

**DETAIL STATEMENT (ENGLISH) OF 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 Hearing was presided over by Shri H. Dolianbuaia, SDO (Civil), Thenzawl, Serchhip District, Mizoram at the scheduled date and time. 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. Officials from OIL, Duliajan
5. Dr Rahul Dasgupta, Head NEF, OIL
6. Shri A. N Borthakur, Chief Geologist, OIL

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 issues raised and clarifications from the project proponent in detail were as below:

1. Shri T.C. Laltlanthanga, YMA Representative:

“Going through the summary, I feel that it is not clear enough. Is there any oil reserve in Thenzawl and if so, will work be started right away? Are you sure of the presence of oil in this area? Can you clarify the matter?”

***OIL:** "Geological survey, seismic study and geochemical study have been undertaken in the Block since 2007. Geological survey was conducted to study geological formation of the Block. Seismic study is done by recording vibration caused by explosion at a depth of 25-30 m while geochemical studies is a study of chemicals present in the soil by testing in laboratory. All these studies make us believe that there are some hydrocarbon deposits. However, we can not say there are hydrocarbons unless and until they are the exploratory drilling is complete."*

2. Shri K. Lalpara, Member, Village Council, Thenzawl:

“We appreciate your move for exploration of oil and I feel that there may be nothing dangerous to the public. However, a highway runs right below the proposed site. Is there anything risky for pedestrian or vehicles plying on the road? I guess that some of the officials here might have experience in oil drilling. I therefore request you to kindly share your experience regarding oil drilling process and relationship of the company with the people in the surrounding areas.”

OIL: *“You are lucky to have such a leader who is concerned with the welfare of the public. He is concerned with safety of the community but not for himself alone”.*

“The drill site is not far from the highway though I will not tell the exact site at the moment. I believe that the VC member is quite sure of the site. We have specific norms to follow for oil drilling in regard to distance from highway or village, noise or smoke from machines and equipment. We will conform to these standards and we plan to confine noise or smoke within the premises so as to not affect the villagers or passerby. We are not saying that there will be no effect at all but we assure you that normal daily life will not be affected”

3. R.Hmangaihzuala, Secretary, MUP Unit, Thenzawl

“The Project has been explained to us, but we are still not sure of it. No one including students here are unaware of the exact proposed drill site. It is simply known that it will be drilled at Thenzawl suburb. Is it possible to tell us the exact site? We believe that some brick manufacturing industry existing right at the outskirts of Thenzawl has already brought us some health problems. Likewise, will oil drilling activities just near Thenzawl be able to result to health problems? We have come to know of the catastrophic incident of Bhopal Gas Tragedy from Television and Newspaper. Can the same thing happen to us?”

OIL: *“That is another good question for the concern of the community. As seen in the picture, we are using Drilling rig which is mechanized by a Diesel Generator. Smoke for the DG Set will be the main source of air pollution. The quantum of smoke from the DG set may be more or less equal to that of a heavy truck. As such, air pollution from the work area is expected to be of limited extent and that health effects will be minimum. Besides, we will be using drilling rig for a period of 3-4 months or 5 months at maximum. Therefore, air pollution will not be a great deal”.*

4. Shri Zoramsanga, Editor, Thenzawl Today, Thenzawl:

“Can you tell us the exact drill site and area required for it? What are the pollution control norms or limits which will be safe for human being from such activities?”

OIL: *“The exact drill site is proposed at four (4) km before reaching Thenzawl from Aizawl. Area required is half the size of 1st AR Ground (football playground). The size of a playground is most desirable. However, due to the topography, we may have to confine within half the size of a playground.”*

Regarding pollution control norms, may I request Pollution Member Secretary, Mizoram Pollution Control Board to clarify the matter.

Member Secretary, Mizoram Pollution Control Board: *“I’d say that the OIL officer has reported smoke from DG Set rather less. The Board does not consider it as less. It intends to look into it carefully. The company has to obtain consent from us wherein conditions for safe discharge of pollutants will be prescribed. Besides, if the company could acquire Environmental Clearance from the Ministry of Environment & Forests, G.O.I, all waste disposal guidelines like water-based mud will be specified in the EC. As reported earlier by the company, the WBM should be collected in a HDPE lined pit. We are here to oversee their compliance and if the company is found to violate the prescribed conditions or exceed the standards or work against their work plan as reported today, we will direct them to stop their work.”*

“With regard to brick making industry, all manufacturing industry including Brick requires consent from Pollution Control Board. We will try to inspect all those units, which have already submitted application for consent including Brick industry around here this time”.

