

CONSUMER'S GUIDE TO GASOLINE

Introduction

Most of us buy gasoline for our vehicles. Usually, we have control over which brand we buy, which station we patronize and, within a few cents a gallon, how much we pay. All brands seem to be pretty much the same in the way they power our transportation.

But all brands are not the same in terms what they mean in the world, not only with respect to the environment but as to whether we have war or peace.

This guide focuses on war and peace and especially on the Middle East. The basic criteria are the degree to which an oil company is involved in trying to profit from Iraqi and Middle East “war oil”¹ and by selling petroleum products to the Pentagon.

Put another way, our goal in this guide is to help you make purchases from gasoline marketers who appear to be not involved, or less involved, in getting oil at gunpoint, in selling bloody oil.

In addition, we provide information, less comprehensive, on the human rights and environmental performance of major oil companies.

Oil is a precious liquid that has generated bribery, theft, environmental destruction, torture and killing almost as if these human actions are part of its organic nature. It is impossible to recommend any gasoline brand with certainty, but we have gathered information that we believe can provide guidance, summarized here.

Less Harmful – Relatively Speaking

Citgo
Sunoco
Hess
Flying J
Murphy
Gulf
Sinclair

More Harmful – Avoid When Possible

ExxonMobil

Shell

BP

Chevron

Valero

ConocoPhillips

Getty/Lukoil

Marathon

Tesoro

The Sierra Club and The Better World Handbook have published gasoline buying guides which we recommend. www.sierraclub.org/sierra/pickyourpoison and www.betterworldhandbook.com/gasoline.html They, along with this guide and Hilton Kelley², head of Community In-Power Development Association, come to this conclusion:

ExxonMobil is top-ranked as the company whose products should be avoided in the interest of peace, the environment and public health.

Another point. Using less gasoline is essential and even more important than selecting least harmful brands. We continue to urge buying four-cylinder and less vehicles, hybrid vehicles, natural gas powered vehicles (Honda Civic GX NGV), sharing vehicles and using public transportation. Also, please consider advocating for conservation; electric vehicles; and the development of energy sources such as wind, solar and geo-thermal power.

For the moment, most of us in the United States cannot work and live without gasoline, so we provide the following in the interest of peace and justice.

(Note: We urge you to submit information that you believe is critical to improving this guide to: nickmattern@earthlink.net)

LESS HARMFUL – RELATIVELY SPEAKING

CITGO - Citgo, with about 12,000 retail outlets in the U.S., is totally owned by Venezuela's national petroleum company (PDVSA). Citgo does not use oil from the Middle East or from Iraq in particular. <http://www.eia.doe.gov/>

Citgo sold \$117,301 in petroleum products to the Pentagon in FY 2005 and had no sales in FY 2006. <http://www.desc.dla.mil/> <http://www.fedspending.org/>

Sixty percent of Venezuela's crude oil exports go to the United States.

Citgo, under the direction of Venezuela's President Hugo Chavez, has made cut-rate heating oil available to low-income people in several U.S. cities, including New York and Boston. No other oil company operating in the U.S. has had such a program.

Venezuela is using its oil revenues to assist its low-income citizens; it is also redistributing land to broaden ownership among low-income people. Venezuela has also taken steps to gain more control over its oil reserves from major oil companies such as ExxonMobil and to increase the amount of income it gets from its oil.

Citgo is currently under criminal indictment by the U.S. government in Corpus Christi, Texas, where Citgo has two major refineries that have a history, according to Suzie Canales, of Citizens for Environmental Justice in Corpus Christi, of emitting dangerous chemicals such as benzene and sulphur compounds. At the same time President Chavez told the UN he smelled sulphur after George Bush spoke there, Ms. Canales said, the Citgo refineries in Corpus Christi were "spewing out sulphur on low-income people of color who he says he cares about."

http://www.usdoj.gov/opa/pr/201906/Augst/06_enrd_519.html

The Environmental Protection Agency (EPA) reached a Clean Air Act settlement with Citgo in 2004 that required it to install \$320 million worth of equipment to reduce refinery emissions and imposed a \$3.6 million fine in connection with refineries in Corpus Christi and in Illinois, Louisiana, New Jersey and Georgia.

In commenting on Citgo's placement in this guide in the less harmful category, Ms. Canales said:

"In my opinion, Citgo should be in the other list "more harmful, avoid when possible." The crude from Venezuela is extremely dirty, high in sulphur and when the refineries strip the sulfur, as part of their process, it's dumped on the low-income people of color that surround their plants. Yes, Venezuela is giving some help, as far as heating oil goes,

but they are not helping the people that have to live next door to the plants that are processing the products; they don't want attention to the fact that this environmental racist issue exists around their facilities, so they shine the light on other places of the country/world."

