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January 18, 2008

James Bearzi, Bureau Chief
New Mexico Environment Department
Hazardous Waste Bureau
2905 Rodeo Park Drive East, Bldg 1
Santa Fe, NM 87505

Re: Giant Refining Company, Bloomfield Refinery Order No. HWB 07-34 (CO)
Financial Assurance Cost Estimate

Dear Mr. Bearzi:

Giant Refining Company, Bloomfield Refinery submits the referenced financial assurance cost estimate pursuant to Section III.P. of the July 2007 HWB Order. This initial "Estimated Cost of the Work" includes costs to address those activities specified in Section III.P.1. of the Order. The current total estimated cost is \$1,325,882 and a detailed breakout of the estimate by activity is enclosed.

If you have questions or would like to discuss the cost estimate, please contact me at (505) 632-4171.

Sincerely,

James R. Schmaltz
Environmental Manager
San Juan Refining Company
Bloomfield Refinery

cc: Hope Monzeglio – NMED HWB
Dave Cobrain – NMED HWB
C. Frischkorn – NMED HWB
Laurie King – EPA Region 6
Allen Hains – Western Refining El Paso

GIANT INDUSTRIES, INC.
Bloomfield, New Mexico Refinery
NMED Order No. HWB 07-34 (CO) -- Financial Assurance Cost Estimate

Waste Management Area	NMED Order Provision	Soil Borings	Monitor Wells	Total Investigation Costs	Ground Water Capital Costs	Soil Remediation Costs	Total Remediation Costs	O&M Costs	Total Costs
Solid Waste Management Units (SWMU's) Investigation, Remediation, & associated reports									
Group 1									
Interim Status Unit No. 1: North & South Aeration Lagoons	IV.B.6	0	0	\$0	\$0	\$35,532	\$35,532	\$0	\$35,532
Closure Work Plan	IV.B.5.								\$0
Invest. Report	IV. B.7								\$0
Impracticability Demonstration	VI.B.1								\$0
Risk Assessment Report	VI.B.2								\$0
Corrective Measures Eval. Rpt.	VI.C.2								\$0
Corrective Measures Implementation Plan	VI.D.2								\$0
Progress Report	VI.D.5							\$0	\$0
Remedy Completion Report	VI.D.6								\$5,000
Post-Closure Care Permit Application									\$20,000
								Subtotal	\$60,532
Group 2									
SWMU No. 2: Drum Storage Area - North Bone Yard	IV.B.6	8	1	\$15,500	\$0	\$0	\$0	\$0	\$15,500
SWMU No. 8: Inactive Landfill	IV.B.6	12	1	\$21,500	\$0	\$0	\$0	\$0	\$21,500
SWMU No. 9: Landfill Pond	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
SWMU No. 11: Spray Irrigation Area	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
SWMU No. 18: Warehouse Yard	IV.B.6	4	1	\$9,500	\$0	\$0	\$0	\$0	\$9,500
Invest. Work Plan	IV.B.4								\$0
Invest. Report	IV. B.7								\$30,000
Impracticability Demonstration	VI.B.1								\$0
Risk Assessment Report	VI.B.2								\$0
Corrective Measures Eval. Rpt.	VI.C.2								\$7,500
Corrective Measures Implementation Plan	VI.D.2								\$5,000
Progress Report	VI.D.5							\$500	\$500
Remedy Completion Report	VI.D.6								\$10,000
								Subtotal	\$99,500
Group 3									
SWMU No. 4: Transportation Terminal Sump	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
SWMU No. 5: Heat Exchanger Bundle Cleaning Area & AOC No. 25: Auxiliary Warehouse and 90-day Storage Area	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
AOC No. 22: Product Loading Rack & Crude Receiving Loading Racks	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
AOC No. 23: Southeast Holding Ponds	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
AOC No. 24: Tank Areas 41 and 43	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0

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AOC No. 26: Tank Area 44 and 45	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
Invest. Work Plan	IV.B.4								\$0
Invest. Report	IV. B.7								\$0
Impracticability Demonstration	VI.B.1								\$0
Risk Assessment Report	VI.B.2								\$0
Corrective Measures Eval. Rpt.	VI.C.2								\$0
Corrective Measures Implementation Plan	VI.D.2								\$0
Progress Report	VI.D.5							\$0	\$0
Remedy Completion Report	VI.D.6								\$0
Subtotal									\$0
Group 4									
SWMU No. 7 Raw Water Ponds	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
SWMU No. 10: Fire Training Area	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
SWMU No. 16: Active Landfill	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
Invest. Work Plan	IV.B.4								\$0
Invest. Report	IV. B.7								\$0
Impracticability Demonstration	VI.B.1								\$0
Risk Assessment Report	VI.B.2								\$0
Corrective Measures Eval. Rpt.	VI.C.2								\$0
Corrective Measures Implementation Plan	VI.D.2								\$0
Progress Report	VI.D.5							\$0	\$0
Remedy Completion Report	VI.D.6								\$0
Subtotal									\$0
Group 5									
SWMU No. 15: Tank Farm Area	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
Invest. Work Plan	IV.B.4								\$0
Invest. Report	IV. B.7								\$0
Impracticability Demonstration	VI.B.1								\$0
Risk Assessment Report	VI.B.2								\$0
Corrective Measures Eval. Rpt.	VI.C.2								\$0
Corrective Measures Implementation Plan	VI.D.2								\$0
Progress Report	VI.D.5							\$0	\$0
Remedy Completion Report	VI.D.6								\$0
Subtotal									\$0
Group 6									
AOC No. 19: Seep North of MW-45	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
AOC No. 20: Seep North of MW-46	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
AOC No. 21: Seep North of MW-47	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
Invest. Work Plan	IV.B.4								\$0
Invest. Report	IV. B.7								\$0
Impracticability Demonstration	VI.B.1								\$0
Risk Assessment Report	VI.B.2								\$0

