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**BEFORE ENVIRONMENTAL QUALITY COUNCIL
STATE OF WYOMING**

MAR 02 2007

**Terri A. Lorenzon, Director
Environmental Quality Council**

In the Matter of The)
Administrative Order on Consent)
Issued To Frontier Refining Inc.,)
A Delaware Corporation)

Docket No.06-5400

**OPPOSITION OF FRONTIER REFINING INC.
TO MOTION OF ARP & HAMMOND HARDWARE COMPANY FOR LEAVE
TO INTERVENE AND TO SUPPLEMENT *JOINT STIPULATION FOR
MODIFICATION OF ADMINISTRATIVE ORDER ON CONSENT*
DATED SEPTEMBER 15, 2006**

COMES NOW Frontier Refining Inc. ("Frontier") by and through its undersigned counsel, and submits this Opposition to the Motion of Arp & Hammond Hardware Company ("A&H") for Leave to Intervene and to Supplement Joint Stipulation for Modification of Administrative Order on Consent dated September 15, 2006 ("Motion to Intervene") as follows:

I. SUMMARY OF ARGUMENT

Currently before the Council is Frontier's and Wyoming Department of Environmental Quality's ("DEQ") request for entry of the Joint Stipulation for Modification of Administrative Order on Consent ("Joint Stipulation"). The Joint Stipulation represents a consent agreement between Frontier and DEQ which was prompted and mandated by Region 8 of the United States Environmental Protection Agency ("EPA"). Although A&H favors entry of the Joint Stipulation, it also seeks to intervene in this matter to modify (through a suggested "supplemental" order) a consent agreement to which it is not a party. In addition, A&H seeks a 60 days continuance to

settle this matter or determine whether it will request a contested case.¹ A&H, however, cites no authority under applicable law or the DEQ Rules of Practice and Procedure that supports either an “intervention” in a consensual proceeding of this nature, or the relief being sought.

Frontier opposes such request because: a) it is untimely; b) it is procedurally incorrect; c) A&H is not adversely affected by entry of the Joint Stipulation; d) it will delay, to the detriment of all interested parties including A&H, implementation of the agreement as mandated by EPA; e) A&H itself is a responsible party for remediation of Porter Draw Reservoir and should not be viewed as an innocent member of the public; f) A&H has other avenues at law or in equity to have its views heard by DEQ and/or pursue its purported claims against Frontier; g) the Joint Stipulation and AOC addresses remediation at Porter Draw Reservoir; and h) Frontier is willing to cooperate with DEQ in keeping A&H informed of activities under the Joint Stipulation and AOC so that A&H may express its views to DEQ and Frontier and, if A&H so decides, pursue any legal remedies outside this proceeding.

II. BACKGROUND

A. Procedural background

On August 15, 2006, EPA contacted DEQ with regard to the Frontier petroleum refinery in Cheyenne, Wyoming. *See* Exhibit No. 1. In the letter, EPA requested that DEQ impose additional deadlines and objectives with respect to environmental corrective action that has been underway pursuant to the 1995 Administrative Order on Consent

¹ This request is probably moot as A&H was effectively granted a continuance upon removal of this matter from the February 16, 2007 meeting agenda.

("AOC")². *Id.* The EPA imposed a very short time frame (*i.e.* thirty days) for the parties to come to terms on the new objectives and deadlines, and if DEQ refused EPA's request, EPA stated that it would become the primary enforcer against Frontier. *Id.*

After extensive, good faith, arm's length negotiations, Frontier and DEQ agreed to the Joint Stipulation. Since the time the parties signed the agreement, work by both Frontier and DEQ already has been underway in observance of its terms. Indeed, as discussed in more detail below, Frontier undertook extensive investigatory activities at Porter Draw Reservoir last summer and well prior to entry of the Joint Stipulation in its entirety.

B. A&H leased Porter Draw Reservoir to Frontier

The proposed intervention by A&H arises out of a now-expired landlord/tenant relationship that has existed between Frontier and A&H for over twenty (20) years. *See* Exhibit No. 2. On February 14, 1977, A&H leased its property to a predecessor of Frontier (*i.e.* Husky Oil) for the operation of a wastewater retention pond now known as the "Porter Draw Reservoir." *Id.* Porter Draw Reservoir is approximately five (5) miles south of the Frontier refinery adjacent to the watercourse known as Porter Draw. *See* Exhibit No. 3. The lease specifically describes the purpose of the Reservoir, which A&H knowingly and willingly accepted. In particular the lease states the following:

"Lessee shall have the right to construct, place, and maintain reservoirs, pipelines, and equipment on the demised premises [A&H's property], and to use the demised premises for water storage purposes or such other surface usage as Lessee may require, at its sole option." *See* Exhibit No. 2.

² Without burdening the Council with a lengthy discussion of EPA's position that progress at Frontier has been "poor," it suffices to say that Frontier has cooperated with DEQ's requests and timetables under the terms of the AOC since its issuance.

The lease continues by stating:

“Lessor [A&H] further agrees to allow Lessee to pump some or all water from Lessee’s refinery to the reservoir site at all times during the period of this lease agreement. Lessee makes no guarantees, warranties, or representations as to the quality of the water contained in the pipeline or reservoirs; it being understood by the parties hereto that the property leased hereunder and facilities to be placed hereon will be used for wastewater from Lessee’s oil and gas operations and refinery operations.” *Id.*

Finally, the leases states that:

“When the lease terminates Lessee agrees to *transfer the ownership of the structures, equipment, and materials used for water transportation and storage purposes to the Lessor [A&H].*” *Id.* (Emphasis added).

Over the years, Frontier and A&H enjoyed a relationship of cooperation and good will, as evidenced by the attached affidavit of Mr. Doran Lummis, a principal of A&H.

See Exhibit No. 4. In the Affidavit, Mr. Lummis states:

“To date, I have had very few concerns and only minor problems with the water Frontier discharges into Porter Draw. At various times of the year, usually in the summer months, I keep cattle on the range that Porter Draw travels through. My cattle drink the water in the pond that discharges into Porter Draw, and from Porter Draw directly. I am not aware of any cattle deaths or illnesses relating to the water.” *Id.*

Mr. Lummis then affirmatively states that “I am not in favor of Frontier being required to stop discharges into Porter Draw.” *Id.*

C. Lease terminates between A&H and Frontier

Unfortunately, during the summer of 2006 the relationship between A&H and Frontier deteriorated when the parties could not reach an agreement on the terms of either a lease renewal or a purchase by Frontier of the land on which the Porter Draw Reservoir is located. *See* Exhibits No. 5 & 6. Under the original ground lease, Frontier paid A&H \$302.50 a year to lease the property. *See* Exhibit No. 2. In 1996, the parties extended the

lease which included an increase in rent from \$302.50 to \$1200.00 a year. *Id.* However, to renew the lease again, A&H demanded \$1,440,000 a year to lease the property. *See* Exhibit No. 6. Frontier also offered A&H \$1 million to purchase the property. *Id.* That offer was not accepted by A&H. *Id.* Due to the tremendous increase in rent and the inability to agree on a purchase price, Frontier was forced to discontinue its use of Porter Draw Reservoir.