SUNOCO – Sunoco has 4,800 retail stations in 24 states, concentrated on the East Coast and in upstate New York, Ohio and Pennsylvania.

Sunoco is a gasoline refiner and marketer that appears to do little or no business with the Pentagon and has no direct involvement with Iraqi oil interests. Sunoco does not import oil from the Persian Gulf. Sunoco uses ethanol throughout its system. Ethanol reduces dependency on foreign oil but also presents concerns in terms of pollution and displacing food production and requiring high energy inputs for production.

In 2005, the EPA and the Justice Department required Sunoco to sign an agreement - covering its refineries in Pennsylvania, Ohio and Oklahoma - to spend \$285 million to cut down on emissions of toxic gases. Sunoco was also fined \$3 million and had to spend \$3.9 million on "environmentally beneficial projects," according to the EPA.

Also in 2005, in a related suit, the Community Labor Refinery Tracking Committee won a court settlement requiring Sunoco to spend \$3.5 million to clean up emissions at its refinery in Philadelphia, Pennsylvania, and to give the community group \$130,000 for air monitoring equipment. "We brought this action because years were passing, and Sunoco was continuing to pollute outside its permits, despite EPA's enforcement negotiations," said Joanne Rossi, president of the tracking committee. "For many in the community, the ongoing exposures were just more than we could take."

Co-op America reports that "Sunoco's practices have been only slightly cleaner than its competitors. Sunoco's corporate abuse has ranged from dumping violations, toxic discharges, and discriminatory practices from Ohio to New York." For more details on Sunoco's corporate conduct, see:

<http://www.coopamerica.org/programs/rs/profile.cfm?id=293>

HESS – Hess Oil has 1,350 retail stations in 14 states on the eastern seaboard, from Massachusetts to Florida. Hess is involved in exploration, production and refining and is in joint venture with Venezuela's state oil company to provide a portion of Hess' refined oil products. Hess' oil is imported from countries outside the Middle East. Hess' website says that its gasoline is less polluting than that of competitors. Hess has no sales to the Pentagon.

Co-op America reported in April, 2007 that Hess is working with BP on a 1,000 mile pipeline through eastern and central Europe – the Baku-Tblisi-Ceyhan pipeline – that is causing widespread harm. Co-op America reports: "The Baku-Ceyhan Campaign criticizes the project for displacing residents, supporting oppressive regimes and for endangering people and the environment by building in areas with frequent seismic

activity.” A spokesman for Hess says that the pipeline, in which Hess has a 2 or 3 percent interest, is now completed and that the operator of the pipeline, BP, has done “a fabulous job.”

Co-op America also reports that Hess is among a group of companies “alleged to have conspired to mislead the public, municipal corporations and water suppliers, as well as the Environmental Protection Agency” about the environmental dangers of the gasoline additive MTBE.

And Co-op America reports that Hess, along with Marathon Oil and ChevronTexaco were under investigation in 2004 for possible violations of laws prohibiting bribes to governmental officials in Equatorial Guinea where the companies have operations. <http://www.coopamerica.org/programs/rs/profile.cfm?id=185> the investigation into this situation by the Securities and Exchange Commission is still underway, and “we cooperate fully.”

The Co-op America reference provides a more complete rundown on Hess.

FLYING J – Flying J, which operates the largest chain of truck stops in the U.S., has 256 travel plazas and fuel stops in 42 states and six Canadian provinces. Another 30 facilities are being built or planned.

Flying J has refineries in Utah and California, processing crude oil from the U.S. and Canada. It has no imports from the Persian Gulf. Flying J has no sales to the Pentagon.

Flying J operates some plazas that sell Shell products. Flying J and Shell are planning a joint venture in Canada that will include construction of 15 new travel plazas that will sell Shell products.

MURPHY OIL – Murphy Oil operates 1,000 Murphy USA gas stations in the Midwest and South, including Texas and Arkansas, many in the parking lots of Wal-Mart stores. The company has refineries in Louisiana and Wisconsin, processing oil from Canada, Nigeria, Saudi Arabia, Kuwait and Russia and also from Ecuador, Malaysia, Mexico and the North Sea. Murphy has no sales to the Pentagon.

GULF – Gulf is a petroleum marketer with 1,800 gasoline and service stations, primarily in New England, Delaware, New York, New Jersey, Pennsylvania and Ohio. Gulf is also sold at many Cumberland Farms stores. Gulf has wholesale terminals and tank farms, with its oil being supplied by a wide variety of refiners, according to a company spokesperson.

Gulf sold about \$9.4 million in petroleum products to the Pentagon in FY 2006 and \$712,443 in FY 2005.

