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From: Jenni Lean [mailto:jennil@indopacific.co.nz]

Sent: Tuesday, 25 February 2003 6:44 a.m.

To: Rachel Owens

Subject: Re: Letter - Pohokura Joint Venture Application for Authorisation

Rachel,

Indo-Pacific believes that it is obvious that the Pohokura JV should be able to jointly market the gas and work together to make this project work, unhindered by CC rules.

There are other aspects of oil and gas exploration and development which also should be outside the ambit of the CC non-comp rules, such as the Land Access code for onshore seismic, if this country is ever to have an industry that is not overburdened by compliance and hurdles.

This industry (probably the most essential to the well-being of the nation) is the most high risk/cost industry in the country and does not need rules which are not aligned to help it succeed. It has built-in audit of every aspect, due to the nature of it being one whereby one must joint venture with ones' competitors. Do you think Shell/Todd/Preussag would let anything out of order done by one of the parties go by unchallenged and rectified? The CC is not a patch on the controls imposed by such a system-believe me.

Political risk is also high in this country for exploration companies and a group can be held to ransom for a protracted period of time.

If you need more information on the blood-on-the-walls style of meetings in this industry, which ensure that no-one gets away with anything, let me know and I'll try to think of where to start.

Best regards

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