

**UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION**

In the Matter of)	
)	
Conoco Inc.)	
a corporation,)	
)	File No. 021-0040
and)	
)	
Phillips Petroleum Company,)	
a corporation.)	

AGREEMENT CONTAINING CONSENT ORDERS

The Federal Trade Commission (“Commission”), having initiated an investigation of the proposed merger involving Conoco Inc. (“Conoco”) and Phillips Petroleum Company (“Phillips”), and it now appearing that Conoco and Phillips, hereinafter sometimes referred to as “Proposed Respondents,” are willing to enter into this Agreement Containing Consent Orders (“Consent Agreement”) to divest certain assets and providing for other relief:

IT IS HEREBY AGREED by and between Proposed Respondents, by their duly authorized officers and attorneys, and counsel for the Commission that:

1. Proposed Respondent Conoco Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 600 North Dairy Ashford, Houston, TX 77079.
2. Proposed Respondent Phillips Petroleum Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 411 South Keeler, Bartlesville, OK 74004.
3. Proposed Respondents admit all jurisdictional facts set forth in the draft Complaint attached hereto.
4. Proposed Respondents waive:
 - a. any further procedural steps;

- b. the requirement that the Commission's Order to Hold Separate and Maintain Assets and Decision and Order, attached hereto and made a part hereof, contain a statement of findings of fact and conclusions of law;
 - c. all rights to seek judicial review or otherwise to challenge or contest the validity of the Order to Hold Separate and Maintain Assets or Decision and Order entered pursuant to this Consent Agreement; and
 - d. any claim under the Equal Access to Justice Act.
5. Proposed Respondents shall submit an initial compliance report thirty (30) days after they execute this Consent Agreement and shall submit additional compliance reports every thirty (30) days thereafter until the Decision and Order becomes final, pursuant to Commission Rule 2.33, 16 C.F.R. § 2.33, signed by the Proposed Respondents setting forth in detail the manner in which the Proposed Respondents have to date complied or have prepared to comply, and will comply with the Decision and Order. Such reports will not become part of the public record unless and until the accompanying Consent Agreement and Decision and Order are accepted by the Commission for public comment.
6. This Consent Agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this Consent Agreement is accepted by the Commission it, together with the Complaint contemplated thereby, will be placed on the public record for a period of thirty (30) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this Consent Agreement and so notify Proposed Respondents, in which event it will take such action as it may consider appropriate, or amend its Complaint if circumstances so require and issue its Decision and Order, in disposition of the proceeding.
7. This Consent Agreement is for settlement purposes only and does not constitute an admission by Proposed Respondents that the law has been violated as alleged in the draft Complaint here attached, or that the facts as alleged in the draft Complaint, other than jurisdictional facts, are true.
8. Because there may be interim competitive harm, and divestiture or other relief resulting from a proceeding challenging the legality of the proposed merger might not be possible, or might be less than an effective remedy, the Commission may issue an Order to Hold Separate and Maintain Assets in this matter.
9. This Consent Agreement contemplates that, if it is accepted by the Commission, the Commission may (1) issue its Complaint corresponding in form and substance with the draft Complaint attached hereto, (2) issue and serve its Order to Hold Separate and Maintain Assets, and (3) make information public with respect thereto. If such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission may, without further notice to Proposed Respondents, issue the

attached Decision and Order containing orders to divest in disposition of the proceeding. When final, the Decision and Order and Order to Hold Separate and Maintain Assets shall have the same force and effect, and may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders. The Decision and Order and Order to Hold Separate and Maintain Assets shall become final upon service. Delivery of the Complaint, Decision and Order, and Order to Hold Separate and Maintain Assets to Proposed Respondents by any means specified in Commission Rule 4.4(a), 16 C.F.R. § 4.14.(a), shall constitute service. Proposed Respondents waive any right they may have to any other manner of service. The Complaint may be used in construing the terms of the Decision and Order and Order to Hold Separate and Maintain Assets, and no agreement, understanding, representation, or interpretation not contained in the Decision and Order, Order to Hold Separate and Maintain Assets, or this Consent Agreement may be used to vary or contradict the terms of the Decision and Order or the Order to Hold Separate and Maintain Assets.

10. By signing this Agreement Containing Consent Orders, Proposed Respondents represent and warrant that they can accomplish the full relief contemplated by the attached Decision and Order and the Order to Hold Separate and Maintain Assets (including effectuating all required divestitures, assignments, and transfers and obtaining all necessary approvals from third parties to effectuate the divestitures, assignments and transfers), and that all parents, subsidiaries, affiliates, and successors necessary to effectuate the full relief contemplated by this Consent Agreement are parties to the Consent Agreement and are bound thereby as if they had signed this Consent Agreement and were made parties to this proceeding and to the order.
11. Proposed Respondents have read the draft Complaint, the Decision and Order, and the Order to Hold Separate and Maintain Assets contemplated hereby. Proposed Respondents understand that once the Decision and Order and the Order to Hold Separate and Maintain Assets have been issued they will be required to file one or more compliance reports showing that they have fully complied with the Decision and Order and the Order to Hold Separate and Maintain Assets. Proposed Respondents agree to comply with the Decision and Order and the Order to Hold Separate and Maintain Assets from the date they execute this Consent Agreement. Proposed Respondents further understand that they may be liable for civil penalties in the amount provided by law for each violation of the Decision and Order and the Order to Hold Separate and Maintain Assets.