SINCLAIR – Sinclair has 2,607 stations in 20 states concentrated in the Midwest and West. Sinclair imports its oil from Canada and uses no Persian Gulf oil. It has refineries in Wyoming and Oklahoma.

Sinclair had sales of \$41.4 million to the Pentagon in FY 2005 but no sales in FY 2006.

In April, 2007, Sinclair was ordered by an Oklahoma federal court judge to pay a \$5 million fine and a \$500,000 restitution payment to the Tulsa River Parks Authority for manipulating flows of wastewater from its Tulsa refinery to misrepresent exactly how much wastewater it was sending into the Arkansas River. Two managers at the refinery were also fined, sentenced to home detention and three years probation on felony counts under the Clean Water Act.

MORE HARMFUL – AVOID WHEN POSSIBLE

EXXONMOBIL – ExxonMobil gasoline is sold at about 16,000 stations in the United States, according to its website, and it owns the On the Run convenience stores.

Circumstantial evidence outlined by Consumers for Peace <http://www.consumersforpeace.org/> suggests that ExxonMobil was involved in planning and promoting the invasion and occupation of Iraq. It is among the top three sellers of petroleum products to the Pentagon, with sales in Fiscal Year 2006 at \$1.18 billion, second only to BP in that year. In FY 2005, ExxonMobil's Pentagon sales were \$1.02 billion. And ExxonMobil makes billions in unearned profits because various conflicts in the Middle East inflate oil prices. This is true of other oil companies, but one can argue that ExxonMobil is more open to criticism because of its apparent involvement in the origins of the Iraq War.

ExxonMobil is one of the major oil companies behind an oil law for Iraq that could bring huge profits to it and other oil producers if the law is approved by the Iraqi Parliament and the firms get production sharing agreements for the Iraq oil fields. (Others include: BP, Shell, ConocoPhillips and Chevron.

http://www.carbonweb.org/documents/crude_designs_small.pdf

ExxonMobil now imports oil from Iraq for refining at Houston and Port Arthur, Texas. As of August, 2006, 28 percent of ExxonMobil crude oil imported into the U.S. came from the Persian Gulf.

ExxonMobil continues to fight a lawsuit filed in 2001 by 11 Indonesians who claim that soldiers guarding an ExxonMobil natural gas plant in Ache province, Indonesia, who were under the firm's control, tortured and killed local residents.

ExxonMobil has spent millions of dollars to suppress information on global warming, and it faces governmental actions on pollution cleanups in various parts of the world. <http://www.exxposeexxon.org/> One of the most serious pollution sites is in the Port

Arthur-Beaumont area, where discharges from ExxonMobil and other firms have created unhealthy living and working conditions.

<http://healthandenvironment.org/articles/homepage/1008>

ExxonMobil has still has not paid \$4.5 billion for the damage from the ExxonValdez spill in 1989.

ExxonMobil has been alleged to have given bribes to public officials in Angola and Kazakhstan and to have done illegal trading with Sudan (en.wikipedia.org)

ExxonMobil contributed \$100,000 to defeat Proposition 89 in California in 2006. The measure, which was defeated, would have taxed corporations and financial institutions to support public financing of state-level candidates.

The Center for Public Integrity reports that between 1998 and 2005, ExxonMobil, a company with 111 Superfund (toxic waste) sites, spent more than \$66 million on lobbying. <http://www.publicintegrity.org/superfund/report.aspx?aid=852>

Hilton Kelley an organizer fighting refinery pollution on the U.S. Gulf Coast, mentioned in the introduction, ranks ExxonMobil's refinery operations the worst in the Port Arthur-Beaumont area of Texas, along with those of Total, a refiner selling gasoline to a variety of marketers.

For a more details on ExxonMobil see

<http://www.coopamerica.org/programs/rs/profile.cfm?id=221>,

<http://www.exxposeexxon.org/> and <http://www.consumersforpeace.org/>

SHELL – Shell has about 13,000 retail stations in the U.S. operated by Shell or Motiva Enterprises LLC in which it is a 50/50 partner with Saudi Refining Inc. Shell says it is number 1 in total gallons of gasoline sold in the U.S., based on a 2003 report.

Shell is another of the three top sellers of petroleum products to the Pentagon, with sales of \$ 1.15 billion in FY 2006, up from \$1 billion in FY 2005.

Shell has also been a major pusher for the new, highly exploitative Iraq oil law. Shell imports oil from Iraq for refining at Morgan City, Louisiana and through Motiva at Port Arthur, Texas. Shell gets 79% of its U.S. oil imports from the Persian Gulf through Motiva.

