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On Sept. 17, Gustavo Mohme, president of the powerful United Left (IU) coalition, told reporters that the IU questions whether an oil exploratory contract signed Sept. 15 between the US-owned Mobil Oil Corp. and the state-owned Petro Peru was in the country's best interests. Petro Peru has described the 36,000 sq.km. exploratory operation as the "biggest and most important in the country's petroleum history." Under the contract, operations are to begin in six weeks in the Alto Huallaga valley, located some 800 km. northwest of Lima. In 1988, the UI caused the Peruvian government to drop an agreement with the Anglo-Dutch Shell consortium when it demanded that contract terms be publicly released. Mobil Oil negotiator John Goff said the company has invested $107.5 million, one of the biggest investments the company has made for exploration. He said Mobil expects to drill its first oil well in two years to determine whether there is petroleum or gas in the area. Under the contract, added Goff, Peru would be paid with a percentage of the oil discovered. (Basic data from AFP, 09/17/89)

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