

OALP:

Q1. In OALP, technical experience criteria will debar new companies to bid, in the Reconnaissance Contract?

Ans. OAL procedure is designed to attract investments from new players. Thus, the operator requirement is kept at a bare minimum. Even If any company doesn't meet the criteria, they can form JV/Consortium with the party meeting the criteria. Only the designated operator disclosed upfront at the time of EOI submission / Bidding of the consortium will be considered for any type of incentive including migration option.

Q2. How DGH will address the case of overlapping sectors for carving final area?

Ans. Applications for EOI will be evaluated on a "First Come First Serve" basis. (Reference: OAL Procedure 5.4) In case of overlap with existing PEL/ML and No-Go Areas, DGH will modify the EOI as per the availability of sectors. EOIs for partly available 1'X1' units and overlap with such PEL/ML or No-Go Areas, will not be considered.

Q3. What is the participation bond for 1'x1' areas?

Ans. The participation bond for one 1'x1 unit will be USD 1500.

Q4. After submission of EOI, whether the composition of consortium can be changed or new company can also be added?

Ans. No change in composition of consortium is allowed. In case of any change in composition, originator incentive will not be granted and participation bond will be forfeited. (Reference: OAL Procedure 3.1.ii)

Q5. What is the participation bond?

Ans. At the time of EOI submission, originator will need to submit Participation Bond of 150,000 USD/ sector for POC for all types of blocks (cap of 1 million USD for Onland/Shallow water blocks and 2 million USD for Frontier/Deepwater/Ultra deep water category). For RC, it is 30,000 USD/ sector for all types of blocks (cap of 0.2 million USD for onland/shallow water blocks and 0.4 million USD for Frontier/Deepwater/ Ultra deep water category). The cap of participation bond is applicable for a single EOI (which can consists of multiple contiguous sectors). (Reference: OAL Procedure 3.6.i)

Q6. If the bidder does not meet the technical and financial criteria at the EOI stage, would his application be canceled?

Ans. The application of the bidder will be canceled. Also, the participation bond will be forfeited.

Q7. What if the DGH defined area is in deviation to the defined area in bidder's EOI submission?

Ans. EOI applicants are obliged to participate (submit a bid acceptable to DGH) in the subsequent bidding. In case the deviation in the area finalized by DGH to be put up for bidding is more than 50% of the Application Area, then the obligation to bid will be waived and Participation Bond shall be released upon communication of its intent to not participate in the bidding process. (Reference: OAL Procedure 3.4.i)

Q8. Are there any specific provisions for POC/RC areas relating to shale gas/oil?

Ans. There are separate marks for the technical evaluation (Core Analysis- for shale resources: 5 marks) for the areas specific to Shale gas/oil exploration in POC only. (Reference: OAL Procedure 7.3.2)

Q9. Describe the methodology for carving out blocks by DGH for NIO?

Ans. DGH will carve out (finalize) blocks on the basis of accepted EOIs. However, DGH at its discretion can also carve out blocks in the open acreage areas.

Q10. Does DGH at its sole discretion reserve the right to alter Target horizon & Target Depth at the bidding stage?

Ans. Yes, DGH at its sole discretion reserves the right to alter Target horizon & Target Depth at the bidding stage.

Q11. Is Data purchasing by each consortium partner's necessary and whether the proof of data purchase from NDR is to be submitted along with EOI?

Ans. No, data purchase by any consortium partner is admissible as long as analysis is conducted on the basis of data from a valid source.

Also, primary Data Source for the due diligence report has to be NDR or Data previously procured from GOI. Data source must be disclosed and data should be in the legal possession of the EOI submitting Party. Data purchased in relation to earlier NELP/DSF rounds in the form of Data Package will not be considered for bidding. (Reference: OAL Procedure 3.5 (i) h)

Q12. After the EOI process, how the bidding of blocks will be done and what are the bidding parameters of RC?

Ans. After the EOI process, List of the blocks for RC and POC will be published in NIO. The bidding parameters for Reconnaissance Contract include Work Programme, Price of data and Originator Incentive. (Reference: OAL Procedure 7.3.1)

Q13. Whether we need to obtain NOC from neighboring operators for data falling in their existing active acreage?

Ans. Yes, NOC from neighboring operators is required.

Q14. Elaborate the procedure for carving out the Eois ?

Ans. There are basically two scenarios :

- 1) Areas where there is no constraint in selecting 10'X10'sectors, applicants are required to submit the application comprising contiguous 10'X10' sectors only.
- 2) Areas where there is constraint in selecting 10'X10' sectors due to existing PEL/ML and No Go areas (Defence restrictions / National Parks/ other restrictions etc). Applicants can submit their EOI either as a mix of 10'X10' and 1'X1'sectors or only in 1'X1'sectors. (Sectors must be contiguous and should be within maximum allowed limit)

Case of Existing PEL and ML areas

If the Eoi submitting company is having the Existing PEL/ML, then the submission of Eoi in 1'X1'units will be restricted to 50 units only for seeking extensions based on their current operations.