In connection with its operations in Nigeria, Shell has been charged with responsibility for widespread environmental damage and to have worked with the Nigerian government to violate the rights of Nigerians fighting environmental degradation. Two men who protested against Shell, Ken Saro-Wiwa and John Kpuinen, were hung in 1995 on charges widely viewed as bogus. The Center for Constitutional Rights has assisted Nigerians in lawsuits against Shell, filed in 1996, arguing that Shell was complicit in the

hangings and in torture and attacks on peaceful protestors of Shell activities. The case is pending.

http://www.crnny.org/v2/legal/corporate_accountability/corporateArticle.asp?ObjID=sReYTC75tj&Content+46

In 2001, a 415,000 gallon tank exploded at Shell's Motiva refinery in Delaware City, Delaware, killing a worker and injuring eight others. The accident resulted in the release of 99,000 gallons of sulfuric acid into the Delaware River, killing an estimated 2,400 fish. The explosion lifted the tank off its foundation; the body of the dead worker was never found. The EPA found that the exploded tank "had a long history of problems" and that "Motiva had several warnings from its own employees" about the tank. Motiva pleaded guilty to criminally negligent homicide and assault charges brought by the state and paid \$36.4 million to the family of the dead worker. The costs of settlements with the injured workers was not announced. The total cost to the company in fines, environmental projects and other costs required by various government agencies was \$23.7 million, according to the U.S. Department of Justice.

Earlier in 2001, Shell's Motiva Enterprises and Deer Park refineries were included in an agreement with the EPA, along with Chevron's Equilon refinery, intended to reduce emissions and included a \$9.5 million fine and a commitment of \$5.5 million to communities affected by the pollution. Refineries involved are in Texas and Louisiana. Subsequently, Motiva proposed to use air scrubbers that were less effective and would increase water pollution in the Delaware River. That idea was rejected by the state of Delaware, but Motiva was granted a two-year extension to install the proper scrubbers.

Hilton Kelley, an organizer working to clean up refinery operations on the U.S. Gulf Coast, rates Shell's Motiva refinery in Port Arthur, Texas as the least environmentally damaging in the area and said "they're starting to clean up their act."

Shell faces a variety of environmental, health and safety and ethics charges, outlined in detail at <http://www.coopamerica.org/programs/rs/profile.cfm?id=288>

BP – BP is an international oil company with 11,000 stations in the United States, concentrated in the Midwest and Southeast and with a significant presence in New York, New Jersey, south Florida and in Chicago and Washington, DC. Castrol motor oil is a BP brand.

British Petroleum was the largest petroleum supplier to the Pentagon in FY 2006 with sales of \$1.19 billion and in FY 2005 with sales of \$1.6 billion.

BP has also been involved in pushing for the new Iraq oil law that, if approved by the Iraqi parliament, will bring oil companies huge profits. BP imports oil from Iraq for refining in Los Angeles, California. About 10 percent of its imports come from the Persian Gulf.

BP has had a run of serious accidents, in some cases deadly, that have been traced to lack of attention to safety. In 2005, for example, 15 workers were killed at BP's Texas City refinery where BP was found to have ignored its own reports on potential hazards. BP had to shut down its Prudhoe Bay, Alaska, pipeline because of corrosion traced to failure to clean and test the system.

AMOCO – Amoco was merged with BP in 1998 and Amoco stations have been converted to BP stations. A few Amoco stations still exist, but the money goes to BP. BP still markets “Amoco Fuels” and “Amoco Ultimate.”

ARCO – Arco is a subsidiary of BP, operating 1,100 stations, primarily in California, Nevada, Oregon, Washington and Arizona.

In 2001, BP agreed with the EPA to pay a \$9.5 million fine for violating the Clean Air Act at eight of its refineries in California, Indiana, North Dakota, Ohio, Texas, Utah, Virginia and Washington.

From 1998 to 2005, BP, which has 111 Superfund (toxic) sites, spent \$30 million on lobbying on Superfund, Clean Air Act and energy issues, according to the Center for Public Integrity <http://www.publicintegrity.org/superfund/report.aspx?aid=852>

For a summary of health, safety, environmental and ethical concerns with respect to BP see <http://www.coopamerica.org/programs/rs/profile.cfm?id=196>

CHEVRON/TEXACO – Chevron, which owns Texaco, operates about 7,500 retail stations, primarily in the West and South and another 2,100 Texaco stations in the South and East. Caltex is also a Chevron brand as are Havoline and Delo oils. Chevron, with ExxonMobil, Shell, Conoco/Phillips and BP, has been involved in creating and promoting the extremely exploitative oil law that is now under consideration by the Iraqi parliament. Chevron imports oil from Iraq, refining it at its plants in Pascagoula, Mississippi and Honolulu, Hawaii. Chevron imports about 35 percent of its petroleum from the Persian Gulf.

