



MERCATOR PETROLEUM  
L I M I T E D  
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Date: 30<sup>th</sup> January, 2017  
Ref No.: MPL/CB09/FICO/409

To,  
Regional Office  
Western Region,  
Kendriya Paryavaran Bhavan,  
Link Road No.3,  
E-5, Ravi Shankar Nagar,  
Bhopal - 462016(MP)  
Telefax: 0755-2465054

Sub: Status of the compliance of the stipulated environmental conditions.

Ref: F No. J-11011/12/2011-IA II (I) Exploratory Drilling (Onshore) for Oil and Gas (15 wells) in Block CB-ONN-2005/9 in TALUKA Bharuch, District Bharuch and Taluka Karjan, Vadodara, Gujarat by M/s Mercator Petroleum Limited - Environmental Clearance dated 26<sup>th</sup> September, 2012.

Dear Sir/Madam,

We, Mercator Petroleum Limited (MPL) refer to the aforementioned EC and pursuant thereto; enclose a report (along with supporting annexures) on the status of the compliance of the stipulated environmental conditions.

We request you to acknowledge receipt of the same in good order.

Thanking You,

Yours Sincerely,

Dr. Rabi Bastia  
MC Member

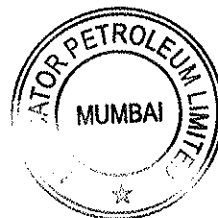
- Cc - 1. Central Pollution Control Board, Parivesh Bhavan, Opp. VMC ward office no.1, Subhanpura Vadodara - 390023  
2. Gujarat Pollution Control Board, Shed No. C - 1/119/3, GIDC Estate Narmadanagar, Bharuch - 392015  
3. Gujarat Pollution Control Board, E.R.I Compound, Race Course Road, Vadodara - 390 007

Subject: Six Monthly EC compliance Report – Exploratory drilling (onshore) oil and gas (15 wells) in Block CB-ONN-2005/9 in Taluka Bharuch and Taluka Karjan, Vadodara, Gujarat.

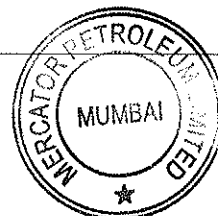
EC number: F.No. J-11011/12/2011 – IA II (I) dated 26<sup>th</sup> September 2012.

**No Drilling Activity conducted in this period**

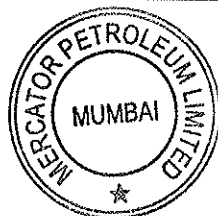
S.No.	Conditions of Environmental Clearance	Compliance
<b>7.0 (A) Specific Conditions</b>		
i	This EC is only for exploratory drilling. In case development drilling to be done in future, prior clearance must be obtained from concerned authorities.	Noted.
ii	The flare System designed as per good oilfield practices and OISD guidelines. The Stack height shall be provided as per regulatory environment and emission from stack will meet MOEF/CPCB guidelines	No Drilling Activity conducted in this period (July to December 2016)
iii	Ambient air quality monitored near closest human settlements as per the National Air Quality Emission standards issued by the Ministry vide G.S.R. No. 826(E) dated 16 <sup>th</sup> November 2009, for PM10, PM2.5, SO2, NOx, CO, CH4, HC, Non – Methane HC	
iv	Mercury shall also be analyzed in air, water and drill cuttings twice during drilling period	
v	Approach road shall be made pucca to minimize generation of suspended dust.	
vi	The company shall make the arrangements for control of noise from drilling activity. Acoustic enclosure shall be provided DG sets and proper stack height shall be provided as per CPCB guidelines	
vii	Total water requirement shall not exceed 20 m <sup>3</sup> /day and prior permission shall be obtained from the concerned agency.	
viii	The company shall construct the garland drain all around the drill site to prevent runoff of any oil containing waste into the nearby bodies. Separate drainage system shall be created for oil contaminated and non oil contaminated. Effluent shall be properly treated and treated wastewater shall conform to CPCB standards	



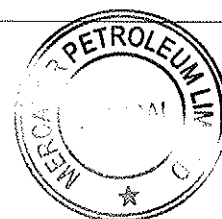
S.No.	Conditions of Environmental Clearance	Compliance
ix	Drilling wastewater including drill cuttings wash water shall be collected in disposal pit lined with HDPE lining evaporated or treated and shall comply with the notified standards for on-shore disposal. The membership of common TSDF shall be obtained for the disposal of drill cuttings and hazardous waste. Otherwise, secured land fill shall be created 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 Bhopal.	No Drilling Activity conducted in this period (July to December 2016)
S.No.	Conditions of Environmental Clearance	Compliance
x	Good sanitation facility should be provided at the drilling site. As proposed, domestic sewage shall be disposed off through modular STP.	Noted
xi	Oil spillage prevention scheme should be prepared. A contingency plan for handling any oil spillage / containment by restricting / containing the affected area and for clean up should be in place which should be based on the use of proven technology. The recyclable waste (oily sludge) and spent oil should be disposed to the authorized recyclers.	
xii	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.	
xiii	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.	
xiv	The company shall develop a contingency plan for H <sub>2</sub> S release including all necessary aspects from evacuation to resumption of normal operations. The workers shall be provided with personal H <sub>2</sub> S detectors in locations of high risk of exposure along with self containing breathing apparatus.	
xv	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 Bhopal.	
xvi	On completion of drilling, the company has to plug the drilled wells safely and obtain certificate from environment safety angle from the concerned authority/SPCB	
xvii	Blow Out Preventor (BOP) system shall be	



