

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

In the Matter of	)	
	)	
<b>MAGELLAN MIDSTREAM PARTNERS, L.P.,</b>	)	
a limited partnership,	)	<b>File No. 041-0164</b>
	)	
and	)	
	)	
<b>SHELL OIL COMPANY,</b>	)	
a corporation.	)	

**AGREEMENT CONTAINING CONSENT ORDERS**

The Federal Trade Commission (“Commission”), having initiated an investigation of the proposed acquisition by Proposed Respondent Magellan Midstream Partners, L.P. (“Magellan”) of certain refined product pipeline and terminaling assets from Proposed Respondent Shell Oil Company (“Shell”), hereinafter sometimes referred to as “Proposed Respondents,” and it now appearing that Magellan and Shell 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 Magellan Midstream Partners, L.P., is a publicly-traded limited partnership 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 Magellan GP, LLC, P.O. Box 22186, Tulsa, Oklahoma 74121.
2. Proposed Respondent Shell Oil 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 910 Louisiana Street, Houston, Texas 77002.
3. Proposed Respondents admit all the jurisdictional facts set forth in the draft of Complaint attached hereto.

4. Proposed Respondents waive:
  - (a) any further procedural steps;
  - (b) the requirement that the Commission's Decision and Order, which is 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 challenge or contest the validity of the Decision and Order entered pursuant to this Consent Agreement; and
  - (d) any claim under the Equal Access to Justice Act.
5. Because there may be interim competitive harm, the Commission may issue its Complaint and an Order to Hold Separate and Maintain Assets in this matter at any time after it accepts the Consent Agreement for public comment.
6. Each Proposed Respondent shall submit an initial report within ten (10) days of the date on which it executes this Consent Agreement and every thirty (30) days thereafter until the Decision and Order becomes final, pursuant to Section 2.33 of the Commission's Rules, 16 C.F.R. § 2.33, or the divestiture required pursuant to Paragraph II. is accomplished, whichever is earlier. Each such report shall be signed by the respective Proposed Respondent and shall set forth in detail the manner in which the Proposed Respondent has to date complied or has prepared to comply, is complying, and will comply with the Order to Hold Separate and Maintain Assets and the Decision and Order. Such reports will not become part of the public record unless and until the Consent Agreement and Decision and Order are accepted by the Commission for public comment.
7. 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 issue and serve its Complaint (in such form as the circumstances may require) and issue its Decision and Order, in disposition of the proceeding.
8. 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 of Complaint here attached, or that the facts as alleged in the draft of Complaint, other than jurisdictional facts, are true.
9. This Consent Agreement contemplates that, if it is accepted by the Commission, and 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: (1) issue and serve its Complaint corresponding in form with the draft of Complaint here attached and its Decision and Order, (2) issue and serve its Order to Hold Separate and Maintain Assets, and (3) make information public with respect thereto.

10. When final, the Decision and Order and the 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 the Order to Hold Separate and Maintain Assets shall become final upon service. Delivery of the Complaint, the Decision and Order, and the Order to Hold Separate and Maintain Assets to Proposed Respondents by any means provided in Commission Rule 4.4(a), 16 C.F.R. § 4.4(a), shall constitute service. Proposed Respondents waive any right they may have to any other manner of service. Proposed Respondents also waive any right they may otherwise have to service of any Appendices incorporated by reference into the Decision and Order, and agree that they are bound to comply with and will comply with the Decision and Order to the same extent as if they had been served with copies of the Appendices, where Proposed Respondents are already in possession of copies of such Appendices.
11. The Complaint may be used in construing the terms of the Decision and Order and the Order to Hold Separate and Maintain Assets, and no agreement, understanding, representation, or interpretation not contained in the Decision and Order, the Order to Hold Separate and Maintain Assets, or the 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.
12. By signing this Consent Agreement, 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 governmental authorities, leaseholders, and other 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 this Consent Agreement and are bound thereby as if they had signed this Consent Agreement and were made parties to this proceeding and to the Decision and Order.
13. Proposed Respondents have read the draft of the 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 proposed Decision and Order and the Order to Hold Separate and Maintain Assets from the date they sign 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 of the Order to Hold Separate and Maintain Assets after they become final.

**MAGELLAN MIDSTREAM  
PARTNERS, L.P.,**  
by its General Partner  
Magellan GP, LLC

**FEDERAL TRADE COMMISSION**

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Don R. Wellendorf  
President and Chief Executive Officer  
Magellan Midstream Partners, L.P.

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Dennis F. Johnson  
Mary N. Lehner  
Attorneys  
Bureau of Competition

Dated: September \_\_\_\_, 2004

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Tom D. Smith, Esq.  
Jones Day  
Counsel for Magellan Midstream  
Partners, L.P.

**APPROVED:**

Dated: September \_\_\_\_, 2004

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Phillip L. Broyles  
Assistant Director  
Bureau of Competition

**SHELL OIL COMPANY**

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Lynn L. Elsenhans  
President  
Shell Oil Company

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D. Bruce Hoffman  
Deputy Director  
Bureau of Competition

Dated: September \_\_\_\_, 2004

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Susan A. Creighton  
Director  
Bureau of Competition

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Charles W. Corddry III  
Senior Antitrust Counsel  
Counsel for Shell Oil Company

Dated: September \_\_\_\_, 2004