D. Frontier has worked with A&H since termination of the lease

Notwithstanding the above, Frontier has repeatedly indicated willingness to dialogue with A&H about its concerns. *See* Exhibits No. 6 & 7. In this regard, Frontier has entered into an Access Agreement with A&H that will allow Frontier to remove the remaining wastewater in Porter Draw Reservoir. *See* Exhibit No. 8. Frontier also continued to investigate environmental conditions at the Reservoir and worked with the Hazardous and Solid Waste Division of the DEQ concerning plans for remediation of the Reservoir. *See* Exhibits No. 9 & 10.

III. ARGUMENT

A. A&H's motion is untimely

Section 35-11-518(b) of the Wyoming Environmental Quality Act provides that: "Following the issuance of any order under this subsection, any disputes concerning the implementation of the order shall be resolved by appeal to the council as provided by this act." Chapter I, Section 16 of the DEQ's General Rules of Practice and Procedure provides that appeals of all actions by the DEQ shall be made within 60 days of such actions.

The Joint Stipulation, which is an agreed modification to the AOC, was executed by the DEQ on September 15, 2006. On October 18, 2006, DEQ faxed a copy of the fully executed Joint Stipulation to counsel for A&H. *See* Attachment No. 2 to DEQ's Request to Reinstate Item on EQC Meeting Agenda. Accordingly, to dispute the Joint Stipulation, A&H was required to appeal to the Council (at the very latest) 60 days after receiving notice of its execution which would have been December 17, 2006. Nonetheless, it chose not to appeal that matter at that time. Having missed that deadline, A&H now seeks to intervene in this matter as an alternative means to dispute the Joint Stipulation. However, such motion is a disguise for an untimely motion to appeal the Joint Stipulation under 35-11-518(b) and Chapter I, Section 16. Since the appeal deadline has now expired, A&H's motion should be denied.

B. A&H's motion is procedurally incorrect

Since the current consent proceeding is not a contested case, the intervention proceedings in Chapter II of the DEQ General Rules of Practice and Procedure do not apply and a motion to intervene is procedurally inappropriate. Because the Joint Stipulation is a consent matter, the Council must either approve or disapprove the Joint Stipulation as submitted by the Frontier and DEQ. To grant the supplementation requested by A&H, the Council would have to nullify the consensual nature of document before the Council and then approve a consent order without the consent of the parties who submitted it.

Furthermore, it is impossible to understand how the Council could approve the Joint Stipulation, thereby putting its terms into effect, but then allow A&H the

opportunity to come back sixty (60) days later and attempt to institute a contested case to modify the terms of an agreement that already is being implemented.

C. A&H is not adversely affected by entry of the Joint Stipulation

Even if the contested case hearing proceedings of Chapter II of the DEQ's General Rules of Practice and Procedure apply, the motion to intervene should not be granted. According to Chapter II, Section 7 of the DEQ's General Rules of Practice and Procedure, "Leave will not be granted unless Council shall determine that the party requesting to intervene is adversely affected by the action...." As a result, to permit A&H to intervene, the Council must determine that A&H will be adversely affected by entry of the Joint Stipulation. However, according to A&H's motion, it requests that Joint Stipulation be approved by the EQC. *See* A&H's Motion to Intervene, page 4. Accordingly, A&H has conceded that it will not be adversely affected by entry of the Joint Stipulation and therefore should not be allowed to intervene.

D. Delays and loss of state primacy

Despite Frontier's good faith efforts, A&H seeks to intervene into this action to pursue its purported claims against Frontier. However, granting such request will only delay implementation of the Joint Stipulation as mandated by EPA, including activities that are already underway. Such delay is not in the interest of any of the interested persons, including A&H. Such delay also could result in substantial and unnecessary prejudice to both Frontier and DEQ as the EPA could exercise its authority and become the primary enforcer. This could further delay and complicate this action and deprive the State of Wyoming the opportunity to have a primary voice in these matters.

E. A&H shares responsibility for Porter Draw Reservoir

When the lease terminated, A&H began to take issue with the conditions associated with the Porter Draw Reservoir. It should be noted, however, that A&H itself shares responsibility with Frontier for any conditions at Porter Draw Reservoir for the following reasons:

- The lease between Frontier and A&H provides that, at lease termination, title to all of the improvements made by Frontier passes to A&H. *See* Exhibit No. 2.
- The creation and operation of Porter Draw Reservoir was, at least as a practical matter, a joint enterprise between Frontier and A&H.
- A&H is an owner of the property upon which Porter Draw Reservoir is located, and, therefore is potentially responsible for remediation pursuant to 42 U.S.C. § 9607(a) under the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and other authorities.

In view of the preceding, A&H should not be considered an innocent member of the public who can effectively and fairly represent the public's interest.

F. Viable alternatives for A&H

Furthermore, A&H has viable avenues to have input into the corrective action process. Frontier has agreed to cooperate with the A&H and keep it informed about the remedial process. *See* Exhibits No. 6 & 7. A&H also can appeal future action under 35-11-518(b). In addition, if A&H has any meritorious property damage or lease claims against Frontier, A&H has ample remedies for such claims at law and equity and does not need to intervene into this matter to protect those rights. A&H can bring suit against Frontier in a state court for its claims.

G. A&H's concerns are addressed

A&H's primary complaint is that the "Neither the Joint Stipulation nor the AOC contain requirements for the remediation of Porter Draw, one of several areas of concern

to Arp & Hammond.” See A&H’s Motion to Intervene, paragraph 9. However, this is not the case. Table 2 of the AOC specifically list an “Evaporation Pond (5 Miles South of the Refinery) as an Area of Concern. See AOC, table 2. On this basis, Frontier has informed DEQ that it will provide a remedial work plan no later than May 11, 2007 for the Port Draw Reservoir. See Exhibit No. 11. Once the DEQ approves the work plan, it will then become an enforceable term under the AOC. See AOC, page 9, paragraph 13. Accordingly, A&H’s concerns are covered by the AOC and therefore the Joint Stipulation as well.

