

भारत सरकार

GOVERNMENT OF INDIA

पर्यावरण, वन एवं जलवायु परिवर्तन मंत्रालय

MINISTRY OF ENVIRONMENT, FORESTS & CLIMATE  
CHANGE



Regional Office (South Eastern Zone),  
1<sup>st</sup> & 2<sup>nd</sup> floor, HEPC Building, No.34, Cathedral Garden Road,  
Nungambakkam, Chennai - 600034

F.No. EP/12.1/2012-13/7/AP  
24.08.2017

To,

Shri Swadesh Dev  
Executive Director (KGB & BEP)  
KG Basin Project  
No. 11-4-7, (3<sup>rd</sup> Floor),  
Nookalamma Temple Street,  
Ramaraopet, Kakinada – 533 004  
Andhra Pradesh

Subject: 1) Exploratory Drilling (6 Wells) in NELP-II Block KG – ONN – 2004/1 at East Godavari District of Andhra Pradesh by M/s Oil India Limited – Environmental Clearance reg.

2) Exploratory Drilling of Six more wells of M/s Oil India Ltd. at Fresh Location in the Second Batch from Nineteen (19) possible Locations proposed in NELP – VI Block KG-ONN-2004/1 – Environmental Clearance – reg.

Reference: 1) Letter No. 1) No. J-11011/618/2010- IA II (I), dated: 11.07.2012.

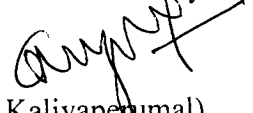
2) No. J-11011/618/2010- IA II (I), dated: 24.01.2014.

2) Your letter dated. 28.02.2017

Sir/Madam,

With reference to 2<sup>nd</sup> cited above, please find enclosed herewith a certified copy of the compliance report. This has been approved by the Addl.PCCF(C) vide diary no.1171 dt 21.08.2017.

Yours faithfully

  
(Dr.C.Kaliyaperumal)  
Director (S)

Encl: As above.

Dr. C. KALIYAPERUMAL, M.E., Ph.D  
Director (S)  
Government of India  
Ministry of Environment, Forests & Climate Change  
Regional Office (South Eastern Zone)  
HEPC Building, No.34, Cathedral Garden Road,  
Nungambakkam Chennai-600 034.

## Certified Copy of the Compliance Report

**Sub: 1)** Exploratory Drilling (6 Wells) in NELP-II Block KG – ONN – 2004/1 at East Godavari District of Andhra Pradesh by M/s Oil India Limited – Environmental Clearance reg.

**2)** Exploratory Drilling of Six more wells of M/s Oil India Ltd. at Fresh Location in the Second Batch from Nineteen (19) possible Locations proposed in NELP – VI Block KG-ONN-2004/1 – Environmental Clearance – reg.

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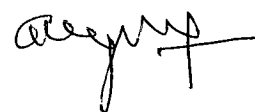
**2)** No. J-11011/618/2010- IA II (I), dated: 24.01.2014.

**Present status of the project:** The Project authority (PA) have obtained environmental clearance for drilling 12 wells. Out these, they have reduced the area due to Coringa wildlife sanctuary, reserve forest etc., and also reduced the wells into 8 wells. The PA have drilled 4 wells already, 2 wells are under drilling and another 2 wells are yet to be drilled.

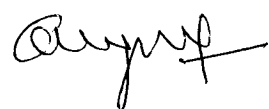
**Date of monitoring:** 12 & 13<sup>th</sup> July, 2017

