



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

Office of the Secretary

August 1, 2000

Charles F. Rule, Esquire
Covington & Burling
1201 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

Re: *Exxon Corporation and Mobil Corporation*, File No. 991-0077; FTC Docket No. C-3907.

Dear Mr. Rule:

This is in reference to the Application for Approval of Proposed Amendment, dated April 7, 2000, and the Application for Approval of Proposed Base Oil Supply Contracts, dated May 9, 2000, (hereinafter collectively referred to as "Applications") filed by Exxon Mobil Corporation ("Exxon Mobil"). Pursuant to the proposed order in File No. 991-0077, Exxon Mobil requests prior Commission approval of its proposed amendment to the Purchase and Sale Agreement for Lubricant Base Oils between Valero Energy Corporation and Mobil Oil Corporation ("Purchase and Sale Agreement"). Exxon Mobil also requests prior Commission approval of its proposal to enter into base oil supply contracts with Castrol North America Inc. ("Castrol") and Pennzoil-Quaker State ("PQS").

After consideration of Exxon Mobil's Applications and other available information, the Commission has determined to approve the proposed amendment to the Purchase and Sale Agreement. The Commission has also determined to approve the proposed base oil supply contracts with Castrol and PQS. In according its approval, the Commission has relied upon the information submitted and the representations made in connection with Exxon Mobil's Applications and has assumed them to be accurate and complete.

By direction of the Commission, Commissioner Leary recused.

A handwritten signature in black ink that reads "Donald S. Clark".

Donald S. Clark
Secretary