H. Frontier will continue to cooperate with A&H

As indicated above, Frontier intends to continue to cooperate with A&H in keeping it informed of investigative and remedial activities, including discussions and correspondence with DEQ. This is a commitment that Frontier has made since the lease expired last summer and which Frontier continues to observe so that A&H may express its views to DEQ and Frontier and, if A&H so decides, pursue any legal remedies outside this proceeding. See Exhibits No. 6 & 7. Frontier also has continued to engage in discussion with A&H for the purpose of resolving this dispute through other means.

III. CONCLUSION

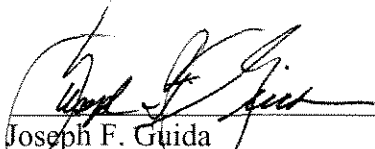
Currently before the Council is Frontier’s and DEQ’s request for entry of the Joint Stipulation which is the result of an agreement between the two parties. The appeal is untimely. In addition, as a non-party to such agreement, A&H should not be permitted to modify it without the approval of both Frontier and DEQ. To allow such modification would negate the settlement reached between Frontier and DEQ pursuant to the mandate by EPA and lead to unnecessary delays and complications. A&H has other viable

options to have its views considered by DEQ and to pursue its purported claims against Frontier.

WHEREFORE, for the foregoing reasons, Frontier respectfully requests that the Council deny the Motion for Leave to Intervene and Motion for Order Supplementing Joint Stipulation, and approve the Joint Stipulation according to the terms set forth in that pleading.

FRONTIER REFINING INC.

By:


Joseph F. Guida
Guida, Slavich & Flores, P.C.
750 N. St. Paul Street, Suite 200
Dallas, Texas 75201
(214) 692-0014

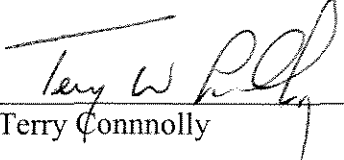
Alexander K. Davison
Patton & Davison
1920 Thomes Avenue, Suite 600
City Center Building
Cheyenne, Wyoming 82003
(307) 635-4111

CERTIFICATE OF SERVICE

I hereby certify that on March 2, 2007 the foregoing Opposition of Frontier Refining Inc. to Motion of Arp & Hammond Hardware Company for Leave to Intervene and to Supplement Joint Stipulation for Modification of Administrative Order on Consent dated September 15, 2006 was hand delivered to the following counsel:

Alvin Wiederspahn, Esq.
Alvin Wiederspahn J.D., P.C.
2015 Central Avenue, Suite 200
Cheyenne, Wyoming 82001

Mike Barrash, Esq.
Senior Assistant Attorney General
Wyoming Attorney General's Office
123 Capitol Building
Cheyenne, Wyoming 82002


Terry Connolly



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8

999 18TH STREET- SUITE 200

DENVER, CO 80202-2466

Phone 800-227-8917

<http://www.epa.gov/region08>

August 15, 2006

LeRoy C. Fuesner, P.E., BCEE, Administrator
Solid and Hazardous Waste Division
Wyoming Department of Environmental Quality
Herschler Building, 4th Floor
122 West 25th Street 4W
Cheyenne, WY 82002

Re: Frontier Refinery, Cheyenne, Wyoming

Dear Mr. Fuesner:

As you are aware, we are increasingly concerned with Frontier's poor progress in addressing serious environmental problems. This concern was shared by Steve Tuber, Assistant Regional Administrator of the Office of Partnerships and Regulatory Assistance, and his deputy, Carol Campbell, with John Corra, you, and the other Wyoming DEQ division directors at a meeting on April 19, 2006. As a result, you agreed to provide EPA's regional office with a detailed plan of action within 60 days, which was to include a discussion of resources, achievement of environmental indicators, and completion of the RCRA Facility Investigation (RFI) and Corrective Measures Study (CMS).

In response to this commitment you submitted a plan on June 20, 2006. Our review of the plan indicates that it does not address all of the requested elements and does not provide a comprehensive plan for moving expeditiously with Corrective Action. Specifically, the plan does not address the state's staff resources or the schedule for completion of the RFI, CMS, and Corrective Measures Implementation (CMI). Rather, it focuses on accomplishing boundary control under a settlement agreement that is currently being negotiated with the facility and included a projected date for remediation of some off-site areas and achievement of the Environmental Indicators.

The current pace of Corrective Action is unacceptable, and your plan does not provide assurance that it will improve sufficiently. Our concerns are heightened because the state's Administrative Order on Consent with the Frontier Refinery has been in place since March 16, 1995, the requirement to conduct the RFI was triggered on or about October 9, 1998, and the June 20, 2006 plan does not include a schedule for completing the RFI. There are at least two acceptable options with respect to accelerating Corrective Action at the Frontier Refinery:

1. Place Frontier on an enforceable schedule, under an administrative order on consent or a settlement agreement, within 30 days of receipt of this letter. The enforceable

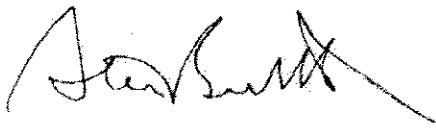
schedule should include, at a minimum, the following schedule for completion of key activities:

- a. Completion of on-site and off-site RFI field activities and draft RFI Report submittal by October 15, 2007.
 - b. Achievement of the Environmental Indicators by September 30, 2008 or sooner.
 - c. Site stabilization, including boundary control, by October 15, 2008.
 - d. On-site source control by October 15, 2008.
2. Agree to direct implementation of Corrective Action at this facility by EPA. The Region will ensure that the key activities and schedule outlined above are completed. Details of EPA's direct implementation would be developed in consultation with the State over the next two months.

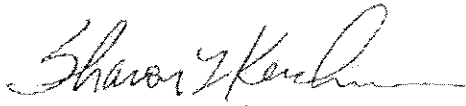
As you are aware, there are other related enforcement issues, including areas of non compliance at this facility, which we understand will be part of your upcoming discussion with Carol Rushin and her managers on August 22, 2006. Coordinated, consistent action across all of these issues is highly desirable. Therefore, we would appreciate hearing from you by August 31, 2006 regarding which Corrective Action option you would like to pursue. This will allow us to incorporate your selection into our overall strategy and to work in concert with you as we move forward on Frontier.

We urge you to take immediate steps to accelerate the pace of Corrective Action at Frontier to ensure the protection of the human health and the environment. We are available to discuss these options with you and answer any questions you may have. We may be reached at the phone numbers listed below. We look forward to receiving your written response by the end of August.

