



JAPAN ATOMIC INDUSTRIAL FORUM, INC.

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December 8, 2003

Mr. Alexander Schupakov
"Slavneft", Moscow, Russia

Dear Mr. Schupakov,

It is with regret that we got your notice of the expiration of effectiveness of your proposal for Saudi Light Crude, as in line with it, we had already started our investigation of the viability of such deal with potential buyers in Japan.. In response to your message of November 24, 2003, I would like to inform you of our thinking as follows:

In order to resume our interrupted talk with potential buyers or traders, we need, as a basis for the study, a renewed proposal for a certain quantity of crude oil (desirable on middle or long terms), effective for a couple of weeks with indication of specific terms and conditions including destination countries. Please be reminded that the Japanese crude oil market is almost saturated and we are of opinion that without certain merits new offers are not able to attract buyers.

As the Japan Atomic Industrial Forum (JAIF) is engaged in the energy field, activities of most of the member companies are more or less related to energy resources. However the JAIF is a non-profit organization and our role in this deal is limited to the introduction of your offer to prospective buyers or traders. Accordingly, we are not in a position to take any risks.

After receiving your positive reply, we would like to consult about the invitation for your visiting Japan.

Looking forward to hearing from you soon,

Sincerely yours

Kazuhisa Mori

Executive Vice-Chairman