

# Eagle Ford asset sale: GAIL to exit US shale venture



State-owned gas utility GAIL (India) Ltd plans to exit its shale gas venture in the US, following the footsteps of Reliance Industries and Oil India. India's largest gas transportation and marketing company has floated a tender to sell its 20 per cent interest in Eagle Ford Shale Assets in Texas, according to the tender document. Bids have been invited by February 14 for the sale of GAIL's entire holding in Eagle Ford. "We are not making much money there because of low gas prices (in the US)," a company source said. **PTI**

# GAIL & Cummins sign MoU for collaboration on clean energy

**NEW DELHI:** GAIL (India) Ltd and Accelera by Cummins, have signed an MoU to collaborate broadly in sustainable, green energy and energy transition technologies in India. The MoU was signed on Wednesday at India Energy Week 2025 here.

The collaboration will leverage Accelera's expertise in New Energy businesses and GAIL's established Natural Gas infrastructure to explore opportunities in New Energy Businesses such as hydrogen production, blending, transportation and storage. GAIL



has already advanced its Scope 1 and Scope 2 "Net Zero" Targets from 2040 to 2035.

The MoU will help in exploring opportunities in areas such as application and adoption of hydrogen in various sectors such as transport,

power, steel and other industry as mono fuel or dual feed such as LNG / Hydrogen/ CNG and blends, blending of hydrogen in natural gas pipeline, Infrastructure, production, transportation and storage of hydrogen. **MPOST**

# GAIL (India) Ltd plans to exit US shale venture

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### OUR CORRESPONDENT

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India's largest gas transportation and marketing company has floated a tender to sell its 20 per cent interest in Eagle Ford Shale Assets in Texas US, according to the tender document. Bids have been invited by February 14 for the sale of GAIL's entire holding in the Eagle Ford. The transaction will be effective January 1, 2025, the document showed.

"We are not making much money there because of the low gas prices (in the US)," a company source said on the sidelines of India Energy Week. "The venture is housed in a private company (which is a subsidiary of GAIL). If it is not making profits obviously the owners will ask questions."

GAIL had in September 2011 acquired its first shale gas asset in the US when it took a 20 per cent interest in Nasdaq-listed Carrizo Oil & Gas Inc's Eagle Ford Shale acreage for \$95 million. The Eagle Ford asset was spread over 20,200 acres, out of which GAIL Global (USA) Inc - the wholly owned subsidiary of the state-owned firm that was for the acquisition - got 4,040 net acres spread over four counties in Texas.

At that time, the partners had agreed to spend around \$300 million over a period of the next five years to develop the asset. This was besides the acquisition cost of GAIL, which consisted of an upfront cash payment of \$63.7 million and a carry amount of \$31.3 mil-



### Highlights

- » Bids have been invited by February 14 for the sale of GAIL's entire holding in Eagle Ford
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lion linked to Carrizo's future drilling and development costs.

Eagle Ford currently produces 3,681 barrels of oil per day and 5,368 cubic feet of gas per day.

GAIL's decision follows Reliance Industries in 2021 ending its decade-long venture into US shale gas with a sale of its last remaining shale assets in the Eagleford shale basin to a company backed by private-equity firm Warburg Pincus LLC. Prior to that, it had divested its entire stake in the Marcellus shale blocks earlier.

In 2022, state-owned Oil India Ltd (OIL) sold its 20 per cent stake in the Niobrara shale asset in Colorado, United States to Verdad Resources LLC for \$25 million. OIL and Indian Oil Corporation had together in October 2012 bought a 30 per cent stake in Houston-based Carrizo Oil & Gas's Niobrara shale asset in Colorado for \$82.5 million.

GAIL is seeking offers for its

"non-operated working interest position in the Eagle Ford volatile oil window in La Salle and Frio Counties, Texas," the tender said. "This portfolio includes 92-producing wells which tap into the highly economic Lower Eagle Ford and offers another 48 horizontal drilling locations for future development."

"This opportunity generates a solid cash flow of \$820,000 per month from the unconventional Eagleville field and is operated by both Texas American Resources (TARC) and Ridgemar (being acquired by Crescent Energy)," it said.

GAIL's evaluation shows a net present value discounted at 10 per cent of \$26,362,040 for the interest, supported by net reserves of 1,338,157 barrels of oil equivalent.

The Indian firm held the option to take its share of oil and gas production in-kind or market it separately. GAIL also retains the right to participate in the renewal or replacement of any oil and gas leases or interests, which adds further potential for future value and development.

