

## **Clarifications on news item dated 23rd June, 2009 relating to oil and gas discoveries by ONGC**

Dated: 23<sup>th</sup> June, 2009

In a media news item today, it has been reported that ONGC has struck Oil & Gas in 3 new blocks viz. Charada structure and Matar Field in Cambay Basin, and YS-5-IA (YSAF) in KG Basin. It is further reported that the KG Basin discovery holds significant promise and could have an estimated reserves of 10 Trillion Cubic Feet (TCF) of gas.

At the outset, ONGC management clarifies that the size of discoveries and estimation of reserves as per the media report are not factual.

These 3 discoveries are a part of 28 discoveries made by ONGC in the last fiscal i.e. FY '09, and notified to Directorate General of Hydrocarbons (DGH). Based on single well, size of any discovery cannot be estimated. The initial flow rates do not indicate reserves anywhere near 10 TCF as reported in the news item.

It is however clarified that these 3 discoveries have certainly opened up new areas for exploration in Cambay Onshore and KG Offshore Basins. Further, study and delineation drilling would be required to estimate the size of these discoveries.