

Exhibit 92

NOTE 8 February 1999
 From: A.A. Barendregt
 Group Reserves Auditor
 To : A.J. Parsley,
 Director, SEPIV BV

Review of the 1998 proved oil and gas reserves summary of the Royal Dutch/ Shell Group of Companies

In accordance with prescribed US Generally Accepted Accounting Principles (SFAS69), the Royal Dutch/Shell Group of Companies have prepared a summary of their proved and proved developed oil and gas reserves for the year 1998. The summary attached to this report, presents the information that covers part of the supplementary information that will be represented in the 1998 Annual Reports of both Royal Dutch Petroleum Company and Shell Transport and Trading Ltd. This summary has been prepared by Shell Exploration and Production International Ventures B.V. on the basis of information provided by Group and Associated companies. The submissions by all ESOSC companies (i.e. excluding Shell Oil and Shell Canada) are based on the procedures laid down in the "Petroleum Resource Volumes Guidelines" (EP 98-1100/1101) which in turn are based on the requirements of SFAS 69. Shell Oil and Shell Canada's submissions are subject to their own procedures and reviews.

I have reviewed the process of preparing the above summary of proved and proved developed oil and gas reserves in as far as they relate to ESOSC companies. As a result, I can confirm that the summary gives, in my opinion, a fair representation of the proved and proved developed reserves of the Royal Dutch/Shell Group of Companies.

In addition to the foregoing I note the following:

1. Submission and accumulation of reserves estimates

Over the last two years, SIEP/SEPIV staff have developed a semi-automated system for accumulating company submissions through electronic spreadsheets. This system avoids manual transcription errors and has built-in consistency checks which help improve the accuracy of the submissions. Although still recognised to have scope for further refinement, the system has resulted in a major improvement in the accuracy of the submissions and SIEP/SEPIV staff are commended for these efforts.

2. Oil+NGL and gas sales reconciliation

Production volumes in annual SEC submissions and sales volumes as submitted to Group financial accounts through the CERES system should be identical. Group companies have been requested to ensure that this is the case.

A comparison of these two streams of submissions highlighted numerous inconsistencies and a general lack of understanding among the OUs which items in their CERES submissions should match with their SEC reported production volumes. The approach followed in the reconciliation process was that CERES and/or SEC submissions were requested to be updated where appropriate, after which any remaining differences (largely due to rounding) were resolved by minor manual corrections in the final SEC reserves submissions.

However, discrepancies remained in the gas sales submissions for Australia, Germany and the UK, in total amounting to some $1.0 \cdot 10^9 \text{ Sm}^3$. These discrepancies related mostly to the inclusion of downstream sales and losses (e.g. LNG plant fuel in Australia, UGS cushion gas in Germany) in the CERES sales reporting. A further important item in the UK related to the bartering of Kingfisher gas for processing services with Marathon Oil, which is counted as production/sales (and reserves) for

SEC, but ignored in CERES reporting. The common cause for these discrepancies seems to be a difference in interpretation of submission requirements between OU staff responsible for CERES submissions and those responsible for SEC submissions.

Whilst Shell Oil and Shell Canada submissions are outside the remit of the Group Reserves Auditor, I note that similar problems occurred in the production/sales submissions for these companies.

A summary of the problems encountered is included as Attachment 4.

I recommend a joint review with Group Finance during 1999 to agree the appropriate method of submission by companies and to improve clarifications in the CERES submission guidelines and the next (1999) edition of the Group Resource Volumes Guidelines.

3. Summary of reserves as at 31 December 1998

The total proved oil and NGL reserves at end of 1998 stood at $1594.7 \cdot 10^6 \text{ m}^3$ (10030 mln bbl). This represents an ultimate recovery increase of $191.7 \cdot 10^6 \text{ m}^3$ (1206 mln bbl), offset by production amounting to $136.5 \cdot 10^6 \text{ m}^3$ (858 mln bbl). The reserves replacement ratio was thus 141%.

The total proved gas reserves at end 1998 were $1711.1 \cdot 10^9 \text{ Sm}^3$ (60.46 Tcf). This represents an ultimate recovery increase of $201.7 \cdot 10^9 \text{ Sm}^3$ (7.13 Tcf), which was offset by production amounting to $79.16 \cdot 10^9 \text{ Sm}^3$ (2.80 Tcf). The reserves replacement ratio was thus 255%.

Total reserves replacement ratio on a barrel-equivalent basis was 182%.

Proved developed reserves were $779.4 \cdot 10^6 \text{ m}^3$ (4902 mln bbl) for oil + NGL and $772.5 \cdot 10^6 \text{ m}^3$ (27.30 Tcf). Replacement ratios for these were 147% and 224% respectively.

Details are given in Attachment 1.

4. Proved reserves review 1994-1998

A review is presented of the changes in reserves in the various regions of the Group's interest plus the main categories of reserves changes for the period 1994-1998. This is presented in Attachment 2.