### A. Specific Conditions

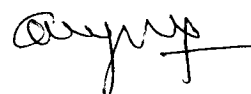
S.No.	Conditions	Compliance
i	No well shall be drilled in forest land and mangrove forest without prior approval. No additional wells shall be drilled without prior permission from this Ministry.	Complied The Project Authority (PA) informed that identified drilling prospects do not fall in Forest land & Mangrove forest. Similarly no additional wells were also drilled without prior permission of the Ministry.
ii	All the specific conditions and general conditions specified in the CRZ clearance letters accorded vide Ministry's letter no. 11-47/2011-ia.iii dated 3 <sup>rd</sup> May, 2012 shall be implemented	Refer below The project does not attract the provisions of CRZ Notification, 2011 since they have changed the locations earlier.
iii	Prior clearance shall be from the Standing Committee of the National Board for Wildlife regarding Coringa wildlife sanctuary as applicable.	Refer below Since no drillable prospects have been identified for drilling in Coringa Wild life sanctuary, necessary clearance is not required from Standing Committee of the National Board for Wildlife regarding Coringa wildlife sanctuary.
iv	Permission shall be obtained from the state Forest Department regarding the impact of the proposed drilling on the surrounding reserve forest viz. 9 reserve forests namely Corangi, Coringa reserve forest or Coringa Wildlife sanctuary, Coringa Extn RF, Bhyravapalem RF, Rathikalava RF, Masanitippa RF, Matlapalem RF, Balusutippa RF, Kothapalem I RF, Kothapalem II RF and Kandikuppa RF.	Refer below Since no location is falling under Reserve Forest, clearance from state Forest Dept. is not required.
v	Gas produced during testing shall be flared	Complied.



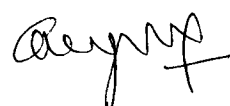
	with appropriate flaring booms. The flare system shall be designed as per good oil field practices and Oil Industry Safety Directorate (OISD) guidelines. The stack height shall be provided as per the regulatory requirements and emissions from stacks will meet the MOEF/CPCB guidelines.	Provision of flaring in drilling location is in place as per OISD. Stack height are provided as per the regulatory requirements and emissions from stacks will meet the MOEF/CPCB guidelines.
vi	Ambient air quality shall be monitored near the closest human settlements as per the National Ambient Air Quality Emission Standards issued by the ministry vide G.S.R. No. 826(E) dated 16th November, 2009 for PM10, PM2.5, SO2, NOx, CO, CH4, HC, Non-methane HC etc.	Complied. Ambient air quality is monitored through external agency at well site and near the human settlements as per NAAQ emission standards vide G.S.R. No. 826(E) dated 16th November, 2009.
vii	Mercury shall also be analyzed in air, water and drill cuttings twice during drilling period.	Complied. Measuring of Mercury concentration in air, water and drill cuttings are carried out by the PA.
viii	Approach road shall be made pucca to minimize generation of suspended dust.	Complied. The PA have made pucca approach road to minimize generation of suspended dust.
ix	The company shall make the arrangement for control of noise from the drilling activity. Acoustic enclosure shall be provided to DG sets and proper stack height shall be provided as per CPCB guidelines.	Complied. Acoustic enclosures are provided to DG sets and also proper stack height are also provided as per CPCB guidelines. Noise levels are monitored and as per the reports produced the levels are within the limits.
x	Total water requirement shall not exceed 25 m3/day and prior permission shall be obtained from the concerned agency.	Complied. As informed by PA the total water requirement has not exceeded 25 m3/day and no information was provided about the prior permission obtained from the concerned agency.
xi	The company shall construct the garland drain all around the drilling site to prevent runoff of any oil containing waste into the nearby water bodies. Separate drainage system shall be created for oil contaminated and non-oil contaminated effluents. Effluent shall be properly treated and treated wastewater shall conform to CPCB standards.	Complied. The PA have constructed garland drain around the periphery of the drill site. Separate drainage system are created for oil contaminated and non-oil contaminated effluents. Drilling waste water and drill cuttings wash water are collected in HDPE lined effluent pits and they are treating waste water in ETP unit with RO system and the treated water is used for mud preparation.
xii	Good sanitation facility shall be provided at the drilling site. Domestic sewage shall be disposed of through septic tank / soak pit.	Complied. The PA have provided septic tank / soak pit at well site for domestic sewage.
xiii	Drilling wastewater including drill cuttings wash water shall be collected in disposal pit lined with HDPE lining evaporated or treated and shall comply with the notified	Complied. Drilling waste water and drill cuttings wash water are collected in HDPE lined effluent pits for solar evaporation and treating the



