Exhibit 106

From: Hines, Ian IM SIEP-EPT-DE
To: Newberry, Derek D SIEP-EPT-DE
CC:
BCC:
Sent Date: 2000-09-16 11:56:48.000
Received Date: 2000-09-16 11:56:48.000
Subject: FW: Angola Block 18
Attachments:

Derek,

Just have a look through the trail of correspondence on this which provides some more insights on the reserves booking issue.

Ian.

-----Original Message-----
From: Hines, Ian IM SIEP-EPT-DE
Sent: Saturday, September 16, 2000 6:45 AM
To: Haney, John JP SIEP-EPT-DD
Cc: Dorgant, Paul PL SIEP-EPT-DD; Smith, Patrick PL SIEP-EPT-DD; Knight, Barry BP SIEP-EPT-DE; Rodenbusch, George G SIEP-EPT-DD; Breaux, J JN SEPCO; Lindsay, Mark MS SIEP-EPT-DD; Helmkamp, Robert RE SIEP-EPT-DD;
Wilhelm, Chandler CT SIEP-EPT-DE; La Caze, David DA SIEP-EPT-DD; Adam, Jim JZ SIEP
Subject: Angola Block 18

John,

Questions surrounding the applicability of a mid or min DVA system for sweet spot development of Block 18 have been around for several months - the debate has even been taking place within the upper levels of EPG, see attached. However, this dialogue has not been underpinned by any significant technical work by ourselves on the viability of the concept for the specific functional requirements of Block 18.

We are including a high level look at DVA concepts within the current concept screening work - applications of min/mid DVA systems for Block 18 satellites include some significant challenges in terms of reservoir drainage, gas, water management and flow assurance issues, which may well place the concept outside the range of current study work for the GofM. We can already see potential for BP to draw inappropriate conclusions on the application of dry tree

systems, which can only be countered by a solid technical case. I am also hearing feedback from the Erha team which suggests that we need to look carefully at the functionality of the concept for applications outside of the GofM, which currently provide the bulk of the in house study work for min/mid DVA systems. This will require a piece of technical work based upon the Block 18 specifics. Give the EPG desire to try to book reserves early, the asset team now wish us to assess this with some urgency and this will require a more substantial study effort than originally planned.

We have been experiencing some difficulties with surface facilities resourcing for Block 18, particularly for topsides. This has improved very recently but with the potential for increased scope of specific studies for Block 18 min/mid DVA assessments, I would like to revisit this and to plan ahead.

I will be in the UK all next week in meetings with BP, but have spoken about this separately to both Barry and George. I would appreciate if we can discuss this as soon as I get back from the UK and will call to setup a get together.

Regards,

Ian.

-----Original Message-----
From: Inglis, Robert RB SIEP-SDAN-AM
Sent: Friday, September 15, 2000 2:16 AM
To: Hines, Ian IM SIEP-EPT-DE
Subject: FW: Cluster development Angola

Ian,
See attached so you know what is going around. I've told Gordon we will undertake a study with you and this should cover Martijns ideas.

Regards,

Rob

-----Original Message-----
From: PARRY, G.
Sent: Wednesday, September 13, 2000 5:38 PM
To: Inglis, Robert R.B. /SIEP /SDAN-AM
Subject: FW: Cluster development Angola

Rob,

Any ideas how to satisfy him once and for all?

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Gordon

-----Original Message----
From: MINDERHOUD, M.
Sent: Wednesday, September 13, 2000 3:07 PM
To: PARRY, G. /SIEP /EPG
Cc: ROTHERMUND, H.C. /SEPI /EPG; LOVELOCK, S. /SEPI /EPG
Subject: FW: Cluster development Angola

Gordon,

sorry to keep on harping on this one. But the way I see it, is (i) to get reserves booked in 2000 one way or another and (ii) to then start drilling appraisal wells as Capex thereafter. I fully understand now that the full, most optimal development of Block 18 requires more than a 'simple Min DVA' concept. But I also quote from below note :

"The min-DVA concept may be of interest for selective sweet spot development of individual reservoir structures (e.g. for Plutonio) if this system proves cost effective for the predicted recoverable volumes."

