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On Feb. 25, the state-run oil company PEMEX and Shell Oil Co. finalized an agreement to invest US$1 billion for expansion of Shell's refinery in Deer Park, Texas. Under the accord, PEMEX will acquire 50% ownership of the facility, which has the capacity to process 225,000 barrels per day. According to Shell Oil Co. president Frank Richardson, the new arrangement will boost the competitive position of the Deer Park facility, the largest of Shell's six refineries in the US. For Mexico, the deal allows PEMEX to secure access to foreign installations for processing of heavy crude (Maya) into more marketable products, such as high-octane unleaded gasoline. A similar arrangement is under negotiation separately with Du Pont (see SourceMex, 02/17/93). According to PEMEX director Francisco Rojas, such contracts help the company reduce dependency on imports of unleaded gasoline, which currently average 70,000 bpd. (Source: Spanish news service EFE, 02/25/93)

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