5. Significant Reserves Changes

The single most important factor affecting proved reserves this year was the introduction of new reserves guidelines, aiming to bring Group proved reserves estimating methods more in line with the industry practice. In essence this involved a transition to deterministic (in stead of probabilistic) estimation methods for proven areas in mature fields, plus a more widespread introduction of probabilistic addition of proved reserves within fields or in clustered fields. Furthermore, proved developed reserves have been tied in to the no-further-activity forecast. Countries in which these new guidelines have resulted in increased reserves are Nigeria (SPDC), UK, Netherlands, Oman, Malaysia, Denmark, Norway, Australia, Syria, Thailand and New Zealand.

A further important factor was the introduction of new screening parameters reflecting a lower oil price outlook (from PSV18 to PSV14). This resulted in an increase in future Group share production in PSC environments, e.g. Nigeria-SNEPCO, Oman-GISCO, Malaysia, Russia-Sakhalin, Syria, Egypt, Philippines and Bangladesh. The tighter screening implied by the change from PSV18 to PSV14 resulted in virtually no reduction in proved reserves. The few reductions that were reported (Australia, Germany) related to reduced tail-end production.

The majority of other changes related to technical revisions as a result from field studies and (for the developed reserves) development drilling. The most significant of these were in SPDC.

Although companies were requested to submit brief summary reports highlighting the reasons and justifications for their reserves changes, not many have fulfilled this request. I recommend that a clearer and firmer format for justifications be included in next year's submission templates, in particular for proved developed reserves.

A summary of the most significant 1998 reserves changes and their reasons as reported by the respective companies has been included as Attachment 3.

Taking account of previous reserves audit reports and the information supplied, I am confident that the Group reserves changes emanating from this year's submissions result in a fair reflection of the Group's reserves position.

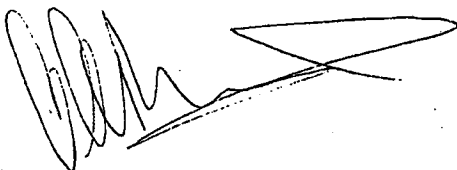
6. Proved reserves audits

During 1998, my predecessor A.J. de la Mar visited two Group companies (BSP and SSB/SSPC) in order to examine the proved and proved developed reserves information provided by them for the year 1997. The number of these visits was less than originally planned due to unforeseen illness. Both audits were satisfactory. Their results have been documented in separate reports.

Taking account of this temporarily reduced activity, a review was made of the forward plan for Group Reserves Audits for the next four years. It is proposed to adapt the overall frequency of OU visits based on the following principles:

- First audit in principle 2-4 yrs after first reporting of proved reserves, depending on size of company.
- Large OUs are to be audited once every 4 years, Medium OUs every 5 years, Small OUs every 6 years, unless recommended otherwise in audit reports etc, or when combinable with other audits.

An updated timetable of previous and planned audits for the period 1993-2002 is included as Attachment 5.



A.A. Barendregt,

The Hague, 8 Feb 1999

Attachments

1. Oil+NGL and gas Proved and Proved Developed Reserves - Annual Report format.
2. Proved and Proved Developed Reserves 1994-1998.
3. Summary of most significant 1998 Proved and Proved Developed Reserves changes.
4. Reconciliation of 1998 Production submissions with Group Finance submissions.
5. Timetable SEC Reserves Audits.