	standards for on-shore disposal. The membership of common TSDF shall be obtained for the disposal of drill cuttings and hazardous waste. Otherwise, secured landfill shall be created at the site as per the design approved by the CPCB and obtain authorization from the SPCB. Copy of authorization or membership of TSDF shall be submitted to Ministry's Regional Office at Bangalore.	waste water with ETP unit with RO system and reusing the treated water for mud preparation. The PA have agreed to carryout secured land fill as per the design approved by the CPCB and obtain authorization from the SPCB.
xiv	Oil spillage prevention and mitigation scheme shall be prepared. In case of oil spillage / contamination, action plan shall be prepared to clean the site by adopting proven technology. The recyclable waste (oily sludge) and spent oil shall be disposed of to the authorized recyclers.	Complied. Water Base Mud is being used for drilling. Spent oil is collected, stored and disposed to authorized recyclers.
Xv	The company shall comply with the guidelines for disposal of solid waste, drill cutting and drilling fluids for onshore drilling operation notified vide GSR.546 (E) dated 30th August, 2005.	Complied. The PA disposing solid waste, drill cuttings and drilling fluid as per the onshore drilling operation notified under GSR.546 (E) dated 30th August, 2005 given by MOEF&CC.
xvi	The Company shall take necessary measures to prevent fire hazards, containing oil spill and soil remediation as needed. Possibility of using ground flare shall be explored. At the place of ground flaring, the overhead flaring stack with knockout drums shall be installed to minimize gaseous emissions during operation.	Complied. PA have provided first aid, firefighting equipment are as per OISD-189. They have also provided ground flaring facility for flaring in case of any gas observed during drilling with proper adequate measures.
xvii	The company shall develop a contingency plan for H2S release including all necessary aspects from evacuation to resumption of normal operations. The workers shall be provided with personal H2S detectors in location of high risk of exposure along with self-containing breathing apparatus.	Complied. OIL have their own Emergency Response Plan (ERP) and Contingency plan for H2S which is a part of ERP. H2S gas detectors are provided for monitoring in location of high risk of exposure along with self-containing breathing apparatus.
Xviii	The company shall carry out long term subsidence study by collecting base line data before initiating drilling operation till the project lasts. The data so collected shall be submitted six monthly to the Ministry and its Regional Office at Bangalore.	Complied. OIL carried out Baseline study during EIA study. No information was provided about the long term subsidence study.
xix	Blow Out Preventer (BOP) system shall be installed to prevent well blowouts during drilling operations. BOP measures during drilling shall focus on maintaining well bore hydrostatic pressure by proper pre-well planning and drilling fluid logging etc.	Complied. BOP's are installed. BOP test is carried out every 21 days.
Xx	Emergency Response Plan (ERP) shall be based on the guidelines prepared by OISD,	Complied. OIL has its own Emergency Response Plan



	DGMS and Govt. of India.	(ERP) prepared as per OISD, DGMS and Govt. of India guidelines.
xxi	The company shall take measures after completion of drilling process by well plugging and secured enclosures, decommissioning of rig upon abandonment of the well and drilling site shall be restored the area in original condition. In the event that no economic quantity of hydrocarbon is found a full abandonment plan shall be implemented for the drilling site in accordance with the applicable Indian Petroleum Regulations. Remote monitoring of site shall be done.	Refer below Dry wells are abandoned with plugs as per OMR-2016. Process of restoration of the well site is on. PA have agreed to conduct remote monitoring of the site.
xxii	Occupational health surveillance (OHS) of the workers shall be carried out as per the prevailing Acts and Rules.	Complied. OHS is carried is done as per the prevailing Acts and Rules.
Xxiii	In case the commercial viability of the project is established, the Company shall prepare a detailed plan for development of oil and gas fields and obtain fresh environmental clearance from the Ministry.	Agreed to comply Presently OIL's KG Basin Project is in exploratory drilling phase only. In case commercial viability is established, company will prepare and develop plan and apply for fresh Environmental clearance from MOEF&CC as informed.
xxiv	Restoration of the project site shall be carried out satisfactorily and report shall be sent to the Ministry's Regional Office at Bangalore.	Complied Process of restoration of the well site is in progress.
Xxv	Oil content in the drill cuttings shall be monitored by some Authorized agency and report shall be sent to the Ministry's Regional Office at Bangalore.	Complied. Only Water Bound Macadam (WBM) is being used as informed.
xxvi	All the issues raised and commitment made during the public hearing / consultation meeting held for east Godavari District on 19th January, 2011 shall be satisfactorily implemented. Accordingly, a budget to be kept for implementation.	Complied. Implementing the commitments given during public hearing through District Administration of East Godavari, Andhra Pradesh as informed. PA informed that budget provision for CSR activities are made.
xxvii	Under Corporate Social Responsibility (CSR), sufficient budgetary provision shall be made for health improvement, education, water and electricity supply etc. in and around the project.	Complied. The PA have provided budget provision for CSR activities. Till now OIL have spent an amount of Rs 3, 26, 29,258.00 in KG Basin Project.
Xxviii	Company shall have own Environment Management Cell having qualified persons with proper background.	Complied The PA informed that an Environment Management Cell is functioning in KG Basin project, Kakinada to carryout HSE functions.
xxix	Company shall adopt Corporate Environment Policy as per the Ministry's	Complied. OIL has Corporate Environment Policy and



