

Proposed change to forest law will boost oil exploration

By Sanjeev Choudhary, ET Bureau Last Updated: May 16, 2023, 01:04 AM IST

Synopsis

India's hydrocarbon exploration could be boosted by a proposal to amend the forest conservation law. The Forest (Conservation) Amendment Bill envisages seismic surveys would not be treated as a non-forest activity but explorers would be granted prompt access to forests, cutting time-consuming permit seeking. A seismic survey is the initial stage to determine evidence of economically viable hydrocarbon resources below the ground.



A proposed amendment to the forest conservation law will give a boost to the oil and gas exploration activity in the country as it would offer explorers prompt access to thousands of square kilometres of forest areas for seismic surveys by obviating the need for time-consuming permits, an official said.

In March, the government introduced The Forest (Conservation) Amendment Bill in Lok Sabha, which aims to exempt certain categories of land from the purview of the current law and widen the list of activities that could be carried out on forest land. The bill aims to stop treating seismic surveys as a non-forest activity.

"This will help translate the prognosticated hydrocarbon resources to producible volumes by undertaking systematic scientific surveys in defined forest areas quickly," said Rajesh Kumar Srivastava, advisor to the Directorate General of [Hydrocarbons](#) (DGH), the technical arm of the petroleum ministry that regulates the upstream sector. Srivastava retired as the exploration chief of [ONGC](#) last year.

A seismic survey is the first major step for explorers to gather evidence of producible hydrocarbon resources below the ground. This is followed by the drilling of wells, which helps explorers determine if resources are for real and in enough volumes that can be exploited commercially. Seismic surveys are conducted over large areas and data gathered from these are analysed to carve out smaller portions where wells can be drilled. Drilling will continue to require permits from the forest department.

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The Forest (Conservation) Amendment Bill aims to exempt certain categories of land



WIDENS LIST OF ACTIVITIES THAT COULD BE CARRIED OUT ON FOREST LAND

Aims to stop treating seismic surveys as a non-forest activity

By easing seismic surveys in forest lands, the government can accelerate the award of licences for the exploration of oil and gas resources. About 0.1 million sq km is in forest or restricted areas in the so-called category-II basins like Saurashtra, Kutch, Vindhyan and Mahanadi, according to Srivastava. "With the promulgation of the proposed amendment, around 230 million metric tonnes of oil equivalent (MMToe) of hydrocarbon resources can be targeted," he said.

Category-II basins are areas that are expected to contain hydrocarbon resources but haven't been exploited commercially yet. Category-III basins are those where no discovery has yet been made.

About 200 mmtoe of hydrocarbon resource potential is in about 0.18 million sq km of restricted areas in the category-III basins, which can be opened for exploration.

The government has introduced several reforms in the past few years to expand the scope of exploration in India. Increased exploration can boost the chances of major discoveries and push up output in the country that has witnessed falling oil production and rising import dependence for years.

About 98% of the areas declared 'no-go' mainly due to security reasons for decades have now been opened for exploration.

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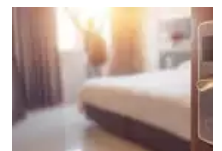
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