



F.O - 8022/95

TOTAL MYANMAR EXPLORATION AND PRODUCTION

(YANCON BRANCH)

CONFIDENTIAL
DOE v. UNOCAL
SUBJECT TO PROTECTIVE ORDER

5 PYAY ROAD,
HLAING TOWNSHIP, P.O. 11051
YANCON
UNION OF MYANMAR

FAX : 95 1 30916
TELEX : 21434 TMEP BM
INMARSAT : 873 151 02 43 (PHONE)
: 873 151 02 44 (FAX)
PHONE : 30457/30520/30736/30824

FAX			
FROM	Claude Herbreteau, Manager, Admin. & Finance		
TO	PTT EP INTERNATIONAL LIMITED UNOCAL MYANMAR OFFSHORE Co. Ltd. TOTAL MYANMAR EXPLORATION AND PRODUCTION		
ATTENTION	MR. PICHAI CHUNHAVAJIRA CC. MR. M. MRIGADAT, MR. S. PRACHAKVEJ MM. J.G. VANDERMEER/G. UHLAND CC. MR. L. LATIMER MM. J. M. BEUQUE/H. CHAGNOUX/P. BELLAVIA		
FAX NO.	0066 2 537 4333 - BANGKOK 0065 737 0268 - SINGAPORE 0033 1 4135 3012 - PARIS		
COPY TO	713 287-7358 - U.S.A.		
DATE	24 Oct. 1995	NUMBER OF PAGES (Including this page)	8
If you do not receive all pages legibly please phone : 30457-30520-30736-30824			

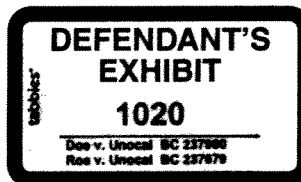
**SUBJECT: MOATTAMA - Union of Myanmar
MOGE's 15% Participation**

Please find herewith our letter ref: L/526-95/DG dated 24 October, 1995 with MOGE's acknowledgment of receipt.

copy follows by courier service.

Yours sincerely,

C. Herbreteau
Manager
Administration and Finance



UYP3 008476

CH:ktm

NO. 803

TOTAL MYANMAR EP - 65 7370268

24/10/95 13:06

TOTAL

To: John Vandermeer
90 Grand Hyatt, New York

CONFIDENTIAL
DOE v. UNOCAL
SUBJECT TO PROTECTIVE ORDER

TOTAL MYANMAR EXPLORATION AND PRODUCTION

24 October, 1995

Ref: L/526-95/DG

U Kyaw Nyein
Managing Director
Myanma Oil and Gas Enterprise
74/80 Minye Kyawswa Road
Yangon.

Subject: MOGE participation for 15% in the Yadana Project under the Terms of the Moattama Production Sharing Contract (PSC) and Memorandum of Understanding (MOU)

Dear Sir,

We refer to our Letter of Offer dated 2 May 1995 (ref. L/242-95/DG) and the MOGE's Letter of Acceptance dated 12 October 1995 (ref. MD - 3/23 (1260) 95).

In accordance with the terms of the Offer and the MOGE's election to exercise the option as stipulated in Section 19.7. (b) of the PSC, we enclose herewith the following statements:

- Enclosure 1 (3 pages) : in accordance with Section 19.6 of the PSC and with reference to point A.2.1 of the Letter of Offer, the statement of the "Total Expenditure PSC" incurred up to the 8th of February, 1995, incorporating the Signature Bonus.

The amount "S" representing the MOGE's 15% share to be reimbursed by way of "Payment out of Production" is equal to 10,531,356.15 US Dollars.

We wish to emphasize that the figure of 4,087,248.46 US\$ corresponding to the 1995 Expenditure incurred from 1 January to 8 February is the figure showing at present in the books of the joint account kept by the Operator and that it is not a final figure. The final figure will be known only in 1995 when adjustments to certain charges (ref. sub-Article 2.2 of Annexure "C" to PSC) are booked in.

- Enclosure 2 (2 pages) : with reference to point A.2.2 of the Letter of Offer, the statement of CONTRACTOR's funds paid or to be paid as at Date of Acceptance, excluding the payments related to the Nay Min Young Rig.