PROVED RESERVES SUMMARY

Attachment 1.1

Group Companies

Crude Oil and NGL in million M3

Gas in milliard SM3

	Crude Oil and NGL in million M3					Gas in milliard SM3				
	Proved Reserves 01/01/98	Proved Reserves 31/12/98	Prod 1998	DELTA	Repl. Ratio	Proved Reserves 01/01/98	Proved Reserves 31/12/98	Prod 1998	DELTA	Repl. Ratio
Denmark	32.44	35.57	6.32	3.13	149.5%	32.165	32.814	3.203	0.649	120.3%
Germany	4.14	4.03	0.37	-0.11	71.0%	60.619	62.341	5.053	1.722	134.1%
Netherlands	6.06	6.09	0.80	0.03	103.8%	433.119	424.605	16.695	-8.514	49.0%
Norway	35.51	38.75	5.06	3.24	164.0%	69.342	67.013	2.084	-2.329	-11.8%
UK	148.07	156.40	21.64	8.33	138.5%	107.963	116.435	8.509	8.472	199.6%
Europe	226.22	240.84	34.19	14.62	142.8%	703.208	703.208	35.544	0.000	100.0%
Abu Dhabi	118.92	108.78	5.23	-10.14	-93.9%	0.000	0.000	0.000	0.000	
Australia - (SDA)	29.82	31.03	2.37	1.21	151.1%	167.698	174.509	2.285	6.811	398.1%
Bangladesh	0.00	0.00	0.00	0.00		2.623	6.739	0.114	4.116	3696.8%
Chad	0.42	0.42	0.00	0.00		0.000	0.000	0.000	0.000	
China	3.93	2.79	0.78	-1.14	-46.7%	0.000	0.000	0.000	0.000	
DR Congo (Zaire)	4.27	4.34	0.15	0.07	146.7%	0.000	0.000	0.000	0.000	
Egypt	7.15	9.15	0.40	2.00	606.3%	22.739	29.482	1.061	6.743	735.6%
Gabon	23.54	20.20	6.40	-3.34	47.8%	0.000	0.000	0.000	0.000	
Malaysia - SSB	16.66	17.41	2.82	0.75	126.6%	159.809	181.547	6.162	21.738	452.8%
Malaysia - SSPC	11.74	9.71	1.60	-2.03	-26.9%	1.723	1.483	0.000	-0.240	
New Zealand	2.52	3.59	0.50	1.07	314.0%	8.063	11.974	1.105	3.911	453.9%
Nigeria - (SNEPCO)	28.27	50.40	0.00	22.13		0.000	7.312	0.000	7.312	
Nigeria - (SPDC)	342.73	429.82	13.44	87.09	748.0%	74.163	92.059	0.866	17.896	2166.5%
Oman	165.34	166.43	16.49	1.09	106.6%	11.434	59.321	0.000	47.887	
Pakistan	0.00	0.00	0.00	0.00		8.444	10.172	0.000	1.728	
Philippines	3.69	7.40	0.00	3.71		19.558	39.199	0.000	19.641	
Russia - (Sakhalin)	7.31	8.71	0.00	1.40		0.000	0.000	0.000	0.000	
Shell Oil (EH) - Cameroon	10.46	9.04	1.48	-1.42	3.7%	0.000	0.000	0.000	0.000	
Shell Oil (EH) - China	4.37	3.84	0.80	-0.53	33.7%	0.000	0.000	0.000	0.000	
Shell Oil (EH) - New Zealand	0.84	0.77	0.15	-0.07	49.5%	2.635	2.584	0.231	-0.051	78.1%
Shell Oil (EH) - Yemen	5.44	0.00	0.79	-5.44	-586.7%	0.000	0.000	0.000	0.000	
Syria	20.87	22.78	5.13	1.91	137.2%	2.519	3.455	0.485	0.936	293.0%
Thailand	11.54	12.73	0.91	1.19	230.8%	3.532	6.690	0.387	3.158	816.0%
Other EH	819.83	919.34	59.43	99.50	267.4%	484.940	626.527	12.697	141.587	1215.2%
Total EH	1046.05	1160.18	93.62	114.13	221.9%	1188.148	1329.735	48.240	141.587	393.5%
Shell Oil (USA)	164.41	149.43	18.56	-14.98	19.3%	130.293	118.442	17.475	-11.851	32.2%
Canada	60.74	56.13	3.92	-4.61	-17.7%	85.183	78.419	4.783	-6.764	-41.4%
USA & Canada	225.14	205.55	22.47	-19.59	12.8%	215.476	196.862	22.258	-18.615	16.4%
Argentina	2.32	3.88	0.28	1.56	657.1%	0.057	6.218	0.009	6.161	68555.6%
Colombia	8.39	0.00	1.04	-8.39	-706.7%	0.000	0.000	0.000	0.000	
Shell Oil (WH) - Brazil	1.11	0.93	0.16	-0.18	-16.0%	4.655	4.824	0.520	0.169	132.4%
Venezuela	45.44	25.27	2.11	-20.17	-855.9%	0.000	0.000	0.000	0.000	
Other WH	57.26	30.08	3.59	-27.18	-657.4%	4.712	11.042	0.529	6.330	1296.8%
Total WH	282.41	235.63	26.06	-46.77	-79.5%	220.189	207.904	22.787	-12.285	46.1%
Total Group Comp.	1328.46	1395.81	119.68	67.35	156.3%	1408.336	1537.638	71.027	129.302	282.0%

Associate Companies

Crude Oil and NGL in million M3

Gas in milliard SM3

	Crude Oil and NGL in million M3					Gas in milliard SM3				
	Proved Reserves 01/01/98	Proved Reserves 31/12/98	Prod 1998	DELTA	Repl. Ratio	Proved Reserves 01/01/98	Proved Reserves 31/12/98	Prod 1998	DELTA	Repl. Ratio
Austria	0.28	0.25	0.03	-0.03	0.0%	0.992	1.236	0.147	0.244	266.0%
Europe	0.28	0.25	0.03	-0.03	0.0%	0.992	1.236	0.147	0.244	266.0%
Australia - (Woodside)	11.93	12.45	0.75	0.52	169.3%	56.489	55.051	1.437	-1.438	-0.1%
Brunei	50.78	55.23	4.32	4.45	203.0%	107.412	103.560	4.959	-3.852	22.3%
Other EH	62.71	67.68	5.07	4.97	198.0%	163.901	158.611	6.396	-5.290	17.3%
Total EH	62.99	67.93	5.10	4.94	196.9%	164.893	159.847	6.543	-5.046	22.9%
Shell Oil (Aera)	95.24	83.38	8.10	-11.86	-46.4%	6.962	4.420	0.477	-2.541	-433.3%
Shell Oil (Altura)	52.79	42.02	2.82	-10.76	-281.8%	8.292	5.878	0.487	-2.414	-395.9%
Shell Oil (MCC)	0.00	4.91	0.71	4.91	793.9%	0.000	2.002	0.542	2.002	469.3%
Shell Oil (TMR)	0.00	0.67	0.07	0.67	1059.1%	0.000	1.283	0.085	1.283	1611.0%
USA & Canada	148.03	130.98	11.70	-17.04	-45.7%	15.254	13.583	1.590	-1.670	-5.0%
Other WH	0.00	0.00	0.00	0.00		0.000	0.000	0.000	0.000	
Total WH	148.03	130.98	11.70	-17.04	-45.7%	15.254	13.583	1.590	-1.670	-5.0%
Total Assoc. Comp.	211.02	198.91	16.80	-12.10	27.9%	180.147	173.430	8.133	-6.716	17.4%
Total Group	1539.48	1594.72	136.47	55.25	140.5%	1588.483	1711.069	79.161	122.586	254.9%
Total Group [MMboe]	9682.26	10029.72	858.33	347.46		9677.61	10424.45	482.27	746.84	
Group Oil/NGL/Gas [MMboe]	19359.87	20454.17	1340.8	1094.3	182%					

