



Japan soon to approve test-drilling in gas field disputed with China

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TOKYO (AFP) - Japan plans to grant a Tokyo-based firm test-drilling rights for a gas field contested with China as early as next month in a move that could further strain ties with Beijing, according to a press report.

Teikoku Oil applied to test-drill one of the potentially huge fields in the East China Sea, which Tokyo in April opened to private exploration, and will likely get approval next month or later, the Tokyo Shimbun said.

"The move is likely to prompt China to heighten its protest, even though the possibility of the company actually starting test-drilling is low as with bilateral talks stalled there is no safety guarantee for the work," the daily said, quoting an anonymous trade ministry official.

No immediate comment was available from the trade ministry.

China began drilling unilaterally in gas fields in the East China Sea in 2003. Japan's decision to grant private firms exploration rights came after decades of hesitation about upsetting China.

The Mainichi Shimbun reported this month that Tokyo would make any selected company work under government contract and shoulder the test-drilling costs estimated at three to four billion yen (27-36 million dollars).

The dispute comes at a time of tense relations between the Asian nations with China accusing Japan of failing to atone for its bloody occupation that ended in 1945.

Japan accuses China of extracting gas from the Japanese side of the fields, which a 1999 survey estimated contained a massive 200 billion cubic meters (seven trillion cubic feet) of gas.

China has insisted that its exploration is not located in the disputed portion of the waters and has instead called for joint exploration of the gas fields.