



Via Certified Mail
No. 7003 3110 0005 4965 9519

October 3, 2012

John Kieling
Program Manager
Permits Management Program
New Mexico Environment Department
Hazardous Waste Bureau
2905 Rodeo Park Drive East, Bldg. 1
Santa Fe, New Mexico 87505-6303

**Re: Financial Assurance for Western Refining Southwest, Inc.,
Gallup Refinery, EPA ID #NMD000333211 , HWB-WRG-MISC and
Bloomfield Refinery, EPA ID #NMD089416416, HWB-WRB-MISC**

Dear Mr. Kieling:

This letter and attachment provide a semi-annual review of financial assurance for facilities at Western Refining Southwest, Inc. (Western), Gallup and Bloomfield Refineries. The Gallup Refinery is a crude oil refinery owned and operated by Western Refining Southwest, Inc., formerly known as Giant Industries Arizona, Inc. and formerly doing business as Giant Refining Company Ciniza Refinery. The Bloomfield Refinery is a crude oil refinery owned by San Juan Refining Company, a New Mexico corporation and operated by Western Refining Southwest, Inc. formerly known as Giant Industries Arizona, Inc., an Arizona corporation.

2012 Semi-Annual Financial Assurance Review

The semi-annual financial review consisted of re-running the 40 CFR 264.151 (f) Alternative I calculation using semi-annual financial data. The calculation is presented in the attached spreadsheet. To pass the financial test, two of the three questions (lines 15, 16, and 17) must be "yes". The answer to all three questions is "yes". Western passes the semi-annual financial test calculation.

Mr. John Kieling
New Mexico Environment Department
Hazardous Waste Bureau
October 3, 2012
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If you have any questions, please call Allen Hains at (915) 534-1483.

Sincerely,



Leslie Ann Allen
Senior Vice President
Environment and Regulatory Affairs

Enclosure

Western Refining, Inc.
2012 Semi-Annual NMED Order - Financial Assurance Calculation
06-30-12

Alternative I

1. Sum of current closure and post-closure cost estimates.			\$2,680,632
	Total liabilities		
*2. Total liabilities	\$1,405,410,000		\$1,405,410,000
	Tangible net worth		
*3. Tangible net worth	\$935,930,000		\$935,930,000
	Net worth		
*4. Net worth	\$1,005,125,000		\$1,005,125,000
*5. Current assets			\$1,307,376,000
*6. Current liabilities			\$621,557,000
*7. Net working capital			\$685,819,000
*8. The sum of net income plus depreciation, depletion, and amortization.			\$241,763,000
*9. Total Assets in U.S. (required only if less than 90% of firm's assets are located in the U.S.)			N/A
10. Is line 3 at least \$10 million?	\$935,930,000	Yes	
11. Is line 3 at least 6 times Line 1?	349.1 Times	Yes	
12. Is line 7 at least 6 times line 1?	255.8 Times	Yes	
*13. Are at least 90% of firm's assets located in the U.S.?		Yes	
14. Is line 9 at least 6 times line 1?	899.2 Times	N/A	
Any two of the next three			
15. Is line 2 divided by line 4 less than 2.0?	1.4	Yes	
16. Is line 8 divided by line 2 greater than 0.1?	0.172	Yes	
17. Is line 5 divided by line 6 greater than 1.5?	2.10	Yes	