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PROVED DEVELOPED RESERVES SUMMARY

Attachment 1.2

Group Companies

	Crude Oil and NGL in million M3					Gas in milliard SM3				
	Proved	Proved	Prod	DELTA	Repl.	Proved	Proved	Prod	DELTA	Repl.
	Developed	Developed				Developed	Developed			
01/01/98	31/12/98	1998	Ratio	01/01/98	31/12/98	1998	Ratio			
Denmark	21.45	28.22	6.32	6.77	207.1%	17.369	20.934	3.203	3.565	211.3%
Germany	3.96	3.67	0.37	-0.29	22.9%	54.076	50.693	5.053	-3.383	33.0%
Netherlands	3.22	3.36	0.80	0.14	117.5%	182.899	221.340	16.695	38.441	330.3%
Norway	20.04	23.46	5.06	3.42	167.6%	37.814	53.221	2.084	15.407	839.3%
UK	77.63	94.35	21.64	18.72	177.3%	57.973	67.923	8.509	8.950	216.9%
Europe	126.30	153.06	34.19	26.76	178.3%	350.131	414.111	35.544	63.980	280.0%
Abu Dhabi	88.39	81.00	5.23	-7.39	-41.3%	0.000	0.000	0.000	0.000	
Australia - (SDA)	12.26	12.95	2.37	0.69	129.1%	38.709	37.962	2.285	-0.747	67.3%
Bangladesh	0.00	0.00	0.00	0.00		0.000	2.812	0.114	2.812	2557.1%
Chad	0.00	0.00	0.00	0.00		0.000	0.000	0.000	0.000	
China	3.05	2.38	0.78	-0.67	13.5%	0.000	0.000	0.000	0.000	
DR Congo (Zaire)	1.38	1.27	0.15	-0.11	26.7%	0.000	0.000	0.000	0.000	
Egypt	1.63	2.30	0.40	0.67	270.0%	3.437	7.923	1.061	4.486	522.8%
Gabon	17.09	15.86	6.40	-1.23	80.8%	0.000	0.000	0.000	0.000	
Malaysia - SSB	8.31	7.04	2.82	-1.27	55.0%	44.007	35.282	6.162	-8.725	-41.6%
Malaysia - SSPC	4.56	6.37	1.60	1.81	213.1%	0.395	0.647	0.000	0.252	
New Zealand	2.38	2.95	0.50	0.57	214.0%	7.717	11.027	1.105	3.310	399.5%
Nigeria - (SNEPCO)	0.00	0.00	0.00	0.00		0.000	0.000	0.000	0.000	
Nigeria - (SPDC)	64.03	103.25	13.44	39.22	391.8%	4.525	39.137	0.866	34.612	4096.8%
Oman	77.31	100.22	16.49	22.81	238.9%	0.000	0.000	0.000	0.000	
Pakistan	0.00	0.00	0.00	0.00		0.000	2.133	0.000	2.133	
Philippines	0.00	0.00	0.00	0.00		0.000	0.000	0.000	0.000	
Russia - (Sakhalin)	0.00	0.00	0.00	0.00		0.000	0.000	0.000	0.000	
Shell Oil (EH) - Cameroon	8.36	8.31	1.48	-0.05	96.8%	0.000	0.000	0.000	0.000	
Shell Oil (EH) - China	3.40	3.20	0.80	-0.20	75.2%	0.000	0.000	0.000	0.000	
Shell Oil (EH) - New Zealand	0.84	0.64	0.15	-0.20	-32.6%	2.635	2.284	0.231	-0.351	-51.6%
Shell Oil (EH) - Yemen	3.47	0.00	0.79	-3.47	-338.2%	0.000	0.000	0.000	0.000	
Syria	13.13	14.63	5.13	1.50	129.2%	1.371	2.563	0.485	1.192	345.8%
Thailand	7.02	5.57	0.91	-1.45	-59.3%	2.248	3.743	0.387	1.495	486.3%
Other EH	316.61	367.95	59.43	51.34	186.4%	105.044	145.513	12.697	40.469	418.7%
Total EH	442.91	521.01	93.62	78.10	183.4%	455.175	559.624	48.240	104.449	316.5%
Shell Oil (USA)	81.57	79.80	18.56	-1.77	90.4%	85.381	88.198	17.475	2.817	116.1%
Canada	30.37	30.69	3.92	0.32	108.1%	47.035	43.412	4.783	-3.622	24.3%
USA & Canada	111.94	110.48	22.47	-1.45	93.5%	132.416	131.610	22.258	-8.066	96.4%
Argentina	1.94	1.97	0.28	0.03	109.8%	0.042	0.046	0.009	0.004	144.4%
Colombia	7.80	0.00	1.04	-7.80	-650.0%	0.000	0.000	0.000	0.000	
Shell Oil (WH) - Brazil	1.00	0.93	0.16	-0.07	56.1%	4.655	4.824	0.520	0.169	132.5%
Venezuela	13.50	9.60	2.11	-3.90	-84.8%	0.000	0.000	0.000	0.000	
Other WH	24.24	12.50	3.59	-11.74	-227.2%	4.697	4.870	0.529	0.173	132.7%
Total WH	136.18	122.98	26.06	-13.20	49.4%	137.113	136.480	22.787	-0.633	97.2%
Total Group Comp.	579.09	643.99	119.68	64.90	154.2%	592.288	696.104	71.027	103.816	246.2%