	O.M. No. J-11013/41/206-IA.II (I) dated 26th April, 2011 and implemented.	implementing.
xxx	Company should ensure good housekeeping at the drilling site.	Complied. The PA maintaining good housekeeping at well site.
Xxxi	Company should prepare project specific environmental manual and a copy should be made available at the drilling site for the compliance	Refer below Environmental manual for this Project is being prepared centrally at Field head Quarters and shortly in place at drilling sites.
xxxii	Company shall prepare operating manual in respect of all activities. It shall cover all safety & environment related issues and system. Measures to be taken for protection. One set of environmental manual shall be made available at the drilling site / project site. Awareness shall be created at each level of the management. All the schedules and results of environmental monitoring shall be available at the project site office.	Complied. The PA maintaining SOP, drilling programme & one set of environmental manual are made available at the drilling site / project site. Awareness is created at each level of the management. All the schedules and results of environmental monitoring are available at the project site office as informed.

<b>B. GENERAL CONDITONS :</b>		
<b>S.No.</b>	<b>Conditions</b>	<b>Compliance</b>
i	The project authorities must strictly adhere to the stipulations made by the A.P Pollution Control Board (APPCB), State Government and any other statutory authority.	Complied The PA informed that the stipulations made by APPCB, DGMS&OISD are being complied. Also informed that six monthly EC compliance reports are submitted to APPCB & CPCB also.
ii	No further expansion or modification in the project shall be carried out without prior approval of the Ministry of Environment & Forests. In case of deviations or alterations in the project proposal from those submitted to this Ministry for clearance, a fresh reference shall be made to the ministry to assess the adequacy of conditions imposed and to add additional environmental protection measures required, if any.	Agreed to comply. No expansion/modification will be carrying out without prior approval. The PA are planning to go for an expansion for another 18 wells and for that they have requested a certified copy of the compliance report.
iii	The project Authorities must strictly comply with the rules and regulations under Manufacture, Storage and Import of Hazardous Chemicals Rules, 2000 as amended subsequently. Prior approvals from Chief Inspectorate of Factories. Chief Controller of Explosives, Fire Safety Inspectorate etc. must be obtained, wherever applicable.	Complied. The PA informed that Hazardous Chemicals Rules are implemented. Handling of explosives approval is obtained from Chief Controller of Explosives.
iv	The overall noise levels in and around the plant area shall be kept well within the	Complied. Acoustic enclosures are provided for the

