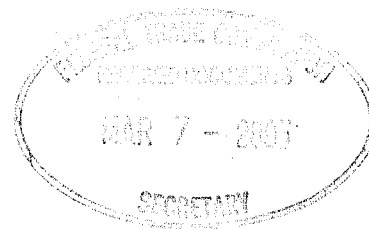


PUBLIC VERSION

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

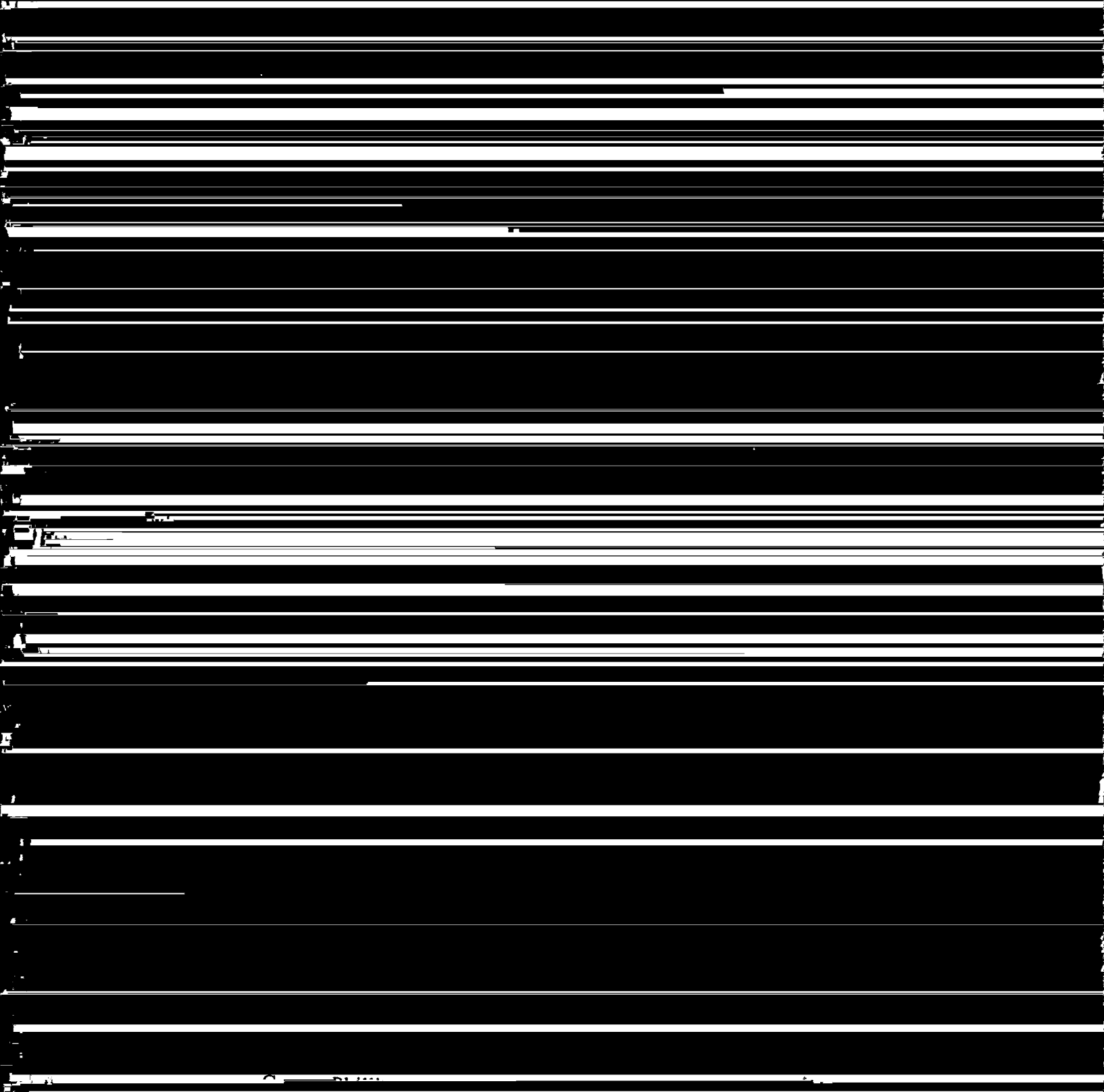


In the Matter of _____)
Conoco Inc.,)
a corporation,)
)
and)
)
Phillips Petroleum Company)

