.668 sq km, it is noted that about 495.99 ha of this eco-sensitive zone is falling inside the proposed PML area. The Matter was taken up with the M/s Oil India Ltd. and the UA has agreed to exclude this area of 495.99 ha from the proposed PML of 540.668 sq km (copy of letter dated 03.01.2017 of M/s Oil is enclosed for ready reference at Annexure-I pg. 375-376/c). <u>After exclusion of this area from the PML, the revised area of the PML becomes 535.7081 sq km.</u> Accordingly, revised map of PML is also prepared and enclosed for perusal.
II.	The State Government shall provide specific comments on the Site Inspection Report (SIR) on Regional Office of the MoEF&CC.	In this regard it is reported by the State Govt. that the original Ningru PML block covers an area of 540.668 sq km (54066.80 ha) partly in Namsai (Erstwhile Lohit) and partly in Changlang Districts of Arunachal Pradesh.

- a. Namsai Forest Division (Namsai district) - 197.2713 sq km
- b. Nampong Forest division (Changlang dist.) - 343.3967 sq km

However, with exclusion of 4.9599 sq km ESZ area of Namdhapha Tiger Reserve, the total area of Ningru PML block in Nampong Forest Division reduces to 338.4368 sq km (343.3967 – 4.9599). Division-wise details of Ningru PML area (including forest area) was re-verified by DFO, Namsai and DFO, Nampong (copy of their report dtd. 29.03.2017 & 31.03.2017 enclosed at Annexure-II & III (Pg. 379-385/c). As per re-verification, the breakup is given as under.

Namsai Forest Division, Namsai:

Manabhum Area	RF	10504.00
Tengapani Area	RF	9029.53
USF Area		193.60
Total		19727.13

Nampong Forest Division, Jairampur:

Diyun RF area		11426.88
Diyun ARF area		3653.00
Miao RF area		3211.85
Namphai area	ARF	3444.50
Namphuk RF area		2710.40
Namchik RF area		3159.90
Honkap RF area		215.80
USF Area		3230.90
Total Forest Area		31053.23

Excluded RF Area	Miao	1202.86
De-reserved Namphuk Area	RF	785.60
Non-Forest Area		801.99
Total non-forest area		2790.45

Grand Total		33843.68
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	SIR observation no. (I & ii) regarding compartment numbers	The details of compartment numbers of RFs under Namsai, Nampong, Namchik and Honkap Forest Division as per DFO's report dated 29.03.2017 has been given and placed in file at pg. no. 371-372/c.																		
	SIR observation no. (iii) :- There is no break up of forest land given by Oil India Limited but most of the forest land of 540.668 sq.km was seen to be occupied by the people. Tea gardens cultivated field and human settlements were seen inside the proposed forest area for the mining lease.	No reply is given in this regard.																		
	SIR observation no. (iv) regarding Forest Cover Density	Density of forest vegetation has been re-calculated as per latest forest cover data pertaining India State of Forest Report 2015 and the details are submitted as under : <table border="1" data-bbox="858 965 1385 1290"> <tr> <td>a.</td> <td>Very dense forest</td> <td>10561.070</td> </tr> <tr> <td>b.</td> <td>Medium Dense Forest</td> <td>19275.071</td> </tr> <tr> <td>c.</td> <td>Open Forest</td> <td>20439.660</td> </tr> <tr> <td>d.</td> <td>Water Body</td> <td>504.563</td> </tr> <tr> <td>e.</td> <td>Non-Forest area</td> <td>2790.450</td> </tr> <tr> <td></td> <td>Total:</td> <td>53570.814</td> </tr> </table>	a.	Very dense forest	10561.070	b.	Medium Dense Forest	19275.071	c.	Open Forest	20439.660	d.	Water Body	504.563	e.	Non-Forest area	2790.450		Total:	53570.814
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	SIR observation no. (vi, viii & xi) regarding encroachment	DFO, Namsai has intimated vide his report dtd. 29.03.2017 that parts of Manabhum & Tengapani RFs falling within the Ningru PML area have encroachments in few pockets. However, majority of those encroachments have already evicted. There are no Tea Gardens in the area. On the remaining encroachments, action has already been initiated. DFO, Nampong has informed vide his report dtd 31.03.2017 that series of encroachment cases are pending in the court of ADC Miao, ADC Bordumsa, EAC Diyun, CO Kharsang & Guwahati Hight Court, which are being pursued on regular basis. The user agency has submitted that the PML confers only the Preferential Right of the lease area on the User Agency																		

