



PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL No. T 43A/85 CL MASTER OPS

THE ROYAL NORWEGIAN GOVERNMENT

THE PRIME MINISTER

Oslo, 7 March 1985

Dear Prime Minister,

I have received your letter of 19 February 1985 and appreciate your informing me personally of the reasons for your Government's decision not to endorse the agreement between Statoil and the British Gas Corporation for the purchase of the gas from the Sleipner field.

You state in your letter that the main reason for your decision was the changed estimates of reserves on the UK Continental Shelf and that with the improved availability of gas from these increased reserves, the purchase of the Sleipner gas would have resulted in an over-supply in the 1990's. We, do of course, respect your decision on that basis. However, I would be failing in my duties if I did not convey to you the fact that your decision came as a great disappointment to me and my colleagues in the Norwegian Government.

As you know, it is a declared Norwegian policy that the marketing of oil and gas from the Norwegian Continental Shelf should be based on commercial negotiations with a minimum of government interference. The agreement between Statoil and the British Gas Corporation had come about as a result of commercial negotiations over a period of nearly two years. It was therefore with some reluctance we decided, in July last, to meet with your request and ask

The Rt Hon Margaret Thatcher, FRS, MP
10 Downing Street
LONDON SW 1

Statoil and the British Gas Corporation to renegotiate the delivery rate. In order to accomodate you further, we also agreed to have discussions at official level on certain other questions of importance to you in connection with the agreement. Considerable progress was made during these discussions, which lasted for half-a-year and were conducted in a very open and friendly atmosphere. We were therefore genuinely disappointed when we learned of your decision.

I do, of course, share your views on the question of future cooperation between our two countries, not least in the field of offshore exploration and exploitation of oil and gas. In spite of the set-back caused by the Sleipner decision, it is my Government's firm belief that Norway still has an important role to play as a secure supplier of both oil and gas to Western Europe.

Yours sincerely
Kåre Willoch

(Kåre Willoch)

NAT IND PTIO
GAS+ELECTRIC

69-8
S
d
11 12 1
2
3
4
5

12 MAR 1985

ROYAL NORWEGIAN EMBASSY

12 March 1985.

THE AMBASSADOR

Dear Mr. Butler,

I have been asked to forward
the enclosed letter from the Prime
Minister of Norway, Mr. Kåre Willoch,
to your Prime Minister, The Rt. Hon.
Margaret Thatcher.

Yours sincerely,
Rolf T. Busch
(Rolf T. Busch)

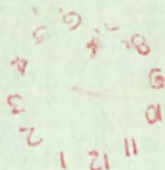
F.E.R. Butler, Esq.,
Principal Private Secretary
to the Prime Minister,
10 Downing Street,
London, S.W.1.

NAT IND PTD

GAS+ELECTRIC

ROYAL NORWEGIAN EMBASSY

THE AMBASSADOR



12 MAR 1985