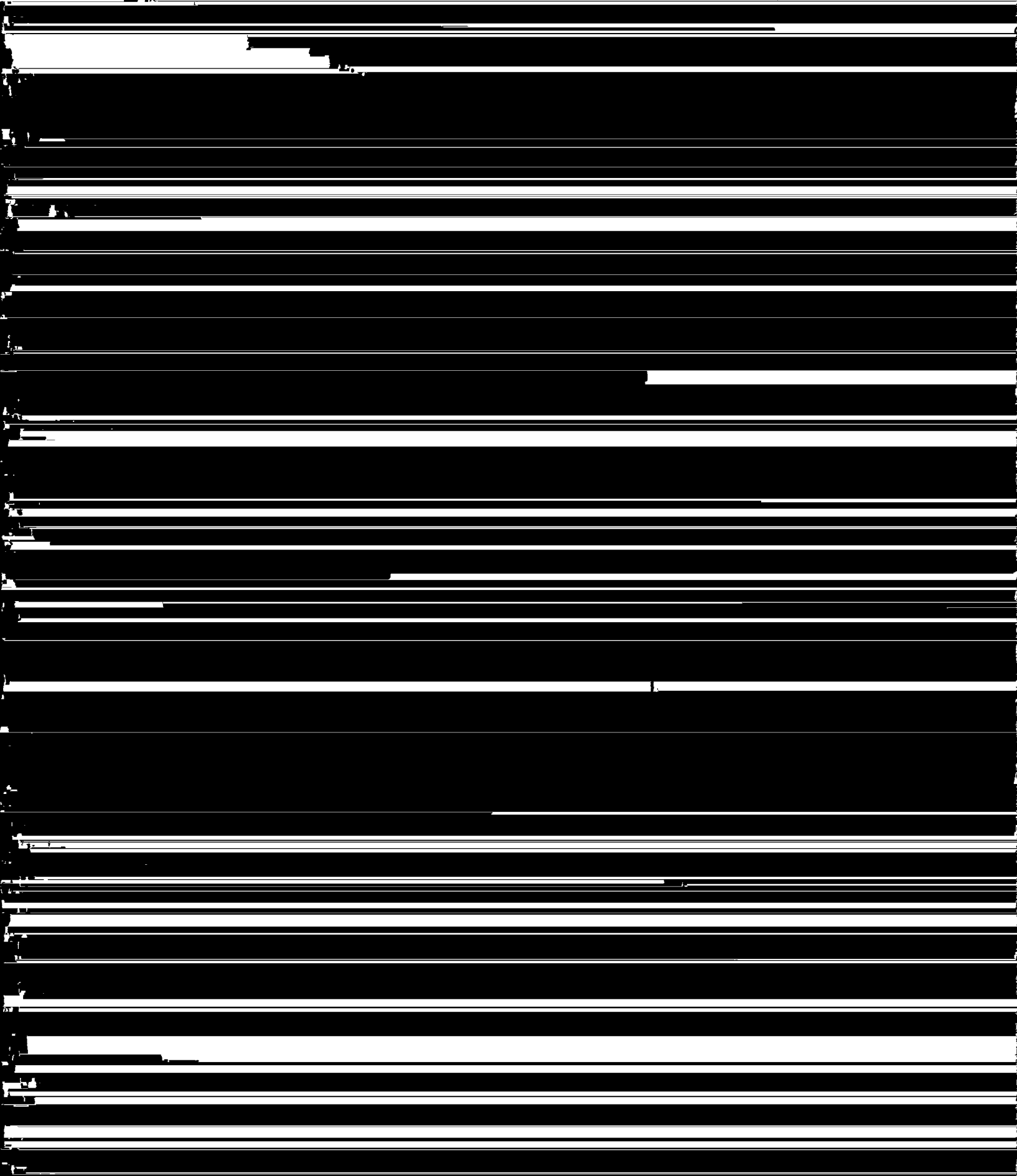
Docket No. C-4058
File No. 021-0040



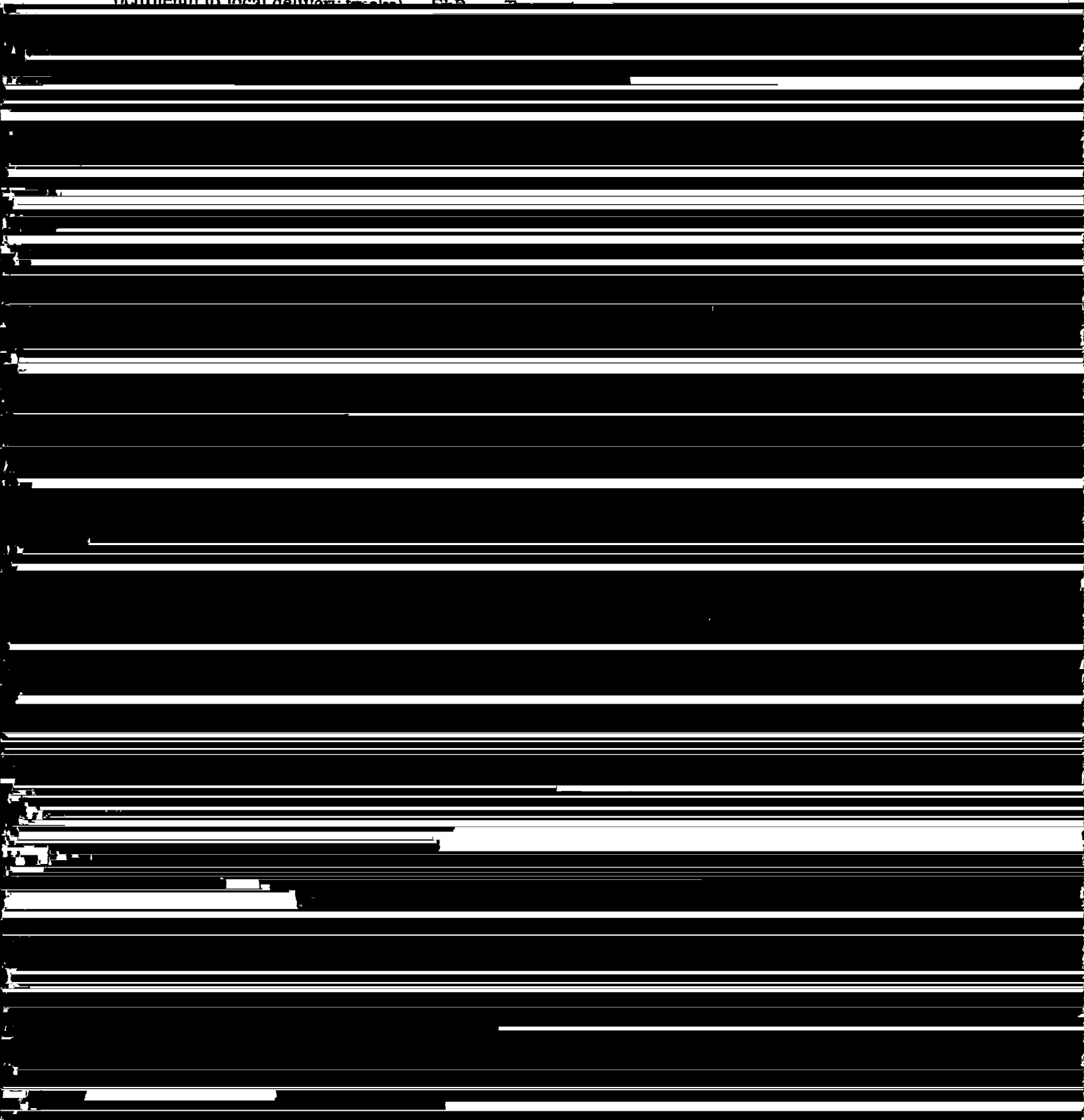
Agreement”) to settle the Commission’s charges related to the proposed merger of Conoco and Phillips. On August 30, 2002, the Commission accepted the Consent Agreement for public comment, and Conoco and Phillips thereafter consummated their merger, thereby forming a new entity, ConocoPhillips.² The proposed Consent A