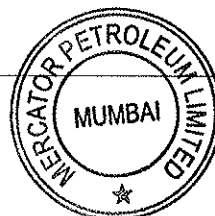
	installed to prevent well blow outs during drilling operations. BOP measures during drilling shall focus on maintaining well bore hydrostatic pressure by proper pre-well planning and drilling fluid logging etc.	
xviii	Emergency Response Plan (ERP) shall be based on the guidelines by OISD, DGMS and Govt. of India.	Emergency plan in place.
xix	All diesel storage at site should be bunded with adequate fire protection measures.	No Drilling Activity conducted in this period (July to December 2016)
<b>S.No.</b>	<b>Conditions of Environmental Clearance</b>	<b>Compliance</b>
xx	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.	No Drilling Activity conducted in this period (July to December 2016)
xxi	Occupational health surveillance of the workers shall be carried out as per prevailing Acts and rules.	
xxii	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.	In case commercial viability established, the company will prepare a detailed development plan and apply for fresh clearance from ministry,
xxiii	All the commitment made regarding issues raised during the public hearing / consultation meeting held on 8 <sup>th</sup> November 2011 shall be satisfactorily implemented	Being Complied.
xxiv	Restoration of the project site after completion of drilling shall be carried out satisfactorily and report shall be sent to the Ministry's Regional Office at Bhopal.	Restoration of site shall be done as per norm once work is fully completed.
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 Bhopal.	No Drilling Activity conducted in this period (July to December 2016)
xxvi	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	Company provides adequate funds under CSR.
xxvii	An audit shall be done to ensure that the Environment Management Plan is implemented in totality and report shall be submitted to the Ministry's Regional Office.	Audit is being planned.
xxviii	All personnel including those of contractors should be trained and made fully aware of the hazards, risks and controls in place.	Complied
xxix	Company should have own Environment Management Cell having qualified persons	HSSE set up is functional in the company to carry out these functions.



	with proper background	
xxx	Company should prepare operating manual in respect of all activities. It should cover all safety & environment related issues and system. Measures to be taken for protection. One set of environmental manual should be made available at the drilling site/ project site. Awareness should be created at each level of the management. All the schedules and results of environmental monitoring should be available at the project site office	Company has HSSE Management system and it is being followed. Beside, MOEF approved EIA report is available and environmental protection measures suggested in this report are being adhered to.
<b>S.No.</b>	<b>Conditions of Environmental Clearance</b>	<b>Compliance</b>
xxi	Drilling site should be at least 500m from school	No Drilling Activity conducted in this period (July to December 2016)
xxxii	Company shall prepare a project specific environmental manual and a copy shall be made available at the drilling site for the compliance.	Being complied with.
xxxiii	Company shall adopt a Corporate Environmental Policy as per the Ministry's O.M. No. J-11013 / 41 / 2006 – IA.II (I) dated 26 April 2011 and implemented.	HSE Policy is in place.
<b>7.(B) General Conditions</b>		
i	The project authorities must strictly adhere to the stipulations made by the Gujarat Pollution Control Board (GPCB), state Government and any other statutory authority.	Being adhered to as applicable
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.	Noted.
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.
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).	No Drilling Activity conducted in this period (July to December 2016)



S.No.	Conditions of Environmental Clearance	Compliance
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.	HSSE set up in place. Assistance from approved laboratory was taken to carry out environmental monitoring.
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.	Complied
S.No.	Conditions of Environmental Clearance	Compliance
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 GPCB. The criteria pollutant levels namely; PM10, SO2, NOx, 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.	No drilling activity conducted during reporting period.
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 GPCB. The Regional Office of this Ministry / CPCB / GPCB shall monitor the stipulated conditions.	Complied.
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 along with the status of compliance of environmental	Complied.



	conditions and shall also be sent to the respective Regional Offices of the MOEF by e-mail.	
<b>S.No.</b>	<b>Conditions of Environmental Clearance</b>	<b>Compliance</b>
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 GPCB and may also be seen at Website of the Ministry of Environment and Forests 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.
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.	All the project details provided to the statutory authorities.

