



Michelle Lujan Grisham
Governor

Howie C. Morales
Lt. Governor

NEW MEXICO  ENTERED
ENVIRONMENT DEPARTMENT

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James C. Kenney
Cabinet Secretary

Jennifer J. Pruett
Deputy Secretary

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 14, 2019

Mr. Robert S. Hanks
Environmental Superintendent
Western Refining Southwest, Inc.,
Gallup Refinery
92 Giant Crossing Road
Gallup, New Mexico 87301

Mr. Gregory McCartney
Project Manager
Western Refining Southwest, Inc.,
Bloomfield Terminal
P.O. Box 159
Bloomfield, New Mexico 87413

**RE: DISAPPROVAL
2019 FINANCIAL ASSURANCE SUBMITTAL
WESTERN REFINING SOUTHWEST, INC. - GALLUP REFINERY AND
BLOOMFIELD TERMINAL
EPA ID # NMD000333211
EPA ID # NMD089416416
HWB-WRG-MISC
HWB-WRB-MISC**

Dear Messrs. Hanks and McCartney:

The New Mexico Environment Department (NMED) has received the Western Refining, Southwest, Inc. (Respondent) financial assurance submittal for the Gallup Refinery and Bloomfield Terminal, dated March 19, 2019. Western has not met the requirements for the financial assurance submittal for 2019. NMED hereby issues this disapproval with the following comments:

Comment 1

A special report from the independent CPA, Pricewaterhouse Coopers LLP, was included in the 2019 financial assurance submittal. However, per 40 CFR 246.143(f)(3)(iii), Western must also include a special report from the Guarantor’s CPA to confirm that the data and conclusions in

the CFO letter conform to the information contained in the Guarantor's financial statements. Provide the Guarantor's CPA special report with the revised financial assurance submittal for 2019.

Comment 2

Since Western Refining Southwest, Inc. is a subsidiary of the Guarantor in the corporate guarantee, a separate letter from the Guarantor describing the value received for the guarantee and its substantial business relationship with the owner or operator must be submitted as specified by 40 CFR 264.143(f)(10). The format of the Chief Financial Officer (CFO) letter in 40 CFR 264.151(f) meets this requirement as recital 2 allows Western to state the value and business relationship with the owner or operator.

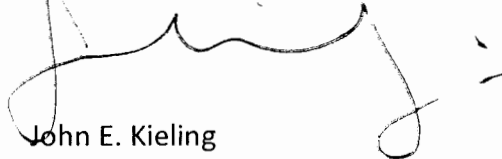
The 2019 Financial Assurance Corporate Guarantee submittal states that Western Refining Southwest, Inc. is a subsidiary of the Guarantor, but it does not provide a separate letter from the Guarantor describing the value received for the guarantee and/or its substantial business relationship with the owner or operator, as required per 40 CFR 264.143(f)(10). Provide this information in a separate letter.

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The Respondent must provide the information required by Comments 1 and 2 in this disapproval letter in a revised submittal. The revised 2019 financial assurance demonstration must be submitted to NMED no later than October 3, 2019.

If you have any questions, please contact Vanessa Colón of my staff at 505-476-6058.

Sincerely,

A handwritten signature in black ink, appearing to read "John E. Kieling". The signature is fluid and cursive, with a large initial "J" and "K".

John E. Kieling
Chief
Hazardous Waste Bureau

cc: D. Cobrain, NMED HWB
K. Van Horn, NMED HWB
L. Tsinnajinnie, NMED HWB
V. Colón, NMED HWB
L. King, EPA Region 6
K. Robinson, Western Refining, Bloomfield Terminal

File: WRB AND WRG 2019 Readings
HWB-WRB-MISC, HWB-WRG-MISC