GAIL's decision to exit the venture follows a change in ownership of its partner.

In 2020, following Callon's acquisition of Carrizo, a strategic portfolio realignment occurred as Callon turned around and sold its Eagle Ford assets in two key transactions - a \$100 million sale to Texas American Resources Company (TARC) in October 2021 and a \$655 million sale to Ridgemar effective January 2023.

These deals replaced Callon and Carrizo's operatorship with TARC and Ridgemar as the new operators managing GAIL's position.

## GAIL and Cummins ink MoU to collaborate on clean energy



**G**AIL (India) Ltd – a Maharatna CPSE, under MoPNG – and Accelera™ by Cummins, the zero-emissions business segment of Cummins Inc. [NYSE: CMI], signed a Memorandum of Understanding (MoU) to

collaborate broadly in sustainable, green energy and energy transition technologies in India. The collaboration will leverage Accelera's expertise in New Energy businesses and GAIL's established natural gas infrastructure to explore

opportunities in New Energy Businesses such as hydrogen production, blending, transportation and storage. The MoU will help in exploring opportunities in areas – such as application and adoption of hydrogen in various sectors such as transport, power, steel and other industry as mono fuel or dual feed such as LNG/ Hydrogen/CNG and blends, blending of hydrogen in natural gas pipeline, infrastructure, production, transportation and storage of hydrogen.

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GAIL had in September 2011 acquired its first shale gas asset in the US when it took a 20 per cent interest in Nasdaq-listed Carrizo Oil & Gas Inc's Eagle Ford Shale acreage for USD 95 million.

At that time, the partners had agreed to spend around USD 300 million over a period of the next five years to develop the asset. This was besides the acquisition cost of GAIL, which consisted of an upfront cash payment of USD 63.7 million and a carry amount of USD 31.3 million linked to Carrizo's future drilling and development costs.

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# Gail to exit US shale venture

**Press Trust of India**

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## **GAIL to exit US shale venture**

GAIL (INDIA) PLANS to exit its shale gas venture in the US, following in the footsteps of Reliance Industries and Oil India. It has floated a tender to sell its 20% interest in Eagle Ford Shale Assets in Texas, US.



# Common carrier rule opens new avenues for MGL

SHREYA JAI &  
SUBHAYAN CHAKRABORTY  
New Delhi, 13 February

Mumbai-headquartered Mahanagar Gas (MGL) is looking to make the most of the new amendments to the Petroleum and Natural Gas Regulatory Board (PNGRB) Act, 2006, aimed at ending the monopoly of existing city gas distributors (CGDs) in their respective areas. Promoted by GAIL (India), MGL operates in several areas of Maharashtra.

Speaking on the sidelines of India Energy Week, Ashu Shinghal, managing director of MGL, said that when the sector opens under the Act, they will get at least a 12 per cent return on their investment. "We will have an opportunity to go and work in other geographical areas. It doesn't harm us, but we are in court because the Act needs to be followed as it is written, and it cannot be one-size-fits-all. The Act has the provisions, but the regulations need to be framed in line with that. We are in favour of whatever the Act states because the government has been doing so much for the CGD sector, and we do not want to hinder that development process," Shinghal said.

Back in 2015, the process of declaring certain CGD areas as common carriers began. However, since the process was not automatic, the regulator, in 2020, created guiding principle regulations based on which individual areas have been declared common carriers. The Guiding Principles for Declaring City or Local Natural Gas Distribution Networks as Common Carrier or Contract Carrier Regulations, 2020, were notified in September of that year. The 'common carrier' principle allows all producers and consumers access to fuel transport infrastructure by appointing independent gas pipeline operators.



**The new regulations aim to end the monopolies of city gas distributors in 54 urban areas where their exclusivity period has already expired**

The new regulations aim to end the monopolies of CGDs in 54 urban areas where their exclusivity period has already expired. For Delhi and Mumbai, this period ended in 2012. However, courts have called the action ultra vires and pulled up the regulator for acting beyond its legal power and authority.

A series of legal actions initiated by PNGRB against legacy CGD players like Indraprastha Gas and MGL have been struck down in court. However, a long-pending amendment to the PNGRB Act, 2006, expanded last year, will give the sector regulator the legal authority to enforce its plan to reclassify natural gas pipelines as 'common carriers' and provide more clarity on handling ongoing litigation, *Business Standard* reported last year.