		<p>without any surface Right. As such, establishment like township, village, habitation, vegetation, etc. can co-exist in a PML block and same should not be linked up with the grant of Forest Clearance to the Ningru PML block. In this regard, they refer the Ministry's guidelines dtd. 07.10.2014 where it has been stipulated that issues on which user agency does not have any control should not be link with the grant of forest clearance to any particular project.</p> <p>It is also submitted 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 is under active consideration of the State Govt.. A note on process initiated by the State Govt. is annexed at 'IV' Pg. 393/c. 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.</p>
	<p>SIR observation no. (x) regarding Kumchai Oilfield.</p>	<p>A total of 14 wells were drilled in the Kumchai area falling in the USF. Out of this, the well no. KMC 13 (Kumchai 13) at location KUB/KUAK covering an area of 5.372 ha in Nampong Forest Division is the only producing well. The User Agency has submitted that the well has been kept under production as Keeping any production from flowing well shut-in can lead to irreversible damage to the reservoir and it may be difficult to restore the fields to their earlier level of production. This well (KMC 13) does not have valid FC clearance.</p> <p>Out the above 14 well locations, FC clearance was obtained in respect of only 1 location, KMC-3 covering 3.96 ha of forest land. Additionally, FC for 2 more locations KUP & KUL were obtained however, same were not drilled.</p>
<p>III.</p>	<p>State Government shall submit complete compliance on Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 in accordance with Ministry's guidelines dated 03.08.2009 read with 05.07.2013.</p>	<p>It is submitted that the instant proposal is for grant for PML under section 2(iii) of FC Act 1980 without any involvement of diversion of forestland. As such, compliance on Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act,</p>

		<p>2006 is not applicable. However, the Act will have to be complied with by M/s OIL for its all site specific FC proposals to be submitted under section 2(ii) of FC Act, 1980 towards their drilling locations & other allied installations once the PML is granted to them.</p>
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21. In addition to the submissions made above, the following are reiterated by the State Govt:

