

MINISTRY OF PETROLEUM AND NATURAL GAS
NOTIFICATION

New Delhi, the 1st September, 2006

S.O. 1391(E).—In exercise of the powers conferred by Section 8 of the Oil Fields (Regulation and Development) Act, 1948 (53 of 1948) read with rule 32 of the Petroleum and Natural Gas Rules, 1959, the Central Government hereby designates Directorate General of Hydrocarbons as the authority or agency, with effect from the date of publication of this notification in the Official Gazette, to exercise the powers and functions of the Central Government with a view to promoting sound management of the hydrocarbon resources in the country having balanced regard for environmental safety, technological and economic aspects, namely :—

1. The Directorate General of Hydrocarbons shall exercise the following powers and functions, namely :-

- (i) to monitor the upstream petroleum operations in India including coalbed methane and gas hydrates operations in accordance with the Act and the Rules;
- (ii) review and monitor the exploration programme and development plans for commercial discoveries of hydrocarbons reserves proposed by licensee or lessee with a view to optimizing hydrocarbon recovery from a reservoir in accordance with generally accepted international petroleum industry practices;
- (iii) review the management of petroleum reservoirs by licensee or lessee and advise them on any action which may ensure proper management of the petroleum reservoirs including their conservation in accordance with generally accepted international petroleum industry practices;
- (iv) to ask for and maintain in a readily retrievable form all geo-scientific data, reports and information from licensee or lessee and store and preserve data and samples pertaining to petroleum exploration, drilling, production and connected operations;
- (v) review the reserves discovered by the licensee or lessee in accordance with generally accepted international petroleum industry practices;
- (vi) to lay down norms for declaration or announcement of discoveries by licensee or lessee;
- (vii) to exercise the powers of the Central Government as given in rules 24, 25, 26, 27 and 30 of the Petroleum and Natural Gas Rules, 1959 ;

(viii) to monitor oil and gas production and royalty or any other charges or fees or levies, and where applicable, cost petroleum, etc., due to the Central Government and obtain necessary reports from licensee or lessee to facilitate the Central Government in receiving accurate royalty and other statutory charges by the due date.

2. The Directorate General of Hydrocarbons with the approval of the Central Government, shall prepare detailed and transparent guidelines including time lines, keeping in view accepted international petroleum industry practices, in exercise of powers as prescribed above in a consistent, fair and transparent manner :

Provided that in case where the Central Government has signed a Production Sharing Contract or a contract or an agreement for exploration and production of hydrocarbons, the powers and functions shall be discharged by Directorate General of Hydrocarbons in accordance and consistent with the respective Production Sharing Contract or contract or agreement.

[F. No. O-32011/33/2000-ONG, D-IV-Pl.]

PRABHDAS, Jt. Secy.

155