

**DETAIL STATEMENT (ENGLISH) OF THE PUBLIC HEARING FOR OIL
EXPLORATORY DRILLING TO BE UNDERTAKEN BY OIL INDIA Ltd., NEAR
DARLUNG VILLAGE, AIZAWL DISTRICT**

**VENUE : COMMUNITY HALL, DARLUNG, MIZORAM
TIME : 25th August 2011; 12:00 Noon**

Introduction:

A consortium of Oil India Ltd. (OIL) with 85% participating interest (PI) and Shiv-Vani Oil & Gas Exploration Services with 15% PI has signed a production sharing contract (PSC) with the Government of India for the exploration and production of hydrocarbons in the Exploration Block MZ-ONN-2004/1 falling in Lunglei, Serchhip, Aizawl and Mamit districts in Mizoram under NELP-VI. PSC designates OIL as the Operator of the block. The block is located in central part of Mizoram primarily within Lunglei, Serchhip and Aizawl districts even though a small portion falls in Mamit district. The total area of the block is 3213 sq. km and lies towards south of Aizawl, the capital city of Mizoram.

Exploratory drilling has not been carried at any place in the block so far. Acquisition, processing and interpretation of 2-D Seismic Survey, Gravity Magnetic Survey, Geochemical Survey has been done for the block MZ-ONN-2004/1 while 3 – D surveys are in progress.

Based on seismic data analysis, OIL is planning to carry out exploratory drilling and testing at 5 promising locations in Phase I within 2007-2012 and at one location in Phase II during 2012-2015 period within the block area as per the minimum work programme (MWP) outlined in PSC to establish the techno-economic viability for production of hydrocarbons in the block area within a period of 8 years, that is, 2007-15. In addition to these exploratory wells, as per PSC requirement, additional appraisal/delineation wells need to be drilled for commercial production in case of discovery of oil/gas. The Capital city Aizawl is nearly 5 km north of the northern boundary of the block.

The public hearing is convened to obtain views, comments & suggestions on the project ‘Exploratory Drilling & Testing in Block MZ-ONN-2004/1 (Mizoram) from the people of affected areas.

The Hearing was presided over by Shri A. Biaklawma, ADC, Mamit District, Mizoram. The participants include all sections of life. At the outset, the chairman after welcoming all the participants briefly explained the reason for holding the Public Hearing. He said that Oil exploration is going on in different parts of India, even here in Mizoram, different Oil companies have come up to undertake Oil exploratory and drilling projects in different parts of the state, Darlung/Saibual area being one of them. He requested the public to speak out and raise questions regarding the project and not to elaborate their question.

He then invited Shri C. Lalduhawma, Member Secretary, Mizoram Pollution Control Board for introductory remark. The Member Secretary mentioned that EIA Notification was notified in 1994 and was amended in 2006. He explained the need and objectives of holding Public Meeting saying that some developmental projects require Environmental Clearance

from the Ministry of Environment & Forests for which Public Consultation is mandatory, hence today's Public Hearing Meeting. He added that the hearing was notified in Vanglaini and the Times of India for 30 days during which the draft EIA Report prepared by the company was kept for suggestion and comments as per the aforesaid rule.

He also highlighted that the hearing is not meant for the OIL, but for the public so that they have a say in the environmental impact of this developmental project but it is not to take approval or consent from the public. He also mentioned that as required by the Rule, all proceedings will be recorded in print and in video which will be sent to the Ministry of Environment & Forests, G.O.I in original without editing to prove that PH was fairly conducted and that MPCB takes no sides, its role being a stand in between the people and the project owner, OIL.

He requested the public to speak out their views, comments and suggestions regarding environmental impact of the proposed project so that the company could make changes in the draft EIA Report and make final report accordingly. At the same time, he requested the public to remember to mainly concern with the environmental impacts of the project: How this project is going to affect them, their way of lives, their environment, their water sources, air etc., to speak clearly and politely refraining from using unnecessary harsh words. He briefly explained the procedure to be adopted by the company for obtaining Environmental Clearance from the Ministry of Environment & Forests, G.O.I and consent from MPCB before they could start their work around Darlung.

The Chairman then requested Shri C. Laldinkima, Geologists, Oil India Limited for a presentation on the project. He explained about the meaning of various terminologies like explore, produce, transport, refining etc including the functions and proposed work plan of the project. He explained the work area allotted to the company with the help of a map which extends over 4 districts of Mizoram viz Aizawl, Lunglei, Serchhip and Mamit district and 5 wells will be drilled in the first phase and one well in the second stage.

He also explained in detail with the help of pictures about drilling well bore and casing and the drilling procedure which is reported to be done with water based mud. He mentioned that a depth of about 5 km will be drilled which will taper towards the bottom.

