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Limetree Bay Refinery Granted Motion to Extend Sale Deadline as West Indies Petroleum Fails to Close Deal on Time

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Nighttime shot of the Limetree Bay Refinery headquarters on St. Croix. By. ERNICE GILBERT/ V.I. CONSORTIUM

Limetree Bay Refinery late Friday filed for and was granted a motion to extend the sale of the refinery from Friday, Jan. 21 to Monday, Jan. 24, telling the U.S. Bankruptcy Court for the Southern District of Texas, which has jurisdiction over the sale proceedings, that West Indies Petroleum, which had paid a substantial amount of the \$62 million closing cost on Friday, wired the remaining amount but the funds as of late Friday hadn't arrived.

As of the motion's filing on Friday, West Indies Petroleum had funded \$50,599,895 of the \$62 million purchase price of the refinery, and Limetree Bay Refinery said the additional \$11,480,720 was sent via wire transfer and was in transit. According to court documents obtained by the Consortium, Limetree Bay Refinery told the bankruptcy court that it was in receipt of the federal reference number and SWIFT code for the funds in transit, and confirmed that the funds totaled more than the remaining \$11,480,720 balance of the purchase price of \$62 million.

Limetree Bay Refinery further stated that West Indies Petroleum anticipated that the funds would have been received by or before Friday, "however, due to delays with the international wire transfer, [Limetree Bay Refinery] had yet to receive the funds in transit, according to the emergency filing.

Limetree Bay Refinery and its related companies are the debtors, and West Indies Petroleum is the purchaser along with its partner, Port Hamilton Refining and Transportation, LLP. "The debtors and purchaser are informed and believe that the debtors will receive the funds in transit on or before Monday, January 24, 2022," reads the court document.

Judge David Jones granted the request, and the sale is expected to close Monday.

If a closing does not take place, the second runner-up for the bid, St. Croix Energy — which on two occasions sought through the courts to halt the sale of the refinery but failed in those attempts — would be granted the opportunity to buy the refinery at the \$62 million sale price.

[On January 7](#), WIPL CEO Charles Chambers said, "No doubt we are committed to and confident about successfully closing out the sale and moving towards maximizing the potential benefits that this refinery may have on improving not just local or regional but also global energy security." The Jamaica-based firm said it sees the purchase of the refinery as a "major strategic investment," as it worked to quell concerns that it didn't have the financial wherewithal needed to sustain the behemoth facility on the south shore of St. Croix.

He added, "Quite apart from the economic boost to St. Croix via the significant foreign direct investment and job creation which our investment will naturally bring, it's important to note that given the distinct comparative advantage which its strategic location facilitates, our winning bid and attendant proposed major investment in the Limetree Bay Refinery have significantly raised the prospects of WIPL leveraging its footprints by supporting in a major way the energy requirements of a raft of countries including Puerto Rico, Trinidad and Tobago, Jamaica and sections of the United States."

WIPL on Sat. Dec. 18, 2021 [won the auction](#) for the Limetree Bay Refinery with its \$62 million bid, and the firm has said it is committed to being sensitive to environmental considerations in its operation of the facility, which WIPL said is widely regarded among stakeholders as a landmark and the largest of its kind in the western hemisphere.