

**SUMMARY OF PROCEEDINGS IN THE PUBLIC HEARING FOR OIL
EXPLORATORY DRILLING TO BE UNDERTAKEN BY OIL INDIA Ltd.,
AROUND THENZAWL VILLAGE, SERCHHIP DISTRICT**

**VENUE : TUALVUNGI HALL, THENZAWL, MIZORAM
TIME : 18th 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 lists of participants are listed at Annexure.

The Hearing was presided over by Shri H. Dolianbuaia, SDO (Civil), Thenzawl, Serchhip 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 then introduced the following local authorities and officials from outside.

1. Village Council Members of Thenzawl Village
2. Shri Robert Lalhmangaiha, SDC, DC Office, Serchhip District, Serchhip
3. Officers from Geology & Mineral Resources Department
4. Dr Rahul Dasgupta, Head NEF, OIL

5. Shri A. N Borthakur, Chief Geologist, OIL
6. Other officials from OIL, Duliajan
7. Shri C. Lalduhawma, Member Secretary, MPCB,
8. All Officials of MPCB.

He then invited Shri C. Lalduhawma, Member Secretary, Mizoram Pollution Control Board for introductory remark. The Member Secretary 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 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 not to take approval from them. He requested the public to speak out their views, comments and suggestions regarding environmental impact of the proposed project which are readily available in the EIA Report prepared by the company. He also mentioned that all proceedings will be recorded in print and in video which will be sent to the Ministry of Environment & Forests, G.O.I

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 relating to the proposed project including the functions and proposed work plan of the project. He mentioned that environmental studies have been conducted within 10 km radius of the pinpoint and that a depth of about 5 km will be drilled which will taper towards the bottom.

He also explained the water quality of Tuirial and Tlawng River, agricultural, rainfall and humidity, air quality, climatology & meteorological data obtained by the company around the proposed site. He reported that H₂S gas is not likely to present in this area. He also informed the public about the risk and accidents that could occur in the work area and various mitigation measures like pit for drilling mud, Blow Out Preventor (BOP) for the same.

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

1. Is the company positive about the presence of oil in Thenzawl?

Response: As per the preliminary studies undertaken by the company since 2006, they are hopeful, but will not say oil is present unless and until oil is drilled.

2. Will the proposed project affect the public road running below the proposed site?

Response: For oil drilling, there are specific norms like distance from the nearest village etc which oil company should follow. The distance of the road is within these norms.

3. Where is the exact drilling site? How much area will be covered? If it's too near to the village, will it not affect health of the people? Will smoke pollute the area?

Response: It is about 4 km away from Thenzawl covering an area which may be about half of the size of 1st AR ground (football playground). Efforts will be given so that smoke and noise etc will not be beyond standards.

Assurance is given to the MPCB that all mandatory guidelines and standards will be followed and complied with.

The MS of MPCB is requested for the standards who informed the public that there are various standards set by not only the PCB but also by the MoEF. The problems lie with non compliance by industries.

4. Budget of the project:

Response: It will be 25-30 crores.

5. Employment:

Response: Semi skilled and unskilled workers will be engaged from the native people. However, as oil drilling require specific knowledge, qualified personnel are required in almost all sectors. We will keep in touch with the government and the qualified engineers/ scientists who are undergoing training supported by the govt. will be recruited.

6. Proposed action by OIL if oil is extracted.

Response: If found in huge quantity, crude oil may be transported outside by pipeline or it may be used for industry if set up by the Mizoram government.

7. Water Pollution: A stream called 'Lau lui' runs beneath the project. Will the aquatic animals affected?

Response: All drilling mud will be contained in a HDPE lined pit. There will be no chance of water contamination.

8. Difference between the projected oil reserve and projected quantity of oil: The projected oil reserve is said to be 3.32 MMT while only 0.099 MMT is said to be drilled? Why such great difference and why not all reserve is drilled?

Response: It is not possible to extract all reserves.

9. Pollution Control issues:

Response: Various noise standards are prescribed for different zones or instruments. Pollution Source from the project will be DG SET and drilling activities which may generate smoke and noise and drilling mud. The pollution load at this stage will not be much. However, the company has to obtain Consent through which all necessary guidelines will be prescribed.

10. Land acquisition if the project fails:

Response: Land acquired shall be dealt with in line with the state government decision

11. Thenzawl as the first choice:

Response: The risks prospect and logistic concern makes Thenzawl as the first choice.

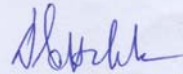
12. Refinery in Thenzawl: Is it possible to set up refinery in Thenzawl

Response: No. As the company is not meant for oil refinery but concerned with only exploration. The company has nothing to say about it.

13. Waste from Pit: What will be done with the wastes from Pit

Response: R: It will be landfilled by employing sanitary landfill. If toxic chemical is present, it will be treated.

The Meeting ended with the vote of thanks from the Chairman



(H.DOLIANBUAIA),
SDO(CIVIL),
Thenzawl,
Serchhip District