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Corrective Measures Eval. Rpt.	VI.C.2								\$0
Corrective Measures Implementation Plan	VI.D.2								\$0
Progress Report	VI.D.5							\$0	\$0
Remedy Completion Report	VI.D.6								\$0
Subtotal									\$0
Group 7									
SWMU No. 17: River Terrace Area	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
Invest. Work Plan	IV.B.4								\$0
Invest. Report	IV. B.7								\$0
Impracticability Demonstration	VI.B.1								\$0
Risk Assessment Report	VI.B.2								\$0
Corrective Measures Eval. Rpt.	VI.C.2								\$0
Corrective Measures Implementation Plan	VI.D.2								\$0
Progress Report	VI.D.5							\$0	\$0
Remedy Completion Report	VI.D.6								\$0
Subtotal									\$0
Group 8									
SWMU No. 3: Underground Piping Currently in Use	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
SWMU No. 6: Abandoned Underground Piping	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
Invest. Work Plan	IV.B.4								\$0
Invest. Report	IV. B.7								\$0
Impracticability Demonstration	VI.B.1								\$0
Risk Assessment Report	VI.B.2								\$0
Corrective Measures Eval. Rpt.	VI.C.2								\$0
Corrective Measures Implementation Plan	VI.D.2								\$0
Progress Report	VI.D.5							\$0	\$0
Remedy Completion Report	VI.D.6								\$0
Subtotal									\$0
Group 9									
SWMU No. 13: Process Area	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
SWMU No. 14: Tanks 3, 4, and 5	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
SWMU No. 12: API Separator	IV.B.6	0	0	\$0	\$0	\$0	\$0	\$0	\$0
Invest. Work Plan	IV.B.4								\$0
Invest. Report	IV. B.7								\$0
Impracticability Demonstration	VI.B.1								\$0
Risk Assessment Report	VI.B.2								\$0
Corrective Measures Eval. Rpt.	VI.C.2								\$0
Corrective Measures Implementation Plan	VI.D.2								\$0
Progress Report	VI.D.5							\$0	\$0
Remedy Completion Report	VI.D.6								\$0
Subtotal									\$0

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Waste Management Area	NMED Order Provision	Soil Borings	Monitor Wells	Total Investigation Costs	Ground Water Capital Costs	Soil Remediation Costs	Total Remediation Costs	O&M Costs	Total Costs
Other Areas									
To be determined?	III.Q.1	0	0	\$0	\$0	\$0	\$0	\$0	\$0
Invest. Work Plan									\$0
Invest. Report									\$0
Impracticability Demonstration									\$0
Risk Assessment Report									\$0
Corrective Measures Eval. Rpt.									\$0
Corrective Measures Implementation Plan									\$0
Progress Report								\$0	\$0
Remedy Completion Report									\$0
								Subtotal	\$0
Interim Measures & Facility Wide Ground Water Monitoring									
River Terrace Area Analytical	V.B.1							\$50,000	\$50,000
River Terrace Annual Report	V.B.1							\$27,500	\$27,500
River Terrace Operation & Maintenance	III.P.1 & V.B.							\$55,000	\$55,000
North Barrier Wall collection operations	III.P.1							\$300,000	\$300,000
Facility Wide Ground Water Monitoring (including North Barrier Wall & Tank Farm) analytical costs	IV.A.							\$558,450	\$558,450
Facility-Wide Annual Monitoring Report (including North Barrier Wall)	IV.A.2.							\$105,000	\$105,000
1# East Outfall	V.C.							\$3,900	\$3,900
San Juan River samples								\$66,000	\$66,000
								Subtotal	\$1,165,850
TOTAL ESTIMATED COSTS TO IMPLEMENT NMED ORDER DATED July 2007								Total	\$1,325,882

Soil boring costs = \$1,500 per boring, including installation and two analyses
 Monitor well costs = \$3,500/well (includes installation & analysis)