

Exhibit 77

From: Rothermund, HC SEPI-EPG
To: Watts, Phil PB SI-MGDPW
Subject: Angola - Block 18 Well
Date: 08/24/2000 07:06:18 (GMT-05:00)

-----Original Message-----

From: PARRY, G.
Sent: 22 August 2000 15:20
To: ROTHERMUND, H.C.
Cc: MINDERHOUD, M.
Subject: Angola exploration, Paladio-1

Phil,

Your e-mail refers:

1) Reserves

The LE of proven reserves (P85) we currently carry for the Greater Plutonio hub in Block 18 stands at 293MMbbls (PSC entitlement, Shell share). With the latest well result (140MMbbls, 100%), we are on schedule to achieve and maybe even improve on this (no assessment of reserves attributed to the lower Oligocene reservoir available yet). Actually booking them depends on our confidence in declaring them technically and commercially mature by year end. The remaining drilling effort, combined with the work of BP and SDS, should aim to achieve this.

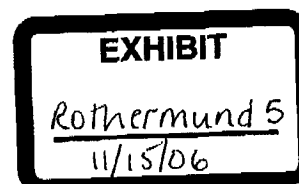
2) FID

The latest BP plan shows FID by June 2001 with first oil by mid 2004. Shell Angola and SDS feel this is over-optimistic by 3 to 6 months. For instance, VAR2 is scheduled for mid-September 2000, but it was clear from the July workshop that BP would be nowhere near ready for this. It is being debated with SDS whether or not to postpone this important control process until BP are better prepared, or to go ahead as planned with the risk of being counter-productive if the number of remedial actions will be too large. The timing will be established by end August, but it will be very important to complete VAR2 this year, as the outcome could support the booking of proven reserves by year end. As you know, BP are also keen to book reserves this year.

Post VAR2, the objective should be to agree on one realistic schedule and then concentrate on achieving the milestones set.

A joint BP/Shell visit to Sonangol has been arranged for the week of 18th September to discuss the plan.

Regards
Heinz



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-----Original Message-----

From: Watts, Phil B.
Sent: 21 August 2000 11:09
To: ROTHERMUND, H.C.
Subject: RE: Angola exploration, Paladio-1

Heinz,
Good news! Nice to have some fun for a change, isn't it?

Could you answer two questions for me?

(1) How much reserves are to be booked in Angola this year an are they in the latest estimates?

(2) What is the timetable up to FID?

Phil Watts

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