

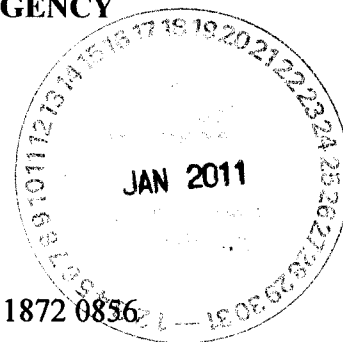


**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**

REGION 6

1445 ROSS AVENUE, SUITE 1200  
DALLAS, TX 75202-2733

January 13, 2011



CERTIFIED MAIL – RETURN RECEIPT REQUESTED: 7010 1060 0002 1872 0856

Mr. Mark B. Turri  
Refinery Manager  
Western Refining Southwest, Inc. – Gallup Refinery  
Route 3, Box 7  
Gallup, NM 87301

Dear Mr. Turri:

The U.S. Environmental Protection Agency, Region 6, (EPA) finds Western Refining Southwest, Inc. – Gallup Refinery (Western) in noncompliance with the terms of the Complaint, Consent Agreement and Final Order (CAFO) filed August 26, 2009, and the CAFO Modification filed September 1, 2010.

Pursuant to paragraph 100 D of the CAFO, discharge of any hazardous wastewater to any surface impoundment shall cease within 120 days following the New Mexico Environment Department (NMED) approval of the Interim Measures Workplan, unless such discharge complies with applicable Resource Conservation and Recovery Act (RCRA) requirements. The NMED approved the Interim Measures Workplan on December 16, 2009. Therefore, any and all discharge of hazardous waste must have ceased by April 16, 2010. All sampling and monitoring requirements specified by the NMED pursuant to the Interim Measures Workplan became part of, and enforceable under the CAFO.

Currently, Western is required to collect samples according to the schedule prescribed in the Interim Measures Workplan, in order to show whether or not wastewater is meeting the RCRA regulatory limit for benzene, prior to discharge to two aeration lagoons. On November 30, 2010, the benzene concentration in the sample of wastewater exiting the benzene strippers was 0.510 milligrams per Liter (mg/L). On December 1, 2010, the benzene concentration was 0.660 mg/L. On January 1, 2011, the benzene concentration was 0.970 mg/L. On January 2, 2011, the benzene concentration was 1.5 mg/L. Wastewater containing benzene at a concentration of 0.5 mg/L (or greater) is a hazardous waste. Wastewater discharge from benzene strippers 1 and 2 enters Aeration Lagoons 1 and 2 – unpermitted surface impoundments.

Western has illegally disposed hazardous waste. Therefore, Western has failed to comply with the terms of the CAFO. Paragraph 110 of the CAFO prescribes Stipulated Penalties if the Respondent fails to comply with any provision in the CAFO. For the first through the fifteenth day of noncompliance, the Respondent is required to pay One Thousand Dollars (\$1,000.00) per day.

Re: Western Refining Southwest  
Gallup Refinery

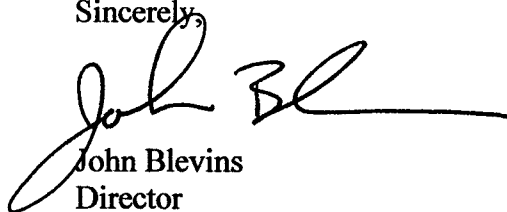
For the sixteenth through the thirtieth day of noncompliance, the Respondent is required to pay One Thousand Five Hundred Dollars (\$1,500.00) per day. Western had previously violated the terms of the CAFO fifteen times since June 24, 2010, for which EPA assessed and Western paid, stipulated penalties. Therefore, these violations are Western's sixteenth through nineteenth days of noncompliance and will be assessed at \$1,500 per day.

EPA demands that Western pay Six Thousand Dollars (\$6,000.00) to the Treasurer of the United States as prescribed by Paragraphs 110 through 114 of the CAFO. Payment is required within 30 days of receipt of this demand letter.

Western continues to be in noncompliance. This is the fourth demand letter issued to Western since September 2010, representing nineteen violations of the CAFO. Accordingly, EPA would like to meet with Western, as soon as possible, at our Dallas office to discuss the ongoing issues at the Gallup facility. Please contact Joel Dougherty, of my enforcement staff, at (214) 665-2281, to arrange a meeting time.

If you have any questions, or if you object to this decision, please contact Mark Hansen, Associate Director for Hazardous Waste Enforcement, at (214) 665-7548.

Sincerely,



John Blevins  
Director  
Compliance Assurance and  
Enforcement Division

cc: James Bearzi, Chief  
Hazardous Waste Bureau  
New Mexico Environment Department