



Oil and Natural Gas Corporation Ltd.

Press Release

Dharmendra Pradhan Flags Off ONGC's Ambitious KG-DWN-98/2 East Coast Project

8th April, 2018

Shri Dharmendra Pradhan, Hon'ble Minister of Petroleum & Natural Gas and Skill Development & Entrepreneurship today flagged off ONGC's prolific east coast project of **KG-DWN-98/2** by spudding its first well **#KDG-A**. The Minister spudded the well from the drillship **Platinum Explorer** 35KM off the Andhra Pradesh coast in the Bay of Bengal. The Minister was accompanied by Joint Secretary Mr. Amar Nath, Director MoPNG Mr Satyajit Mohanti, ONGC CMD Mr. Shashi Shanker and ONGC Director Offshore Mr. Rajesh Kakkar.



Shri Dharmendra Pradhan flags off ONGC's prolific east coast project of **KG-DWN-98/2** by spudding its first well **#KDG-A**. He was accompanied by Mr. Amar Nath-Joint Secretary, Mr Satyajit Mohanti-Director MoPNG, Mr. Shashi Shanker, CMD ONGC and Mr. Rajesh Kakkar, Director Offshore- ONGC.

The well **#KDG-A** is one of the 34 wells planned under this mega project. The deepwater well has a target depth of 2346 meters, under a water depth of 518 meters. The well is expected to produce around 5000 barrels of oil per day (bopd) when put to production.

This ambitious project of ONGC is going to be a major contributor towards the Hon'ble Prime Minister's target to reduce nation's hydrocarbon import dependence by 10 per cent by 2022. The project would cumulatively produce

around 25 MMT of oil and 45 BCM of gas with peak production of 78000 barrels per day of oil and 15 MMSCMD of gas. ONGC expects to bring first gas from this project to market by 2019 end and oil by 2020.

Wishing ONGC successful completion of the project KG DWN 98/2 in east coast, Shri Dharmendra Pradhan emphasized that best-in-class project management will ensure achievement of the targets within time. He also emphasized the Union Govt's strong commitment towards Andhra Pradesh, which is emerging as a major oil and gas hub of India. "It is our endeavour to make these major investments in oil and gas sector bring prosperity to the people of Andhra Pradesh", he said. Shri Pradhan also said that oil sector projects like ONGC's 98/2, would generate large employment opportunities and leverage local services & materials wherever possible as per the 'Make in India' policy.



Shri Dharmendra Pradhan on Drill Ship Platinum Explorer with Joint Secretary Mr. Amar Nath, Director MoPNG Mr Satyajit Mohanti, ONGC CMD Mr. Shashi Shanker and ONGC Director Offshore Mr. Rajesh Kakkar and other ONGCians.

It may also be noted that the project KG DWN 98/2 involves some of the most advanced oil field technologies in drilling and completion of 34 subsea wells, laying about 425KM of pipeline and 150KM of control umbilical in water depths varying from 300 to 1400 meters. There will be an Offshore Process Platform for processing & evacuating 6.5 MMSCMD of Gas. Balance 5.75 MMSCMD gas shall be transported through ONGC's existing sub-sea infrastructure and facilities created at onshore terminal of Odalarevu in Andhra coast. **Floating Production, Storage and Offloading Vessel (FPSO)** will also be deployed in water depth of 413 meters to process the oil and gas.

The project envisages an CAPEX of 5.07 Billion US Dollars and OPEX of 5.12 Billion US dollars over field life of 16 years.

Notes to Editor:

After successfully commissioning of its first deepwater project S1 Vasishta in eastern offshore in March 2018 (which would be yielding about 4.3 MMSCMD of gas), ONGC's flagship project from NELP block **KG-DWN-98/2** in the

deepwater of eastern offshore is now being readied for development. The project 98/2 would start yielding oil and gas from 2019 end.

Thirty four wells will be drilled under this project. Of these 34 wells, 15 are Oil producing, 8 are Gas Producing and 11 are Water Injecting wells.

Associated Natural Gas from Cluster 2A of this project will have a Peak Production of **3 MMSCMD of gas** and 78,000 bopd of oil with a 15 year profile; Non Associated Natural Gas from Cluster 2B will have a Peak free gas production of **12.25 MMSCMD** with a 16 year profile.

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