

F. No. J-11011/232/2013 IA II (I)
 Government of India
 Ministry of Environment, Forest and Climate Change
 (I.A. Division)



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 Dated 22nd June, 2015

To,

Shri G.Gogoi, Head – Drilling(CEMG)
 M/s. Oil India Limited
 CEMG Office, E&D Department
 FC-24, Fifth floor
 IT Infrastructure Building
 Sectot 16 A, Noida
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Subject: Exploratory Drilling (06 Nos.) in the NELP Block CY-OSN-2009/2 in Cauvery Off-shore Sedimentary Basin, Off the Coast of Thoothukudi (Tuticorin), Tamil Nadu by M/s Oil India Ltd – Environmental Clearance reg.

Ref.: Your letter no. nil EIA dated 10th October, 2014.

Sir,

This has reference to your letter dated 6th January, 2014 alongwith Form-1, Prefeasibility Report, EIA/EMP report regarding above mentioned subject and subsequent communication vide your letters dated 18th February, 2015, 1st April, 2015 and 28th May, 2015 on the above mentioned subject.

2.0 The Ministry of Environment, Forest and Climate Change has examined the application. It is noted that proposal is for exploratory drilling (06 Nos.) in the NELP Block CY-OSN-2009/2 in Cauvery Off-shore Sedimentary Basin, Off the Coast of Thoothukudi (Tuticorin), Tamil Nadu by M/s Oil India Ltd. Total block area is 1621 km². The block has been awarded on by Government of India under Producing Sharing Contract (PSC) in NELP – VIII bidding ground to Oil India Ltd. with 50% participating interest as operator alongwith 50 % participation interest of Oil & Natural Gas Corporation Ltd. The nearest prospect area is located at an approximate aerial distance of 31 km from the nearest coastline. Minimum distance of drilling locations is 21 km from Gulf of Mannar National Park and 8 Km from Gulf of Mannat Biosphere Reserves. Cost of project is USD\$ 79.48 Million. Coordinates of CY-OSN-2009/2 Block are as given below:

Coordinates						
Point	Longitude			Latitude		
	Deg	Min.	Sec.	Deg.	Min.	Sec.
A	78	50	00	09	04	19.51
B	79	22	11.05	09	04	19.51
C	79	14	09	08	49	21
D	79	03	45	08	47	56
E	78	52	07	08	44	02
F	78	50	00	08	44	5.77
A	78	50	00	09	04	19.51

3.0 Air emissions from D.G. sets will be controlled by providing adequate stack height. Gas production during testing will be flared. Total water requirement will be 30m³/day/well. Water based mud (fluid) will be used for drilling operation. However, M/s OIL vide their letter no. E & D – CEMG/Cauv-Offs/Drlg/012/2015 has informed that Low Toxic Synthetic Oil Based Mud (LTSOBM) will be used to combat specific drill problems. The drilling mud carrying cutting will be separated and recycled maximum extent and non usable portion will be discharged intermittently in sea with proper dilution. Separated water can be directly discharged overboard, provided that oil content does not exceed 15 ppm as per MARPOL standards. Sewage will be treated in the mini Sewage Treatment Plant (STP). Produced water from well testing, if carried out, will be stored in storage tanks, gas will be flared and water will be discharged to sea after treatment. SOBM will be recycled maximum extent and disposed as per prescribed Standards. Waste oil and grease will be collected in barrels and trash and will be brought to shore and handed over to authorized recyclers. Blow out preventers (BOP) will be installed to control fluid from the formation gushing to the surface. In the event the well is unsuccessful, the well bore will be plugged and sealed as per laid down guidelines prescribed by OISD.

4.0 The proposal was considered by the Expert Appraisal Committee (Industry) in its 12th, 30th & 38th meetings held during 30th September, 2013-1st October, 2013, 22nd-23rd December, 2014 and 20th-21st April 2015 respectively.

5.0 All the projects related to offshore and onshore Oil and Gas exploration, development and production are listed in para 1(b) of schedule of EIA Notification, 2006 covered under category 'A' and appraised at Central level.