Associate Companies

	Crude Oil and NGL in million M3					Gas in milliard SM3				
	Proved	Proved	Prod	DELTA	Repl.	Proved	Proved	Prod	DELTA	Repl.
	Developed	Developed				Developed	Developed			
01/01/98	31/12/98	1998	Ratio	01/01/98	31/12/98	1998	Ratio			
Austria	0.20	0.20	0.03	0.00	100.0%	0.946	1.201	0.147	0.255	273.5%
Europe	0.20	0.20	0.03	0.00	100.0%	0.946	1.201	0.147	0.255	273.5%
Australia - (Woodside)	4.70	4.52	0.75	-0.18	76.0%	24.206	23.637	1.437	-0.569	60.4%
Brunei	22.53	23.72	4.32	1.19	127.5%	45.892	40.290	4.959	-5.602	-13.0%
Other EH	27.23	28.24	5.07	1.01	119.9%	70.098	63.927	6.396	-6.171	3.5%
Total EH	27.43	28.44	5.10	1.01	119.8%	71.044	65.128	6.543	-5.916	9.6%
Shell Oil (Aera)	64.08	63.85	8.10	-0.23	97.2%	3.453	3.045	0.477	-0.408	14.3%
Shell Oil (Altura)	45.32	39.13	2.82	-6.19	-119.6%	7.301	5.505	0.487	-1.796	-269.0%
Shell Oil (MCC)	0.00	3.55	0.71	3.55	602.2%	0.000	1.734	0.542	1.734	419.8%
Shell Oil (TMR)	0.00	0.45	0.07	0.45	743.2%	0.000	0.993	0.085	0.993	1270.0%
USA & Canada	109.40	106.98	11.70	-2.42	79.3%	10.754	11.277	1.590	0.523	132.9%
Other WH	0.00	0.00	0.00	0.00		0.000	0.000	0.000	0.000	
Total WH	109.40	106.98	11.70	-2.42	79.3%	10.754	11.277	1.590	0.523	132.9%
Total Assoc. Comp.	136.83	135.42	16.80	-1.41	91.6%	81.798	76.405	8.133	-5.393	33.7%
Total Group	715.92	779.42	136.47	63.50	146.5%	674.086	772.508	79.161	98.423	224.3%
Total Group [MMboe]	4502.64	4901.99	858.33	399.35		4106.77	4706.4	482.27	599.63	
Group Oil/NGL/Gas [MMboe]	8609.41	9608.39	1340.6	998.98	175%					

PROVED AND PROVED DEVELOPED OIL+NGL RESERVES Attachment 2.1
1994 - 1998

Proved OIL+NGL Reserves, million m3

	31.12.94	31.12.95	31.12.96	31.12.97	31.12.98
Group companies - Group Share					
Europe	209	197	228	226	241
Other E-Hemisphere	752	765	777	820	919
USA	324	321	324	164	149
Canada	49	50	50	61	56
Other W-Hemisphere	28	16	60	57	30
Total Group Companies	1362	1348	1439	1328	1396
Associated Companies - Group Share	60	59	61	211	199
Total Group	1422	1407	1500	1539	1595
Group Companies - Minority Interest	20	20	23	24	22

Proved Developed OIL+NGL Reserves, million m3

Group Companies - Group Share	717	697	681	579	644
Associated Companies - Group Share	25	29	29	137	135
Total Developed Reserves	742	726	710	716	779

Changes in Proved and Proved Developed OIL+NGL Reserves - Group Share (million m3)

	1994	1995	1996	1997	1998
Reserves Begin of Year	1451	1422	1407	1500	1539
Revisions and Reclassifications	24	67	134	102	158
Improved Recovery	35	24	25	10	5
Extensions and Discoveries	41	42	63	67	29
Purchases of MIP	4	1	7	2	18
Sales of MIP	-5	-20	-3	-7	-19
Production	-127	-131	-134	-135	-136
Reserves End of Year	1422	1407	1500	1539	1595
Proved Developed Reserves Begin of Year	760	742	726	710	716
Proved Developed Reserves End of Year	742	726	710	716	779

Key Indicators

Reserves Replacement Ratio	78%	88%	170%	129%	141%
Developed Reserves Replacement Ratio	86%	88%	88%	104%	147%
Developed / Total Proved Reserves	52%	52%	47%	46%	49%
Proved Reserves / Production Ratio (yrs)	11.2	10.7	11.2	11.4	11.7
Proved Dev. Reserves / Production Ratio (yrs)	5.8	5.6	5.3	5.3	5.7