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	standards by providing noise control measures including acoustic hoods, silencers, enclosures etc. on all sources of noise generation. The ambient noise levels shall conform to the standards prescribed under EPA Rules, 1989 viz. 75 dBA (daytime) and 70 dBA (nighttime)	Gen sets to minimize the noise levels in specified limits. Ear muffs are provided for the persons working near the gen sets. The ambient noise levels are being monitored regularly during day and night time and the levels are within the limits.
v	A separate Environmental Management Cell equipped with full-fledged laboratory facilities must be set up to carry out the environmental management and monitoring functions.	Complied Separate Environmental Management Cell is in place at KG Basin project, Kakinada. Monitoring of environmental parameters are monitored through an external lab.
vi	A copy of clearance letter shall be sent by the proponent to concerned Panchayat, Zila Parshad / Municipal Corporation, if any, were received while processing the proposal. The clearance letter shall also be put on the web site of the company by the proponent	Complied. As stated that EC copies were sent to concerned Panchayat, Zila Parshad / Municipal Corporation and uploaded in Oil India Limited website <a href="http://www.oil-india.com">www.oil-india.com</a> . Also the EC copies are published in local daily newspapers.
vii	The project proponent shall upload the status of compliance of the stipulated environment clearance conditions, including results of monitored data on their website and shall update the same periodically. It shall simultaneously be sent to the Regional Office of the MOEF, the respective Zonal Office of CPCB, APPCB and Puducherry Pollution Control Committee. The criteria pollutant levels namely, PM SO <sub>2</sub> , NO <sub>x</sub> , HC (Methane & Non-methane), VOCS (ambient levels as well as stack emissions) or critical sectoral parameters, indicated for the projects shall be monitored and displayed at a convenient location near the main gate of the company in the public domain.	Complied. The PA submitting six monthly compliance reports to MoEF, CPCB & APPCB. EC compliance reports and monitored data are uploading in our website <a href="http://www.oil-india.com">www.oil-india.com</a> . Ambient air quality and stack emissions data are displayed near the main gate of well site.
viii	The project proponent shall also submit six monthly reports on the status of the compliance of the stipulated environmental conditions including results of monitored data (both in hard copies as well as by e-mail) to the Regional Office of MOEF, the respective zonal Office of CPCB and APPCB. The Regional Office of his Ministry/CPCB/APPCB shall monitor the stipulated conditions.	Complied. The PA submitting six monthly compliance reports both soft and hard copies except by e-mail to MoEF, CPCB & APPCB.
ix	The environmental statement for each financial year ending 31 <sup>st</sup> March in Form-V as is mandated to be submitted by the project proponent to the concerned state Pollution Control Board as prescribed Under the Environment (protection) Rules, 1986 as amended subsequently, shall also	Complied Environment Statement in form -V was submitted to APPCB on 19.5.2017 and uploaded on Oil India Limited website <a href="http://www.Oil-india.com">www.Oil-india.com</a> . Also submitted the Environmental statement to RO, MoEF&CC along with six monthly EC



	be put on the website of the company along with the status of compliance of environmental conditions and shall also be sent to the respective regional Offices of the MOEF by e-mail.	compliance report.
x	The Project proponent shall inform the public that the project has been accorded environmental clearance by the Ministry and copies of the clearance letter are available with the APPCB and may also be seen at website of the Ministry of Environment and Forest at <a href="http://envfor.nic.in">http://envfor.nic.in</a> . This shall be advertised within seven days from the date of issue of the clearance letter, at least in two local newspapers that are widely circulated in the region of which one shall be in the vernacular language of the locality concerned and a copy of the same shall be forwarded to the Regional Office.	Complied. The had given advertisements in two local newspapers and copies of the same were sent to the RO MoEF&CC.
xi	Project authorities shall inform the Regional Office as well as ministry, the date of financial closure and final approval of the project by the concerned authorities and the date of commencing the land development work.	Complied The PA informed the Regional office as well as the Ministry about the date of final approval and date of commencing the land development work.
xii	The Ministry may revoke or suspended the clearance, if implementation of any of the above conditions is not satisfactory.	Agreed to comply
xiii	The Ministry reserve the right to stipulate additional conditions if found necessary. The Company in a time bound manner shall implemented these conditions.	Agreed to comply
xiv	The above conditions shall be enforced, inter-alia under the provisions of the Water(Prevention & Control of Pollution) Act,1974, the Air(Prevention & Control of Pollution) Act, 1981, the Environment (Protection) Act,1986,Hazardous waste(Management, Handling and Trans-boundary Movement) Rules,2008 and the public(Insurance) Liability Act,1991 along with their amendments and rules.	Agreed to comply

This has the approval of Addl.PCC (C) vide dairy no. 1171 dt. 21.08.2017

  
 (Dr.C.Kaliyaperumal)  
 Director(S)

Dr. C. KALIYAPERUMAL, M.E., Ph.D  
 Director (S)  
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 Ministry of Environment, Forests & Climate Change  
 Regional Office (South Eastern Zone)  
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