If the Eoi submitting company is different from the company having PEL/ML area, then there is no limit for selecting 1'X1'units but it should be within the maximum allowed limit as per OAL 3.3v (b)

Q15. Is there any restricted area for on land?

Ans. The restricted areas are indicated as "NO-GO" in NDR.

Q16. What are the requirements for Due-Diligence Report on prospectivity?

Ans. Eoi submitting party has to submit a report on due diligence undertaken while identifying the area for which EOI is being submitted. The list of all Geological & Geophysical (G&G) data used by the company for evaluation of the proposed area and the report on assessed level of prospectivity is to be submitted, in case of POC.

The report should be based on available geoscientific data and describe key petroleum systems elements, likely major plays supported by appropriate seismic and geological cross sections and/or maps.

Due Diligence report is not required to be submitted for the areas for which scanty or no data (identified as Zone 2 or Zone 3) is available. However, a brief conceptual report about the geological model and prospectivity should be provided.

Q17. If the EOI has some issue, will DGH ask for clarification before rejecting?

Ans. It is recommended that all prospective bidders shall adhere to conditions indicated in OALP procedure. In case of any clarification, DGH shall seek appropriate clarification.

Q18. Is there any incentive marks for new technology indicators?

Ans. There are no marks for the technology usage in this policy.

Q19. During the migration from reconnaissance contract to petroleum operations contract, what mechanism will be followed to allow the benefit of right of first refusal/any other to originators?

Ans. There is no right of first refusal available to the migrating party. However, the operator (as on the date of submission of intent to migrate) shall get originator incentive (5 marks) at the POC bid evaluation stage. Also, the operator is eligible to set off the seismic data against its committed work program. (Reference: OAL Procedure 8.2)

Q20. Is it mandatory to have same consortium for migration from RC to POC?

Ans. No. However, the same consortium or any consortium led by the Operator of the Reconnaissance Contract, as on date of submission of intent to migrate, shall be eligible for Migration Incentive. (Reference: OAL Procedure 8.2)

Q21. What are the provisions for making payment of USD 1000 towards the Eoi submission Fee ?

Ans.

- 1) Payment through Payment Gateway provided in the EOI submission Portal: INR equivalent of 1000USD will be shown there and users can directly pay into INR.
- 2) Remittance instructions for direct transfer in USD are provided at the EOI submission Portal.
- 3) Instructions for NEFT/RTGS transfer in INR are also provided in the EOI submission Portal. (For Exchange rates, refer RBI exchange rates of the immediate previous working date)

Q22. Do the bidders need to submit original net worth certificate for each EOI application?

Ans. Yes, the certificate needs to be separately submitted for each application.

Q23. If a new discovery is made in existing ML, will the existing Production sharing model apply or will it be recomputed?

Ans. Yes, the existing production sharing model will apply for the same.

Q24. If discovery is made in RC, but contractor does not get POC, how will he be compensated for his efforts?

Ans. There is no provision for compensation against the discovery made in the RC. However, RC licensee shall have the exclusive rights to license the data (excluding Raw Data, Physical Oceanographic Data and DGH Data) during the Contract Duration (12 years), provided that license of such Data to companies incorporated in neighboring countries of India or countries as notified by DGH from time to time will require prior permission of DGH.

Q25. In case the RC contractor wishes to migrate and win the POC bid, would he retain right to license the data?

Ans. No, In case RC contractor wins the bid for POC, none of the consortium member shall have claim over the proceeds realized from license of data and all the rights to license the data shall lapse with immediate effect. (Reference: OAL Procedure 4.2 vii)

Q26. Is the net worth considered for operator only or for other JV partner in the consortium?

Ans. Bidder needs to meet the Net Worth criteria in proportion to their Participating Interest (PI) for RC/POC (as the case maybe) under each EOI/bid. (Reference: OAL Procedure 2.2.2 i)

Q27. How many EOI applications one applicant can submit for POC & RC?

Ans. No constraint but final award of the blocks are subject to fulfilment of Net worth Criteria.

Q28. In the event of submission of separate EOI for RC and POC for the same area, which would be preferred?

Ans. POC would be preferred over RC if the EOI is submitted for the same area.

Q29. Can a bidder submit multiple bids for the same sector in different capacity?

Ans. No, a bidder can only put one bid either as an operator or non-operator for one particular block on offer.

Q30. Is there any maximum or minimum limit of sectors for submitting an EOI?

Ans. Yes, minimum is 1 sector for all types of blocks and maximum limit is 10 sectors for onland, 20 sectors for shallow water, 30 sectors for frontier/Deepwater/Ultra deepwater and 2 sectors for CBM.

Q31. How the category for the block be defined ?

Ans. Category of the block (i.e. Onland, Shallow Water, Frontier, and Deepwater) would be considered as the category in which more than 50% area of block falls in. However, if more than 30% of the block falls in Ultra deepwater area, it will be considered as Ultra-Deep Water block.

Q32. Are the other parties allowed to survey when the RC has already been granted for the area?