- I. Out of 27 drilling locations identified by M/s Oil India Limited in the above PML area so far, drillings were done at 14 locations only(location details at Annexure –V). **Of these 14 locations, final FC clearances are available in respect of only 3 locations**, i.e., for well at Sl. No 6, 18, 19, (KMC-3/KUC; KUP; KUL of annexure-V). **The FC clearances in respect of other 13 drilling locations could not traced /located (i.e. not available).**
- II. M/s OIL has obtained a total of 11 FC approvals including 8 In- Principle and 3 final (Covering 11 drilling locations and involving 40.391 ha of forest land) within the Ningru PML block. The user Agency has also submitted vide their letter dtd. 03.04.2017 that the geo- scientific analysis of the drilling locations involved in 8 In-Principle approvals, which were carried out way back in mid eighties, needs revisit to ascertain the hydrocarbon prospect to a finer accuracy with latest technology (copy at Annexure-VI: **pg.397**).
- III. No forest land against these 11 FC approvals except for 1 location KMC—3/KUC has been broken up and no mining activity or any other surface activity are going on at these locations since 2003 except at KMC-3 at Sl. No. 6 of annexure-V:**pg.394-396/c**), which is currently operating in the area
- IV. After the expiry of PML on 26.11.2003, operations are in hold in this block as the renewal of PML could not be granted due to pending issue of payment of NPV and forest clearance. Though the Ministry of Petroleum and Natural Gas, had conveyed its approval on 23.01.2004 for re-grant of PML for this block w.e.f 27.11.2003 for 20 years but the State govt. of Arunachal Pradesh has so far not executed PML pending prior approval under section-2(iii) of the Forest (Conservation) Act, 1980.
- V. This issue got resolved with the formulation of new guidelines for obtaining FC clearance involved in the PML vide Ministry’s letter no. F. No. 8-118/2006-FC dated 24.06.2015 in compliance of Hon’ble Supreme Court Judgment dated 08.08.2014 in case of IA no. 3627 in WP© No. 202/1995 in case of T.N. Godavarman Thirumulpad vs. Oil India Limited and others.
- VI. Based on the eco-class and density of forest land re-verified for the proposed grant of Ningru PML covering a forest area of 50780.364 ha, the Net Present value (NPV) @2% as per Supreme Court’s Order has been calculated as Rs 88,80,75,469/- (detailed calculation sheet is enclosed at annexure- VII:**pg.398/c**)
- VII. M/s OIL has already deposited Rs. 74.00 crore as NPV with Adhoc CAMPA, New Delhi after the issuance of order dated 08.08.2014 in the case of IA no. 3627 in WP© No. 202/1995 in T. N. Godavarman Thirumulpad us. Oil India Limited and others.
- VIII. M/s Oil Qualifies for re-grant of the Nignru PML as per Clause 5 (vi) of MoEF&CCs letter dtd. 24.06.2015 issued in compliance to order dated 08.08.2014. in the case of IA no. 3627 in WP© no. 202/1995 in T. N. Godavarman Thirumulpad us. Oil India Limited and others.
- IX. **Out of total area of 136.123 ha forest land identified for non-forest use at 27 locations in Ningru block, 59.59 ha (3 locations) was broken up prior to 1980. Of the remaining 76.533 ha of forest land , only 3 locations covering 11.071 ha have valid FC Clearance, 8 locations covering 29.32 ha have In-Principle approval: and remaining 13 locations covering 36.142 ha do not have any FC clearance. However, no mining / other surface**

activity are going on since 2003 except well no. Kumchai-13 (S. No. 15-KMC at KUAK)

- X. M/s OIL may be directed to seek diversion of these 13 locations, which have already been broken up without FC clearance, by imposing Penal CA.

22. The reply, on the observation of FAC as mentioned at para no. 18 (i) above, given by the National Tiger Conservation Authority (NTCA) vide their letter no. F. No. 7-42/216-NTCA dated 08.03.2017 (pg. 400-404/c) are as follows:

- I. The Namdapha Tiger Reserve forms a crucial link for movement of animals in forests of Northern Eastern States as well as Burma. However, the studies conducted on elephant by various agencies (Right of Passage Elephant Corridors in India WTI) reveals that the forest areas of the above mentioned site are crucial for large herbivore.
- II. The Dihing Patkai Elephant Reserve in Assam allows further movement of Elephants to forest divisions of Doom Dooma and Digboi. The movement of elephant and mixing of populations has been observed from Doom Dooma-Digboi to Changlang in Arunachal Pradesh.
- III. In light of the above, they foresee a high detrimental impact on biodiversity especially on tiger and elephant population in the region. Both are flagship species and the oil exploration project will also heighten human wildlife conflict.
- IV. Also since FAC has observed compliance of FRA, 2006 has not been given and the Regional Office, Shilong ground survey observed human settlement, **it is recommended that the tribal population inside the forest be identified.**
- V. The forests of Namdapha Tiger Reserve provide connectivity of large forests tracts in the eastern most boundary of India conservation of these forest is crucial for mixing of genepool of various bio-diversity of Myanmar and India.

NTCA Recommendation: The proposed on exploration will have significant detrimental impacts on the wildlife and biodiversity values of this internationally acclaimed Tiger Conservation Unit Impact will be particularly on elephant corridors and tiger habitat. **There, from the point of view of wildlife and biodiversity conservation oil exploration in this region is not recommended.**

In view of above, the file is submitted for consideration if we may place the fact of the above proposal as detailed in above note before FAC in its forthcoming meeting.