



# Cabinet approves award of contracts under Discovered Small Field Policy bid round - 2016

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The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modihas given its approval to award contract in 31 contract areas (23 on onshore and 8 in offshore) of discovered small fields of Oil and Natural Gas Corporation (ONGC) and Oil India Limited (OIL).

Award of contract is expected to provide faster development of fields and facilitate production of oil and gas thereby increasing energy security of the country.

These areas were discovered long back but these discoveries could not be monetized due to various reasons such as isolated locations, small size of reserves, high development costs, technological constraints, fiscal regime etc.

It is expected that in-place locked hydrocarbons volume of 40 Million Metric Tonnes (MMT) oil and 22 Billion Cubic Meters (BCM) of gas will be monetised over a period of 15 years. The production from these contract areas will supplement the domestic production.

For early monetization of these fields, in September, 2015, Cabinet approved 69 marginal fields for offer under Discovered Small Fields Policy. Out of these, 67 Discovered Small Fields were clubbed into 46 contract areas and put on offer through online international competitive bidding. A total of 134 e-bids were received for 34 contract areas. A total of 47 companies submitted their bid, out of which 43 are Indian companies and rest four are foreign companies.

These contract areas have been awarded under the new regime of Revenue sharing Model.

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