



Office of the Secretary

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

July 31, 2003

George S. Cary, Esquire
Cleary, Gottlieb, Steen & Hamilton
2000 Pennsylvania Avenue, N.W.
Washington, D.C. 20006

Re: *In the Matter of Phillips Petroleum Co. and Conoco Inc.*
File No. 021-0040, Docket No. C-4058.

Dear Mr. Cary:

This letter responds to the April 28, 2003, Petition of ConocoPhillips (“ConocoPhillips”) for Approval of the Proposed Divestiture of the Colorado Assets to Suncor Energy Inc. (“Suncor”) requesting that the Commission approve ConocoPhillips’ proposed divestiture of the Colorado Assets to Suncor, pursuant to the order in this matter. The application was placed on the public record for comments until May 31, 2003, and one comment was received.

After consideration of the proposed divestiture as set forth in the Petition and supplemental documents, as well as other available information, the Commission has determined to approve the proposed divestiture of the Colorado Assets to Suncor.

As defined in part in Paragraph I.Q. of the Commission’s order, the Colorado Assets include, among other things, such intangible assets as intellectual property, licenses, permits, contracts, agreements, and understandings relating to the operation of Conoco’s refinery in Commerce City, Colorado. *See* Definition of “Conoco Denver Refinery Assets,” Paragraphs I.Q.3.,4., and 5. Paragraph III.L. of the Commission’s order states that “[i]n the event that Respondents are unable to satisfy all conditions necessary to divest any intangible assets [other than those granted by governmental authorities, excluding patents], Respondents shall . . . substitute equivalent assets or arrangements, subject to the prior approval of the Commission.” Notwithstanding the Commission’s approval of the proposed divestiture, to the extent that Respondents are unable to divest any assets required to be divested pursuant to Paragraph III. of this order because they were unable to satisfy all necessary preconditions, Respondents remain obligated to divest those assets or to obtain the Commission’s approval for the substitution of equivalent assets or arrangements.

In according its approval of the proposed divestiture, the Commission has relied upon the information submitted and representations made in connection with ConocoPhillips' Petition, and has assumed them to be accurate and complete.

By direction of the Commission.

Donald S. Clark
Secretary

cc: Janet L. McDavid, Esquire
Mary Anne Mason, Esquire
Hogan & Hartson L.L.P.
Columbia Square
555 Thirteenth Street, NW
Washington, DC 20004