6.0 Public Hearing/Public Consultation meeting was exempted as the project site is located in off-shore.

7.0 The Ministry of Environment and Forest hereby accords environmental clearance to the above project subject to strict compliance of the following specific and general conditions:

A. SPECIFIC CONDITIONS :

- i. Only high efficiency DG set with adequate stack height and modern emission control equipment and low sulphur clean diesel shall be used. Acoustic enclosure shall be provided to the DG sets to mitigate the noise pollution.
- ii. Gas produced during testing shall be flared with appropriate flaring booms.
- iii. 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.
- iv. Total water requirement shall not exceed 30 m³/day/well and prior permission shall be obtained from the Competent Authority for the drawl of water. Only water based mud system shall be used. Low Toxic Synthetic Oil Based Mud (LTSOBM) shall be used only to combat specific drill problems.
- v. Water based drilling mud shall be discharged to the sea after proper dilution as per E(P) Rules vide G.S.R 546(E) dated 30th August, 2005.
- vi. The Company shall ensure that there shall be no impact on flora fauna due to drilling of wells in the offshore sea. The company shall undertake conservation measures to protect the marine animals/biota in the region. The company shall monitor the petroleum



hydrocarbons and heavy metals concentration in the marine fish species regularly and submit report to the Ministry.

- vii. Treated wastewater (produced water or formation water) shall comply with the marine disposal standards notified under the Environment (Protection) Act, 1986. Sewage treatment on board of the rig as per MARPOL regulation. Residual chlorine shall not exceed 1 mg/l before disposal.
- viii. The drill cutting (DC) wash water shall be treated to conform to limits notified under the Environment (Protection) Act, 1986, before disposal into sea. The treated effluent shall be monitored regularly.
- ix. All the guidelines shall be followed for the disposal of solid waste, drill cutting and drilling fluids for onshore and offshore drilling operation notified vide GSR.546(E) dated 30th August, 2005. Different types of wastes shall be kept segregated.
- x. High efficiency equipment shall be used to separate solids, hydrocarbons and water such as shale shakers with improved capacity to filter smaller solids, low shear pumps for use in produced water shall be employed.
- xi. Good book keeping practices shall be put in place to manage wastes such as waste tracking program i.e. identify where and when the waste generated, the type of waste and its volume, the disposal method and its location, and the personnel responsible for the waste management.
- xii. A waste minimization plan shall be developed and followed through proper inventory management following best practices in drilling operations, good housekeeping practices and optimized equipment maintenance schedules.
- xiii. Only essential rig personnel shall be on board the rig. Emergency Response Plan and health, safety and environment (HSE) system shall be installed. Geo- hazard and geotechnical studies shall be carried out to ensure safe drilling operations.
- xiv. All the hazardous waste generated at the rig/offshore facility shall be properly treated, transported to on shore and disposed of in accordance with the Hazardous Waste (Management, Handling and Transboundary Movement) Rules 2008. No waste oil shall be disposed off into sea. Waste/used oil shall be brought on-shore and sold to MoEF/CPCB authorized recyclers/re-processors only.
- ✓ xv. Requisite infrastructure facilities shall be provided near the offshore installations so that booms and skimmers/chemical dispersants could be deployed immediately in case of oil leakage from the installations. Efforts shall be made to curtail the oil slick within 500 meters of the installation and accordingly, action plan and facilities to check the oil slick within 500 meters shall be provided.
- ✓ xvi. Approval from DG Shipping under the Merchant Shipping Act prior to commencement of the drilling operations shall be obtained. At least 30 days prior to the commencement of drilling, the exact location shall be intimated to the Director General of Shipping and the Company shall abide by any direction he may issue regarding ensuring the safety of navigation in the area.
- ✓ xvii. The International 'Good Practices' adopted by the Petroleum Industry^{*} following International norms to safeguard the coastal and marine biodiversity shall be implemented by the company.

