

801.50
802.4

Verne, B. Michael

From: [Redacted]
Sent: Thursday, March 11, 2010 3:20 PM
To: Verne, B. Michael
Subject: HSR Analysis re: Joint Venture Formation

Hi Mike, can you please see below and let me know what you think? Thanks in advance for your help.

Proposed Transaction:

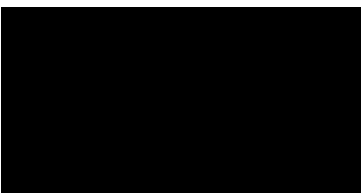
1. **A** creates a new LLC ("**Newco 1**") and contributes certain oil/gas pipeline assets in exchange for 100% of the LLC interests in **Newco 1**.
2. **B** creates a new LLC ("**Newco 2**") and contributes certain oil/gas terminal assets in exchange for 100% of the LLC interests in **Newco 2**.
3. **A** and **B** distribute 100% of the ownership interests in **Newco 1** and **Newco 2**, respectively, to **MLP GP** (0.001%) and **MLP** (99.999%). **MLP GP** then distributes all of its ownership interest in **Newco 1** and **Newco 2** to **MLP**.
4. **MLP** now owns 100% of **Newco 1** and **Newco 2**.
5. **MLP** contributes 0.001% in each of **Newco 1** and **Newco 2** to **MLP Operating GP** as a capital contribution.
6. **MLP Operating GP** and **MLP** contribute all of the interests in **Newco 1** and **Newco 2** to **OLP** as capital contributions. **OLP** now owns 100% of **Newco 1** and **Newco 2**.
7. **OLP** forms new LLC ("**JV**") by contributing 100% of the LLC interests in **Newco 1** and **Newco 2** in exchange for 100% of the interests in **JV**.
8. Third party **C** contributes \$75mm ("Cash") to **JV** in exchange for a 25% interest in **JV**.
9. **JV** distributes the Cash to **OLP** in partial redemption of **OLP**'s ownership in **JV**. Consequently, **OLP** now owns 75% of **JV** and **C** owns 25% of **JV**.

Analysis:

The Acquiring Person (the UPE of OLP) will gain control of the Acquired Person (the JV). The other contributor, C, should be exempt from filing since it will not obtain control of the JV (801.50(b)). The UPE of OLP should be exempt by virtue of the fact that the assets contributed (pipeline and terminal assets) are exempt pursuant to 802.30(c) and 802.4(a).

Can you advise?

Thanks



AGREE
[Signature]
3/16/10

3/11/2010