

GLN 94-95



23733 North Scottsdale Road  
Scottsdale, Arizona 85255

P.O. Box 12999  
Scottsdale, Arizona 85267

602  
585-8888

November 29, 1994

Mr. Michael Chacon  
State of New Mexico  
New Mexico Environmental Improvement Division  
524 Camino De Los Marquez, Suite 4  
Santa Fe, New Mexico 87502

Dear Mr. Chacon,

Giant Industries, Inc. is converting its outstanding Letters of Credit from Chase Manhattan Bank, N.A. to Bank of America.

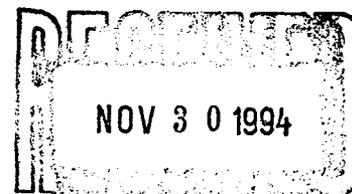
Enclosed is an original Letter of Credit issued by Bank of America. The contents of the Letter of Credit including the expiration date and amount are the same as the language in the Chase Manhattan Bank, N.A. Letter of Credit currently in your possession. Please note that this Letter of Credit is non-operative. After you have reviewed it and approve the instrument, please call me with your acceptance at (602) 585-8720. I will notify Bank of America and they will send you an amendment to make it operative and at that time the Chase Manhattan Bank, N.A. Letter of Credit will be cancelled. When the Bank of America Letter of Credit becomes operative please send the Chase Manhattan Bank, N.A. Letter of Credit to me in the enclosed Federal Express envelope.

Sincerely,

A handwritten signature in cursive script that reads "Lorry Phillips".

Lorry Phillips  
Credit Administrator

GLN:llp



International Trade Banking Division  
Trade Operations Center #2621  
333 South Beaudry Avenue, 19th Floor  
Los Angeles, California 90017

October 21, 1994

Irrevocable Standby Letter of Credit No. LASB-221968

State of New Mexico Director  
New Mexico Environmental Improvement Division  
P.O. Box 968  
Santa Fe, New Mexico 87504-0968

Gentlemen:

At the request of Giant Industries, Inc. and for the account of Giant Industries Arizona, Inc., (a Giant Refining Company, a Division thereof), 23733 North Scottsdale Road, Scottsdale, Arizona 85255, We hereby establish our Irrevocable Standby Letter of Credit No. LASB-221968 in your favor up to the aggregate amount of USD \$216,900.00 (Two Hundred Sixteen Thousand Nine Hundred and 00/100 U.S. Dollars) available for payment by your draft(s) at sight drawn on Bank of America NT & SA, 333 S. Beaudry Ave, 19th Floor, Los Angeles, California when accompanied with the following document:

1. This original Letter of Credit.
2. Your statement purportedly signed by an authorized officer stating that:

"The amount of the draft is payable pursuant to regulations issued under authority of the New Mexico Hazardous Waste Act, 74-4-1 ET. SEQ. NMSA 1978."

Drafts drawn hereunder must be marked: "Drawn under Bank of America NT & SA Letter of Credit No. LASB-221968 and indicate the date hereof.

This Letter of Credit shall expire on November 15, 1995, but such expiration shall be automatically extended without amendment for a period one (1) year on November 15, 1995, and on each successive expiration date, unless, at least 120 days prior to the current expiration date, we shall notify both you and Giant Refining Company, A Division of Giant Industries, Inc. by registered mail or overnight courier service at the above address, that we have decided not to extend this Letter of Credit beyond the current expiration date. In the event you are so notified, any unused portion of the credit shall be available upon presentation of your sight draft for 120 days after the date of receipt by both you and Giant Industries, Inc., as shown on the signed returned receipt.

Whenever this Letter of Credit is drawn on under and in compliance with the terms of this credit, we shall duly honor such draft upon presentation to us, and we shall deposit the amount of the draft directly into the Standby Trust Fund of Giant Refining Company, A Division of Giant Industries, Inc., in accordance with your instructions.

This Letter of Credit is not operative. This Letter of Credit will become operative by means of an amendment to be issued upon our receipt a written notification from Giant Industries, Inc that Chase Manhattan Bank, N.A Letter of Credit no PO636731 has been cancelled.

We certify that wording of this Letter of Credit is identical to the wording specified in the New Mexico Hazardous Waste Management Regulations, Part II, 206.D.3.J. (4), as such regulations were constituted on the date shown immediately above.

  
Sierra, Cybele  
AUTHORIZED COUNTERSIGNATURE

  
CORTES, BEN  
AUTHORIZED SIGNATURE

PROVISIONS APPLICABLE TO THIS CREDIT: This credit is subject to the Uniform Customs and Practice for Documentary Credits, 1993 revision, International Chamber of Commerce Publication No. 500.

Please examine this instrument carefully. If you are unable to comply with the terms or conditions, please communicate with the account party to arrange for an amendment. This procedure will facilitate prompt handling when documents are presented.