Chevron sold \$62 million in petroleum products to the Pentagon in FY 2006 and \$257 million in FY 2005.

Chevron, according to Co-op America, is being sued by a group of Nigerians who allege that in 1998 and 1999 Chevron supported military attacks on protesters in the Niger Delta, the heart of oil production in Nigeria. The protesters were demanding that Chevron contribute more from its operations to development in the impoverished delta and were also protesting environmental damage and failure to make reparations, according to the Center for Constitutional Rights, which is assisting with the suit. <http://www.ccr-ny.org/>

According to GlobalSecurity.com, Chevron has also be involved in the efforts of the Angolan government to suppress an independence movement in the tiny, oil-rich enclave of Cabinda, which shares a border with Angola. Cabinda, the website reports, produces more than half Angola's oil but receives only about 10 percent of the taxes on the oil. In 1975, the website says, Chevron paid the Angolan government to invade oil-rich Cabinda to take over the oil fields and "is participating alongside the (Angolan) occupying force." The occupation and efforts to eliminate the independence movement have resulted in killing, rape, kidnapping, torture and looting. A settlement was agreed upon in 2006, but prospects for peace appear questionable.

Chevron is on the "Dirty List" of The Burma Campaign in the United Kingdom, which advocates for human rights in highly repressive Myanmar (Burma). The group says: "Since its 2005 takeover of UNOCAL, U.S. oil giant Chevron has been one of the joint venture partners developing the Yadana offshore gas field in Burma, which earns the military regime millions of dollars."

Chevron was allegedly involved along with Hess and Marathon in bribery of officials in Equatorial Guinea, according to CoopAmerica.

Chevron contributed \$34.25 million to defeat Proposition 87 in California, a measure that would have taxed energy companies in order to fund development of alternative energy sources. The company also contributed \$250,000 to defeat Proposition 89 that would have raised corporate and financial institution taxes by .2 percent to fund state-level political campaigns.

<http://www.igs.berkeley.edu/library/election2006/camp-finance.html>

Both measures were defeated at the polls in November, 2006.

Hilton Kelley, an organizer fighting refinery pollution along the U.S. Gulf Coast, rates the Chevron refinery in Port Arthur, Texas, the third worst polluter after ExxonMobil and Total, who share the number one spot and Valero, number two.

Chevron is also dealing with a \$6 billion suit against Texaco which charges that it dumped 18.5 billion gallons of wastewater into the Amazon jungle. See

<http://www.coopamerica.org/programs/rs/profile.cfm?id=201>

VALERO - Valero Energy is the largest refiner in the United States, with 17 facilities across the country. It operates 4,100 retail stations in the U.S. and Canada, primarily in the Midwest, Southwest and West under brand-names Valero, Diamond Shamrock, Ultramar, Total and Beacon.

Valero had petroleum sales to the Pentagon of \$566.9 million and \$661.2 million in FY 2005 and FY 2006, respectively. In 2006, Valero was the largest importer of crude oil to the U.S., with about 30 percent coming from the Persian Gulf. Valero imports oil from

Iraq, refining it at refineries in Corpus Christi and Texas City, Texas and Long Beach, California.

In 2006, a Valero refinery in Aruba spilled an undetermined amount of oil into the ocean and onto Aruba beaches. In 2005, Valero was required by the Environmental Protection Agency and the Justice Department to spend \$700 million to clean up emissions at its refineries in Colorado, Louisiana, New Jersey, Oklahoma and Texas. Valero was also required to pay a \$5.5 million fine and to spend another \$5.5 million on “environmentally beneficial projects and payments to communities near its refineries. In 2002, the California Department of Toxic Substances Control reached a \$115,000 settlement with Valero over illegal storage, treatment and disposal of hazardous waste at its refinery in Benicia.

Hilton Kelley, an organizer working to reduce environmental hazards of refineries on the U.S. Gulf Coast, ranks Valero refining operations in Port Arthur, Texas as second worst environmentally after ExxonMobil and Total, who share worst place.

CONOCOPHILLIPS/76/PHILLIPS66 - ConocoPhillips has about 8,600 retail gasoline stations in the U.S., operating as Conoco, Phillips 66 or 76. Conoco is the third largest importer of crude oil in the U.S., after Valero and ExxonMobil; it gets about 8 percent of this from the Persian Gulf and imports no oil from Iraq.

Conoco is one of a group of major oil companies that have promoted a new oil law for Iraq that, if passed by Iraq’s parliament, would be extremely profitable for the oil companies.

Conoco has no sales to the Pentagon.

