

Monzeglio, Hope, NMENV

From: Monzeglio, Hope, NMENV
Sent: Wednesday, October 03, 2007 11:27 AM
To: 'Jim Lieb'; Cobrain, Dave, NMENV
Cc: Chavez, Carl J, EMNRD; Regina Allen; Grant Price; Ed Riege; Ann Allen; Steve Morris; Bryon Holbrook; Cheryl Johnson; Frischkorn, Cheryl, NMENV
Subject: RE: Giant Refining - RR Rack Fan-Out Investigation Progress Report

Jim

Please let NMED know within one week of completing all investigation activities at the Railroad Rack Lagoon Fan Out Area and keep me updated as to when the field work will be occurring.

Thanks
Hope

From: Jim Lieb [mailto:jl Lieb@giant.com]
Sent: Tuesday, October 02, 2007 10:29 AM
To: Monzeglio, Hope, NMENV; Cobrain, Dave, NMENV
Cc: Chavez, Carl J, EMNRD; Regina Allen; Grant Price; Ed Riege; Ann Allen; Steve Morris; Bryon Holbrook; Cheryl Johnson
Subject: Giant Refining - RR Rack Fan-Out Investigation Progress Report

Hope and Dave:

Attached is the Trihydro progress report on the subsurface investigation at the Fan-Out portion of the RR Rack Lagoon (SWMU No. 8).

If you have any questions concerning the report please contact me.

Regards,
Jim Lieb
Environmental Engineer
Giant Industries, Inc.
Ciniza Refinery
I-40, Exit 39
Jamestown, NM 87347
(505) 722-0227
fax (505) 722-0210
jl Lieb@giant.com

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10/3/2007

GRCC

Monzeglio, Hope, NMENV

From: Jim Lieb [jlieb@giant.com]
Sent: Tuesday, October 02, 2007 10:29 AM
To: Monzeglio, Hope, NMENV; Cobrain, Dave, NMENV
Cc: Chavez, Carl J, EMNRD; Regina Allen; Grant Price; Ed Riege; Ann Allen; Steve Morris; Bryon Holbrook; Cheryl Johnson
Subject: Giant Refining - RR Rack Fan-Out Investigation Progress Report
Attachments: Project Status Report.pdf

Hope and Dave:

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If you have any questions concerning the report please contact me.

Regards,
Jim Lieb
Environmental Engineer
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October 2, 2007

Mr. Jim Lieb
Environmental Engineer
Giant Refining
I-40 Exit 39
Jamestown, NM 87347

RE: Project Status Report, Railroad Rack Lagoon Overflow Ditch and Fan-Out Area Subsurface Investigation, Giant Refining – Gallup Refinery

Dear Mr. Lieb:

This correspondence has been prepared to provide a summary of field activities associated with the Railroad Rack Lagoon Overflow Ditch and Fan-out Area. The investigation of this area was conducted in response to a letter, dated June 29, 2006, from the New Mexico Environmental Department (NMED) requesting that the Gallup Refinery investigate the Railroad Rack Lagoon Overflow Ditch and Fan-out Area for any potential contamination. In this correspondence, comment # 26 requested information regarding the presence of residual contamination at the Overflow Ditch and Fan-out Area locations. A soil sampling work plan was submitted to the NMED on August 29, 2006.

OCTOBER 2006 ACTIVITIES

The subsurface soil investigation of the area began the week of October 16, 2006. During the initial investigation, samples were collected at 2 and 5 feet below ground surface (ft bgs) at 10 locations. The 2 ft bgs samples were collected using a hang auger. Test pits were then installed at the locations to a depth of 4 ft bgs. A hand auger was then used to bore the remaining 1 ft to collect the samples at 5 ft bgs. Each sample location was logged and field screened for total organic vapors (TOVs). The test pits were backfilled after sample collection. The collected samples were then shipped to Hall Environmental located in Albuquerque, New Mexico for analysis. The soil samples were analyzed for Diesel Range Organics (DRO), Semi volatile Organic Compounds (SVOCs), Volatile Organic Compounds (VOCs), Resource Conservation and Recovery Act (RCRA) metals, mercury, and cyanide. A detailed report titled *Railroad Rack Lagoon Overflow Ditch and Fan-Out Area, SWMU #8, Subsurface Investigation, Giant Refining Company, Ciniza Refinery, Gallup, New Mexico* summarizing the initial investigation was submitted to NMED on February 8, 2007.

As stated in the February 8 report, DRO was the only constituent detected at any of the sample locations that exceeded NMED's clean up levels. DRO was detected in 6 of the 2 ft bgs samples (B-1, B-5, B-7, B-8, B-9, and B-10) and one of the 5 ft bgs samples (B-8). Concentrations ranged from 43 to 15,000 mg/kg. The NMED-approved cleanup standard at that time for DRO was 200 mg/kg (from "Unknown oil" on



Table 2a of NMED's TPH Screening Guidelines for Potable Groundwater (GW-1)). Four 2 ft bgs sample results (B-1, B-7, B-8, and B-9) exceeded this standard. Samples B-8 and B-9 are located in the northern most portion of the overflow ditch. Sample B-7 is located in close proximity to where the overflow ditch enters the fan-out area, and sample B-1 is located in the northeast portion of the fan-out area.

