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May 30, 2007

Ms. Hope Monzeglio  
State of New Mexico Environmental Department  
Hazardous Waste Bureau  
2905 Rodeo Park Drive East, Building 1  
Santa Fe, New Mexico 87505-6303

Re: FINANCIAL ASSURANCE REQUIREMENTS AND UPDATES  
GIANT REFINING COMPANY, CINIZA EPA ID# NMD000333211  
AND BLOOMFIELD REFINERY EPA ID# NMD 089416416

Dear Ms. Monzeglio:

The New Mexico Environment Department-Hazardous Waste Bureau's letter dated March 6, 2007 requires Giant Industries, Arizona, Inc. (Giant) to update the Irrevocable Standby Letter of Credit (LOC), and related documentation, which is the financial assurance mechanism used by (Giant) to demonstrate our ability to satisfy closure and post-closure requirements for both the Ciniza and the Bloomfield refineries.

As you are aware, Giant and Western Refining have agreed to a merger in which Western Refining would acquire Giant's assets. Today, May 29, 2007, the U.S. District Court in Albuquerque denied the Federal Trade Commission's (FTC) request for a preliminary injunction to the proposed merger. Absent a temporary injunction from either the District Court or the 10<sup>th</sup> Circuit Court or Appeals, the merger may close on Thursday, May 31.

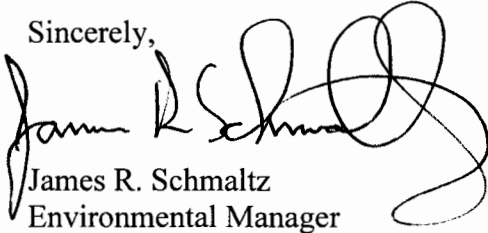
Given this information and the possibility of changes in Company Officers, Giant requests a thirty day extension to the June 6, 2007 deadline for submittal of the updated financial assurance documentation. Company Officers who can direct the trust company, The Bank of New York, in connection with the standby trust agreement are likely to change following the merger. The LOC, however, will remain in place following the merger.

Ms. Hope Monzeglio  
April 7, 2005

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Your consideration in this matter is greatly appreciated!

Sincerely,



James R. Schmaltz  
Environmental Manager

Cc: Ed Riege  
David Kirby  
Todd Doyle