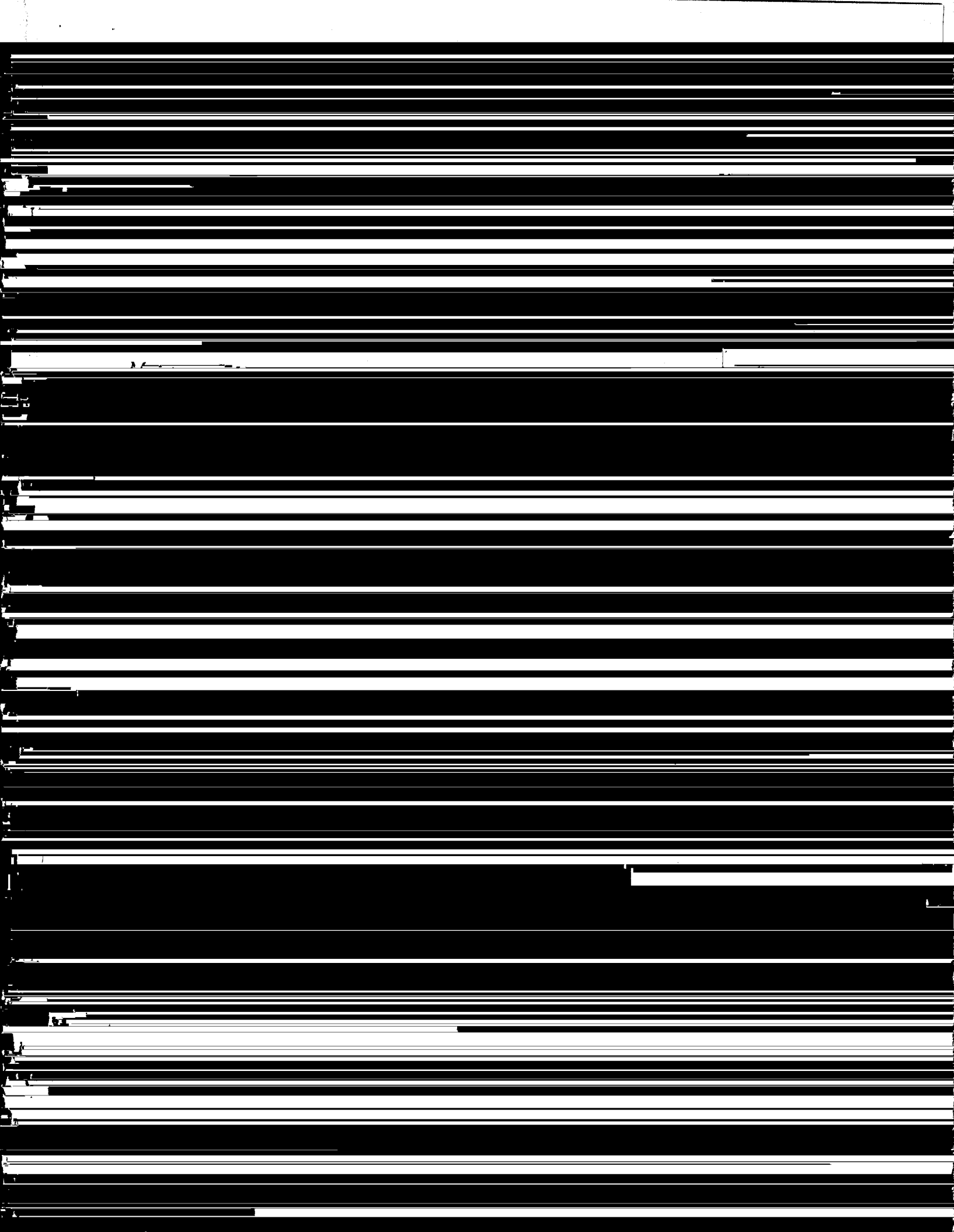


Public Case 1



Incorporated in 1947, Holly has been active in the petroleum products industry, including the ownership and operation of petroleum products terminals for over 33 years.⁴ Holly currently operates petroleum product storage terminals (which include "racks" for the delivery of petroleum to local delivery trucks). E.P.A. 7





B. Holly has invested significant amounts in capital expenditures in recent years to enhance its supply and distribution network and to expand its refineries.

