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February 8, 2006

Via E-mail

Mr. B. Michael Verne  
Premerger Notification Office  
Bureau of Competition - Room 303  
Federal Trade Commission  
600 Pennsylvania Avenue, N.W.  
Washington, D.C. 20580

Dear Mike:

I am writing to confirm the advice you provided to [Redacted] and myself during our telephone conversation on February 2, 2006.

The proposed transaction I described to you is as follows: Company A proposes to acquire from Company B substantially all the assets of an oil refinery. The assets to be acquired include the refinery, land, office buildings, equipment and vehicles valued collectively at approximately \$40 million. The refinery's inventory (including gasoline, asphalt and jet fuel) will also be acquired as part of the transaction. The value of the inventory at closing is now expected to be approximately \$16 million to \$19 million. If the entire inventory is acquired as part of the transaction, the transaction value may exceed the \$56.7 million size-of-transaction threshold, which the parties had not anticipated.

In order to allow the parties to close the transaction as scheduled, they propose to exclude from the sale one class of inventory (e.g., the gasoline inventory) which would bring the fair market value and the acquisition price of the transaction below the \$56.7 million threshold. The parties propose the following arrangement: Instead of selling the entire inventory to Company A, Company B would retain title to one of the classes of inventory and ask Company A to sell that class of inventory on Company B's behalf on a consignment basis. All proceeds from the sale of such inventory would be distributed to Company B and Company A would not receive any commission for the sale of the consigned inventory.

[Redacted]

[Redacted]

Mr. B. Michael Verne

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You have advised us that as long as the arrangement is a bona fide consignment, it would not be deemed a device for avoidance subject to § 801.90 of the regulations promulgated under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

Please call me at the above-referenced number to confirm that the above accurately reflects your advice.

Very truly yours,

[Redacted Signature]

cc. [Redacted]

*Approved -  
B. Verne  
2/8/06*

[Redacted]