He also explained about the ground water and surface water quality, soil characteristics, agricultural crops, climatology & meteorological quality like rainfall and humidity, air quality data obtained by the company around the work area. He also informed the public that about 25-30 KLPD will be used for drilling machine, 10-15 KLPD for mud preparation and 3 KLPD will be used for cooling. The source of pollution, risk and accidents that could occur in the work area and various mitigation measures like pit for drilling effluent, Effluent Treatment Plant (ETP), chimney for smoke from DG set, Blow Out Preventor (BOP) etc were explained and said that trained personnel will be deployed to take care of accidents and wastes management team will also kept at the site to oversee waste management in the drilling site

The Chairman then invited comments, views and suggestions from participants of the affected areas. The issues raised and clarifications from the project proponent in detail were as below:

1. Shri R.Lalchhuanmawia, Darlung:

“We have just listened to the action plan for oil drilling and the associated problems that may arise from it. Are these associated with trial drilling?”

“If oil is found, it would be interesting to see the expected outcome. It was mentioned that unless drilled and examined, work cannot be properly started. Are all these for actual drilling or trial drilling?”

OIL: “Drilling is not meant for trial. However, it is an exploratory drilling, that is, drilling in search of oil. Our earlier work you had observed was part of a survey work. Now, we would be drilling the earth with big machines. It should not be confused with the earlier drilling work; we called it 2D Seismic, different from that Seismic line.”

“It would not be trial work; we would really be drilling this time.”

2. Shri H.Biakhnuna, S.Sabual:

“What will be your required working area while drilling with the machines? How far should we stay away from the drilling site?”

OIL: “We will make a flat ground of what we called Plinth; we must require about half of the 1st AR ground (football playground) Aizawl.”

“We don’t have exact specified area in metres, but we will try and settle in an isolated and safe area, to be least disturbances to the people.”

3. Shri B.Lalringliana, President, Village Council, Darlung:

“The environmental impacts are very important, which are reported to be on water, air and vegetation. What will be the affected area of the drilling work?”

“Also, even though it may not be confirmed yet, is it possible to tell the intended region for the drilling work?”

OIL: “The plinth area will be the affected area. Smoke from Diesel Generator Set will not be having much effect on air quality. Generator Sets will be provided with sound barrier; hence we expect the noise pollution to be almost negligible. Effluent from properly operated ETP will not much affect water quality either.”

“As for the drilling area, survey is now being conducted at two places, one just before entering Darlung village and the other just nearby this place. From these survey works, contour mapping will be drawn and the more convenient place will be selected. For final selection, survey result is awaited.”

4. Shri H. J. Thangruaia, Darlung:

“When spoken, it becomes easy to believe that the work will have no adverse effects on environment and living beings. But our main concern remains pollution control. It is obvious that during Exploratory Drilling and testing, machines will have to be operated quite heavily causing air pollution to certain degree at least. About 2 km away from Rawpuichhip village, Tantia Company has operated Hot Mix Plant, and the affected area is rather large, causing problems even inside the village. If such kind of machine is used, we could face the same problems. If the drilling work is to be done on the western part, air pollution will surely be directed towards the village. What actions are being taken for this?”

“Darlung is located at a hilltop and there is hardly any spring water source. The people depend mainly on rainwater. Though the govt. has provided water tanks for the village, water is not yet stored. As such water is very scarce here. Meanwhile, the operations of the Company could contaminate our water sources. In what way can you help the villagers in this regard?”

OIL: *“The Diesel Generators that we are going to use is different from the Hot Mix Plant. Moreover, drilling operation is expected to be completed within 4 months or may be 6 months depending on the circumstances. Normally it lasts for 4 – 5 months. One set of diesel generator will not cause so much air pollution though we can not guarantee 100% air pollution free, only minimal air pollution will be created. Probably, the pollution produced will be even less than that produced by a regular running truck, though exact value cannot be said without actual monitoring.”*

“As for the approach road, metalled road will not be required; rather, boulders will suffice. Hence, use of bitumen will not be necessary. No Hot Mix will be required and there will be no smoke from heating of Bitumen. Pollution will be produced only minimally, and not to the extent of disturbing normal lives.”

5. Shri R. Sangliana, President, Village Council, S.Sabual:

“You will bring in several big machines. How do you plan to bring in these machines? When do you start road construction for it?”

OIL: *“Transportation is our biggest headache. We have had road survey a number of times. Certainly, we will have to do something with the existing road to carry our 12 wheeled vehicles. With all the curves of the road, we still don't have the solution for transporting the machines.”*

“Once Environmental Clearance is granted, we would initiate tendering process and after signing agreement with contractors, road construction shall be started. However, we don’t know when we will be granted Environmental Clearance. Till then, we cannot say the exact date for starting road construction.”

