

The Centre has Accepted the Directorate General of Hydrocarbon (DGH)'s Report Recommending the Extended Reach Drilling (ERD)

This is a Trend across Clearance Processes

-Nirmal

On September 12, the Ministry of Environment, Forests and Climate Change issued a letter to all states saying that Extended Reach Drilling – a form of oil and gas extraction – would be exempted from the forest clearance process, and that detailed regional guidelines for the extraction process would be issued by the Wildlife Institute of India. Extended Reach Drilling (ERD) involves digging a horizontal well at an incline that is at least twice as long in its length as it is in depth, which allows extraction to take place at a distance from the point of digging.

The Directorate General of Hydrocarbons (DGH), an arm under the Ministry of Petroleum and Natural Gas, has pushed for ERD to be exempt from the forest clearance process since 2020, arguing that the technology makes it possible to access reserves without entering forests or disturbing forest land.

So far, no studies evaluating the impacts of ERD on forests have been conducted in India. According to the Wildlife Institute of India (WII), it will take three years to collect data, prepare a report and make recommendations on the use of this technology within forest areas. The environment ministry – the final authority on making changes to forest clearance regulation – granted the exemption, nonetheless, basing its decision on a report by the DGH that has not yet been made public. The ministry had granted “in principle” approval for ERD last year, paving the way for formal exemption.

Much of India's crude oil reserves lie in forest rich states, like Assam and Arunachal Pradesh. According to an energy dashboard created by the Niti Aayog, Assam has 148 million metric tonnes of oil reserves left, 37.53 percent of the country's total reserves. Rajasthan and Gujarat are also oil rich, with the former possessing around 103 million metric tonnes of oil (26.18 percent of all reserves) and the later 117 million metric tonnes (28.7 percent).

India's oil and gas needs are currently met primarily by importing these resources. India's imports of crude oil went up to 88 percent in April this year. In 2016, the country launched the North East Hydrocarbon Vision 2030, which seeks to increase oil and gas production from this region. According to the Directorate General of Hydrocarbons, ERD has the potential to “increase the contribution of domestic production in the total consumption of hydrocarbons from existing 15% to approximately 30%.”

“A slew of initiatives has been taken up by DGH, since 2019, in collaboration with the Ministry of Environment, Forest and Climate Change in a bid to streamline and fast track the grant of environment-related clearances,” says this year’s India Hydrocarbons Outlook report, published by the DGH. “Delays in acquiring such clearances and approvals have an impact on the overall timelines and progress of exploration and production projects.”

In its letter on September 12, the Ministry has said ERD will be exempt from the forest clearance process as long as the digging station is set up 500 meters away from forest areas, and at least 1 kilometre away from Protected Areas and their Ecologically Sensitive Zones. Protected Areas are forests notified under the Wild Life (Protection) Act of 1972. Any digging that takes place within Protected Areas will not be exempt from the clearance process, the Ministry said.

In its 10-point Standard Operating Procedure (SOP), the WII says that drilling should be noise-proof in wildlife sensitive zones and located downstream or near a catchment to avoid spill-overs directly into the water. Approach roads to the drilling site “should be mitigated” if going through wildlife zones, and “a boundary wall should enclose all the drilling points/wells. They should have a 10 m wide road running across the periphery to form a barrier against fire and allow easy movement of fire tenders during fire incidence.” It also says a contingency team should be ready to deal with emergencies that may arise.

In 2020, an OIL well in the Upper Assam region of Baghjan experienced a major blowout due to an uncontrolled release of gas. The fire from the blowout, which occurred less than a kilometre from the Dibru Saikhowa National Park (DSNP) and 500 meters from the Maguri-Motapung Beel wetland, burned for nearly five months. The ERD sites proposed by OIL India are close to where the Baghjan blowout occurred, according to a report by the state’s Chief Wildlife Warden. In its September 12th letter, the Ministry has said states will be in charge of making sure the SOPs are complied with by project developers.

Who will monitor the SOPs? Ultimately, the work of monitoring the SOPs will likely to fall on the state pollution control boards. Multiple studies show that the pollution control boards are already overwhelmed, and are overburdened with more work. Much of this extraction will take place in the bio-diverse parts of the Northeast. Risks can be high, and there should be even more precautions when making exemptions like this.

The Ministry has mulled exempting ERD from forest clearance since at least 2020, according to the minutes of meetings held by the Forest Advisory Committee – an autonomous body that evaluates projects for clearance and suggests policy interventions to the government.

The Director General of Hydrocarbons first wrote a letter proposing ERD be exempt from forest clearance process in 2020. A year later, the Ministry put out a consultation paper proposing amendments to the Forest (Conservation) Act, which regulates activities within forests, and said it considered ERD to be “quite environment-friendly” and that “such technologies should be kept outside the purview of the Act.”

The DGH's report on the merits of exempting ERD from forest clearance was taken up by the Forest Advisory Committee in 2022. According to the FAC minutes, the report said that while direct impact of the technology was observed on fauna, "certain indirect impacts have been enumerated like forest fire resulting from oil leakages, pollutants such as Polycyclic Aromatic Hydrocarbons causing reproductive effects, impacts of soil surface contamination, etc."

In subsequent meetings, the WII pointed out that the DGH's report was "primarily based on secondary information/data," and that "there is no quantitative and scientific data supporting the observations of the committee." In August 2022, the FAC instructed the DGH and WII to collect primary data from existing ERD projects in the country and submit a report to the environment ministry within three months. The latest minutes suggest a report has not yet been submitted, and that instead the WII "submitted a general SOP for Extended Reach Drilling which was discussed with the DGH," which has now been adopted by the ministry.

This is a trend across clearance processes. Projects are being granted exemption from clearance processes as long as they follow guidelines or standard operating procedures. A prior approval approach is completely out of the picture, and the government is allowing multiple steps to take place all at once. The precautionary principle approach isn't being followed anywhere. Adivasis, intellectuals and environmentalists should fight against such central government policies that have a severe impact on the adivasis and the environment.