The amount "F" representing the MOGE's 15% share is equal to 14,358,096.69 US Dollars.



UYP3 008477

YANGON BRANCH, NO 5 PYAY ROAD, HLAING TOWNSHIP, P.O. 11051, YANGON, UNION OF MYANMAR
TEL: (951) 30457, 30520, 30726, 30824 FAX: (951) 307016 TELEX: 21434 IMED BM
MMARLAT TEL: 151 0243 MMARLAT FAX: 151 0244

TOTAL MYANMAR EP - 65 7370268

24/10/95 13:06

NO. 803 002

Accordingly, this is our notification of the amount F - S equal to 3,826,740.54 US Dollars which shall be reimbursed by the MOGE to TOTAL MYANMAR EXPLORATION AND PRODUCTION, UNOCAL MYANMAR OFFSHORE Co. Ltd. and PTT EP INTERNATIONAL LIMITED in proportion to their respective share in the above amount, within 30 (thirty) days of the present notification.

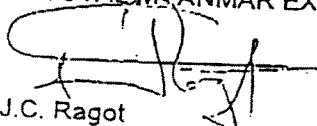
Could you please transfer the amount to be reimbursed as follows:

<u>Beneficiary Name</u>	<u>Remittance address</u>	<u>US\$</u>
TOTAL S.A.	BANKER TRUST COMPANY ONE B.T. PLAZA NY 10015 NEW YORK CHIPS 103 USA A/C. 04819558 CHIPS UID 055922	1,406,327.15
UNOCAL MYANMAR OFFSHORE Co. Ltd.	CITIBANK, N.A. NEW YORK N.Y. 10043, U.S.A. A/C. 4064-2091 ABA # 021000089	1,272,391.23
PTT EP INTERNATIONAL LIMITED	KRUNG THAI BANK COMPANY LIMITED VIBHAVADI RANGSIT BRANCH BANGKOK, THAILAND CURRENT ACCOUNT NO. 019-6-02700-4	1,148,022.16

Kindly acknowledge receipt of the present notification by signing and returning the duplicate to us and advise the value date of your transfers at your earliest convenience.

Yours sincerely,


for TOTAL MYANMAR EXPLORATION AND PRODUCTION - Operator


J.C. Ragot
Acting General Manager

UYP3 008478

Encl. 2 (5 pages)

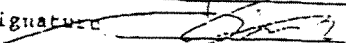
cc. PTT EP International Limited
Unocal Myanmar Offshore Co. Ltd.
Total Myanmar Exploration and Production S.A.

