

**SUMMARY OF PROCEEDINGS IN 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 lists of participants are listed at Annexure.

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 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 all proceedings will be recorded in print and in video which will be sent to the Ministry of Environment & Forests, G.O.I

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. 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.

After Miss Rosy K. Remsangpuii entertained the public with her song, 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 hearing. The main issues raised and clarifications from the project proponent were as summarized below:

1. Problems related to the project: Are the problems mentioned in the presentation to occur during exploratory drilling or exploration of oil?
Response: Problems as mentioned may arise during exploratory drilling itself
2. Area required for the drilling:
Response: About half the size of a football playground will be required.
3. Pinpoint of the drill site:
Response: It may be located before entering or after passing Darlung village. The two sites are being compared.
4. Area affected by pollution from the project:
Response: It is not possible to say the exact area. However, with all the pollution control devices and monitoring, pollution is hoped to be minimized at the periphery of the village.
5. Air Pollution: Smoke from the work and construction of approach road may be able to pollute the rain water here which is the main source of water in the village.
Response: The main source of air pollution may be DG sets. Approach road will not be black topped. As such, it is hoped that air pollution may not be much.
6. Approach Road and machineries: How would heavy machines be transported and from where? If transported through Aizawl - Aibawk – Darlung Road, the existing road requires widening and the road condition will become terrible? Who will be responsible for reconstruction of road?
Response: Transportation is the main problem which the company is facing and is still working on it. For road construction, the State PWD has been approached and SDO, Aibawk PWD has already surveyed the area.
7. Area development under CSR: Are the affected people entitled to choose their option? Could it be done through village council authority?
Response: Yes. It will be given through DC and village council
8. Projects benefits in terms of land acquisition and employment:
Response: Employment will surely be generated for those who are qualified, efficient and sincere.
No land will be used without necessary payment.
9. Area for extraction of oil: Are the area exploratory drilling areas and oil extraction areas same in sizes?
Response: Area required for oil extraction will rather be smaller than exploratory drilling. However the area for exploratory drilling may be retained.

10. Land acquisition—Most of the plot here are either through periodic patta or LSC. Will the state government seize the plot of land from private land owners?

Response: The Chairman of the hearing clarified that under the Mizo Land Revenue Act, 1953, land value can be claimed for those possessing LSC. However for a plot of land with periodic patta, only the value for agricultural crops will be claimed.

11. Agreement with the government: How much will the state government receive from the company as royalty?

Response: 12% on oil and 10% on gas.

The meeting ended with the vote of thanks from the Chairman and Shri Tridiv Hazarika, Manager, Public Relations, OIL

(A. BIAKLAWMA),
Additional Deputy Commissioner,
Mamit District