Conoco is in partnership with the Russian oil company Lukoil to try to get approval from the Iraqi government to develop the West Qurna oil field in southern Iraq, with Conoco to get about 20 percent of the deal.

In Latin America, Conoco has been under pressure from indigenous people in Peru and Ecuador to abandon plans to drill for oil on their lands. AmazonWatch, which is supporting the occupants of the land, reports that Conoco “currently owns the rights to seven oil concessions on the ancestral territories of various indigenous groups – in total three times the size of New Jersey – in the Peruvian and Ecuadorian Amazon, the heart of the most bio-diverse region on the planet.”

In California, Conoco contributed \$3 million to a campaign to defeat Proposition 87, which sought to cut oil consumption in the state by 25 percent and to set a new tax on oil production to raise \$4 billion for alternative energy programs. The firm also contributed \$100,000 to defeat Proposition 89, which would have imposed a .2 percent tax on corporations and financial institutions to provide public funds to finance state-level political campaigns. Both propositions were defeated in November, 2006.

GETTY/LUKOIL – Getty, with 2,000 retail outlets in the Northeast, Virginia, Delaware and West Virginia, was purchased by the Russian oil company Lukoil in 2000, and Lukoil is progressively replacing the Getty name on stations.

Lukoil may be selling petroleum products to the Pentagon through Refinery Associates of Texas, which had a Pentagon contract for \$576.6 million in FY 2006.

Lukoil, in partnership with ConocoPhillips, is working to get access to the West Qurna oil field in southern Iraq. Iraq Directory - <http://www.iraqdirectory.com/> - reports: “Lukoil has spent more than a decade angling for West Qurna. In spite of United Nations sanctions, the company signed a deal with Saddam Hussein, Iraq’s deposed president, in 1997 to develop the field. But in 2002, shortly before the U.S. invasion, Baghdad rescinded the deal, saying it was angered by Lukoil’s attempts to get assurances from the opposition that it would keep the contract in case Mr. Hussein’s regime fell.”

Lukoil as a privately-held company is, like ExxonMobil, Shell, BP, Chevron and others, in line to take quick advantage of Iraq’s proposed oil law so that it can get into the Iraq fields and lock up access to reserves. This is particularly important, Iraq Directory notes, because the Russian government is progressively placing its reserves under government control, out of private hands. Lukoil’s initiative in Iraq is fully supported by the Russian government, according to Iraq Directory.

MARATHON – Marathon Oil Company has 4,000 stations in 16 Midwestern and Southern states, and also operates 1,567 Speedway Super America. It has no sales to the Pentagon. It has oil production facilities concentrated in Europe and Africa, with refineries in the United States. Marathon imports oil from Iraq for refining at Morgan City, Louisiana.

Marathon was allegedly involved with bribery in Equatorial Guinea, along with Hess and Chevron, according to Co-op America <http://www.coopamerica.org/> <http://www.Corpwatch.org/> reports that Marathon has an extremely profitable stake in a gas field and liquefied natural gas (LNG) plant there from which, under a production sharing agreement, “Guinea’s government receives a paltry 5%.” The report goes on to ask why Marathon got such a good deal, and said: “To get the go-ahead on the LNG plant, Marathon was proposing to tip more than \$2 million the way of the president (of Guinea) himself. He said he owned the land on which the LNG plant was to be built, and the oil company agree to pay the price.” Guinea is impoverished, the report continued, with 5 percent of the population owning 80 percent of the wealth.

In 2001, Marathon agreed to pay a \$3.8 million fine for violation of the Clean Air Act in Illinois, Louisiana, Texas, Kentucky, Ohio and Minnesota. The company agreed to spend \$265 million in reducing air pollution and paid \$6.5 million to communities affected by the pollution. Marathon was also required in a separate settlement to enclose its sewer system and waste water treatment plant at its Illinois refinery.

In 2003 Earthjustice filed a motion to intervene on behalf of the Sierra Club and the National Resources Defense Council (NRDC) in suits filed by Marathon and the American Petroleum Institute trying to relax provisions of the Clean Water Act. An NRDC press release said the suits, if successful, would mean that half of U.S. waters would lose federal protection from discharges of oil.

TESORO – Tesoro is an oil refiner and marketer with 450 stations under the Tesoro or Mirastar names, located primarily in Alaska, North Dakota, Utah, Washington, Idaho and Minnesota. It operates six refineries in the western U.S. and Hawaii. In 2006, 34 percent of its crude stock came from the Persian Gulf. In March, 2007 it processed crude from Saudi Arabia, Brunei, Yemen, Libya, Indonesia, Malaysia, Canada, Angola and Nigeria.

