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30th May 2003

Todd Burlingame
Chairman
Mackenzie Valley Environmental Impact Review Board
Box 938, 5102 - 50 Ave
Yellowknife
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Re: WesternGeco Mackenzie Delta and River 2-D Seismic Program – 2003

Dear Mr. Burlingame.

Thank you very much for your prompt reply to Mr. James White in Houston dated 20th May 2003, in response to our letter to the MVEIRB dated May 15th. We feel that the points raised in your letter warrant a response from WesternGeco. Firstly, the Mackenzie Delta and River 2-D Seismic Program is a Canadian initiative and managed out of our Calgary office. Further in your letter it states:

"The work plan establishes the timeline for an environmental assessment. WesternGeco was invited to participate in the development of the work plan for this environmental assessment (EA). However, WesternGeco chose not to provide any advice to the Board in this regard."

Section 6.1.2 Terms of Reference and Work Plan states *"the EA was completed by the Review Board based on development information received from WesternGeco"*. WesternGeco was grateful for the opportunity and fully engaged in the development of the work plan and timeline. WesternGeco did not provide any advice to the Board on the draft copy of the Terms of Reference as WesternGeco assisted the MVEIRB in the development of the draft copy.

"After considering all comments received by the participants the Board approved the work on the 27th January."

The work plan was sent to WesternGeco on 27th January. Terms of Reference Section 6.2 EA Work Plan Schedule Table 2 provides an estimated timeline for completing each indicated milestone in the EA process. WesternGeco is unaware to any amendments to the milestone dates set out in Table 2.

"The Environmental Assessment of WesternGeco Mackenzie Delta River 2-D Seismic Project continues to be on schedule and in keeping with the approved work plan".

In an e-mail to the MVEIRB, on the 17th April, WesternGeco raised concern that they were receiving Information Requests past the deadline set by the MVEIRB timeline in the Terms of Reference. WesternGeco wrote that their main concern was, *"that further IR's will delay the regulatory timeline. If this is the case does the board have any suggestions how we could readjust future segments of the EA process to stay on the original timeline track"?*

The reply from the MVEIRB noted *"that I have reminded the Board at the last meeting that you are facing a natural deadline (timing of river breakup) and that an efficient and timely review is important. The Board, however, will do what is required to ensure that it is able to make a fully informed decision on your proposed development when forming recommendations to the Minister".*

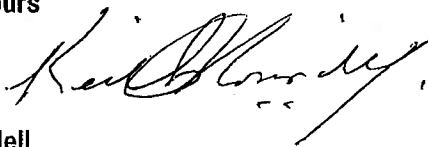
WesternGeco notes that in a letter from the MVEIRB dated 15th May to participants that *"parties wishing to submit technical reports should prepare them now. These are due no later than Monday June 2nd, 2003".*

WesternGeco notes that the submission of Technical Reports has been delayed by 19 working days.

In the original letter from WesternGeco dated the 11th May we explained that *"The main reason for delaying the project is that as of today, we do not have confidence in the predicted time for decision and permitting through the Mackenzie Valley (MVEIRB) process, to allow us to make the necessary commitment".*

WesternGeco hopes the MVEIRB can appreciate the reasoning behind the rationale in delaying the project. WesternGeco's decision to delay the project also included the uncertainty in the time frame for the Ministers Review, which adds to the reasoning for our decision. The Ministers Review is part of the Mackenzie Valley (MVEIRB) process.

Sincerely yours



Keith Rosindell
WesternGeco Canada

Cc Honorable Robert Nault
Minister of Indian and Northern Affairs Canada

Ken Vollman, Chairman
National Energy Board

Robert Hornel, Chairman
Environmental Impact Review Board
Inuvialuit Settlement Region