

**Clark-Coleman, Sheila**

**From:** Verne, B. Michael  
**Sent:** Monday, March 03, 2008 2:31 PM  
**To:** Clark-Coleman, Sheila  
**Subject:** RE: Houston Market Sale

This looks OK to me. Are you going to respond to him or do you want me to?

-----Original Message-----

**From:** Clark-Coleman, Sheila  
**Sent:** Monday, February 25, 2008 3:51 PM  
**To:** Verne, B. Michael  
**Subject:** FW: Houston Market Sale

Mike –  
Did you get a chance to review the situation below?

Sheila Clark-Coleman  
Premerger Notification Office  
(202) 326-2759

-----Original Message-----

**From:** [REDACTED]  
**Sent:** Wednesday, February 20, 2008 6:29 PM  
**To:** Clark-Coleman, Sheila; Verne, B. Michael  
**Subject:** Houston Market Sale

Hi Sheila and Michael, Please let me know if you agree with the following analysis for the subject deal. Feel free to call me if you have any questions. Thanks! Tim

Step 1 Transaction - Formation of the LLC

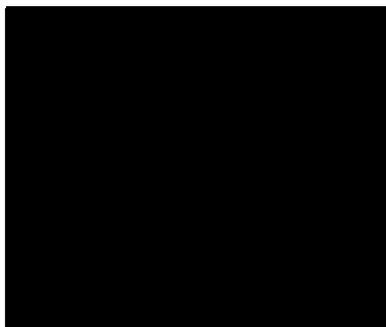
[REDACTED] and [REDACTED] will form a Limited Liability Company ("LLC") in the State of Delaware named Texas Petroleum Group, LLC ("TPG") SOP US and [REDACTED] will each invest \$12.5 million in cash for their respective 50% interests in TPG. The formation of the LLC is not reportable under the Hart-Scott-Rodino ("H-S-R") Act because the LLC is being capitalized solely with cash and, pursuant to 16 CFR 801.21, the acquisition of cash is not considered an "acquisition of assets" for H-S-R reporting purposes.

Step 2 Transaction - Sale of Stations to the LLC

TPG will purchase approximately 162 [REDACTED] branded stations in the greater Houston area from [REDACTED] for a purchase price of \$106.8 million. [REDACTED] will finance 76% of the purchase price with the remaining 24% sourced from the initial cash contributions. This transaction is reportable under the H-S-R Act because the parties meet the Size-of-Person Test (i.e., SOP US has more than \$126.2 million in sales and [REDACTED] has more than \$12.6 million in sales) and the \$106.8 million transaction value exceeds the 2008 minimum transaction reporting threshold of \$63.1 million.

Step 3 Transaction - H-S-R Reporting Requirements for [REDACTED] and [REDACTED]

██████████ will be required to file an H-S-R Notification Form with respect to this transaction as the Ultimate Parent Entity ("UPE") of the "acquiring entity" by virtue of its 50% interest in TPG. Even though SOP US is considered a UPE of the "acquiring entity" by virtue of its 50% interest in TPG, it will not be required to file an H-S-R Notification Form with respect to this transaction pursuant to 16 CFR 802.30(a) which states that an acquisition is exempt from the requirements of the act in which the acquiring person and at least one of the acquired persons are the same person. ██████████ and ██████████ are 50%-50% owners of Motiva and, as such, both companies are considered UPE's of Motiva, the "acquired entity". Both ██████████ and ██████████ will file separate H-S-R Notification Forms as UPE's of the "acquired person". As an "acquired entity" in this transaction, ██████████ will only have to provide 2002 and 2007 revenue figures for the approximately 162 retail stations that are being sold to TPG, but will not have to provide any revenue figures with respect to its or ██████████ or ██████████ other operations.



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