"We do not see it as a big game changer. We are ready for it. As the matter is sub judice, we do not want to say much. But it is an opportunity for us to enter other areas, just as it is for others to operate in our area," Shinghal said.

# गेल की शैल गैस उद्यम से बाहर निकलने की तैयारी

नई दिल्ली, 13 फरवरी (एजेंसी): सार्वजनिक क्षेत्र की गैस उपयोगिता कंपनी गेल (इंडिया) लिमिटेड ने अमरीका में अपने शैल गैस उद्यम से बाहर निकलने की योजना बनाई है। निविदा दस्तावेज के अनुसार भारत की सबसे बड़ी गैस परिवहन व विपणन कंपनी ने टैक्सास यू.एस. में ईगल फोर्ड शैल एसेट्स में अपनी 20 प्रतिशत हिस्सेदारी बेचने के लिए निविदा जारी की है। ईगल फोर्ड में गेल की पूरी हिस्सेदारी की बिक्री के लिए 14 फरवरी तक बोलियां आमंत्रित की गई हैं। दस्तावेज के अनुसार यह लेन-देन 1 जनवरी 2025 से प्रभावी होगा। भारत



ऊर्जा सप्ताह (आई.ई.डब्ल्यू.) के अवसर पर कंपनी के एक सूत्र ने कहा, “अमरीका में गैस की कम कीमतों के कारण हम वहां ज्यादा पैसा नहीं कमा पा रहे हैं।” उन्होंने कहा, “यह उद्यम एक निजी कंपनी (जो गेल की अनुषंगी कंपनी है) के अधीन है। यदि यह लाभ नहीं कमा रही है तो जाहिर है कि मालिक सवाल पूछेंगे।” गेल ने सितंबर 2011 में अमरीका में अपनी पहली शैल गैस परिसंपत्ति का अधिग्रहण किया था, जब उसने नैस्डैक में सूचीबद्ध कैरिजो ऑयल एंड गैस इंक की ईगल फोर्ड शैल एकड़ में 9.5 करोड़ अमरीकी डॉलर में 20 प्रतिशत हिस्सेदारी ली थी।

## गैल की शैल गैस उद्यम से बाहर निकलने की तैयारी

नई दिल्ली, 13 फरवरी (प.स.): सार्वजनिक क्षेत्र की गैस उपयोगिता कंपनी गैल (इंडिया) लिमिटेड ने अमरीका में अपने शैल गैस उद्यम से बाहर निकलने की योजना बनाई है। निविदा दस्तावेज के अनुसार भारत की सबसे बड़ी गैस परिवहन व विपणन कंपनी ने टेक्सास यू.एस. में इंगल फोर्ड शैल एसेट्स में अपनी 20 प्रतिशत हिस्सेदारी बेचने के लिए निविदा जारी की है।

इंगल फोर्ड में गैल की पूरी हिस्सेदारी की बिक्री के लिए 14 फरवरी तक बोलियां आमंत्रित की गई हैं। दस्तावेज के अनुसार यह लेन-देन 1 जनवरी 2025 से प्रभावी होगा। भारत ऊर्जा सप्ताह (आई.ई.डब्ल्यू.) के अवसर पर



कंपनी के एक सूत्र ने कहा, "अमरीका में गैस की कम कीमतों के कारण हम वहां ज्यादा पैसा नहीं कमा पा रहे हैं।"

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गैल ने सितंबर 2011 में अमरीका में अपनी पहली शैल गैस परिसंपत्ति का अधिग्रहण किया था, जब उसने नैस्टैक में सूचीबद्ध कैरिजो ऑयल एंड गैस इंक की इंगल फोर्ड शैल एक्ट में 9.5 करोड़ अमरीकी डॉलर में 20 प्रतिशत हिस्सेदारी ली थी। इंगल फोर्ड वर्तमान में प्रतिदिन 3,681 बैरल तेल और 5,368 घन फुट गैस का उत्पादन करता है।



## गैल शैल गैस उद्यम से बाहर निकलेगी

नई दिल्ली। सार्वजनिक क्षेत्र की गैस उपयोगिता कंपनी गैल (इंडिया) लिमिटेड ने अमेरिका में अपने शैल गैस उद्यम से बाहर निकलने की योजना बनाई है। निविदा दस्तावेज के अनुसार, भारत की सबसे बड़ी गैस परिवहन व विपणन कंपनी ने टेक्सास यूएस में ईगल फोर्ड शैल एसेट्स में अपनी 20 प्रतिशत हिस्सेदारी बेचने के लिए निविदा जारी की है।