Sincerely,



Steve Burkett, Director
Solid and Hazardous Waste Program
(303) 312-7081



Sharon Kercher, Director
RCRA/CERCLA Technical Enforcement Program
(303) 312-6352

cc: John Corra
Carl Anderson ✓

GROUND LEASE

THIS AGREEMENT OF LEASE is made this 14 day of February, 1977 by and between ARP AND HARMOND HARDWARE COMPANY, a Wyoming corporation with principal offices at Cheyenne, Wyoming, Lessor, and HUSKY OIL COMPANY with headquarters at Cody, Wyoming, Lessee,

W I T N E S S E T H:

Lessor hereby leases and demises to Lessee the premises described as North 1/2, Section 33, T13N, R66W, Laramie County, Wyoming

The term shall begin on January 1, 1977 and on June 30, 1996, with an annual rental of \$ 302.50, calculated on the basis of \$2.50 per acre for the maximum number of acres to be inundated by the reservoir. Rental is payable in equal annual installments and mailed to Lessor's address shown below. Lessee shall have the right to extend this lease for an additional ten years upon the same terms and conditions, such right of extension to be exercised by giving written notice hereof to Lessor either by delivering to Lessor personally, or by mailing to lessor at its address shown below, or such other address as Lessor may hereafter specify in writing, at any time during the last 60 days of the primary term.

Lessee shall have the right to construct, place, and maintain reservoirs, pipelines, and equipment on the demised premises, and to use the demised premises for water storage purposes or such other surface usage as Lessee may require, at its sole option. All structures, equipment, and materials placed upon said premises by Lessee shall remain the personal property of Lessee as long as these structures, equipment, and materials are used for water transportation and storage purposes. When this lease terminates Lessee agrees to transfer the ownership of the structures, equipment, and materials used for water transportation and storage purposes to Lessor. If Lessee no longer requires use of the demised premises for water storage purposes, Lessee may terminate this agreement, effective upon notice to Lessor (but with no proration of rental).

Lessor represents and warrants Lessor's ownership of the premises above-described and Lessor's authority to make this lease. Lessee covenants that Lessee will not permit any deleterious substances to escape from its reservoir to be constructed on the demised premises, and shall indemnify and hold Lessor harmless from any loss or damage occasioned in any manner by Lessee's use hereunder. Lessor reserves the right to use water from Lessee's reservoirs for irrigation of Lessor's fields or for stock water, or such other use as Lessor may elect. Lessor assumes the sole and absolute burden of obtaining any and all permits, licenses, and authority concerning any usage of Lessee's water and will indemnify and hold Lessee harmless against any and all cost, risk, damage, or expense in regard thereto. Lessor further agrees to allow Lessee to pump some or all waters from Lessee's refinery to the reservoir site at all times during the period of this lease agreement. Lessee makes no guarantees, warranties, or representations as to the quality of the water contained in the pipeline or reservoirs; it being understood by the parties hereto that the property leased hereunder and facilities to be placed hereon will be used for wastewater from Lessee's oil and gas operations and refinery operations.

It is expressly understood that neither the Lessor nor the Lessee is bound by any stipulations, representations, or agreements not written in this lease. This lease shall inure to the benefit of and be binding upon the personal representatives, successors, and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed the day and year first above written.

Attest: Henry H. Corp
Secretary

ARP AND HARMOND HARDWARE COMPANY
P. O. Box 837
Cheyenne, Wyoming 82001

By Anna Corp Linn
President

Attest: Michael E. Ferguson
Assistant Secretary

HUSKY OIL COMPANY
P. O. Box 380
Cody, Wyoming 82414

By M. Sheffield
Vice President

EXTENSION OF GROUND LEASE AGREEMENT

This Extension of Ground Lease Agreement is made effective this 27 day of June, 1996 by and between ARP AND HAMMOND HARDWARE COMPANY, a Wyoming corporation with principal offices at Cheyenne, Wyoming ("Lessor"), and FRONTIER REFINING INC., with offices in Cheyenne, Wyoming ("Lessee"), as successor to Husky Oil Company.

Lessor and Husky Oil Company entered into a Ground Lease dated February 14, 1977 (a copy of which is attached hereto as Exhibit A) for the lease of the property described as North 1/4, Section 33, T13N, R66W, Laramie County, Wyoming. Lessee Frontier Refining Inc. is the successor and assignee of all rights of Husky Oil Company in and to the Ground Lease. As provided in the Ground Lease, Lessee has the right to extend the Ground Lease for an additional ten years from the date of expiration of the Ground Lease on the same terms and conditions as provided in the Ground Lease.

NOW, THEREFORE, Lessor and Lessee agree as follows:

The Ground Lease shall be extended and renewed on the same terms and conditions as are contained in the Ground Lease for an additional term of 10 years from and after June 30, 1996 with such term expiring on June 30, 2006 ("Expiration Date"), provided however that the annual rental payment shall be increased from \$302.50 to \$1200.00.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed effective as of the day and year first above written.

Leo H. Bondurant
FRONTIER REFINING INC.
2700 East 5th St.
Cheyenne, WY 82007

Dorae A. Summers
ARP AND HAMMOND HARDWARE COMPANY
P.O. Box 837
Cheyenne, WY 82001

STATE OF WYOMING)
) ss.
COUNTY OF LARAMIE)

The foregoing instrument was acknowledged before me this 27 day of June, 1996 by Leo H. Bondurant.



