19 AUG 2008





15 August 2008

General Manager, Investigation Services Unit Department of Industry and Resources Mineral House 6th Floor

100 Plain Street EAST PERTH WA 6004 Not sa concern de parte poi le garde poi le

Dear

Request for information under Section 63 of the Petroleum Pipelines Act 1969 - PearlStreet Reports

I refer to the completion of the first phase of the metallurgical testing undertaken by PearlStreet on the sections of damaged pipeline.

Pursuant to the notice served under section 63 of the *Petroleum Pipelines Act 1969* (the "**Act**"), I now enclose an electronic copy of the reports (12) prepared by PearlStreet in accordance with the agreed metallurgical protocol.

Apache considers that these reports are subject to legal professional privilege. As such, the enclosed reports are strictly confidential and are provided to you on that basis, for the sole purpose of assisting the Department in its investigation of the incident at Varanus Island on 3 June 2008 in accordance with the Departments powers and functions under the Act and for no other purpose. The provision of the reports by Apache is not intended to and should not in any way be construed by the Department as a waiver by Apache of legal professional privilege in and over the reports.

In that regard, Apache also considers that the enclosed reports remain privileged in the hand of the Department. The reports also contain information that is personal to Apache and is of a commercial or business nature as those terms are understood within the meaning of the *Freedom of Information Act 1992 (the "FOI Act")*. In those circumstance, Apache would expect that the reports are exempt documents within the meaning of the FOI Act and that, therefore, Apache would be consulted before the Department made in decision in respect of any request of it under the FOI Act seeking access to those reports.

