



GROE

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ENTERED

September 29, 2006

Mr. David Cobrain
State of New Mexico Environment Department
Hazardous Waste Bureau
2905 Rodeo Park Drive East
Building One
Santa Fe, New Mexico 87505-6303



Reference: Work Assignment No. 06280.190.0002; State of New Mexico Environment Department, Santa Fe, New Mexico; Western Refining Company and Giant Industries; Research on Western Refining in Texas; Task 2 Deliverable.

Dear Mr. Cobrain:

Enclosed please find a letter deliverable for the above-referenced work assignment. The deliverable consists of research regarding Western Refining and their compliance history in the state of Texas.

Background

Western Refining, Inc. is an independent crude oil refiner and marketer headquartered in El Paso, Texas. They operate primarily in the southwestern region with retail services in Arizona, Colorado and New Mexico. Distribution centers are also located in Arizona and New Mexico. The refineries in Texas have a crude processing capacity in excess of 117,000 barrels per day. Over 90% of all products produced are transportation fuels, such as gasoline, diesel, and jet fuel.

On September 28, 2006, Western Refining, Inc. and Giant Industries announced that the companies had merged to become the fourth largest publicly-traded independent refiner and marketer in the U.S with a total crude oil throughput capacity of approximately 216,000 barrels per day.

NMED has requested that TechLaw Inc. contact the Texas Commission on Environmental Quality (TCEQ) and obtain information on the compliance history of Western Refining Inc. NMED main concern was the fact that Western Refining had merged with Giant Industries and NMED has an outstanding order regarding Giant Industries.

Texas Contact

In order to obtain this information TechLaw contacted both the Texas TCEQ Region 6 Office and the TCEQ Headquarters Office in Austin, Texas. In addition, an internet search of TCEQ Compliance History for Western Refining was conducted.

The internet search indicated the compliance history for Western Refining was rated as "poor".



There is no additional information on the internet site which would indicate why this rating classification was assigned. In addition, it appears to include all environmental programs, such as air, water and waste programs.

Discussion with Mr. Terry McMillen, Solid and Hazardous Waste Director, TCEQ Regional 6 Office proved to be more helpful. Mr. McMillen indicated that the TCEQ Regional Office had a good working relationship with Western Refining and that they had moved forward in complying with two Agreed Orders which they had absorbed from their purchase of refineries in the El Paso area from Chevron and Texaco. He indicated they are complying with all issues in the two orders and appear to be working toward remediation of the sites. Mr. McMillen indicated that the "poor" classification on the internet site is due to some compliance issues associated with the air program. Mr. Mc Millan's phone number is 915-834-4949.

The contact person for TCEQ Headquarter is Mr. Rob Conti, at 512-239-2172. Mr. Conti is in the process of obtaining some information and will call me back. Mr. Conti also indicated that the compliance history is based on the past five years, so in the case of Western Refining there maybe some compliance history which is associated with the previous owner/operator. He also stated that the history on the internet is updated the first week in October.

If NMED decides to obtain additional information from either of these individuals NMED may need the ID numbers for the refineries which are:

1. RN 100212208-- Western Refining El Paso Marketing
2. RN 100213016--Western Refining El Paso Refinery
3. RN 105006803—Western Refining El Paso Refinery
4. RN 100217009—Western Refinery El Paso South Plant

Summary

In speaking with the TCEQ personnel it appears that the present owner/operator are much easier to work with then past operators and that they are committed to moving forward in remediation of the sites. If you need any additional information please let me know. Also as soon as Mr. Conti calls back next week I will forward that information on to you. However, I wanted to get the information I had to you as soon as I could.

The letter deliverable is formatted in Word. The deliverable was emailed to you on September 29, 2006 at dave.cobrain@state.nm.us. A formal hard (paper) copy of this deliverable will be sent via mail.

If you have any questions, please call me at (303) 464-6525.

Sincerely,



June K. Dreith
Program Manager



Texas Natural Resource Conservation Commission

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Search Results - Compliance History Classifications

You asked about compliance histories for a site, WESTERN REFINING EL PASO MARKETING TERMINAL, and all affiliated customers.

The list below is not sorted.

Site Associated with This Customer					Compliance History for Customer Site (If no Site appears in the same the Customer's overall compliance history.)		
Customer	Name	City or Nearest City	TCEQ Region	Related Numbers	Rating	Classification	Date Rated
CHEVRON USA PRODUCTS COMPANY	WESTERN REFINING EL PASO MARKETING TERMINAL	EL PASO	REGION 06 - EL PASO	<ul style="list-style-type: none"> ■ 901 ■ EE0510P 	80	POOR	09/01/20
CHEVRON PRODUCTS COMPANY	WESTERN REFINING EL PASO MARKETING TERMINAL	EL PASO	REGION 06 - EL PASO	<ul style="list-style-type: none"> ■ 901 ■ EE0510P 	80	POOR	09/01/20
CHEVRON USA INC	WESTERN REFINING EL PASO MARKETING TERMINAL	EL PASO	REGION 06 - EL PASO	<ul style="list-style-type: none"> ■ 901 ■ EE0510P 	80	POOR	09/01/20

What's a "site"?

A "site" (sometimes called a "regulated entity") is any person or thing that is of environmental interest to the TCEQ. At a "site", one or more regulatory activities of interest to us occur or have occurred in the past. Some examples of sites are:

- **Industrial plants**, such as the Exxon Baytown Facility
- **Small businesses**, such as Texaco Gas Station #200 or Elroy's Dry Cleaning & Laundry
- **Public facilities**, such as the City of Austin's Hornsby Bend Wastewater Treatment Plant