In FY 2006, Tesoro sold \$44 million in petroleum to the Pentagon plus \$26.7 million in services; in FY 2005 its Pentagon sales were \$169 million in petroleum and \$19.3 million in services.

In 2002, a San Francisco area judge denied a Clean Water Act permit to the Tesoro refinery at Avon because it would not sufficiently limit dioxin flow into the San Francisco Bay. Dioxin is a cancer-causing agent. The ruling is seen as improving water quality in the bay. In 2000, the EPA required Tesoro to pay a fine of \$681,780 for failures to protect air and water from toxics.

ENDNOTES:

¹ “WAR OIL”

The U.S. is involved directly and indirectly in warfare and suppression of rebellion in Lebanon, Israel/Palestine, Arabia and Somalia as well as Iraq. The U.S. is also reportedly undertaking clandestine action against the government of Iran. The Middle East is effectively a war zone in which detention/kidnapping, torture and killing are widespread and growing.

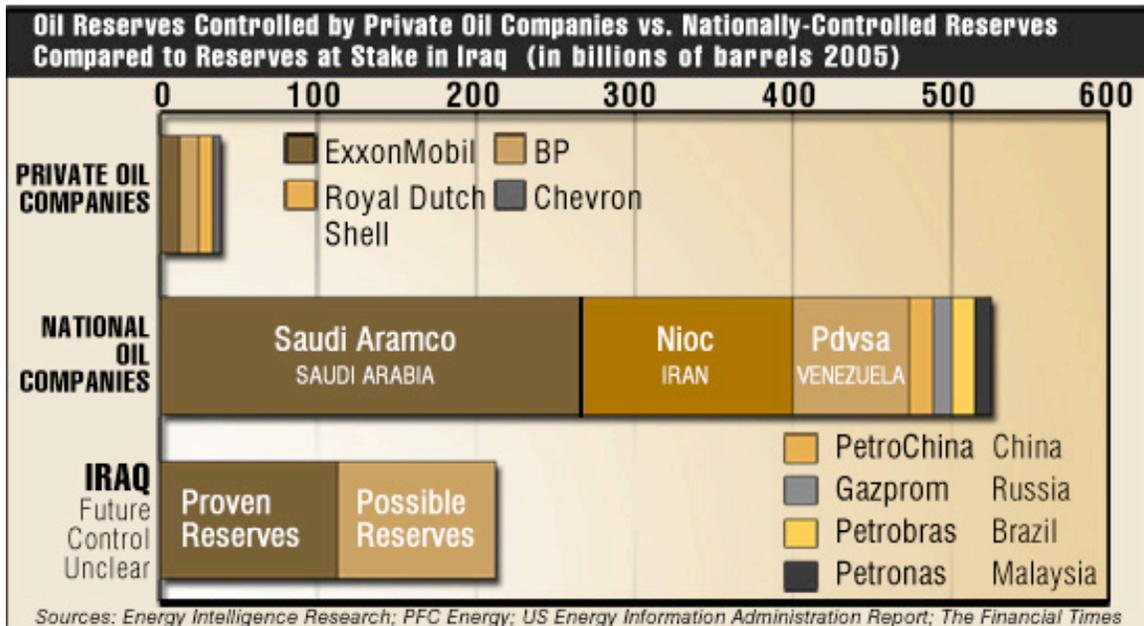
One can argue that the warfare across the Middle East is, at its deepest level, connected in a variety of sometimes complex ways to the struggle between local people and outside governments/major corporations over who will have access to Middle East oil and/or at what price.

The war in Iraq is a critical conflict for privately-held major oil companies such as ExxonMobil, BP, Shell and Chevron. As illustrated in the graph below, these companies have relatively small oil reserves compared to the reserves held by the world's major government-owned oil companies. Iraq oil would be a new lease on life for the big private oil companies. These companies are also desperate to prevent Middle Eastern leaders from demanding greater shares of the oil profits. The major privately-held oil companies have been promoting an oil law for Iraq, with the full backing of the Congress (see Ann Wright article below), that would be even more profitable for them if it became a model for the Middle East and elsewhere, turning back the clock in most Middle Eastern countries. See: <http://www.handsoffiraqoil.org/>

THE SIZE OF THE PRIZE

Oil reserves, usually measured in billions of barrels, are basically pools of oil, controlled by either private firms or national oil companies. The larger the overall pool of oil you control, the better your future. Countries nationalize oil in an attempt to gain maximum benefit from their natural resources. This oil reserve graph shows that national oil companies are coming to dominate the world oil business.