Martha Fida
Notary Public

My commission expires: _____

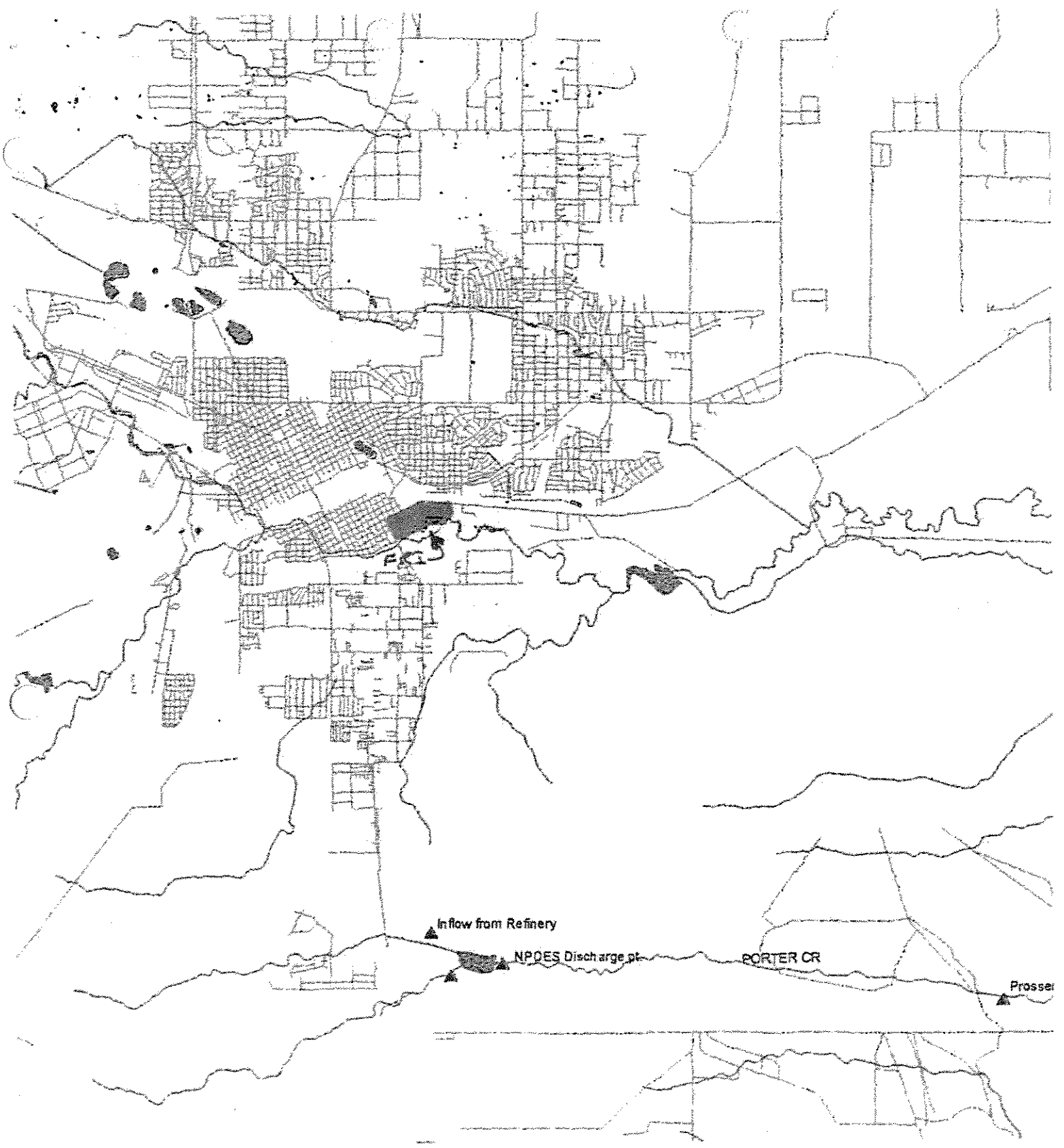
STATE OF WYOMING)
) ss.
COUNTY OF LARAMIE)

The foregoing instrument was acknowledged before me this 25th day of June, 1996 by Dorae A. Summers.

Witness my hand and official seal.

Martha Fida
Notary Public

My commission expires: 7/1/98



3

STATE OF WYOMING)
) IN THE DISTRICT COURT
) ss
COUNTY OF LARAMIE) FIRST JUDICIAL DISTRICT

Kenneth Malmborg,)
)
Plaintiff,)
)
vs.) Civil Action No. 162-016
)
Frontier Refining Inc. a subsidiary of)
Frontier Refining & Marketing, Inc.,)
a subsidiary of Frontier Oil)
Corporation, a Wyoming)
Corporation,)
)
Defendant.)

AFFIDAVIT OF DORAN A. LUMMIS

I, Doran A. Lummis, swear and affirm as follows:

1. I am over the age of eighteen, and I have personal knowledge of the facts stated in this affidavit.

2. My family and I operate a ranch that includes the property on which Frontier's storage reservoir is located. We have leased the storage reservoir to Frontier for many years. Porter Draw crosses our property, and the water Frontier discharges into Porter Draw on our property crosses through our property onto land owned by Ken Fogg.

3. To date, I have had very few concerns and only minor problems with the water Frontier discharges into Porter Draw. At various times of the year, usually in the summer months, I keep cattle on the range that Porter Draw travels through. My cattle drink the water in the pond that discharges into Porter Draw, and from Porter Draw directly. I am not aware of any cattle deaths or illnesses relating to the water.

4. I am not in favor of Frontier being required to stop the discharges into Porter Draw. If those discharges were stopped, I would consider converting our windmill in that area to electricity to provide a more reliable source of water for the cattle on that property.

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DATED the 28th day of June, 2003.

Doran A. Lummis
Doran A. Lummis

STATE OF WYOMING)
) SS:
COUNTY OF LARAMIE)

BEFORE ME, the Subscriber, a Notary Public in and for said County and State, personally appeared Doran A. Lummis and acknowledged the signing of the foregoing instrument to be his free act and deed for the use and purposes therein mentioned.

Witness my hand and notarial seal this 28th day of June, 2003.

Trisha D. Weinreich
Notary Public

Trisha D. Weinreich
Printed

My Commission Expires:

November 5, 2006



CYNTHIA M. LUMMIS

3905 BENT AVENUE
CHEYENNE, WYOMING 82001

June 14, 2006

Mike Jennings
Executive Vice President and Chief Financial Officer
Frontier Oil Corporation
10000 Memorial Drive
Houston, Texas 77024-3411

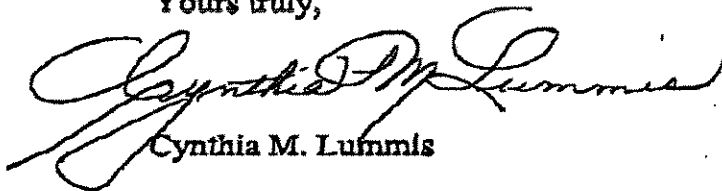
Dear Mike,

This letter is to confirm our conversation of this date wherein you expressed the desire of Frontier Oil to terminate its lease with Arp & Hammond Hardware Company and Lummis Livestock Company, LLC, to operate a refinery effluent water storage facility in Porter Draw.

Enclosed please find a signed copy of Arp & Hammond and Lummis Livestock's agreement with Casey Resources, Inc., also of this date, to provide initial environmental investigations attendant to the reclamation of the Lummis property. If you have any issues with the proposal or the estimated cost, please advise us immediately. We would be pleased to consider any suggestions you may have with respect to the conduct of the investigation. We plan to initiate the work as soon as the lease expires on June 30, 2006.

We look forward to a cooperative effort to address any environmental damage that may have resulted from the nearly 30-year term of the lease and to completely address the land's reclamation.