CH:ktm

No 5 MYAY ROAD, HLAING TOWNSHIP P.O. 11052
YANGON, UNION OF MYANMAR

Received on 24th Oct, 95

on behalf of MOGE

by U Tin Mg Yi

Signature 

U TIN MG YI
Director (Trilling)
Myanma Oil and Gas Enterprise

TEL: (951) 30354 TLX: 21434 TMEP BM
FAX: (951) 30824

NO. 882

24/10/95 13:07 TOTAL MYANMAR EP + 65 7378268

TOTAL MYANMAR EXPLORATION AND PRODUCTION - OPERATOR
MOATTAMA BLOCKS M5 & M6

ENCLOSURE 1

STATEMENT AS PER SECTION 19.6 OF MOATTAMA PSC
CUMULATIVE OPERATING COSTS INCURRED AS AT 8 FEB. 1995
PLUS SIGNATURE BONUS

CONFIDENTIAL
DOE v. UNOCAL
SUBJECT TO PROTECTIVE ORDER

DESCRIPTION	Oct-95				In USD INCEPTION TO 8 FEB. 1995
	1992 EXPENDITURE	1993 EXPENDITURE	1994 EXPENDITURE	1995 EXPENDITURE AS AT 8 FEB.	
OVERHEADS & GENERAL					
- CONTRACTUAL OVERHEADS	139,754.29	492,469.43	323,309.71	33,036.15	988,569.58
- MANAGEMENT/ADMIN/FINANCE					
- General management - Paris	127,816.58	824,902.19	1,486,870.32	272,131.58	2,711,720.67
- General management - Yangon	220,654.40	726,602.09	726,582.44	98,612.04	1,772,450.97
- E. D. P. Yangon				40,829.32	40,829.32
- Admin & Finance - Yangon	266,129.90	798,528.96	1,432,338.83	150,230.37	2,647,228.06
- H.R. Adm. & Dev - Yangon			107,614.26	32,640.00	140,254.26
- Operat. Manag. & Logistics - Yangon			151,627.94	16,900.00	168,527.94
- Offices - Yangon	204,807.67	851,867.71	313,865.13	74,581.88	1,445,122.39
- Staff houses - Yangon	8,037.88	76,664.39	78,072.40	8,113.75	170,888.42
- Carpool - Yangon	8,667.34	164,343.22	115,104.00	19,406.19	307,520.75
- Telecommunications - Yangon			650,981.75	110,326.19	761,307.94
s/total	836,113.77	3,442,908.56	5,063,057.07	823,771.32	10,165,850.72
- TRAINING					
- Training - Moge	109.00	29,457.41	154,034.57	8,675.30	192,276.28
- Training - Overseas & Domestic		6,710.12	18,790.05	9,642.95	35,143.12
s/total	109.00	36,167.53	172,824.62	18,318.25	227,419.40
S/TOTAL OH & GENERAL	975,977.06	3,971,545.52	5,559,191.40	875,125.72	11,381,839.70
EXPLORATION					
- G & G		508,184.91	2,703,056.06	324,032.60	3,535,273.57
- Laboratory studies		36,281.30	272,727.69	33,708.08	342,717.07
- Seismic 2D acquis./process. 93/1-2 (incl. 75km on Badamyar)		227,393.01	3,870.46		231,263.47
- Seismic 2D acquisition/processing 94/1			2,020,785.81	(25,096.69)	1,995,689.12
- Seismic 3D acquisition 95/1			69,945.18	1,243.29	71,188.47
- Seismic 2D acquisition 95/2				15,670.44	15,670.44
- Seismic Reprocessing		143,758.53	53,796.41		197,554.94
S/TOTAL EXPLORATION	-	915,617.75	5,124,181.61	349,557.72	6,389,357.08
SUB-TOTAL CARRIED FORWARD	975,977.06	4,887,163.27	10,683,373.01	1,224,683.44	17,771,196.78

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TOTAL MYANMAR EP - 65 7370268

