



Original Application No. 552 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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DATED: **10.07.2025**

CORAM

THE HONOURABLE Mr. JUSTICE ABDUL QUDDHOSE

Original Application No. 552 of 2025

Hardy Exploration and Production (India) Inc.
Earlier known as VAALCO Energy, Inc
651, North Broad Street, Suite 308
Middletown, Delaware 19709
United States of America

Also at

Third Floor, No.6A, Raja Krishna Rao Road
Off Eldams Road, Teynampet, Chennai-600018
Represented by its Authorised Signatory
Ms.Janani Rajagopal

... Applicant

Vs.

1. Hindustan Oil Exploration Company Limited
Lakshmi Chambers, 192, St.Mary's Road
Alwarpet, Chennai, Tamil Nadu 600 018.
2. Oil and Natural Gas Corporation Limited
ONGC Thamamuthu Natarajan Building
(CMDA Tower 1, No.1, Gandhi Irwin Road
Egmore, Chennai 600 008.

3. Invenire Petrodyne Limited

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Unit No.611, Reliabels Pride

Anand Nagar, Opp Heera Panna Mall

Jogeshwari (W) Mumbai, Maharashtra 400 102. ... Respondents

Prayer : To pass an order injuncting / restraining Hindustan Oil Exploration Company Limited/Respondent No.1 from obstructing and/or interfering in any manner, with the performance of the Revised Field Development Programme including production and sale of hydrocarbons and receipt of revenue from such sale from the contract area known as CY-OS-90/1 (PY-3 Field) which Revised Field Development Programme is being undertaken as an exclusive operation under Article 8 of the Joint Operating Agreement in the ratio of the participating interest held by the respective Consenting Parties (HEPL, IPL and ONGC) to the exclusion of HOEC.

For Applicant : Mr.Srinath Sridevan, Senior Counsel
For Mr.Ajoy Roy

For Respondents : Mr.AR.L.Sundaresan, Senior Counsel (ASG)
for Mr.Vivrti Law (R2)

Mr.Sankaranarayanan, Senior Counsel
Mr.K.P.Pramodh Kumar (R1)

Mr.P.S.Raman, Senior Counsel
for Ms.Janani Shankar (R3)

ORDER



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In this application filed under Section 9 of the Arbitration and Conciliation Act, 1996, the applicant is having the benefit of an interim order passed by this Court on 05.06.2025. The said order has been extended periodically and is in force till today. The interim order granted by this Court on 05.06.2025 is an order of interim injunction to restrain the first respondent from interfering with the operations of the applicant and the respondents 2 and 3's oil exploration operation and further exploration of oil in Cauvery Basin, which was the subject matter of the Production Sharing Contract dated 30.12.1994.

2. The pleadings are complete in this application.

3. The learned Senior Counsel appearing for the first respondent, on instructions, would submit that if paragraph Nos. 5 and 7 of the counter affidavit filed by the first respondent is recorded by this Court, this Court can dispose of this application in terms of the said paragraphs. Paragraph Nos. 5 and 7 of the counter affidavit filed by the first respondent are reproduced hereunder:-

“5. Whether a joint or exclusive operation, the Applicant as Operator will be on the field and rendering actual work



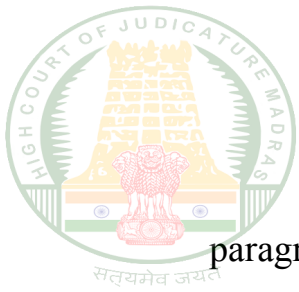
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in accordance with a contract between the parties and in accordance with all the laws in force in India. This respondent is not the Operator and this Respondent would not in any way interfere in the actual field operation at PY-3 but entitled to know the activities carried out and the costs thereon in line with the approved budgets.

7. Any interim order that the applicant seeks has to be clarified that it would not in any way prevent this respondent from making claims regarding the fruits of the purported Exclusive Operations in PY3 and this respondent reserves its right under the JOA to join operations in the field.”

4.To the submissions made by the learned Senior Counsel appearing for the first respondent, which has been recorded by this Court in paragraph No.3, the learned Senior Counsels appearing for the applicant, second respondent and third respondent respectively seek for a minor modification. They would submit as follows:

a)It should be made clear by this Court that the recording of

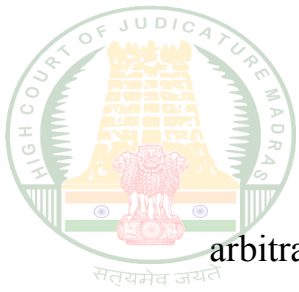


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paragraph Nos.5 and 6 of the counter affidavit filed by the first respondent before this Court in this application is only an interim arrangement, without prejudice to the rights of the applicant, second respondent and third respondent respectively in the arbitral proceedings;

b)The applicant, second respondent and third respondent need not furnish details of the activities carried out by the applicant, second respondent and third respondent in the subject oil field to the first respondent, pending disposal of the arbitral proceedings.

5.By way of reply to the submission made by the learned Senior Counsels appearing for the applicant, second respondent and third respondent respectively, which has been recorded supra, the learned Senior Counsel appearing for the first respondent would submit that this Court, therefore, should grant liberty to the first respondent, which includes the interim relief seeking for furnishing the details of activities carried out by the applicant, second respondent and third respondent in the subject oil field as well as the costs incurred by them under Section 17 of the Arbitration and Conciliation Act, 1996 before the Arbitral Tribunal, once the Arbitral Tribunal is constituted in accordance with the



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arbitration clause.

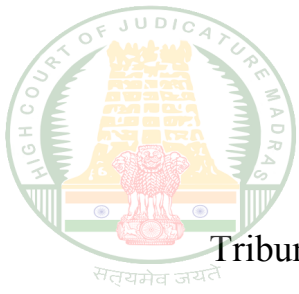
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6.All the Senior Counsels appearing for the respective parties would submit in unison that the applicant, second respondent and third respondent have already nominated their Arbitrator and similarly, the first respondent has nominated its Arbitrator. They would submit that in due course, the two Arbitrators will appoint a Presiding Arbitrator and the Arbitral Tribunal will be constituted in accordance with the arbitration clause.

7.After hearing the submissions of the respective Senior Counsels, this application is disposed of by issuing the following directions:

a)The first respondent shall not interfere with the applicant, second respondent and third respondent in the oil exploration and further exploration conducted by them in Cauvery Basin as per the Production Sharing Contract dated 30.12.1994 and also the commercial exploitation till the disposal of the arbitral proceedings;

b)If the first respondent seeks for variation of the aforesaid directions, the first respondent is granted liberty to approach the Arbitral



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Tribunal by filing an application under Section 17 of the Arbitration and Conciliation Act, 1996 or in accordance with the provisions of the applicable law and liberty is also granted to the applicant, second respondent and third respondent respectively to raise objections to the same, leaving it open for the Arbitral Tribunal to decide the same, on merits and in accordance with law;

c)It is clarified that the interim directions issued by this Court will not in any way prevent the first respondent from making claim against the applicant, second respondent and third respondent respectively before the Arbitral Tribunal regarding fruits of the purported exclusive operations in PY-3 and to join operations in the field in terms of Production Sharing Contract dated 30.12.1994, but it is for the Arbitral Tribunal to decide whether these claims deserve merit or not.

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Maya/vga

8.These directions are issued by this Court only as an interim arrangement, without prejudice to the rights and contentions of the respective parties in the arbitral proceedings. It is made clear that the



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Arbital Tribunal is empowered to vary these directions in the interest of justice in the final arbitral award, after giving due consideration to the evidence placed on record by the respective parties.

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