If I understand it well, for reserves booking it is required that there exists a doable, economic development scheme ; I quote from your note sent separately:

"Proved reserves can be booked if it can be demonstrated that the development project of a discovered field is technically and commercially mature (and a market is expected to be available). Commercial maturity should be demonstrated over a sufficiently large range of possible scenario's (including all surface and subsurface uncertainties). A project is deemed commercial if the NPV7% @ PSV14 > 0. "

However NOBODY SAID THAT YOU ACTUALLY HAVE TO EXECUTE THAT SCHEME !!
As you state, you do not require to take FID. You can happily continue drilling to prove up a better scheme. The existence of such smaller, "dummy" scheme would probably not allow you to book more than the reserves you can actually produce with it, but it would be a start.

I think it would be worthwhile to pursue this idea -- if I am completely crazy, tell me where I got it wrong

Or maybe your other plans have sufficiently progressed - then shred this

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cheers

martijn

-----Original Message-----
From: Inglis, Robert R.B.
Sent: 24 August 2000 09:04
To: MINDERHOUD, M.
Cc: PARRY, G. /SIEP /EPG; Osborne, Peter L. /SDANG /GM; LOHR, FRAN F.A. /SIEP /EPB /157182; HASAN, MAHDI S.M. /SIEP /EPT-DD /777124; KNIGHT, BARRY B.P. /SIEP /EPT-DE /777890; Hines, Ian I. /SIEP /EPT-DE /777319; SMITH, PATRICK P.L. /SIEP /EPT-DD /535313; Simon, Grigore G. /SIEP /SDAN-AM
Subject: RE: Cluster development Angola

Martijn,
See attached SDS info on applicability of Min-DVA concept for Block 18.

We are looking at these concepts in the work being done in SDS, but as I indicated earlier, they are not likely to offer a step change in economics for this development. BP are also working on minimum dry tree options, drawing on the joint industry work done as part of WADO (West Africa Deepwater Operators), where these type of concepts were worked extensively with a number of contractor groups about 5 years ago.

We will continue to ensure that all development options are explored, but the real enabler for B18 is to be able to place high productivity, high ultimate wells.

Regards,

Rob

-----Original Message-----
From: Hines, Ian I. /777319 On Behalf Of Hines, Ian I. /777319
Sent: Thursday, August 24, 2000 1:29 AM
To: Inglis, Robert R.B.; Smith, Patrick P.L. /535313
Subject: RE: Cluster development Angola

Rob,

As discussed, some discussion on the DVA concepts . The real issue here now is managing the potentially unrealistic expectations which may have

been created by generalizing the existing min-DVA experience. Its on our radar screen but a second order effect compared to the subsurface uncertainty which we are facing right now.

Development of the Block 18 reserves combines the challenges of two other ongoing deepwater developments projects: i.e. Erha (with a series of complex stacked amalgamated channel turbidite reservoirs) and Nakika (with its multiple reservoir aerially distributed reserves). This combination presents a very significant and unique development challenge.

DVA systems are one of a number of development options being considered for Block 18, they are also being evaluated for Erha and Holstein. However, unlike these other developments the aerially distributed nature of the reserves and the variable reserves density within the separate structures in Block 18 require much larger numbers of wells and are such that a single DVA structure is not a viable development option for the entire Block. The min-DVA concept may be of interest for selective sweet spot development of individual reservoir structures (e.g. for Plutonio) if this system proves cost effective for the predicted recoverable volumes.

Development of the wider reserves base will require a large number of wells (current estimates range from 40 - 80wells), infield storage (e.g. an FPSO or an FSU) and either several DVA systems, significant numbers of subsea wells, or most probably a combination of these options given the aerial extent of the reserves in individual structures. The choice between subsea wells and dry trees (and hence the cost effectiveness of DVA systems) will depend upon the subsurface, flow assurance, well engineering and development system assessments which are part of ongoing concept screening exercises being conducted by both BP and Shell. The focus of current effort is to develop a good understanding of the range of subsurface uncertainties/key drivers in the complex multiple reservoir setting within Block 18. The number of separate structures results in a large number of potential development sceanrios. However, the surface engineering screening work is not sufficiently mature to make a choice between the dry tree and wet tree options. It is expected that the DVA concept and the dry tree versus wet tree decision will almost certainly be carried forward into the concept selection stage (post VAR2) as was the case for Bonga/Nakika and is currently anticipated for Erha.

