



For Immediate Release

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Cairn India

Government of India approves Declaration of Commerciality on Rajasthan Block Northern Appraisal Area

The Government of India (GoI) has approved a further Declaration of Commerciality (DoC) on the Rajasthan licence RJ-ON-90/1 in North West India.

The DoC for the three discoveries made in Kameshwari West 2, 3 and 6 has been approved, along with a new Development Area of 822 km² which was part of the Northern Appraisal Area.

The Kameshwari West 2 and 3 discoveries have opened up a new play in the Barmer Hill/Lower Dharvi Dungar sands on the western margin of the Rajasthan basin.

Cairn and its joint venture partner ONGC now have 3,111 km² under long term contract on the Rajasthan licence of which the main Mangala Field Development Plan (FDP) covers 1,859 km² while the Bhagyam FDP covers 430 km².

Rahul Dhir Managing Director and Chief Executive Officer of Cairn India said:

"Cairn India is delighted to have secured the approval for 'Declaration of Commerciality' of this area from the Government of India. It will enable us to develop the discoveries and access the area for further exploitation of additional resources. We strongly believe that the Rajasthan basin is world class and will continue to add incremental value."



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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 Lanka (Private) Limited, is a wholly owned subsidiary of Cairn India that holds a 100% participating interest in the Mannar block.
- “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 65% shareholding in Cairn India Limited.
- Cairn India is currently focused on exploration and production in India and Sri Lanka where it has a working interest in 14 blocks, two of which are producing hydrocarbons. The company holds material exploration and production positions in west India and east India along with new exploration rights elsewhere in India and Sri Lanka.
- This focus on India has already resulted in a significant number of oil and gas discoveries. In particular, Cairn made a major oil discovery (Mangala) in Rajasthan in the north west of India at the beginning of 2004. More than 20 discoveries have been made 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.
- The Operating Committee for Block RJ-ON-90/1 consists of Cairn India and ONGC.
- 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



Technical

2P	proven plus probable
3P	proven plus probable and possible
2D/3D	two dimensional/three dimensional
boe	barrel(s) of oil equivalent
boepd	barrels of oil equivalent per day
bopd	barrels of oil per day
bscf	billion standard cubic feet of gas
EOR	enhanced oil recovery
FDP	field development plan
MDBRT	measured depth below rig table
mmboe	million barrels of oil equivalent
mmscfd	million standard cubic feet of gas per day
PSC	production sharing contract
TVDSS	Total vertical depth sub sea

The Fatehgarh is the name given to the primary reservoir rock of the Northern Rajasthan fields of Mangala, Aishwariya and Bhagyam.

The Barmer Hill is a lower permeability tight rock which overlies the Fatehgarh.

The Dharvi Dungar forms the secondary reservoirs in the Guda field and is the reservoir rock encountered in the recent Kameshwari West discoveries.

The Thumbli forms the youngest reservoirs encountered in the basin. The Thumbli is the primary reservoir for the Raageshwari field.

Rajasthan Block RJ-ON-90/1

