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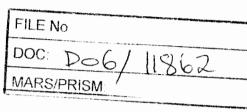
Direct Facsimile: 08 8218 5666 Direct Telephone: 08 8224 7244

1st March. 2006.

Mr Sebastian Roberts General Manager Transition Branch Australian Competition and Consumer Commission GPO Box 520 Melbourne VIC 3001

Dear Mr Roberts





By Facsimile: (03) 9663 3699

Authorisation applications A90547, A90559, A90560 and A90568

Thank you for your letter of 22 November 2005 concerning the above authorisation applications.

Santos considers that authorisation is no longer required in relation to the arrangements which were the subject of applications A90547 and A90560. Accordingly, you may treat Santos' application A90560 as withdrawn.

As noted in your letter, application A90547 was made by Delhi Petroleum, and you have written to Mr Graeme Foley at that company concerning it. Given that the gas sales agreements which were the subject of the interim authorisation granted in response to that application have now expired, we anticipate that Delhi Petroleum's position will be that authorisation is no longer required and the application may be withdrawn. However, Santos does not speak for Delhi Petroleum and you should await Mr Foley's response concerning their application.

Applications A90559 and A90568 relate to the marketing of liquid hydrocarbons. Due to changes in circumstances since the applications were lodged in 1995, the applications no longer accurately reflect the nature of the market or the marketing arrangements. We are currently assessing the necessity for authorisation in light of these changes. If we determine that authorisation is still required we will update and amend application A90568 to provide current details on the circumstances of the market and the nature of the conduct, and will provide a fresh submission in support of the application.

We anticipate being in a position to inform the Commission within three months whether authorisation is still required in respect of these liquid hydrocarbon marketing arrangements. In the meantime we request that the interim authorisation granted in response to application A90568 remain on foot.

Yours sincerely

Senior Joint Venture Adviser