# कॉमन कैरियर के नियम से हमारे लिए नए क्षेत्र खुलेंगे: महानगर गैस

श्रेया जय और शुभायन चक्रवर्ती  
नई दिल्ली, 13 फरवरी

मुंबई मुख्यालय वाली महानगर गैस लिमिटेड (एमजीएल) पेट्रोलियम और प्राकृतिक गैस विनियामक बोर्ड (पीएनजीआरबी) अधिनियम, 2006 में नए संशोधनों का अधिकतम लाभ उठाने की कोशिश कर रही है। नए अधिनियम का मकसद अपने अपने क्षेत्रों में मौजूदा सिटी गैस डिस्ट्रीब्यूटर्स (सीजीडी) के एकाधिकार को समाप्त करना है। गेल द्वारा प्रवर्तित एमजीएल महाराष्ट्र के कई इलाकों में परिचालन का काम करती है। नई दिल्ली में आयोजित इंडिया एनर्जी वीक में अलग से बिजनेस स्टैंडर्ड से बात करते हुए एमजीएल के प्रबंध निदेशक आशु सिंघल ने कहा कि अधिनियम

के मुताबिक जब सेक्टर खुलेगा तो उन्हें अपने निवेश पर कम से कम 12 प्रतिशत मुनाफा मिलेगा।

सिंघल ने कहा, 'हमें अन्य भौगोलिक इलाकों में जाकर काम करने का अवसर मिलेगा। इससे हमें नुकसान नहीं होगा। लेकिन हम अदालत में हैं, क्योंकि अधिनियम का उसी तरह पालन किया जाना चाहिए, जैसा कि लिखा गया है और यह सभी के लिए एक जैसा नहीं हो सकता। अधिनियम में प्रावधान हैं, लेकिन लेकिन नियम उनके मुताबिक बनने चाहिए। हम अधिनियम में कही गई बातों के पक्ष में हैं, क्योंकि सरकार सीजीडी क्षेत्र के लिए बहुत काम कर रही है और हम विकास प्रक्रिया में बाधा नहीं बन सकते।' 2015 में कुछ सीजीडी क्षेत्रों को कॉमन कैरियर घोषित करने की प्रक्रिया शुरू की गई थी। लेकिन यह प्रक्रिया स्वचालित

नहीं थी, इसलिए नियामक ने 2020 में मार्गदर्शक सिद्धांत के नियम बनाए थे। इनके आधार पर अलग-अलग क्षेत्रों को कॉमन कैरियर घोषित किया गया है।

नये नियम का मकसद देश के 54 शहरी इलाकों में सिटी गैस डिस्ट्रीब्यूटर्स का एकाधिकार समाप्त करना है, जहां उनकी विशिष्टता की अवधि पहले ही समाप्त हो चुकी है। दिल्ली और मुंबई जैसे शहरों के मामले में यह अवधि 2012 में ही समाप्त हो चुकी है। बहरहाल न्यायालयों ने कार्रवाई को 'अल्ट्रा वायरस' करार दिया है और नियामक द्वारा अपने कानूनी अधिकारों व प्राधिकार से परे जाकर काम करने को लेकर खिंचाई की है। पीएनजीआरबी द्वारा आईजीएल और एमजीएल जैसी पुरानी सीजीडी कंपनियों के खिलाफ शुरू की गई कानूनी कार्रवाइयों को न्यायालयों में खारिज कर दिया गया था।

पीएनजीआरबी अधिनियम, 2006 में लंबे समय से लंबित संशोधन, जिसे पिछले साल विस्तारित किया गया था, इस क्षेत्र के नियामक को प्राकृतिक गैस पाइपलाइनों को 'कॉमन कैरियर' के रूप में पुनर्वर्गीकृत करने की अपनी योजना को लागू करने के लिए पर्याप्त कानूनी अधिकार देगा और नियामक को मुकदमों की इस बाढ़ से निपटने के तरीके के बारे में अधिक स्पष्टता भी देगा, जैसा कि इस अखबार ने पिछले साल खबर दी थी।

सिंघल ने कहा, 'हम इसमें कोई बड़ा बदलाव नहीं देख रहे हैं। हम इसके लिए तैयार हैं। मामला न्यायालय में विचाराधीन है, ऐसे में हम बहुत कुछ नहीं कहना चाहते। लेकिन हमारे लिए यह अवसर है कि नए क्षेत्रों में जाएं, जैसे कि अन्य को हमारे इलाके में काम करने को अवसर मिलेगा।'