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- xviii. The Company shall take necessary measures to reduce noise levels such as proper casing at the drill site and meet DG set norms notified by the MoEF. Height of all the stacks/vents shall be provided as per the CPCB guidelines.
- xix. The design, material of construction, assembly, inspection, testing and safety aspects of operation and maintenance of pipeline and transporting the natural gas/oil shall be governed by ASME/ANSI B 31.8/B31.4 and OISD standard 141.
- xx. The project proponent shall also comply with the environmental protection measures and safeguards recommended in the EIA /EMP/RA/NIO report.
- xxi. Full drawings and details of Blow Out Preventor to encounter well kick due to high formation presence, if encountered, shall be submitted to the Ministry within 3 months of the issue of environment clearance.
- xxii. On completion of activities, the well shall be either plugged and suspended (if the well evaluation indicates commercial quantities of hydrocarbon) or killed and permanently abandoned with mechanical plugs and well cap. If well is suspended, it shall be filled with a brine solution containing small quantities of inhibitors to protect the well. The position at the end of the activities shall be communicated in detail to the Ministry indicating the steps taken i.e. whether all the wells are plugged or abandoned and necessary precautions taken.
- xxiii. A brief report on environmental status & safety related information generated and measures taken as well as frequency of such reporting to the higher Authority shall be submitted to this Ministry and its respective Regional Office at Bhubaneswar.
- xxiv. Petroleum and Natural Gas (Safety in Offshore Operations) Rules 2008 of OISD should be strictly adhered to.
- xxv. Recommendations mentioned in the Risk Assessment & Consequence Analysis and Disaster Management Plan shall be followed.
- xxvi. Adequate funds both recurring and non-recurring shall be earmarked to implement the conditions stipulated by the Ministry of Environment and Forest as well as the State Government along with the implementation schedule for all the conditions stipulated herein. The funds so provided shall not be diverted for any other purposes.
- xxvii. An independent audit shall be done to ensure that the Environment Management Plan is in place in totality.

B. GENERAL CONDITIONS:

- i. The project authorities must strictly adhere to the stipulations made by the Tamil Nadu Pollution Control Board (TNPCB), State Government and any other statutory authority.
- ii. No further expansion or modification in the project shall be carried out without prior approval of the Ministry of Environment & Forest. 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.
- 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.

- iv. The overall noise levels in and around the plant area shall be kept well within the 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).
- 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.
- vi. A copy of clearance letter shall be sent by the proponent to concerned Panchayat, Zila Parishad / Municipal Corporation, Urban Local Body and the local NGO, if any, from whom suggestions / representations, 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.
- 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 and the TNPCB. The criteria pollutant levels namely; SPM, RSPM, SO₂, NO_x, 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.
- 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 the TNPCB. The Regional Office of this Ministry / CPCB / TNPCB shall monitor the stipulated conditions.
- ix. The environmental statement for each financial year ending 31st 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 be put on the website of the company alongwith the status of compliance of environmental conditions and shall also be sent to the respective Regional Offices of the MOEF by e-mail.
- 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 TNPCB and may also be seen at Website of the Ministry of Environment and Forest at <http://envfor.nic.in>. 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.
- xi. Project authorities shall inform the Regional Office as well as the 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.

8.0 The Ministry may revoke or suspend the clearance, if implementation of any of the above conditions is not satisfactory.



9.0 The Ministry reserves the right to stipulate additional conditions if found necessary. The Company in a time bound manner shall implement these conditions.

10.0 The above conditions will be enforced, inter-alia under the provisions of the Water (Prevention & Control of Pollution) Act, 1974, Air (Prevention & Control of Water Pollution) Act, 1981, the Environment (Protection) Act, 1986, Hazardous Waste (Management, Handling and Trans-boundary Movement) Rules, 2008 and the Public Liability Insurance Act, 1991 along with their amendments and rules.

11.0 Environmental Clearance is issued to M/s Oil India Ltd for exploratory drilling (06 Nos.) in the NELP Block CY-OSN-2009/2 in Cauvery Off-shore Sedimentary Basin, Off the Coast of Thoothukudi (Tuticorin), Tamil Nadu.



(Lalit Bokolia)
Additional Director



Copy to :

1. The Principal Secretary, Department of Environment, Ground Floor, Panagal Buildings 1, Jeenis Road , Saidapet, Chennai - 600 015.
2. The Chief Conservator of Forest, Regional Office (Southern Zone, Bangalore) Kendriya Sadan, 4th Floor, E&F Wing, II Block Koramangala, Bangalore-560034.
3. The Chairman, Central Pollution Control Board Parivesh Bhavan, CBD-cum-Office Complex, East Arjun Nagar, New Delhi - 110 032.
4. The Chairman, Tamil Nadu Pollution Control Board, Corporate Office, 76, Anna Salai, Guindy, Chennai - 600 032.
5. Monitoring Cell, Ministry of Environment, Forest and Climate Change, Indira Paryavaran Bhavan, Jor Bagh, New Delhi.
6. Guard File/Monitoring File/Record File.



(Lalit Bokolia)
Additional Director