Yours truly,



Cynthia M. Lummis

CML/aer

Enclosure



FRONTIER
OIL CORPORATION

June 22, 2006

Ms. Cynthia Lummis
3905 Bent Avenue
Cheyenne, WY 82001

By Facsimile: 307-638-1975

Dear Cynthia:

Thank you for your facsimile of June 15th regarding the Porter Draw Reservoir lease and your more recent voice mail. We appreciate and share your desire to work cooperatively to address environmental concerns associated with the Refinery's use of the Porter Draw Reservoir.

Per your request, I confirm that Frontier Refining Inc. is not interested in a renewing a lease for the Porter Draw Reservoir at the annual rental rate of \$1,440,000 offered in your letter of May 11th. Frontier continues to be interested in a lease renewal at an annual rent of \$100,000 or would be willing to purchase the 480 acre parcel (or the stock of a holding company owning only that parcel) for a price of \$1.0 million. We are disappointed that these offers were not acceptable to you, but are prepared to move on based on our inability to reach a mutually acceptable agreement for continuation of the lease

As I indicated on the phone, your family's use of Casey Resources Inc. to perform an environmental assessment of soils and ground water around the Porter Draw Reservoir is acceptable to Frontier. However, because Frontier has separately engaged TriHydro to perform a more detailed study we do not believe groundwater and soil sampling by Casey Resources is necessary and are therefore not offering to pay for such work. Regarding timing, we intend to have the TriHydro field work completed by the termination of our lease on June 30th.

Per your voice mail request, I am obtaining the sampling grid from TriHydro and will forward that to you when I receive it. Frontier is more than willing to have

June 22, 2006

Page 2

TriHydro share its results and discuss its procedures with Casey Resources in the event you retain Casey Resources as a consultant to your family.

Your final point involved a desire to have the Wyoming DEQ or the EPA (whichever has jurisdiction) involved in the sampling and assessment work. Per the work Frontier has done in this area, we believe that the DEQ will be responsible for defining, approving and monitoring any remediation at this site. To this effect, Frontier has notified the DEQ that we will in all likelihood cease shipments of refinery wastewater to the Porter Draw Reservoir on June 30th. Frontier expects to share the results of its investigation with the DEQ when it is completed and thereafter cooperate with DEQ in addressing further appropriate actions.

Going forward, I believe it would be productive for us to meet and discuss our respective objectives and concerns as they relate to future activities associated with the Reservoir. My assumption is that we can work together on this project to generate a substantially better solution for both the Lummis family and for Frontier than any kind of non-collaborative effort.

Gerald Faudel, Frontier's Vice President of Government Relations and Environmental Affairs, and I would be available to meet with you in Cheyenne if you wish to pursue this channel. Such a meeting could be held as early as June 26th or 27th, or on a later mutually agreeable date.

Please let me know if you wish to discuss any of the preceding further.

Best regards,



Mike Jennings
Executive Vice President &
Chief Financial Officer



FRONTIER REFINING & MARKETING INC.
and Subsidiaries

4610 S. ULSTER STREET, SUITE 200
DENVER, COLORADO 80237-2633
(303) 714-0100

October 2, 2006

Certified Mail, Return Receipt Requested

Alvin Wiederspahn, J.D., P.C.
First National Bank Building
2015 Central Avenue, Suite 200
Cheyenne, Wyoming 82001

Re: Frontier Refining Inc./Your Letter Dated September 25, 2006

Dear Mr. Wiederspahn:

Thank you for your September 25, 2006 letter regarding your interest in monitoring well reports and similar data relative to Arp & Hammond/Lummis Livestock Company ("Lummis Companies") property to the south and east of the Frontier Refining Inc. ("Frontier") refinery. I am writing to respond to your letter on behalf of Frontier.

We welcome the opportunity to work cooperatively with the Lummis Companies and the Lummis family, as we have for many years. Historically, we have been good neighbors, and have often exchanged gestures of goodwill, including the Lummis Companies' willingness to allow environmental investigations by Frontier on their property.

Accordingly, Frontier is prepared to provide you with soil boring and monitoring data derived from the Lummis property and any related correspondence and reports that have been provided to regulatory agencies. Although such information is already available from public records, and we would encourage you to check those sources as well, we believe that it will facilitate your objectives if we compile and provide it directly to you. At this point, I am uncertain how much time it will take to compile the information, but I would expect to be able to have most or all of it to you within the next thirty (30) days.

We also appreciate the Lummis Companies' interest in keeping informed of future investigation and sampling of their property. We think that the most effective way to respond to this request would be to schedule a meeting between representatives of both sides to discuss the concerns and objectives of the Lummis Companies, Frontier's anticipated investigatory needs and plans, and how we can work together cooperatively to address the interests of all concerned. This meeting also can afford us an opportunity to discuss related concerns raised in your September 18, 2006 letter to Mr. Mike Barrash of the Wyoming Attorney General's office.

We would appreciate you passing along our meeting suggestion to the principals of the Lummis Companies. I plan to call you within the next several days to follow up on our suggestion for a meeting and to determine if you have any other questions or concerns at this point. I look forward to speaking with you.

Sincerely,



Gerald B. Faudel
Vice President,
Government Relations and Environmental Affairs

cc: Ms. Lily Barkau
Wyoming Department of Environmental Quality

Mr. Tom Alto
Region 7
U.S. Environmental Protection Agency

bcc: Paul Eisman
Mike Jennings
Joe Guida

ACCESS AGREEMENT

THIS ACCESS AGREEMENT made the 10th day of January, 2007, by and between Arp & Hammond Hardware Company, Inc., a Wyoming corporation ("Grantor"), whose address is 1825 Campstool Road, Cheyenne, Wyoming, 82007, and Frontier Refining Inc., a Delaware corporation ("Grantee"), whose address is 2700 East 5th Street, Cheyenne, Wyoming, 82007.

RECITALS

WHEREAS, Grantee owns and operates an oil refinery connected by pipeline to land owned by Grantor; and

WHEREAS, wastewater produced by Grantee in the operation of its refinery has been transported to the former refinery retention pond at Porter Draw, located on Grantor's land; and

WHEREAS, Grantee has requested permission to enter real property owned by Grantor in order to pump wastewater back to Grantee's refinery from the former refinery retention pond at Porter Draw (the "Work") on the following described lands (hereinafter called the "Premises"):

North ½, Section 33, T13N, R22W, 6th P.M., Laramie County, Wyoming.