5. **Shri Sailoliana, Teacher, Thenzawl High School:**

“Today is a very special occasion and we are pleased about it. I have three simple questions. Firstly, what is the total investment?”

Secondly up to what extent will the local youth and Serchhip District as a whole benefit from this project in terms of employment? What level of expertise do they require?

Thirdly, what will be done if oil is commercially viable?

OIL:

i) “We can not tell the exact Budget right now because it depends on different activities. But it will not be less than Rs 25-30 crores”.

ii) “Regarding employment generation, when we start drilling activities here, mostly all the unskilled and semi-skilled labour will be engaged from the local people. For that, we are already in touch with the Mizoram government so that they can train up their people because oil exploration is a different activity which requires some sort of knowledge; we are requesting the Mizoram Government. We are in touch with the Chief Secretary and Industry Secretary, so that they can make you little bit knowledgeable so that we can recruit you here. As far as skilled labours are concerned, you can see that without coming here, there are four officers in OIL from Mizoram today apart from other nine workers and three (3) sport players. So, the OIL has a policy that where it goes, it will recruit workers from the local people”.

iii) “If we find oil or gas, definitely we will produce. Be it oil or gas, it will be difficult for transport. So Oil India’s priority will be to tie up with the government of Mizoram to make some industry wherever possible and also to lay down the pipeline if it is in huge quantity to take it outside. But, our first priority will be to engage or to utilize oil and gas in the form of making industry in Mizoram”.

6. **Z.D. Lengchawna, Thenzawl:**

“We have gathered here on a big project, but the public is very vague about how it is to be carried on. We even don’t know how and what to ask. Oil exploration is to be done here in

Thenzawl. However, we are not sure of the proposed drill site till now. I think the OIL is keeping the truth undercover. We don't know what to ask as the company didn't tell us the exact site. I have been enquiring about the project and I personally know the site.

"We have come to know that six exploration wells will be drilled in Mizoram out of which three (3) wells will be drilled in the first phase. The Executive Summary described location 2,4,5 and 8 only. My question is: where are the first three wells located?"

"A river called Lau Lui runs slightly below the proposed drill site which is only 15 minutes walking distance. There are paddy fields beside the river. I have seen some other companies which advocated proper work plan but ended terribly. Even this time, wastes oil may be discharged from the operation. Will these wastes affect the river?"

"Aizawl – Lunglei highway is located near the proposed drill site. Vehicles ply on this road almost every 5 minutes? Will noise from the operation affect traffic flow? Will it be safe enough for travelers?"

OIL: *"We have eight (8) locations instead of six (6). These are*

- 1) *Location 1 - Keifang*
- 2) *Location 2 - Phulmawi*
- 3) *Location 3 - Maubuang*
- 4) *Location 4&5-Darlung/S.Sabual*
- 5) *Location 6&7- studies underway*
- 6) *Location 8 – Thenzawl"*

"All effluent will be contained in a HDPE lined pit and there will be no chance of water contamination in the river."

"Noise from the work site may hardly be audible from the highway while traveling. Someone with exceptionally good hearing may be able to hear the noise from the highway."

"May I request the Member Secretary, Mizoram Pollution Control Board again to inform us of the acceptable noise limit from the highway and travelers and standards for effluent treatment pit."

Member Secretary, Mizoram Pollution Control Board: *"Noise from stationery source like machines is monitored at a fixed distance in terms of decibel which must conform to the standards. If the noise level exceeds the prescribed standards, acoustic enclosure needs to be fixed. Depending upon the KVA rating of a particular DG set, chimney height needs to be fixed."*

Regarding Effluent treatment pit, guidelines will be prescribed which the OIL must follow. The public may also oversee whether plan for treatment as advocated today is being properly followed or not."

OIL: *"In this regard, we, from Oil India Limited, can assure the Pollution Control Board and all other people here that we will strictly follow the norms that are laid down in the Pollution Control measures and we do not know about other organisation, but we ourselves*

are very strict and we assure you that there will be nothing that will happen where you have to have some operation to complain against us.”

7. L. Sailova, VCP, Thenzawl:

“The work area required is reported to be half the size of the football playground or more. If the company fails to find oil/gas worth drilling, what will be done with the land acquired? Will the land be given back to the original owner though compensation has been granted before?”

“Can the company promise us construction of playground, super-market and others to our village?”

OIL: *“If we are to abandon the site, we will request for advice from the state government and will go by it.”*

“The company has certain responsibility under Corporate Social Responsibility. However, this responsibility could not be implemented unless Oil/gas is commercially viable. We are just about to start working and we can not promise anything big like Super market and playground at the moment. We apologize for that. There may be something that could be done at this stage if the requirement is not too big.”

