



For Immediate Release

16 April 2007

Seismic Survey Operations begin in Bihar –GV-ONN-2002/1

Seismic survey operations to be carried out by Cairn India will begin in Bihar this week. An airborne geomagnetic survey of the block has just finished and is being followed by the 2D seismic survey programme. It is anticipated that the 2D seismic field operations will be completed by the end of June 2007 before the commencement of the monsoon.

The onshore NELP IV block GV-ONN-2002/1 in northern Bihar was awarded under a production sharing contract (PSC) by the Government of India in 2004.

The seismic survey operations are scheduled to start in the districts of Samastipur, Darbhanga and Madhubani. The programme covers an area from Dalsinghsarai in the South to Jainagar in the North and from Singhwara and Ladania in the West and East respectively. Approximately 500 Line kilometres of data will be acquired. The aim of the seismic survey is to understand the structures below the surface.

A large team of skilled and specialized personnel will be deputed to Bihar, but there will be a requirement for the temporary engagement of a number of unskilled personnel during the course of the five month survey, many of whom will be sourced from the local community.

As part of the survey programme small teams of personnel with satellite navigation equipment will place marker pegs on the ground. Further teams will be drilling shallow holes along each survey line and they will be followed by the main seismic survey team who will lay out cables and equipment.

Cairn India permit teams will be present in all stages of the operation to explain the survey and associated crop compensation process to the farmers and local people. Company representatives are meeting with agricultural representatives in each district to discuss crop prices. Farmers are expected to be compensated within weeks of the survey moving over their properties.

The GV-ONN-2002/1 block in north Bihar is within the Ganga Basin, which is one of the largest sedimentary basins of India, but is under-explored and no hydrocarbons have yet been discovered. As per the PSC Cairn India has a seven year exploration period comprising of three phases, which commenced from the issue of the Petroleum Exploration Licence on 8th June 2005. As operator of the PSC, Cairn India holds a 50% interest in this Block with joint venture partner Cairn Energy PLC, through its subsidiary Capricorn Energy Limited, holding the remaining 50% interest.

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About Cairn India Limited

- "Cairn India" where referred to in the release means Cairn India Limited and/or its subsidiaries, as appropriate.
- "Cairn" where referred to in this release means Cairn Energy PLC and/or its subsidiaries (including Cairn India), as appropriate.
- Cairn India is headquartered in Gurgaon on the outskirts of Delhi, with operational offices in Chennai, Gujarat, Andhra Pradesh and Rajasthan.

- On 9 January 2007, Cairn successfully concluded the flotation of its Indian business with the commencement of trading of Cairn India Limited on the Bombay Stock Exchange and the National Stock Exchange of India. Cairn Energy PLC currently holds a majority shareholding in Cairn India Limited.
- Cairn India is currently focused on exploration and production in India where it has a working interest in 15 blocks, two of which are producing hydrocarbons. The company holds material exploration and production positions in west India, east India along with new exploration rights elsewhere in India.
- This focus on India has already resulted in a significant number of oil and gas discoveries. In particular, Cairn India made a major oil discovery (Mangala) in Rajasthan in the north west of India at the beginning of 2004. Cairn India has now made 20 discoveries in Rajasthan block RJ-ON-90/1.
- In Rajasthan, Cairn India operates Block RJ-ON-90/1 under a Production Sharing Contract (PSC) signed on 15 May 1995. The main Development Area (1,858 km²), which includes Mangala, Aishwariya, Saraswati and Raageshwari; is shared between Cairn India and ONGC, with Cairn India holding 70% and ONGC having exercised their back in right for 30%. A further Development Area (430 km²), including the Bhagyam and Shakti fields, is also shared between Cairn India and ONGC in the same proportion.
- India currently imports approximately 2,000,000 barrels of oil per day (bopd). It produces approximately 700,000 bopd itself of which approximately 50,000 bopd comes from the Cairn India operated Ravva field on the east coast of India
- For further information on Cairn India Limited see www.cairnindia.com