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Start of gas sales from Offshore Southeast Sumatra Production Sharing Contract.

Indonesia

INPEX Holdings Inc. is pleased to announce that its subsidiary, INPEX Sumatra, Ltd. together with other contractors of the Offshore Southeast Sumatra Production Sharing Contract (PSC), has started the gas delivery to P.T. Perusahaan Listrik Negara (Persero) (PLN), the national electric power company of Indonesia.

The Offshore Southeast Sumatra PSC will supply Gas from 2006 to 2018. The sales amount will be 80 billion BTU per day during the plateau period from 2007 under the gas sales and purchase agreement with PLN.

The natural gas produced is supplied to the 740 MW combined Cycle Power Plant Cilegon of PLN in West Java by a subsea pipeline.

This project is the first gas supply business of the Offshore Southeast Sumatra PSC and it will contribute to the effective use of natural gas reserves in Indonesia.

