

*cf no*



FCS/83/119

*NBPM*

SECRETARY OF STATE FOR ENERGY

*MAN 28/6*

BNOC Third Quarter Prices

1. Thank you for sending me a copy of your letter of 27 ~~June~~ to Nigel Lawson.
  
2. I am glad to hear of BNOC's decision not to propose changes in the prices of UKCS crudes for the third quarter. It is a welcome sign of further stabilisation in the oil market.
  
3. I am sending a copy of this letter to the Prime Minister and to Nigel Lawson.

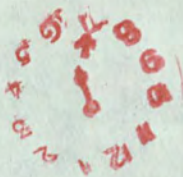
(GEOFFREY HOWE)

Foreign and Commonwealth Office

28 June 1983



Energy  
BNO, P+5



28 JUN 1983





cc N.O.

Prime Minister

SECRETARY OF STATE FOR ENERGY

01 211 6402

MUS 27/6

The Rt Hon Nigel Lawson MP  
Chancellor of the Exchequer  
Treasury Chambers  
Parliament Street  
LONDON SW1

*ms*

27 June 1983

*Alan*

**BNOc THIRD QUARTER PRICES**

BNOc is proposing no changes in the prices of UKCS crudes, which it offers to its suppliers and customers for the third quarter.

OPEC's London agreement appears to be holding up and markets are calm. While spot prices are currently a little above BNOc's term prices, the margin is too small to justify any increase in the latter. I am not therefore minded to intervene in BNOc's proposal.

BNOc would like to approach its suppliers with the new prices, which will appear in the press, as soon as possible so as to dampen the slight speculation in the market that it is considering price increases. Unless you have any comments, I shall tell BNOc at four tomorrow (Tuesday 28 June) that I am content.

I am sending copies of this letter to the Prime Minister and Geoffrey Howe.

*[Handwritten signature]*

PETER WALKER



Essay: Bruce Pt 5

27 JUN 1983