PROVED AND PROVED DEVELOPED GAS RESERVES Attachment 2.2
1994- 1998

Proved GAS Reserves, 10⁹ Sm³

	31.12.94	31.12.95	31.12.96	31.12.97	31.12.98
Group companies - Group Share					
Europe	707.6	704.8	711.2	703.2	703.2
Other E-Hemisphere	298.2	282.6	419.7	484.9	626.5
USA	157.0	152.3	148.9	130.3	118.4
Canada	70.6	68.3	58.9	85.2	78.4
Other W-Hemisphere	5.0	5.3	5.0	4.7	11.0
Total Group Companies	1238.4	1213.3	1343.6	1408.3	1537.6
Associated Companies - Group Share	140.0	134.0	157.1	180.2	173.4
Total Group	1378.4	1347.3	1500.7	1588.5	1711.0
Group Companies - Minority Interest	15.4	14.9	18.1	20.7	26.1

Proved Developed GAS Reserves, 10⁹ Sm³

Group Companies - Group Share	568.8	591.0	581.6	592.3	696.1
Associated Companies - Group Share	53.3	59.9	63.6	81.8	76.4
Total Developed Reserves	622.1	650.8	645.2	674.1	772.5

Changes in Proved and Proved Developed GAS Reserves - Group Share (10⁹ Sm³)

	1994.0	1995.0	1996.0	1997.0	1998.0
Reserves Begin of Year	1427.8	1378.4	1347.3	1500.7	1588.5
Revisions and Reclassifications	-25.5	21.6	156.0	58.8	131.9
Improved Recovery	3.1	3.8	43.6	18.1	0.2
Extensions and Discoveries	48.3	24.4	47.1	81.5	23.9
Purchases of MIP	2.2	0.2	4.3	13.2	55.5
Sales of MIP	-4.7	-5.5	-13.1	-3.8	-9.8
Production	-72.8	-75.7	-84.6	-80.0	-79.2
Reserves End of Year	1378.4	1347.3	1500.7	1588.5	1711.0
Proved Developed Reserves Begin of Year	622.9	622.1	650.8	645.2	674.1
Proved Developed Reserves End of Year	622.1	650.8	645.2	674.1	772.5

Key Indicators

Reserves Replacement Ratio	32%	59%	281%	210%	255%
Developed Reserves Replacement Ratio	99%	138%	93%	136%	224%
Developed / Total Proved Reserves	45%	48%	43%	42%	45%
Proved Reserves / Production Ratio (yrs)	18.9	17.8	17.7	19.9	21.6
Proved Dev. Reserves / Production Ratio (yrs)	8.5	8.6	7.6	8.4	9.8

Attachment 3.1

MOST SIGNIFICANT 1998 PROVED AND PROVED DEVELOPED RESERVES CHANGES

1. TECHNICAL REVISIONS			
Country	Proved Ult. Rec Change Oil+NGL (10 ⁶ m ³)	Proved Ult. Rec Change Gas (10 ⁹ Sm ³)	Description
Nigeria (SPDC), UK, Netherlands, Oman, Malaysia, Denmark, Norway, Australia, Syria, Thailand, New Zealand	+81 Totl +89 Dev	+30 Totl +47 Dev	<u>Revised reserves guidelines.</u> Guidelines were updated to bring them in line with accepted industry practice, in particular for mature fields. For these fields, proved reserves should be based where possible on deterministic scenarios, rather than probabilistic calculations. Main contributors are (totl/dev, oil+NGL and gas): Nigeria +47/+31 10 ⁶ m ³ 0/0 10 ⁹ Sm ³ UK +20/+25 10 ⁶ m ³ +6/+9 10 ⁹ Sm ³ Netherlands +0/+ 0 10 ⁶ m ³ +8/+30 10 ⁹ Sm ³ Oman +0/+2 10 ⁶ m ³ 0/0 10 ⁹ Sm ³ Malaysia +2/+20 10 ⁶ m ³ +6/0 10 ⁹ Sm ³
Nigeria (SNEPCO), Oman-GISCO, Malaysia, Russia (Sakhalin), Syria, Egypt, Australia, Germany, Philippines, Bangladesh	+12 Totl +1 Dev	+36 Totl +2 Dev	<u>Revised screening parameters</u> i.e. transition from PSV18 to PSV14, resulting in larger Group share production in PSC environments Main contributors are (totl/dev, oil+NGL and gas): Oman-GISCO +2/0 10 ⁶ m ³ +25/+0 10 ⁹ Sm ³ Malaysia +1/+1 10 ⁶ m ³ +8/+2 10 ⁹ Sm ³ SNEPCO +5/0 10 ⁶ m ³ 0/0 10 ⁹ Sm ³
Nigeria SPDC	+51 Totl +22 Dev	+18 Totl +35 Dev	Field studies, adjustment of reservoir blocks with negative reserves and development drilling.
Nigeria SNEPCO	+11 Totl	+7 Totl	Field studies in central Bonga field
Oman	+10 Totl +19 Dev	+23 Totl	GISCO cost phasing revision (cost gas effect); STOIP and UR revisions plus development drilling.
Netherlands	+1 Totl +1 Dev	-3 Totl +25 Dev	Installation of first phase of compression in Groningen, development activities in other fields
UK	+7 Totl +14 Dev	+9 Totl +9 Dev	Reservoir studies following updated field performance plus development drilling.
Norway	+3 Totl +3 Dev	-1 Totl +17 Dev	Development activities in Troll and other fields.
Brunei	+8 Totl +6 Dev	-1 Totl -1 Dev	Increases due to a gas injection project (SW-Ampa), new development (Champion SE), better field performance (Seria and Fairley), successful appraisal (Iron Duke and Champion-W), offset by unsuccessful appraisal in a SW-Ampa gas block. Development drilling included.
Denmark	+4 Totl +10 Dev	-0 Totl +4 Dev	Field reviews and field development drilling
Syria	+4 Totl +4 Dev	+1 Totl +2 Dev	Revisions, mostly due to field studies
Venezuela	-18 Totl -2 dev	-	Disappointing field performance and downsizing of development in Urdaneta West