8. Liantluanga Renthlei, Editor, Vantawng:

“Oil Reserve in Mizoram is reported to be 3.32 MMT while only 0.099 MMT is expected to be drilled? There is a big difference between the two. Why?”

OIL: *“The 3.32 MMT what we have said is the bare minimum. You know Hydrocarbon exploration is very uncertain. Nobody can say there is oil or gas except God. We can come close to think that there may be. So what we are estimating 3.32 is from the study that is done from the surface. We are yet to drill. We do not want to give a very high figure so that tomorrow you will come to us saying that you have told 15 MT but now it is coming hardly 3.32 or 4 MT. What we are saying is an anticipated result. We call it an anticipated prognostic result but once we go drill and find hydrocarbon, it will be changed. There will be much more Hydrocarbon than we have thought. We are drilling up to a depth of to 4500 to 5000 m i.e about 4-5 km. Nobody in the world, no instrument can tell you that you have this much of Hydrocarbon here. What we are telling is something of our own calculation. But it may be changed to higher or lower. So don’t go by the figure that we have shown you. We know that if we get 0.099 MMT, it is expected to be commercially viable. So we are coming to it. It may be changed to higher or lower. We don’t know”.*

“The reason for a big difference that is not possible to take out all reserves. Hydrocarbons are not found in a pool but are distributed here and there. All those reservoir rocks are not worth drilling in comparison with the expenditure to be incurred.”

9. K.I. Ramfangmawia, Teacher, Thenzawl Higher Secondary School:

“I have a question to the Pollution Control Board. It is greatly appreciated to have the company working near Thenzawl. We however are rather ignorant of noise and environmental pollution that could take place”.

“I request for information as to what type of pollution which can arise from their work? What is the level accepted by MPCB so as to not affect human health? How can we prevent ourselves? How are we supposed to convey our grievances?”

“The only oil company that I have heard of is ONGC. However, to my knowledge, the ONGC has very low success rate as compared to their drilling activities. I would like to request for the success rate of OIL and their achievement record if possible.”

“Why Thenzawl is chosen in the first phase. Is it because the area offers high expectation in terms of oil/gas reserve?”

“What will be done with the wastes contained in Polythene lined pit? Is it to be left to degrade itself in the course of time or is it to be dumped into Lau river?”

Member Secretary, Mizoram Pollution Control Board: *“It is difficult to say about pollution at this stage. From the surface study conducted by the company, some Hydrocarbon deposits are anticipated here. They are simply going to prove their study by drilling. Only about a square feet opening will be dug up. If there are no oil/gas reserves worth extraction, the company is bound to bring back the site near to its original. If oil/gas is found, the company has to submit fresh application and another public hearing will be held. However, at this exploratory stage, pollution will not be much but we can expect noise and smoke pollution from DG set, water based mud and dust during site preparation. To mechanize drilling rig, generator with large KVA ratings will be required which will generate more noise and smoke. Different standards are available for the DG and the company will have to continue working within these standards.*

10. **Liantluanga Renthlei, Editor, Vantawng:**

“Is there any plan to set up refinery in Thenzawl if there is oil/gas? Thenzawl is an ideal place for the same as it is centrally located.

OIL: *“Regarding previous question on Success rate of the company, it is about 70-80% in Assam which is our headquarter state while it is about 50% outside Assam.*

Oil India is not a refining company but deals with exploration only. If we are successful with the exploration, we may tie up with HPCL, BPCL, IOC etc which do refining on their own. Oil India Limited produces oil and transport to refining company.”

“Thenzawl is the first choice because you people are very good. Apart from that, in terms of prospect, Thenzawl is one of the best places. Different prospects are identified on the map not on the ground and ranked them. But when we come to the ground, though a particular site is prospect I, we can not drill it because it is at the hill top. So, lots of things need to be considered. First thing is the prospect and second is the logistic concern. Thenzawl, so far as our analysis is concerned, though Thenzawl is not prospect-wise No 1, it is Prospect No. 2, nevertheless, it has less problems from the logistic point of view and we think, within a very short period of time, we can drill here. So, we have chosen Thenzawl.”

Pit will be dug up and lined with HDPE at the bottom and at the site. Used Water Based Mud will be collected. After the work is over, the pit will be covered with the lining material and soil from the surrounding areas. If toxic materials happen to present, proper treatment will be given. Otherwise the water based mud itself will not be harmful

CONCLUSION:

The summary of the meeting was read out and necessary corrections were made. After duly signing the minutes by the Chairman.

The Meeting ended with the vote of thanks from the Chairman