6. Shri Ngurthangvunga, Darlung:

“Pollution is the biggest aspect here. If our water and air quality become deteriorated and we suffer, will you stop your operation completely?”

OIL: *“Perhaps, your query was a little bit too early. It must be rather suitable for post production period. Our present concern now is exploratory drilling. Yes, it is true that wildlife and vegetation will be affected if there is oil spill. However, even if oil is found, oil shall not be tapped yet; there will be no spillage of oil even after it is produced unless there is an accident. The only thing that will be heaved up from the earth’s crust will be mud used for drilling. Traces of oil may happen to present along with the drilled mud. Otherwise, there would not be waste oil yet to degrade environment at the drilling stage. Even during production stage, utmost care shall be taken not to spill oil for it is too precious for us also.”*

7. Shri Vanlalsiama, Teacher, Darlung High School:

“It is most desirable to have oil drilling site in Darlung area. Regarding the social benefits for the village that you had discussed with our VCP, for our village, it may not be from the oil itself, but improvements in our existing road would certainly be a benefit for our village. Can we opt for this benefit?”

OIL: *“I talked to two persons personally regarding requirement of the society; one expressed desire for water supply system saying that scarcity of water is the main problem here. Another person recommended construction of Agricultural Link Road that could enhance their income. As already stated, we can not give final words here. However, we assure you that we will give due considerations to your needs and will put up to our management office since we are not the ultimate authority. I give you my words that we will try our bests for you to get what you need most.”*

8. Shri Vanlalsiama:

“For bringing in your machines, Reiek road is not recommended by us, as Aizawl is farther this way. We rather hope that you will be taking Aibawk road. Can you do this?”

OIL: *“We will conduct survey; shorter route is preferable by us too. As Aibawk route is much shorter, we may choose it. However, no final decision has been made, so this is yet to be finalized.”*

9. Shri H.Vanlalzama, Darlung:

“From what we have said and heard, we have come to know about the adverse effects which are likely to arise from the project works and the remedial actions to be taken. Now, about the likely advantages of the project for the people particularly with reference to this quote, “It will also generate some employment potential and leads to infrastructure development of the block area,” we are interested to know the possible benefits the people will gain through this project. Instead of focusing only on the adverse effects, we should also think of the advantages it will bring to the nearby local people; would it be it in terms of permanent or temporary jobs for individual or groups? Or as compensation or only qualified persons will get jobs? Will there be enough work for the whole community? We would like to know what kind of benefits this project would bring to the people.”

OIL: *“Whosever plot of land, we use for the work, whether we damage the land or we develop or we borrow it for any length of time, it will not be without fee or compensation, unless given to us for free. It is our policy to compensate for the land. As for the employment, qualified, sincere and hardworking person, if any from the nearby affected area, will be favoured and given priority. But it requires skill, sincerity, and commitments. For persons with these qualities, there will be lots of job opportunities for Mizo people, even more so in the production stage.”*

10. Shri Zoramchhana Bawlte, Member, Village Council :

“It is mentioned earlier that the area required for exploratory drilling would be about the size of AR Ground (football ground), Aizawl. If oil is found, for the actual oil drilling in later stage, would the required area remain same?”

OIL: *“If oil is commercially viable, all the exploratory drilling machines would be moved out, hence the area required for actual drilling of oil would be greatly reduced as only pipes would be the main gear at that stage. The remaining land, however, may be further reserved for other purposes.”*

11. Shri B.Lalringliana, President, Village Council, Darlung:

“Some of us are presently holding LSC and Periodic Patta. Whether the state government has the authority to acquire these private lands?”

“We want what is best for the village with regard to the Area Development. Right now, we cannot decide what would be best for us. In any case, if OIL is giving assistance towards area development, I advised that it is done with the witness of Village Council and NGOs.”

Chairman: *“Claiming of land value is permitted in case of LSC but not in the case of Periodic Patta. For land with Periodic Patta, only value for the crops on it excluding land value could be claimed. However, for land with LSC, land value as indicated in the Pass shall be counted and shall be paid accordingly. As for the Land Acquisition Act, the Central Government is now framing amendments for the same and accordingly the state government may also have to make amendments. Hence it may not be appropriate to make comments as of now.”*

OIL: *“If any financial assistance is to be given, it would be done through DC with the witness of Village Council.”*

12. Shri R. Sangliana, President, Village Council, S.Sabual:

“Village Council is regarded rather high in the government administration and VC Pass is generally accepted. Does it mean that our possession of lands with VC Pass is useless?”