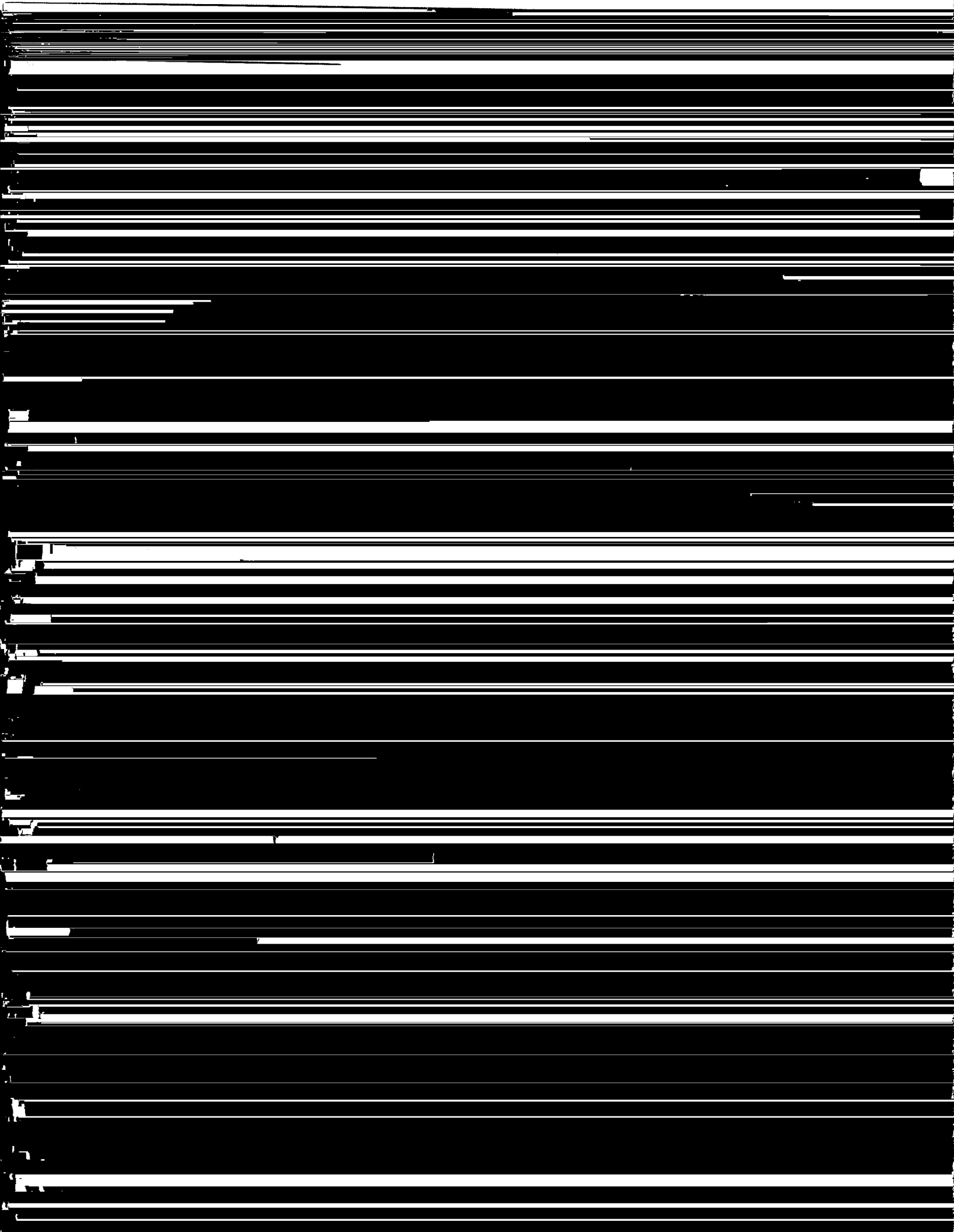
The Divestiture Study goes on to emphasize the importance of the buyer's

commitment (to...)



PUBLIC VERSION

have agreed that ConocoPhillips will continue the AFE work, in the normal course of business to the Closing Date, and will pay for the work done up to the Closing Date. After the Cl



