

Name: Enrolment No:			
UPES End Sem Examination (Odd Sem) –December 2025 Course: Upstream Oil and Gas Law Program: BALLB(H)/BBALL.B(H)/ Course Code: CLEL4006 Semester: VII Time : 03 hrs. Max. Marks: 100 Instructions: All questions are compulsory.			
SECTION A (5Qx2M=10Marks)			
S. No.		Marks	CO
Q 1	Explain the Production Life cycle of Oil and Gas Field.	2	CO1
Q 2	Define Reconnaissance Surveys in oil and Gas Sector.	2	CO1
Q 3	Define Migration of Petroleum and its Types .	2	CO1
Q 4	Define Oil Recovery and its types.	2	CO1
Q 5	Define role of ITLOS.	2	CO1
SECTION B (4Qx5M= 20 Marks)			
Q 6	Explain the role of OPEC in Global Energy Mix, including the countries involved. Also Explain OPEC Plus.	5	CO2
Q 7	Describe the Assam well Blow out and its Causation.	5	CO2
Q 8	Explain the Territorial waters and Exclusive Economic Zone under Maritime Zones Act.	5	CO2
Q 9	Explain the difference between Ownership-in-Place Theory and Non-Ownership Theory in oil and gas sector.	5	CO2
SECTION-C (2Qx10M=20 Marks)			
Q 10	Applying your understanding of supply-side, demand-side, geopolitical, and other influencing factors , explain how at least three of these interacted in a recent real-world situation to impact oil and gas prices.	10	CO3
Q 11	Analyze the legal remedies and forums available for the local communities to address their grievances under the Oil Regulation and Development Act and related environmental laws. What role do public consultations and environmental clearances play under this framework?	10	CO3

SECTION-D
(2Qx25M=50 Marks)

Q 12	Read The Passage Carefully. On June 27, 2014, a major explosion and fire occurred on an 18-inch gas pipeline operated by Gas Authority of India Limited (GAIL) near Tatipaka village, East Godavari district, Andhra Pradesh. The pipeline, originally designed to transport dry natural gas, was routinely used to carry wet gas containing condensate and water, which led to internal corrosion and repeated leaks. Despite multiple leak incidents, GAIL did not take adequate corrective measures and relied on temporary repairs. The fire was ignited when a nearby tea vendor lit a stove, resulting in a blast, destruction of nearby homes and tea stalls, and causing the deaths of at least 22 persons with many injured. The Petroleum and Natural Gas Regulatory Board (PNGRB) found GAIL responsible for multiple lapses including failure to install promised safety equipment and to properly manage pipeline integrity. 1. Analyse the regulatory enforcement actions taken by PNGRB as described. To what extent can regulatory penalties and orders be effective remedies or deterrents in pipeline safety management?	25	CO4
Q 13	Read The Passage carefully. An Indian city gas distribution company enters into a five-year natural gas supply contract with an upstream producer. The parties agree that it is impossible to keep the contract price fixed because international crude oil and gas prices are highly volatile. To manage this risk, they include an index-based price adjustment (escalation) clause. The contract sets a base price of 8 USD/MMBtu on the signing date, when the Brent crude benchmark is 80 USD/barrel. The clause states that the gas price will be revised every six months using the following formula: $\text{Revised Gas Price} = \text{Base Gas Price} \times \left(\frac{\text{Current Brent Index}}{\text{Base Brent Index}} \right)$ Here, the “Base Brent Index” is the Brent price on the contract date, and the “Current Brent Index” is the average Brent price in the review period. The clause also provides that any upward or downward revision must be passed on symmetrically, and the revised price cannot increase or decrease by more than 20% in any single revision period (cap-and-floor feature).	25	CO4

	In the first six-month review, the average Brent price rises to 96 USD/barrel because of geopolitical tension in major oil-producing regions. The producer applies the formula and submits a revised gas price calculation to the buyer. In the second review period, global demand weakens and Brent falls to 60 USD/barrel, leading the producer to calculate a lower gas price under the same formula. The buyer is concerned about the impact of these fluctuations on end-consumer tariffs, which are regulated by the national downstream regulator. The regulator, in turn, requires that any revision formula in long-term gas contracts must be transparent, objectively verifiable by reference to a published index, and must not allow unilateral manipulation by either party. Separately, the city gas company also has a diesel supply contract with another seller that uses a different adjustment mechanism. Instead of linking the price to Brent, the diesel contract uses a composite index that combines fuel, labor and material cost indices, each with specified weights in a single formula. This formula is designed to reflect broader input costs rather than only crude oil prices. The company's finance team now needs to compare how the two different price revision formulas (Brent-linked vs composite index) affect the company's cost structure, regulatory compliance obligations and risk exposure over the life of the contracts. A regulator issues new guidelines requiring that price escalation clauses in oil and gas contracts must include clear dispute resolution mechanisms for disagreements on index calculations. 1. Analyse how a contract be amended to comply with this directive? Also evaluate the enforceability of alternative dispute resolution clauses in such contracts.		
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