
From: Erika Kellerhals [REDACTED]
Sent: Thursday, January 19, 2012 8:35 PM
To: Jeffrey Epstein
Subject: Hovensa press release

HOVENSA Announces Closure of St. Croix Refinery

Company to Work Closely with the U.S. Virgin Islands Government to Ease Transition

ST. CROIX, U.S. Virgin Islands, Jan. 18, 2012 — HOVENSA L.L.C. announced today that it will commence shutdown of its refinery on St. Croix, U.S. Virgin Islands. Following the shutdown, the complex will operate as an oil storage terminal.

Losses at the HOVENSA refinery have totaled \$1.3 billion in the past three years alone and were projected to continue. These losses have been caused primarily by weakness in demand for refined petroleum products due to the global economic slowdown and the addition of new refining capacity in emerging markets. In the past three years, these factors have caused the closure of approximately 18 refineries in the United States and Europe with capacity totaling more than 2 million barrels of oil per day. In addition, the low price of natural gas in the United States has put HOVENSA, an oil-fueled refinery, at a competitive disadvantage.

"We deeply regret the closure of the HOVENSA refinery and the impact on our dedicated people," said Brian K. Lever, President and Chief Operating Officer of HOVENSA. "We explored all available options to avoid this outcome, but severe financial losses left us with no other choice. We will provide significantly enhanced benefits for those union and salaried employees who are impacted and will work closely with the government of the U.S. Virgin Islands to ease the transition for the rest of the community."

After formal shutdown of the refinery, which will occur by the middle of February, most of those employed at HOVENSA will continue working through a transition period. Thereafter, approximately 100 people will remain to work at the oil storage terminal.

--

ERIKA A. KELLERHALS

</=pan>

<=p>

Kellerhals Ferguson LLP

A Full Service Law Firm

<=p>



<=p>

Notice: This communication may contain privileged or other confidential information. If you are not the intended recipient, or believe that you have received this communication in error, please do not print, copy, re-transmit, disseminate, or otherwise use this information. Also, please indicate to the sender that you have received this e-mail in error, and delete the copy you received. Thank you.

<=p>

Circular 230: To ensure compliance with the requirements imposed by the IRS, we inform you that any tax advice contained in our communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of (i) avoiding any tax penalty or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.