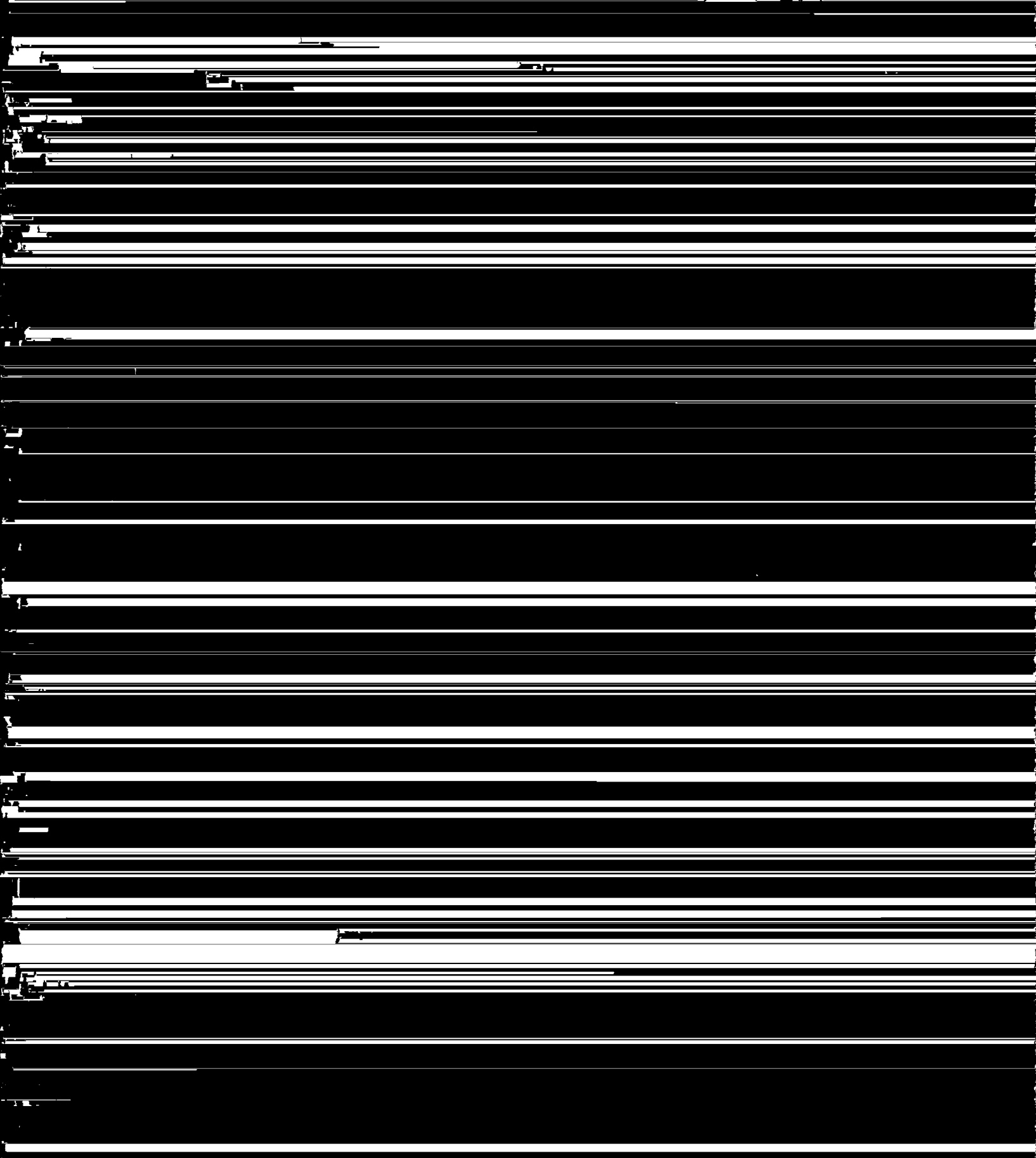
City through Idaho to Spokane, Washington. Thus, the Phillips Spokane Terminal provides for a natural geographic extension of the

1. Divestiture of Phillips Spokane Terminal. Paragraph V.A. of the Decision and Order requires that ConocoPhillips divest the Phillips Spokane Terminal absolutely and in good faith to an acquirer within nine months from the date ConocoPhillips executed the Consent Agreement. Pursuant to the Spokane Sale Agreement and the Woods Cross Sale Agreement, Holly will acquire all of the Phillips Spokane Terminal. Spokane Sale Agreement and Woods Cross Sale Agreement

2. Environmental Indemnity. Paragraph V.D. of the Decision and Order

PUBLIC VERSION

(As previously discussed with the Commission compliance staff, this applies not only to the



PUBLIC VERSION

thousands of feet

Conclusion

For the foregoing reasons, ConocoPhillips respectfully requests that the Commission expeditiously approve the proposed divestiture of the Phillips Spokane Terminal to Holly, in the manner provided in the Spokane Sale Agreement, the Woods Cross Sale Agreement, and the Woods Cross Sale Agreement.



