

Cairn India Limited

Production Update for the Third Quarter and Nine Months FY 2016-17

Particulars	Q3 FY2017	Q2 FY2017	% change QoQ	Q3 FY2016	9M FY2017	9M FY2016
OIL AND GAS (boepd)						
Average Daily Total Gross Operated Production*	191,230	206,230	(7%)	211,843	201,286	214,663
Average Daily Gross Operated Production (boepd)	181,818	196,399	(7%)	202,668	191,674	205,909
Rajasthan	154,272	167,699	(8%)	170,444	162,957	170,258
Ravva	18,172	18,823	(3%)	21,703	18,874	25,430
Cambay	9,375	9,877	(5%)	10,521	9,843	10,221
Average Daily Gross Working Interest Production (boepd)	115,829	125,575	(8%)	128,402	122,254	128,991
Rajasthan	107,990	117,390	(8%)	119,311	114,070	119,180
Ravva	4,089	4,235	(3%)	4,883	4,247	5,722
Cambay	3,750	3,951	(5%)	4,208	3,937	4,089
Total Production (million boe)						
Oil & Gas- Gross Operated	16.73	18.07	(7%)	18.65	52.71	56.62
Oil & Gas-Working Interest	10.66	11.55	(8%)	11.81	33.62	35.47

*Includes Internal Gas Consumption

Third quarter FY 2017 vs. previous quarter

For Q3 FY2017, average gross production across assets was resilient at 181,818 barrels of oil equivalent per day (boepd). As expected, the production was lower primarily due to planned maintenance shutdown in Rajasthan and natural decline in offshore assets.

Gross production from Rajasthan block averaged at 154,272 boepd for the quarter. A resolute operational performance was demonstrated by encouraging results from Mangala Enhanced Oil Recovery (EOR), driven by enhanced well productivity and production optimization activities. The additional production from EOR increased to an average of 55 kboepd in Q3 FY2017 from 52 kboepd in Q2 FY2017. Continued reservoir management including production optimization helped maintain steady production from Bhagyam and Aishwariya. Gross production from Development Area-1 (DA-1) and Development Area-2 (DA-2) averaged 141,177 boepd and 13,095 boepd, respectively.

Rajasthan production was lower mainly due to the planned maintenance shutdown at the Mangala Processing Terminal which will help maintain asset integrity and improve the plant performance.

Production from Ravva and Cambay was also firm at 18,172 and 9,375 boepd, respectively. Production optimization activities helped offsetting the natural decline in the blocks. Ravva and Cambay facilities recorded an excellent uptime of 99.9% and 99.8%, respectively.

Gas production from RDG was lower at an average of 21 mmscfd in Q3 FY2017 compared to 33 mmscfd in Q2 FY2017. Gas sales also declined quarter-on-quarter to 4 mmscfd from 17 mmscfd. The sales have been temporary suspended due to a technical issue between the gas transporter and the buyers. Cairn is closely engaged with various stakeholders to address the issue and hopeful of resuming the sales at the earliest.

Nine months FY 2017 vs. nine months FY 2016

Gross production declined by 7% on year-on-year basis primarily due to lower volumes from offshore assets and planned maintenance shutdown in Rajasthan during the current year, partially offset by volume ramp up from EOR project in Mangala and continued effective reservoir management across assets.

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