Attachment 3.2

2. OTHER CHANGES			
Country	Proved Ult.Rec Change Oil+NGL (10⁶ m3)	Proved Ult.Rec Change Gas (10⁹ m3)	Description
Malaysia	+1 Totl	+22 Totl	Acquisition of 6 Oxy fields in SK-8.
Philippines	+4 Totl	+19 Totl	Acquisition of 50% Oxy share of Malampaya
Argentina	+1 Totl	+6 Totl	Acquisitions in Acambuco, Valle Morado and Rio Colorado
Nigeria - SNEPCO	+6 Totl		Additional volumes recognised in Bonga field
UK	+4 Totl	+1 Totl	Discoveries in Inde-A, Mandarin, Gannet-G, Kestrel and others, plus extensions in Pelican and improved recovery in Auk.
Oman	+5 Totl	-	New discoveries (e.g. Sarmad), plus improved recovery in Fahud-NW
Colombia	-	-7 Totl	Divestment

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Attachment 4.1

1998 PRODUCTION RECONCILIATION - OIL+ NGL

	Orgl CERES bbi	Orgl SEC m3	Final CERES m3	Final SEC m3	Comment
Egypt	3,019	0,480	0,396	0,40	Errors in Ceres submission (units mixed up?); Ceres updated.
Abu Dhabi	32,903	5,232	5,110	5,23	Difference in interpretation. 32,124 MMb (5107m3) is net sales (Ceres 0955/0959); 32,903 is equity prodn (Ceres 3596); Ceres reporting equity production 32,903 (line 0871). SEC re-submitted.
Australia	19,606	3,117	3,060	3,12	Ceres accepted - SEC corrected
China	4,915	0,781	0,759	0,78	China - Ceres includes inventory adjustment; SEC number corrected and re-submitted.
Austria	0,162	0,026	0,030	0,03	OK
Venezuela	13,108	2,084	2,110	2,11	Errors in Ceres (90 day quarters assumed) - re-submitted.
New Zealand	3,154	0,501	0,510	0,50	SEC corrected
Nigeria (SPDC)	84,620	13,455	13,410	13,44	SEC corrected
Netherlands	5,032	0,800	0,790	0,80	SEC corrected
Argentina	1,737	0,276	0,280	0,28	OK
Thailand	6,690	1,064	0,910	1,06	Late correction of reserves/SEC submission, related to re-booking of LPGs from oil/NGL to gas. Corrected in SEC, left unchanged in Ceres.
Oman	103,681	16,485	16,500	16,49	OK
Colombia	6,521	1,037	1,040	1,04	OK
UK	136,105	21,641	21,640	21,64	OK
Germany	2,324	0,370	0,371	0,37	OK
Denmark	39,767	6,323	6,320	6,32	OK
Gabon	40,234	6,397	6,400	6,40	OK
Brunei	27,146	4,316	4,314	4,32	SEC corrected
Norway	31,815	5,059	5,060	5,06	OK
Malaysia	27,770	4,415	4,415	4,42	OK
Syria	32,267	5,130	5,130	5,13	OK
Congo DR	0,944	0,150	0,150	0,15	OK
Canada	24,620	3,915	3,900	3,91	Accept difference
Shell Oil (USA)	121,170	19,266	18,560	18,56	Ceres corrected
Shell Oil (USA) - Assoc	69,150	10,995	11,490	11,70	Submissions corrected
Shell Oil (EH) - Cameroon	9,282	1,478	1,430	1,48	SEC corrected
Shell Oil (EH) - China	5,004	0,795	0,800	0,80	OK
Shell Oil (EH) - Yemen	4,978	0,792	0,800	0,79	SEC corrected
Shell Oil (WH) - Brazil	1,009	0,160	0,160	0,16	OK
Shell Oil (EH) - New Zeala	0,935	0,149	0,160	0,15	SEC corrected
Total	859,668	136,688	136,005	136,60	136,49

