

# **Contracts For 7 CBM Blocks Signed Under Fourth Round Of CBM Policy**

New Delhi, July 29, 2010

Government has signed contracts with different companies for 7 blocks awarded under fourth round of CBM Policy (CBM-IV) here today. These include:

- 4 blocks to Essar Oil Limited
- 1 block to Great Eastern Energy Corporation Limited
- 1 block to consortium of Arrow Energy (AS) Pte Ltd. & Oil India Limited, and
- 1 block to consortium of Arrow Energy (ST) Pte Ltd & Tata Power Company Limited.

These 7 blocks are in the states of Assam, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa and Tamil Nadu. With the conclusion of fourth round of CBM, Government has signed a total of 33 CBM contracts till date. There is a resource potential of 330 million cubic metres in these seven blocks which are expected to attract over \$150 million investment.

Speaking on the occasion of Signing Ceremony of CBM-IV, Minister of Petroleum & Natural Gas Shri Murli Deora informed the gathering that increase in price of kerosene and LPG was inevitable considering the substantial burden of subsidy borne by the Government. He mentioned about Government's efforts towards providing affordable energy and congratulated the winning operators.

Shri Jitin Prasada, MoS(P&NG) advised E&P companies to recognize the need of collective responsibility of all stakeholders to put concerted efforts for exploration and production in order to achieve energy security for the country. He also informed that out of a total estimated resources of 92 TCF in the country 8.9 TCF have been established so far.

Shri S. Sundareshan, Secretary(P&NG) stressed to work for quick exploration of CBM and putting on production in order to cater the increased demand of gas in the country. He mentioned about efforts being made for putting in place the policy for simultaneous exploration of CBM & Coal.

Shri Alok Perti, Additional Secretary, Ministry of Coal referred to the issue of overlapping of block area between coal and CBM gas operator. The issue is likely to be resolved shortly by developing suitable policy framework.

The signing ceremony was attended by the Government officials, and other dignitaries, CEOs, delegates/representative of National Oil Companies, foreign companies and Indian Private companies.