



PERUSAHAAN PERTAMBANGAN MINYAK & GAS BUMI NEGARA
(P E R T A M I N A)
HEAD OFFICE JAKARTA INDONESIA
Jalan Merdeka Timur No. 1 A
P O BOX 12/JKT

ABLE ADDRESS "PERTAMINA" PHONE : 3039 - 3032300 - 3032307 . TELEX : 44152 - 44302 - 44441 - 44450

Jakarta, July 14, 1987.

OUR REF. : 1961 / 0000 / 87

ENCLOSURES :

SUBJECT : New Export Refinery in Indonesia.

To :

Foster Wheeler International Corp.
1, Scotts Road 25-04
Shaw Centre
SINGAPORE 0922

Attn : Mr. Alan J Mc Kerracher
Vice President

Dear Sir,

Referring to your proposal on New Export Refinery in Indonesia dated 24 March 1987, it seems to us that the project is potentially feasible, provided all the assumptions being used in the proposal are acceptable.

However further detail study is required before we are able to evaluate and conclude the viability and financiability of the project, i.e. :

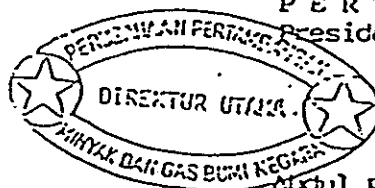
1. How you will propose the financing scheme of the project including the requirement of non recourse financing.
2. The assurance of longterm marketing of the New Refineries products, including your effort to avoid competition with the export of products from the existing refineries.

We therefore agree with you to proceed for further detail study on this project up to the stage where we are able to appraise the viability of this project.

We would like to advise you that if the project is technically and financially sound, Pertamina is not in the position to commit to you other than just endorse the proposal for government approval.

We thank you very much for your kind attention, we remain.

Sincerely yours,
P E R T A M I N A
President Director



Muhammad Rachman Rasyid

cc : - Prof. Dr. Ir. K.H. Kho.
- Director of Processing.