Ans. Though Reconnaissance License are exclusive in nature, however, Reconnaissance Licensee may, at its discretion, allow any third party to undertake Non-Exclusive Multi-client surveys.

Q33. How an applicant can get the information about different Sedimentary Zones?

Ans. The sedimentary basinal area of India has been categorized into three zones viz Zone I (Sufficient Data), Zone II (Moderate Data) and Zone III (No Data) based on quantum of data (Geological & Geophysical) available and are displayed on the NDR site.

Q34. Is there any restriction in submitting EoI for RC in Zone I ?

Ans. Yes, RC EoIs can only be submitted in Zone II and Zone III areas.

Q35. Is there any restriction in submitting EoI for POC in Zone II and Zone III ?

Ans. No, EoI for POC can be submitted for any Zone.

Q36. Are Originators of the Accepted EoIs required to submit Tender Fee and Bid bond at the Bidding Stage?

Ans. No, Originators of the Accepted EoIs will be exempted from submitting Tender Fee and Bid Bond.

NDR:

Q1. Person intends to see quantum of 20 lines available in area of Interest (AOI). The selection propagates to far flung areas outside the AOI. How someone can restrict the selection of 2D seismic lines in particular selected AOI?

A. Once the GRID of 10'x10' is selected, all the lines falling within the grid like 2D, 3D and wells get selected. The restriction of selection within the grid is not possible as the selected lines are all image files, however once the data is put into briefcase, the restriction in terms of quantity will be carried out at the backend and accordingly the quantification is done. Also, the invoice is generated and conveyed to the end user.

Q2. Any restriction for number of team members and number of days during data room visit?

A. As per the NDR data policy, maximum four persons per company per workstation will be allowed to visit and view the data in Data View Rooms.

Q3. Each grid may vary in area. So how to know the area of a particular grid selected?

A. The area will be displayed alongwith the particular Grid selection.

Q4. After how much time will relinquished/ surrendered blocks appear in the NDR map as available?

A. NDR map will be updated as the process of relinquishment of block is complete.

Q5. Is shape file of existing PEL/ML and no go areas etc from NDR site exportable/downloadable?

A. As per existing NDR data policy, export/download of shape file is not allowed.

Q6. Whether NDR has updated PEL/ML map?

A. Yes, as of now it is updated. However, it is an ongoing process and the map will be updated on real time basis.

Q7. Are city areas under No-Go areas?

A. Specific No-Go areas are mentioned on the NDR website. However, it is being updated on perpetual basis.

Q8. Preview of seismic lines does not give the orientation/bearing ?

A. No.

Q9. Can Development and Producing areas be categorized separately on map?

A. As of now there is no GIS layer having information regarding Development and Producing areas.

Q10. Is well depth (TD) of Exploratory /Discovery well available @NDR site?

A. As of now it is not there. However, it will be available in near future.

Q11. Who would address the queries/issues from DGH?

A. There is a facilitation desk which will address all the investor queries.

Q12. Can we see Map view & seismic view together in one window and my cursor can show the line direction in the map?

A. No, we cannot see it together. Also, the line direction cannot be shown by the cursor.

Q13. Can we see the well projection on seismic line view?

A. No.

Q14. NDR Physical Data Room charges. Any free visit is available?

A. As of now, data rooms can be visited free of costs. However, in future data rooms are planned to be equipped with interpretation software, and then it would be chargeable (The charges for data rooms are USD 250 per day for first three days; USD 500 for the fourth day; and USD 1,250 per day fifth day onwards).

Q What is the required minimum qualifying Network value for various category of proposed blocks?

A. The minimum required Network value for any proposal/proposed block is the requisite Network value required for one sector (10'X10' area) in that particular category (Refer to OALP document Point No. 2.2.2)

In cases where no. of 1'X1' areas is less than 100, the minimum required Network as stated above (applicable for 10'X10' grid) will be applicable but in cases where the total no. of 1'X1' areas exceeds 100, there the first 100 will draw application of minimum Network as stated above and the rest will require additional Network on pro rata basis in proportion to the fraction of Network requirement of 10'X10' grid.

Q. Whether any entity can submit multiple bids for the same block as a single party or as a part of any consortium ?

A. Any entity can submit only a **single bid** for any block either as a single party or as a part of any consortium.

Q. What shall be the rule of priority if a party submits bid alone and also in a consortium ?

A. All party (ies) bidding for more than one block either alone or in consortium shall not have same priority for more than one block. In other words, in case of bidding for more than one area, any entity can have only one priority attached to any area whether bidding alone or as a consortium partner. The same priority is not to be repeated for any other block.

This is required for Network allocation at the time of financial evaluation of the bids which will be done according to submitted priority.

Q. In case of conflict (i.e same priority given to more than one block either as a single party or part of consortium) whose priority will be taken into consideration ?

A. In case of conflict, priority of "Lead Bidder" of the consortium will be considered and will be applicable to all consortium members.

Q. Who is the Lead Bidder ?

A. The party forming the consortium and submitting the bid on behalf of consortium shall be considered as Lead Bidder for the purpose of e-bidding only.