MAY 2007 ACTIVITIES

In March 2007, an agreement was reached between NMED and Giant to change the DRO clean up level from the "unknown oil" clean up level of 200 mg/kg to the "industrial fuel oil" clean up level of 890 mg/kg. Therefore, two soil samples from the initial investigation exceed the new clean up level of 890 mg/kg. They are the 2 ft bgs samples collected from B-8 and B-9.

Additional excavating and sampling was conducted during the week of May 21, 2007 to address the DRO exceedances at B-8 and B-9. Excavations measuring approximately 6 feet (North-South) and 4 feet (East-West) were installed to a depth of 3 ft bgs at B-8 and B-9. The excavated soil was stock piled on plastic sheeting. Samples were collected with a clean spade from the bottom of each of the two excavations (3 ft bgs) at all four corners and the center. These samples were submitted to Hall Environmental Laboratories and analyzed for DRO. Samples were also collected from a depth of 5 ft bgs with a hand auger where necessary.

At B-9, the center sample of the excavation at the 3 ft bgs interval exceeded the 890 mg/kg clean up level. The four corner samples were below the clean up level, effectively delineating the horizontal extent of contamination at this location. A hand auger was used to collect an additional sample from the center of the B-9 excavation at a depth of 5 ft bgs. Analytical results showed that the DRO concentration was below the clean up level effectively delineating the vertical extent of contamination at B-9. The depth of the B-9 excavation was increased to 5 ft bgs. The excavated soil remains stock piled on the plastic sheeting and will be transported to the land farm pending NMED approval. The excavation will be backfilled with native soil upon completion of the investigation. It is Trihydro's understanding that no additional sampling is required at B-9.

At B-8, the center and northeast samples exceeded the DRO clean up level of 890 mg/kg. As a result, the excavation was extended to the north and to the east. Additional samples were collected at depths of 3 and 5 ft bgs using a hand auger. The new samples had DRO concentrations below the clean up level of 890 mg/kg with the exception of the southeastern portion of the new sample locations. Because the remaining corners of the original excavation showed no exceedances at 3 or 5 ft bgs and the center of the original excavation showed no exceedance at 5 ft bgs, the entire excavation, including the expansion, was increased to 5 ft bgs. The soil is stocked piled on plastic sheeting and will be transported to the land farm pending NMED approval. Additional B-8 "step out" samples were collected with a hand auger at 3 feet and 7 feet east of the expansion in an attempt to pre-delineate the horizontal extent of contamination. Complete laboratory results showing that additional sampling would be required to delineate the vertical extent of contamination were not received prior to the completion of the May field activities. The 3 and 5 ft bgs samples at the 3 foot step out and the 3 ft bgs sample at 7 foot step out exceeded the 890 mg/kg DRO cleanup level.



AUGUST 2007 ACTIVITIES

In an attempt to delineate the above mentioned B-8 exceedances, additional sampling was conducted during the week of August 20, 2007. Twenty-eight soil samples were collected from depths ranging from 3 ft bgs to 9 ft bgs in a radial pattern extending east of the expanded excavation with a radius of approximately 15 feet. These samples were collected with a hand auger; no additional soil was excavated. The intent of this soil sampling was to pre-delineate the horizontal and vertical extent of contamination. Several of the samples collected during the week of August 20, 2007 exceeded the DRO clean up level. Therefore, the extent of DRO contamination was not completely delineated with the information collected during the August sampling event.

CONCLUSIONS AND REPORTING

Based on the results of the completed field activities, it is evident that additional sampling will be required to meet the objectives of the project. Trihydro proposes to step out and collect additional samples in order to delineate the DRO contamination. Future field activities are tentatively scheduled to occur during December 2007.

As requested by NMED, field activities to address the DRO exceedances discovered during the October 2006 investigation began within 90 days of Giant's receipt of a letter from NMED titled "*Approval With Direction, Railroad Rack Lagoon Overflow Ditch and Fan-Out Area, SWMU #8, Subsurface Investigation*" dated March 14, 2007. In that letter, NMED also requested the submittal of an investigation report within 90 days of the completion of the excavation. Because the extent of contamination associated with the B-8 sample location has not been delineated, the excavation has not been completed; therefore, an investigation report has not been submitted.

Trihydro will continue to verbally update Giant as field activities continue. A detailed investigation report summarizing all information obtained since the submittal of the *Railroad Rack Lagoon Overflow Ditch and Fan-Out Area, SWMU #8, Subsurface Investigation* will be submitted to NMED within 90 days of delineating the horizontal and vertical extent of the contamination associated with B-8.

If you have any questions, please feel free to contact us at (307) 745-7474.

Sincerely,
Trihydro Corporation

A handwritten signature in black ink, appearing to read "Calvin Niess".

Calvin Niess

Vice President

A handwritten signature in black ink, appearing to read "Regina Allen".

Regina Allen
Project Manager

697-007-001

cc: Ed Riege, Giant Refining