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EMBASSY OF THE REPUBLIC OF GUYANA P.O.Box 785 - Telephone 477895 l'elefax 472679

Cable address: Guysul Paramaribo - Suriname

May 11, 2000

2000 -05-11

Honourable Clement Rohee Minister Ministry of Foreign Affairs South Road & New Garden Street Georgetown

Paramaribo.

Dear Minister,

Newspaper Article - Oil Exploration

Further to my last communication on the above-referenced subject please find another article which has appeared in the local media.

Since my last report, the HPP has been relentless in its quest to show that the Government is treating lightly with the issue and members of the party are utilizing all means to drum up support to embarrass the Government. Many of the other parties have studiously avoided offering a comment. However, it is instructive to note that a senior member of the National Democratic Party (NDP) at a recent economic forum was quoted as saying that the Government should seriously examine the matter and must not allow Guyana to continue with its plans to drill oil in Suriname's territory.

This issue is slowly beginning to gain momentum and it is instructive to note that a senior Member of the National Democratic Party (NDP), Jenny Gerling-Simmons, reportedly accused the Government of allowing Guyana to continue its plans to drill oil in Suriname's territory. Furthermore, I was advised by the acting Minister of Foreign Affairs, His Excellency Errol Alibux, that he would soon be summoning me to his Office concerning the matter.

For your information and necessary actions.

Best regards.

Yours sincerely,

Ambassador

OIL DRILLING IN DISPUTED AREA NORMAL MATTER, SAYS GUYANESE VICE PRESIDENT

According to the Guyanese Vice President Samuel Hinds, looking for oil fields in the eastern part of the disputed area between Suriname and Guyana is a normal matter, in which his country has been involved for years. Although attention will be paid to the Surinamese protests, the drilling will take place normally at the end of this month. Hinds said in an interview with a regional research bureau of the Oil & Gas Journal that Suriname has never before made any objections against the oil drilling and that it has almost become a Guyanese tradition to give the area in concession, however he is aware that it is a disputed area. This matter was brought to the public's notice two weeks ago by the scientific bureau of the Renewed

Political Party (HPP), which includes Staatsolie experts. Narinder Mohan of the scientific bureau of the party says he doubts the reaction of Minister Errol Alibux of Natural Resources that Suriname has already protested by letter to the Guyanese Embassy six months ago. In the interview with Hinds that was taken last Wednesday and can be read on the Internet, nothing is said about this. He thinks that a formal protest should be made to the Guyanese government. The HPP, which has assigned a team to this matter, also proposes to send an urgent invitation to Guyana to immediately negotiate the issue and come with workable solutions. A formal protest should also be made to the Caricom and it should be asked to mediate in this matter. Suriname itself should ask advice from its experts of Staatsolie to map the situation. Mohan calls it remarkable that Alibux knows little of the activities by the Guyanese in Surinamese territory and the state it is in. An official letter from the management of Staatsolie to the government concerning this issue was never reacted upon. The impression is created as if the government has a one-sided point of view, seeing the company only as a money machine. The area where the drilling is taking place is 15000 km². Guyana has deviated 20 degrees from the borderline. The estimated crude reserves in just one of the wells is 1250 million barrels, ten times the amount of the Tambaredio field. It has been learned that experts of Staatsolle are eager to start developing the area themselves.