No. J-11011/55/2000-IA II Government of India Ministry of Environment & Forests J. A. Division

Paryavaran Bhavan, CGO Complex. Lodi Road, New Delai-110003

Tele No 4363964

Dated 21" November, 2000.

To.

The Chairman & Managing Director, Cairn Energy India Ptv. Ltd. Willington Plaza, 2nd Floor, 90 Anna Salai, Chemai-600002.

Subject: Drilling of Exploratory/Appraisal Wells (CB-OS/2) in the Gulf of Khambhat by M/s Cairn Energy India Pvt. Ltd. - Environmental Clearance reg.

Sir,

This has reference to your letter No. HSO8RSPL07 28th August, 2000 along with project documents including EIA/EM, Public Hearing Report, NOC from Gujarat, SPCI3 and subsequent clarifications furnished vide your letter dated 8th September, 2000, 5th October, 2000 and 12th October, 2000 regarding the above project.

Ministry of Environment and Forests has carefully examined your application. It is noted that the project is envisaged to carry out exploratory/ appraisal drilling of 20 wells in the CB-OS/2 off-shore block located in the Gulf of Khambhat, West Coast of India. It is also noted that there will be no commercial exploitation of hydrocarbons at this stage. It is also noted that the Gujarat SPCB has issued NOC for the project on 8th August, 2000 and the Public Hearing Panel has recommended the case in the meeting held on 2nd August, 2000.

The Ministry of Environment and Forests hereby accords environmental clearance under EIA Notification dated 27th January, 1994 subject to strict compliance of the following conditions:-

SPECIFIC CONDITIONS:

I: The Schedule for commencement by the drilling operation should be intimated at least one menth in advance to the Wildlife Warden having jurisdiction over the nearest coastal area so as to enable him to monitor its impact, if any, as on the wild life.

- 2. Approval from DG Shipping under the Merchant Shipping Act prior to commencement of the drilling operations should be obtained.
- 3. Only water based drilling fluids/mud should be used for the drilling operation. As reflected in the EMI the drilling fluid should be reused/recycled. There will be no discharge of drilling fluid/mud/cuttings into sea. The entire drill cuttings/ mud will be disposed off onshore in a secured landfill site approved by the Gujarat SPCB
- 4. In case the commercial viability of the project, is established, the company will propure a detailed plan for development of oil and gas fields in CB-OS /? in the Culf of Khanubhat and obtain fresh clearance from the Ministry.
- 5. Adequate infrastructual facilities should be provided near the offshore installations so that books skinnners chemical dispersants could be deployed immediately in case of oil leakage from the installations. Efforts should be made to curtail the oil slick within 500 meters of the installation and accordingly, action plan and facilities to check the oil slick beyond 500 meters should be provided.
- 6. Even though the proposed site is not part of National Park or wild life sanctuary, it is seen that degraded mangrove forests, coral reefs and some avi-fauna exists in the region. No drilling well should be located in such mangrove location. Also the company should submit a plan/scheme for mangrove regeneration/compensatory development in consultation with the local Forest/Wildlife office.
- 7. The project proponent shall also comply with the environmental protection measures and safeguards recommended in the EIA/ EMP report as well as the recommendations of the Public Higaring Panel.

GENERAL CONDITIONS:

- i. The project authority must strictly adhere to the stipulations made by the Central Government as part of any International Convention(s) or Merchant Shipping Act.
- ii. The project authorities must strictly adhere to the stipulations made by the Gujaret State Pollotion Control Board and the State Government.
- iii. No further expansion or modifications in the plant should be carried out without prior approval of the Ministry of Environment and Forests. In case of deviations or elterations in the project proposal from those submitted to this Ministry for clearance, a fresh reference should be made to the Ministry to assess the adequacy of conditions imposed and to add additional environmental protection measures required, if any
- iv. The project must strictly adhere to the regulations made by MARPOL convention 1973/1973 for setting limits, for discharges from offshore oil/gas exploration and production activities.

- V. The project authorities must strictly comply with the rules and regulations under Manufacture. Storage and Import of Hazardous chemicals Rules, 1989 at amended on 3rd October, 1994. Prior approvals from Chief Inspectorate of Factories, Chief Controller of Explosives, Fire Safety Inspectorate etc. must be obtained wherever applicable.
- The project authorities must strictly comply with the rules and regulations with regard to handling and disposal of hazardous wastes in accordance with the Hazardous Wastes (Management & Handling) Rules, 1989 wherever applicable. Authorization from the State Pollution Control Board must be obtained for collections/treatment/storage/disposal of hazardous wastes.
- vii. The overall noise levels in and around the rig area should be kept well within the standards (85 dBA) by providing noise control measures localing acoustic hoods, silencers, enclosures etc. on all sources of noise generation. The ambient noise levels should conform to the standards prescribed under EPA Rules, 1989 viz. 75 dBA (day time) and 70 dBA (night time).
- viii. A separate er vironmental management cell equippec with full fledged laboratory facilities must be set up to carry out the environmental management and monitoring functions.
- ix. The project authorities will provide adequate funds both recurring and non recurring to implement the conditions stipulated by the Ministry of Environment and Forests as well as the State Government along with the implementation schedule for all the conditions stipulated herein. The funds so provided should not be diverted for any other purpose.
- The implementation of the project vis-à-vis environmental action plans will be monitored by Ministry's Regional Office at Bhopal State Pollution Control Board/Central Pollution Control Eoard. A six monthly compliance status report should be submitted to the monitoring agencies.
- xi. The Project Proponent should inform the public that the project has been accorded environmental clearance by the Ministry and copies of the clearance letter are available with the State Pollution Control Board/ Committee and may also be seen at Website of the Ministry and Forests at http://www.envfor.nic.in. This should be advertised in at least two local newspapers that are widely circulated in the region of which one shall be in the vernacular language of the locality concerned.

The Ministry may revoke or suspend the clearance, if implementation of any of the above conditions is not satisfactory.

The Ministry reserves the right to stipulate additional conditions if found necessary. The company will implement these conditions in a time bound manner.

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The above conditions will be enforced, inter-alia under the provisions of the Water (Prevention & Control of Pollution) Act, 1974, the Air (Prevention & Control of Pollution) Act, 1981, the Environment (Protection) Act, 1986 and the Public (Insurance) Liability Act, 1991 along with their amendments and rules.

(Dr.R. Warrier)

Additional Director

Copy to:-

 Chairman, Central Pollution Control Board, Parivesh Bhavan, CBD-ourn-Office Complex, East Arjun Nagar, Delhi-110032.

2. The Chairman, Sujarat State Pollution Control Board, Old Assembly Building, 2nd

Floor, Sector No. 10-A, Gandhi Nagar-382043.

The Secretary Environment & Forests Denartment Govt

 The Secretary, Environment & Forests Department, Govt.of Gujarat, Sachivelaya, 8th Floor, Gandhinagar-382010.

4. The Chief Conservator of Forests (Central), Regional Office (WZ), E-3/249, Arera Colony, Bhopal-462016.

5. Adviser (El div. sion), Ministry of Environment and Forests, Paryavaran Bhavan, CGO Complex, New Delhi.

6. Additional Director (Monitoring Cell), Ministry of Environment and Forests, Paryavaran Bhavan, CGO Complex, New Delhi.

7. Guard File.

8. Monitoring File.

9. Record File.

(Dr.R. Warrier)
Additional Director