NOW, THEREFORE, in consideration of the mutual covenants of the parties and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties, intending to be bound, hereby agree as follows:

1. Grant of Access. Grantor hereby grants permission for Grantee to access the Premises for said Work, subject to the following terms and conditions:

2. Damages. Grantee agrees to pay Grantor for all damages suffered or incurred by Grantor, either directly or indirectly, as a result of any Work conducted for or as the result of the exercise of the rights hereunder by Grantee, its agents, employees, contractors or representatives on the Premises or any tracts adjacent thereto, including all damage or injury to pasture, fences, equipment, livestock and all other property, whether real or personal.

3. Indemnification. Grantee agrees to indemnify and save Grantor, its officers, directors, agents and employees, invitees and licensees harmless at all times against all claims, demands, actions, losses, damages, expenses or causes of action of whatever nature, including those to person and property, arising from, growing out of, or which may in any way result from any and all Work conducted for or by Grantee, its agents, employees, contractors or representatives on the Premises or any other tracts adjacent thereto.

4. Permits and Performance of the Work. Grantee shall have the obligation to obtain all necessary permits from the State of Wyoming Department of Environmental Quality ("DEQ") and any other governmental authority or applicable regulatory agencies having jurisdiction over the Work. All contractors engaged by Grantee shall be bondable, licensed contractors.

5. Mechanics Liens. Grantee shall not permit or suffer any lien to attach to Grantor's property, and shall have no authority or power, express or implied, to create or cause any lien, charge or encumbrance of any kind against Grantor's property. If any lien shall at any time be filed against the property of Grantor by reason of work, labor, services or materials alleged to have been performed or furnished by, for or to Grantee or to anyone acting through or under Grantee, then Grantee shall deliver to Grantor a guaranty in a form and executed by an entity acceptable to Grantor in its sole discretion wherein the guarantor shall agree to pay the lien in full and cause the release of the lien prior to the commencement of any foreclosure proceedings, and if Grantee shall fail to do so, in addition to any other right or remedy of Grantor, Grantor may discharge the same by paying the amount claimed to be due, and the amount so paid by Grantor and all costs and expenses, including reasonable attorneys' fees incurred by Grantor in procuring the discharge of such lien, together with interest at the higher of eighteen percent (18%) per annum or the highest rate permitted by applicable law, shall be due and payable by Grantee to Grantor.

6. Insurance. Grantee shall secure or cause its general contractor and subcontractors to secure, pay for and maintain during the continuance of the Work the following insurance in the following amounts, with respect to claims and liabilities arising from work at the Premises by the general contractor, subcontractors or any of their subcontractors or by anyone directly or indirectly employed by them:

(a) Worker's compensation and employer's liability insurance, with limits of not less than five hundred thousand dollars (\$500,000), and such additional coverage as may be required by any Employee Benefit Acts or other statutes applicable where the Work is to be performed; and

(b) Commercial general liability insurance (including coverage against bodily injury or death, property damage and contractual liability and also including explosion and collapse coverage) in an amount not less than two million dollars (\$2,000,000) combined single limit; *provided, however,* Grantee shall have the right to self-insure its obligations hereunder upon delivery of prior notice thereof to Grantor.

In addition, Grantee shall secure, pay for and maintain during the term of this Agreement comprehensive general liability insurance (including coverage against bodily injury or death, property damage and contractual liability) insuring against any and all claims against Grantee arising out of the Work in an amount of not less than two million dollars (\$2,000,000) combined single limit; *provided, however,* Grantee shall have the right to self-insure its obligations hereunder upon delivery of prior notice thereof to Grantor.

All of the policies for the foregoing insurance shall be with companies licensed in the State of Wyoming (except to the extent Grantee is entitled to self-insure) and reasonably acceptable to Grantor, shall name Grantor as an additional insured and shall provide that Grantor shall be given ten (10) days' prior written notice of any alteration or termination of coverage.

7. Liability. Neither Grantor nor its employees, agents or representatives shall be liable to Grantee, its employees, agents, contractors or representatives for any loss, injury or damage whatsoever suffered or incurred by Grantee or its agents, employees, contractors, subcontractors or representatives ("Grantee Workers") while Grantee Workers are on the Premises.

8. Non-Exclusive Access. This grant is not exclusive, and Grantor reserves the right to go on or across, and to permit others to go on and across, the Premises for any purpose whatsoever and to conduct thereon any operations or activities that Grantor may desire, provided that such access does not interfere with the Work or create a hazard to persons or property of Grantee.

9. Non-Entry. Grantee agrees that neither it nor its employees, agents or representatives or parties under contract to Grantee will enter upon any lands in which Grantor owns an interest, other than the Premises, except under separate written agreement, without first obtaining written consent from Grantor, and will go on the Premises solely for the purpose of conducting the Work thereon.

10. Expiration. This grant of access expires upon completion of the Work by Grantee. Grantee will complete the Work within a reasonable time. No monetary consideration has been paid for this grant and it is understood and agreed that either party may terminate it at any time after ten (10) days' notice at the addresses in Section 13(h) hereof. Grantee agrees not to go on the Premises for any purpose whatsoever after this grant has expired or terminated without first obtaining written permission from Grantor.

11. Limitation: No Assignment or Transfer. This grant is limited to Grantee, its agents, employees, contractors and representatives and may not be assigned or transferred; violation of this provision shall automatically terminate this grant and all rights hereunder.

12. Reservation of Rights. The parties fully reserve their rights and defenses with respect to environmental cleanup or remediation claims and all other claims relating to properties owned by Grantor or its affiliates.

13. Miscellaneous.

(a) The Work shall at all times be performed by Grantee and its agents and contractors in accordance with the order of any local government or regulatory body with jurisdiction and all applicable law.

(b) The Work shall be subject to the inspection of Grantor or Grantor's designated representative from time to time during the period in which the Work is being performed.

(c) Grantee will provide Grantor twenty-four (24) hours advance notice prior to entry onto the Premises under this Agreement, except in cases of emergency or when Grantee believes access in a shorter time is necessary and has made reasonable attempts

to contact Grantor to obtain a waiver of the twenty-four hour notice requirement. Nothing in this paragraph will prohibit the parties from reaching an agreement that a single notification will cover multiple days of access.

(d) Waiver by either party of any breach by the other of any term or condition hereof shall not be deemed a waiver of any subsequent breach of the same or any other term or condition hereof.

(e) This Agreement constitutes the complete agreement, and supersedes all prior correspondence, memoranda or agreements, between the parties relating to the subject matter hereto. This Agreement cannot be changed or modified other than by a written agreement executed by both parties.

(f) This Agreement shall be governed in accordance with the laws and construed by the courts of the State of Wyoming.