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24/10/95

TOTAL MYANMAR EXPLORATION AND PRODUCTION - OPERATOR
MOATTAMA BLOCKS M5 & M6

ENCLOSURE 1

STATEMENT AS PER SECTION 19.6 OF MOATTAMA PSC
CUMULATIVE OPERATING COSTS INCURRED AS AT 8 FEB. 1995
PLUS SIGNATURE BONUS

CONFIDENTIAL
DOE v. UNOCAL
SUBJECT TO PROTECTIVE ORDER

DESCRIPTION	Oct-95				
	1992	1993	1994	1995	INCEPTION TO 8 FEB. 1995
	EXPENDITURE EXPENDITURE EXPENDITURE EXPENDITURE				
	AS AT 8 FEB.				
	in USD				
SUB-TOTAL C/F	975,977.06	4,887,163.27	10,683,373.01	1,224,683.44	17,771,196.78
APPRAISAL					
- COMMERCIALITY					
- Commerciality studies Yadana	-	450,756.78	1,074,884.00	220,394.59	1,746,035.37
- Model/Certification Yadana	-	542,468.87	251,601.04	3,499.48	797,569.39
- Model/Certification Badamayar	-	-	158,124.58	37,999.70	196,124.28
- Feasib./pre-project studies-Yad.	10,633.81	1,334,179.22	3,222,086.05	240,442.79	4,807,341.87
- Feasibility studies Badamayar	-	-	15,316.69	6,146.30	21,462.99
- Feasibility surveys Yadana	-	-	3,518,764.57	(2,143.24)	3,516,621.33
s/total	10,633.81	2,327,404.87	8,240,776.93	506,339.62	11,085,155.23
- GEOLOGY & GEOPHYSICS					
- G & G 2D - Yadana	319,445.87	246,851.08	2,009.08	-	568,306.03
- G & G 3D - Yadana	131,512.09	730,710.39	(7,307.38)	-	854,915.10
- Laboratory studies Yadana	16,446.67	512,236.60	62,282.89	(1,242.17)	589,723.99
- Seismic 3D acquisition Yadana	920,690.15	1,581,223.07	-	-	2,501,913.22
- Seismic 3D processing Yadana	-	384,705.20	16,216.22	-	400,921.42
- Seismic 2D reprocessing Yadana	74,998.21	(1,455.99)	-	-	73,542.22
s/total	1,463,092.99	3,454,270.35	73,200.81	(1,242.17)	4,989,321.98
- DRILLING OPERATIONS					
- Ops manager/general sup. Yadana Wells	307,687.24	749,836.80	-	-	1,057,524.04
- Well YADANA 1	207,550.48	4,440,824.40	16,924.12	-	4,665,299.00
- Well YADANA 2	207,550.48	3,451,527.89	14,831.83	-	3,673,910.20
- Well YADANA 3	207,550.48	3,414,104.48	19,343.05	-	3,640,998.01
- Well YADANA 4	207,550.48	3,950,508.97	30,910.06	319.83	4,189,289.34
s/total	1,137,889.16	16,006,802.54	82,009.06	319.83	17,227,020.59
- STOCKS					
	12,729.71	401,185.21	-	(1,328.37)	412,586.55
S/TOTAL APPRAISAL	2,624,345.67	22,189,662.97	8,395,986.80	504,088.91	33,714,084.35
SUB-TOTAL C/F	3,600,322.73	27,076,826.24	19,079,359.81	1,728,772.35	51,485,281.13

UYP3 008480

TOTAL MYANMAR EXPLORATION AND PRODUCTION - OPERATOR
MOATTAMA BLOCKS M5 & M6

ENCLOSURE 1

STATEMENT AS PER SECTION 19.6 OF MOATTAMA PSC
CUMULATIVE OPERATING COSTS INCURRED AS AT 8 FEB. 1995
PLUS SIGNATURE BONUS

CONFIDENTIAL
DOE v. UNOCAL
SUBJECT TO PROTECTIVE ORDER

DESCRIPTION	Oct-95					In USD
	1992 EXPENDITURE	1993 EXPENDITURE	1994 EXPENDITURE	1995 EXPENDITURE AS AT 8 FEB.	INCEPTION TO 8 FEB. 1995	
SUB-TOTAL C/F	3,600,322.73	27,076,826.24	19,079,359.81	1,728,772.35	51,485,281.13	
DEVELOPMENT						
YADANA AREA						
- PRE. DEV. STUDIES/SURVEYS						
- Pre-Project Studies				1,360,623.80	1,360,623.80	
- Environment BLSO/EIAO				52,359.80	52,359.80	
- Others Surveys				776,832.82	776,832.82	
- Super./Support Ops Yangon				72,060.00	72,060.00	
				2,261,876.42	2,261,876.42	
- TRAINING - PRODUCTION						
				36,180.00	36,180.00	
S/TOTAL DEVELOPMENT	0.00	0.00	0.00	2,298,056.42	2,298,056.42	
ASSETS (MOVABLE)						
- Office furniture & equipment		239,056.09	62,670.75	10,971.57	312,698.41	
- Housing furniture & equipment	144,118.71	125,722.71	189,166.30	1,608.72	460,616.44	
- Telecommunication equipment		39,284.31	8,715.82		48,000.13	
- E.D.P. equipment	2,955.50	110,113.93	96,565.46	47,105.14	256,740.03	
- Motor vehicles		245,122.58	98,863.13	96.67	344,082.38	
- Logistic base equipment			2,928.49		2,928.49	
- Safety equipment				637.59	637.59	
S/TOTAL ASSETS (MOVABLE)	147,074.21	759,299.62	458,909.95	60,419.69	1,425,703.47	
TOTAL EXPENDITURE PSC	3,747,396.94	27,836,125.86	19,538,269.76	4,087,248.46	55,209,041.02	
SIGNATURE BONUS	15,000,000.00				15,000,000.00	
TOTAL EXPENDITURE	18,747,396.94	27,836,125.86	19,538,269.76	4,087,248.46	70,209,041.02	
MOGE 15% SHARE = AMOUNT \$				UYP3 008481	10,531,356.15	

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24/10/95