In summary, the cost benefit assessment of using DVA systems at Block 18 is more complex and less clear cut than for some other ongoing developments. However the ongoing evaluation is benefiting from the development work carried out in SDS in recent years in terms of

capturing representative lower bound costs for potential minimum systems.

-----Original Message-----
From: MINDERHOUD, M.
Sent: 17 August 2000 16:33
To: Inglis, Robert R.B.
Cc: PARRY, G. /SIEP /EPG; Osborne, Peter L. /SDANG /GM; LOHR, FRAN F.A. /SIEP /EPB /157182; HASAN, MAHDI S.M. /SIEP /EPT-DD /777124
Subject: RE: Cluster development Angola

Rob,

what is the latest on this? with our new discovery, the light at the end of the tunnel is very near. Can we make a competitive proposal to BPA?

(By the way, this is the latest e-mail I could find on this, maybe there is later correspondence).

Martijn

-----Original Message-----
From: Inglis, Robert R.B.
Sent: 29 April 2000 11:49
To: MINDERHOUD, M.
Cc: PARRY, G. /SIEP /EPG
Subject: RE: Cluster development Angola

Martijn,
Sorry I have not responded to this request - all the focus on B34 has diverted attention.

I have had some material from SDS, but none of this indicates that Min DVA will do much for Block 18. I'll discuss further during my visit to Houston next week.

So do not hold your breath - Min DVA is a niche application which does not fit easily in Angola.

Regards,

Rob

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-----Original Message-----
From: MINDERHOUD, M.

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Sent: Monday, April 17, 2000 6:11 PM
To: Inglis, Robert R.B. /SIEP /SDA-AM
Cc: PARRY, G. /SIEP /EPG
Subject: FW: Cluster development Angola

Rob,

I have some months ago extended this challenge to SDS, to see whether their miniDVA concept could be the winner in Angola (at least Block 18). I am very curious to hear from you what the status of this is, as I was very intrigued by the idea.

Greetings

Martijn

-----Original Message-----
From: MINDERHOUD, M.
Sent: 15 February 2000 08:46
To: Hasan, Mahdi S.M. /777124
Cc: PARRY, G.
Subject: RE: Cluster development Angola

Mahdi,

Indeed you sold me that very idea, and this is why I contacted you.

I think that your exciting ideas on this mini development are or could be the competitive edge bringing us back great in Angola. I would love to prove that we Shell think that Block 18 is already economic, whilst BP-Amoco still think they need the fourth well. Having said that, I cannot judge whether the high level screening look is sufficient to start taking steps or whether more in-depth work is required. And what the budgettary consequences are, I think Gordon could comment here.

I look forward to hearing more on this topic

Martijn

-----Original Message-----
From: Hasan, Mahdi S.M. /777124
Sent: 15 February 2000 00:43
To: MINDERHOUD, M.
Cc: PARRY, G.
Subject: RE: Cluster development Angola

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Martijn,

Sorry for the late reply - but your comment about us "actively looking..." caught me off guard. Rob Inglis has been asked to give a view on the BP cost estimates and he was planning to use some broad brushed comparisons to possible alternatives we might use and what they would cost. That is a long way from having work done on it even to establish whether the concept would be technically feasible for this application.

Having said that, this capability certainly exists in SDS - actually is the heart of what we provide. However, I caution that a high level, screening type look, should be mis-read as actively studying it to find a solution. However, if that is what you/Angola wish us to do, we shall be delighted to provide you a service - a service that you will not find anywhere in quality and reliability.

Mahdi

From: Minderhoud, Martijn M SEPI-EPG
Sent: Thursday, February 10, 2000 5:57 AM
To: Hasan, Mahdi SM SIEP-EPT-DD
Cc: Parry, Gordon G SIEP-EPG
Subject: Cluster development Angola

Mahdi,

I understand from Gordon, that you guys are actively looking at applying
your miniDVA satelite development approach to see whether Angola Block
18 could be made commercial already with the three developments there
are (approx 600 mmbbls). Can you tell me what the current views on this
are, and are you in a position to say anything concrete, in the context
of portfolio management?
Thanks

Martijn

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