ProRec98.xls, OILSht


8 Feb 99

Attachment 4.2

[Signature]
8 Feb 99

1998 PRODUCTION RECONCILIATION - GAS

	Orgl CERES Nm3	Orgl SEC Nm3	Final CERES Nm3	Final SEC Nm3
Egypt	1.765	1.079	1.765	1.079
Australia	3.279	3.833	3.279	3.833
UK	7.427	8.066	7.427	8.066
New Zealand	0.893	0.978	0.893	0.893
Germany	4.528	4.350	4.528	4.350
Nigeria (SPDC) Netherlands	0.821 14.877	0.884 14.775	0.884 14.877	0.884 14.877
Brunei	5.320	5.274	5.320	5.320
Malaysia Thailand	6.273 0.307	6.303 0.411	6.273 0.307	6.273 0.411
Austria Denmark Bangladesh Norway Syria Canada	0.139 3.373 0.107 2.065 0.489 5.802	0.140 3.374 0.107 2.065 0.489 4.599	0.139 3.373 0.107 2.065 0.489 5.802	0.139 3.373 0.107 2.065 0.489 4.599
Shell Oil (USA) Shell Oil (USA) - Assoc. Shell Oil (EH) - New Zealand Shell Oil (WH) - Brazil	16.852 0.912 0.223 0.490	16.524 1.702 0.214 0.481	16.852 1.634 0.223 0.490	16.511 1.503 0.218 0.490
Total	75.942	75.648	76.727	75.480

Comment

Ceres submission includes excess cost gas; SEC submission excludes this from entitlement. Both submissions left unchanged.
 Ceres reports sales at the downstream sales point, SEC submission is at the upstream sales point (as it should be). Most notable difference is the LNG plant fuel and flare. Both submissions therefore stand as separate numbers.
 Difference relates to Kingfisher gas, bartered (not sold?) with Marathon for processing services. Latest view: fees in kind cannot be booked as resources by Marathon, hence we should book as reserves and production should be booked as equity sales. However, in view of complexities (e.g. Impairment; definitions in Ceres preclude booking bartered gas as sales) decision taken to retain both Ceres and SEC as separate numbers this year. To be reviewed during 1999.
 Difference relates to gas purchased then sold (which is wrongly included in Ceres). Ceres accepted for this year, but procedure should be updated during 1999. SEC corrected.
 Difference attributed to gas storage depletion - should be excluded from Ceres report. Both figures to stand as separate volumes. Ceres procedure should be rectified during 1999.
 Errors in Ceres submission, Nigeria has re-submitted.
 NAM's internal reconciliation is tel que; difference in Nm3 figures relates to measured GHV of total gas streams used for Ceres vs individual field GHVs used for SEC submission. NAM will re-submit SEC to align with Ceres.
 FB sales as 100% in Ceres (ie includes Malaysian share purchased from Petronas - in line with Ceres definitions), rest is rounding errors. Ceres figure accepted for this year, but gas purchased should be excluded from Ceres during 1999 (cf New Zealand). SEC corrected.
 SEC corrected
 Late correction of reserves/SEC submission, related to re-booking of LPGs from oil/NGL to gas. SEC submission corrected. Ceres left unchanged.
 SEC corrected
 SEC corrected
 OK
 OK
 OK
 Difference due to royalties (mostly in cash) being included in Ceres and excluded from SEC (in line with guidelines). Ceres not updated.
 Confusion between production and sales volumes? Not resolved.
 Ceres incorrect in Q1 - not changed.
 Difference due to erroneous LPG bookings - both submissions left unchanged.
 SEC submission corrected.

Attachment 5

[Signature]
8 Feb 99

TIME TABLE SEC RESERVES AUDITS

COUNTRY	Size*	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	Comments
ABU DHABI	S											
ARGENTINA	L			X								in The Hague (EPT-AM) Combine with Venezuela?
AUSTRALIA	S		X									
AUSTRIA	S		X									
BANGLADESH	S											
BRUNEI	S		X									(in The Hague)
CHAD	S											
CHINA	S											with Tcharex (The Hague)?
COLOMBIA	M											
DENMARK	M											Hocol/Horacol interest sold
EGYPT	M											
GABON	M											
GERMANY	M											
KAZAKHSTAN-OKIOK	S											
MALAYSIA	L											
NAMIBIA	M											
NETH. NAM	L											
NEW ZEALAND	S											
NIGERIA - SPDC	M											Re-audit 1999 opportune?
NIGERIA - SNEPCO	M											Combine with SPDC
NORWAY	L											
OMAN	L											
PAKISTAN	S											
PERU	M											
PHILIPPINES	M											
RUSSIA - SAKHALIN	S											
RUSSIA - SALYM	M											
SYRIA	M											
THAILAND	S											Combine with Philippines?
UK	L											
VENEZUELA	M											
ZAIRE	S											with Fina (Brussels)?

no direct involvement
no direct involvement

total nr. of audits 5 6 7 4 5 2 9 7 7 7 7

* S = < 100 MMboe
M = 100-500 MMboe
L = > 500 MMboe

X = Completed
P = Planned
\$ = First SEC resvs subm'n
F = First audit

AudSchd1.xls

Consideration:

First audit in principle 2-4 yrs after first submission, depending on size of company.
Large OUs are audited once every 4 years.
Medium OUs every 5 years.
Small OUs every 6 years.
(unless recommended otherwise in auditor reports etc, or when combinable with other audits).

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RJW01000149