UNITED STATES OF AMERICA

FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

Office of the Director
Bureau of Compc:tition

August 1,2006

M. Sean Royall, Esq.
Gibson, Dunn & Crutcher, LLP
1050 Connecticut Avenue, N. W.
Washington, D.C. 20036

F:e: AlonRaramount, FTC File No. 06 1-01 88

Dear Mr. Royall:

I'he Federal Trade Commission has conducted a nonpublic investigation to determine whether the proposed acquisition by Alon Israel Oil Company Ltd. of Paramount Petroleum Corporat.ion may violate Section 7 of the Clayton Act or Section 5 of the Federal Trade Commission Act.

lJpon further review of this matter, it now appears that no additional action is warranted
by the Commission at this time. Accordingly, the investigation has been closed. This action is not to be construed as a determination that a violation has not occurred, just as pendency of an investigation should not be construed as a determination that a violation has occurred.

Sincerely, 6

Director