Chairman: *“If you look at the Mizoram Land Revenue Act 1953, it is mentioned clearly that VC has no power to give Agricultural Land. However, he can give house site, hostel, hotel and shop sites. For instance, somebody has a VC Pass in the Airport Area, although he can claim for the crops on the land, claiming of land value, as compensation was not possible.”*

13. Shri Vanlaltluanga, Darlung:

“Regarding road for Heavy vehicles required for the project, and as fine roads or rather black-topped roads are not necessary for them, and while our existing roads need to be developed, it appears that they will simply widen the roads destructing our blacktopped roads in the process. We could simply be left with worsened roads against our hope for better roads with this project, especially if the state Government does not pay attention to restructuring the roads. Do the local people or Government have a choice in this matter? Unless sanction is accorded for repairing the roads, we could be left and remain with roads much worse than what we have now.”

Chairman: *“When NLUP was in force earlier, Village Councils were the authorized agency. But this was greatly misused. Some people sold their allotted lands whereas some people think that they acquired permanent ownership. According to the Government’s Notification, a person can be allocated land which, if looked after properly for one year, will be considered for granting LSC with the recommendations by Village Councils, BDO and other concerned officers after due verification at the site. However, no such recommendations were received from any Village Council. Even now, you have the same authority with regards NLUP programme, but purely for implementing NLUP and should not be related with other matters.”*

OIL: *“Regarding road construction, we have put up the matter to PWD. Mr Lalnginglova, SDO, Aibawk, PWD has conducted survey and estimates were already submitted. When we said we need no blacktopping, we meant only for the approach road starting from the main road. As for the existing roads, we have no power to make changes to it as these roads are under the control of PWD. If we are to make changes with the existing road, we will inform the Department of our requirements and they will do the work for us, so I take it that they will do black topping. Anyway, this is the purview of PWD and we have no say in this regard.”*

14. Shri B.Lalringliana, President, Village Council, Darlung:

In response to the Public Hearing Notice which invited for comments or suggestions to be submitted to the signatory, Pu Lianlunga Sailo, Bungkawn Venglai has submitted comments. I will just read it out before this meeting (copy and translated version enclosed).

Chairman: *“This needs to be submitted to the State Government.”*

15. Shri C. Kapthianga:

“I have one request. As it appears that this project will be carried out with or without our consent, I would like to request that the route between Aibawk and Darlung be selected for transportation purpose.”

16. Shri Chhunkunga:

“In the Cabinet meeting, sometimes back, it was mentioned that India is very far from being self sufficient in Oil production. Only 25% is produced from India and remaining 75% is imported from foreign countries. And in the Mizoram Legislative Assembly held in May, Shri T.T. Zothansanga, M.L.A, Champhai North pointed out that Nagaland State Government signed agreement with the Central Government at Delhi taking into

account the underground natural resources of Nagaland State whereas in Mizoram no such thing was done. However, it is being reported that oil drilling is the central Government initiatives. In this regard, how will the Mizoram Government benefit from this project?

“The Oil companies are now working actively with urgency in different districts including southern part of the state. Is the rumour true about the possibility of underground oil of Mizoram being siphoned off from the neighbouring states like Assam, Tripura etc. Why these projects are such urgency? Or could it be that the current Ministry is just trying to accelerate the work within its Ministry period? Is the urgency stemmed from fear of snatching our underground mineral resources by other places like Digboi, Tripura and Manipur? What are the benefits for state govt. as per its agreement with the Company?”

OIL: *“The agreement between Oil India Limited and Mizoram govt. is witnessed by the Central Govt. As per the agreement, the state Government will be awarded Royalty at the rate of 12% in case of oil and 10.5% in case of Gas. Let us try to understand this way. For instance, I bought a plot of land legally certified with LSC and started drilling for structural posts, then incidentally, I came across some valuable minerals underground. Up to 6 ft. below the ground surface, it is my property and anything below 6 ft. depth is no longer my property, it is the Central Govt.’s property. However, the company coming from outside will not claim it; he has to pay for it. Nobody can utilize it for free.”*

“As for our underground oil, we call this as Fold in geological term. This fold stretches through Mizoram, Assam and even Tripura. There is Assam fold and Nagatrust Fold as well. There is a split inside the underground dividing these folds keeping them in separation. Our underground oil, therefore, will not be siphoned off from Digboi, Tripura or Assam. Let us develop no fear in this regard.”

CONCLUSION:

The summary of the meeting was read out and necessary corrections were made. After duly signing of the minutes by the Chairman, the Meeting ended with the vote of thanks from Shri Tridiv Hazarika, Manager, Public Relations, Oil India Limited.