



SECRETARY OF STATE FOR ENERGY

THAMES HOUSE SOUTH
MILLBANK LONDON SW1P 4QJ

TELEPHONE: 01-211 3000
01-211 6402

Michael Alexander
10 Downing Street
London SW1

11 May 1981

Dear Michael,

NORTH WEST DOME GAS FIELD

Thank you for your letter of 29 April pointing out that the Prime Minister was dismayed to learn about the difficulties which Shell have been encountering with two gas pipelines in Qatar. We were aware from earlier reports from the Post that Shell had been experiencing these problems as set out in the Ambassador's report to the Prime Minister. We understand that Shell have contested the severity of the problems and have made certain proposals to Qatar to remedy the situation. They have indicated that if the Qataris accept their suggestions, then the problems can be resolved satisfactorily. Shell did not regard the Qatar pipelines issue as one of their major concerns in the Gulf. That is why it was not covered in the Prime Minister's brief.

Mr Howell has noted HM Ambassador's advice that considerable advantage might be derived from a visit to Qatar by Sir David Steel and that the Prime Minister is inclined to agree. He has asked officials to examine this proposal urgently in consultation with other interested Departments, in particular the Department of Trade. He will report to the Prime Minister and will as requested keep her informed of other developments.

I am copying this letter to Francis Richards (FCO) Stuart Hampson (D/Trade) and David Wright (Cabinet Office) together with a copy of your letter.

Yours ever,

J D West

J D WEST
Private Secretary