The United States is pushing the Iraqi Parliament to pass a new oil law that will open Iraq's reserves to private oil companies such as ExxonMobil, Shell, BP and Chevron under contracts that will be extremely profitable to the private firms and leave Iraq oil nationalized in name only. This is being opposed by many Iraqis, including Iraqi oil workers. The graph below dramatically illustrates how much Iraq's oil could mean to major oil companies if the United States is successful in forcing through the oil law, which is based on work done in the U.S. State Department before the 2003 invasion and occupation of Iraq.



For more information see:

handsoffiraqoil.org; priceofoil.org; iraqoilaw.org; and carbonweb.org
www.consumersforpeace.org © 2007 Nick Mottern, www.consumersforpeace.org

The entire Middle East region is one in which oil is being pumped and shipped by major U.S. firms at the cost to local people of freedom, gross suffering and death. In Iraq alone, current estimates suggest that close to one million Iraqis have died because of the U.S. invasion and occupation of the Iraq. With the repeated "surges" of U.S. troops into Iraq, the number of Iraq deaths will climb along with those of Americans and climb at a faster rate.

Therefore, we describe oil coming from the Middle East as “war oil”, oil mixed with blood. It is obvious from reading this report that the U.S. imports bloody oil from other countries as well. It is the Middle East however, that is the main battleground for U.S. and other major, privately-owned oil companies.

**What Congress Really Approved:
BENCHMARK #1 – PRIVATIZING IRAQ’S OIL FOR U.S. COMPANIES**

By Ann Wright
Truthout/Guest Contributor
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On Thursday, May 24, the U.S. Congress voted to continue the war in Iraq. The members called it "supporting the troops." I call it stealing Iraq's oil - the second largest reserves in the world. The "benchmark," or goal, the Bush administration has been working on furiously since the U.S. invaded Iraq is privatization of Iraq's oil. Now they have Congress blackmailing the Iraqi Parliament and the Iraqi people: no privatization of Iraqi oil, no reconstruction funds.

This threat could not be clearer. If the Iraqi Parliament refuses to pass the privatization legislation, Congress will withhold U.S. reconstruction funds that were promised to the Iraqis to rebuild what the United States has destroyed there. The privatization law, written by American oil company consultants hired by the Bush administration, would leave control with the Iraq National Oil Company for only 17 of the 80 known oil fields. The remainder (two-thirds) of known oil fields, and all yet undiscovered ones, would be up for grabs by the private oil companies of the world (but guess how many would go to United States firms - given to them by the compliant Iraqi government.)

No other nation in the Middle East has privatized its oil. Saudi Arabia, Kuwait, Bahrain and Iran give only limited usage contracts to international oil companies for one or two years. The \$12 billion dollar "Support the Troops" legislation passed by Congress requires Iraq, in order to get reconstruction funds from the United States, to privatize its oil resources and put them up for long term (20- to 30-year) contracts.

What does this "Support the Troops" legislation mean for the United States military? Supporting our troops has nothing to do with this bill, other than keeping them there for another 30 years to protect U.S. oil interests. It means that every military service member will need Arabic language training. It means that every soldier and Marine would spend most of his or her career in Iraq. It means that the fourteen permanent bases will get new Taco Bells and Burger Kings! Why? Because the U.S. military will be protecting the U.S. corporate oilfields leased to U.S. companies by the compliant Iraqi government. Our troops will be the guardians of U.S. corporate interests in Iraq for the life of the contracts - for the next thirty years.

With the Bush administration's "Support the Troops" bill and its benchmarks, primarily Benchmark No. 1, we finally have the reason for the U.S. invasion of Iraq: to get easily accessible, cheap, high-grade Iraq oil for U.S. corporations.

Now the choice is for U.S. military personnel and their families to decide whether they want their loved ones to be physically and emotionally injured to protect not our national security, but the financial security of the biggest corporate barons left in our country - the oil companies.

It's a choice for only our military families, because most non-military Americans do not really care whether our volunteer military spends its time protecting corporate oil to fuel our one-person cars. Of course, when a tornado, hurricane, flood or other natural disaster hits in our hometown, we want our National Guard unit back. But on a normal day, who remembers the 180,000 U.S. military or the 150,000 U.S. private contractors in Iraq?

Since the "surge" began in January, over 500 Americans and 15,000 Iraqis have been killed. By the time September 2007 rolls around for the administration's review of the "surge" plan, another 400 Americans will be dead, as well as another 12,000 Iraqis.

How much more can our military and their families take?

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2

Check the following for information on the impact of major oil refineries on low-income communities in the United States, particularly on the Gulf Coast.

<http://www.refineryreform.org/> <http://www.citgojustice.org/>

<http://www.healthandenvironment.org/>

<http://www.cida-inc.org/>

Prepared by ConsumerforPeace.org

<http://www.consumersforpeace.org>

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