(g) This Agreement may be executed in more than one counterpart, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

(h) Any notices under this Agreement shall be sent by U.S. certified mail, return receipt requested, to the following parties:

If to Grantor: Cynthia M. Lummis
3905 Bent Avenue
Cheyenne, Wyoming 82001

With copy to: Alvin Wiederspahn
2015 Central Avenue, Suite 200
Cheyenne, Wyoming 82001-3754

If to Grantee: Gerald B. Faudel, Vice President
Government Relations and Environmental Affairs
Frontier Refining and Marketing, Inc.
4610 South Ulster Street, Suite 200
Denver, Colorado 80237-2633

With copy to: Joseph F. Guida
Guida, Slavich & Flores
750 North St. Paul Street, Suite 200
Dallas, Texas 75201

Notice shall be deemed completed upon receipt or refusal to receive.

IN WITNESS WHEREOF, the undersigned parties have executed this Access Agreement the day and year first above written.

GRANTOR: ARP & HAMMOND HARDWARE COMPANY, INC.

By: *Cynthia M. Lummis*
Name: Cynthia M. Lummis
Its: Shareholder
duly authorized to so sign

GRANTEE: FRONTIER REFINING INC.

By: *G. B. Faudel*
Name: GERALD B FAUDEL
Its: VP Gov. Relations & Envir. Affairs
duly authorized to so sign



FRONTIER REFINING INC.
a Subsidiary of Frontier Refining & Marketing Inc.

P.O. BOX 1588
CHEYENNE, WYOMING 82003-1588
(307) 634-3551
FAX (Main Office) (307) 771-8794
FAX (Purchasing) (307) 771-8795

October 17, 2006

Ms. Lily Barkau
Wyoming Department of Environmental Quality
Hazardous Waste Permitting and Corrective Action
122 West 25th Street
Cheyenne, WY 82002

Re: Your letter "Administrative Order on Consent – Additional work – Porter Draw" dated
October 3, 2006

Dear Ms. Barkau,

Thank you for your letter October 3, 2006 concerning WDEQ's interest in an investigation of Porter Draw Reservoir ("Reservoir") pursuant to Section VII of the 1995 Administrative Order on Consent ("AOC") between WDEQ and Frontier Refining Inc. ("Frontier"). The purpose of this letter is to respond to your inquiry on Frontier's investigative plans.

As a preliminary matter, we want to note that, based on a recent conversation between Mike Barrash of the Wyoming Attorney General's Office and Frontier's legal counsel, Joe Guida, Frontier understands that your letter is seeking only a statement of Frontier's plans on investigation of the Reservoir and a dialogue with Frontier on same. We understand that WDEQ is not expecting submission of a work plan pursuant to Section VII of the AOC within the time frame specified in your letter. Please let me know if Frontier's understanding of your inquiry (based on the referenced conversation between legal counsel) is not in accord with that of WDEQ.

In response to your inquiry about investigation of the Reservoir, it is important for WDEQ to know that Frontier already has performed substantial investigatory work at the Reservoir. During June 2006, when it became apparent that the ground lease for the Reservoir property would not be renewed, Frontier retained Trihydro Corporation ("Trihydro") to develop a scope of work and work plan for the evaluation of the Reservoir area. These activities were performed during the last two (2) weeks of June. The project was done on an expedited schedule to assure access to the site while still under lease (lease expiration was June 30, 2006). (It should also be noted that Frontier ceased all discharge to the Reservoir during the week of June 26.) A final report on the investigation (dated September 20, 2006) was received from Trihydro and is attached to this letter for your review.

In brief, the investigation included sampling and analysis of soil/sediment (at fifty-five locations), temporary monitoring well installation for sampling of groundwater (at seven locations) and surface water sampling (at six locations). We believe that the attached investigation report provides much, if not all, of the information, that DEQ would expect to receive in connection with an investigation pursuant to Section VII of the AOC. At the very least, we think it serves as a

meaningful response to WDEQ's inquiry on Frontier's plans to investigate the Reservoir site. We, therefore, request that WDEQ review the enclosed report and then schedule a meeting with Frontier to discuss the findings and, if appropriate, other activities that may be necessary to satisfy the terms of the AOC.

We trust that this response satisfies your initial request for Frontier's plans regarding investigation of the Reservoir site. Should you require any further information please contact me at your convenience at (303) 714-0168.

Very truly yours,



Gerald B. Faudel
Vice President – Government Relations & Environmental Affairs

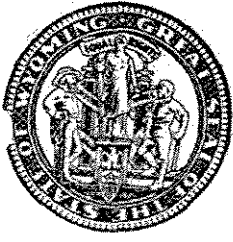
cc: Mr. Tom Aalto – USEPA Region 8
999 18th Street – Suite 300
Denver, CO 80202

Mike Barrash, Esq. – Wyoming Attorney General's Office
123 Capitol Building
Cheyenne, Wyoming 82002

Attachment

Bcc: Paul Eisman
Mike Jennings
Currie Bechtol
✓ Joe Guida
Mel Wilkenfeld

w/o Attachment



Department of Environmental Quality



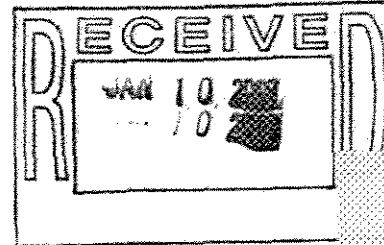
To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Dave Freudenthal, Governor

John Corra, Director

January 9, 2007

Mr. Melvyn Wilkenfeld
Manager, Government Relations and Special Projects
Frontier Refining Inc.
P. O. Box 1588
Cheyenne, WY 82003-1588



RE: Porter Draw Investigation Report and Memorandum, Frontier Refining Inc., Cheyenne, Wyoming, dated September 20, 2006 and December 19, 2006, respectively.

Dear Mr. Wilkenfeld,

The Wyoming Department of Environmental Quality (WDEQ) has received and reviewed the December 19, 2006 memorandum prepared by Trihydro Corporation (Trihydro) for Frontier Refining Inc. (Frontier) regarding our December 6, 2006 meeting. It is understood that the Porter Draw Investigation Report (dated September 20, 2006) was provided by Trihydro to Frontier for review of site activities and was not a formal submittal to WDEQ for approval. However, in a letter dated October 3, 2006, WDEQ sought to invoke Section VII, Additional Work, of the Administrative Order on Consent (AOC) for the Porter Draw site. Based on this letter, WDEQ received the Porter Draw Investigation Report on October 18, 2006 from Frontier and a response was forwarded on October 20, 2006 to Frontier that a work plan would not be necessary as stated in the October 3, 2006 letter. However, the October 20th letter did note that if review of the Investigation Report identified data gaps, WDEQ may request a work plan to discuss any additional work required.

To expedite the review and comment process and activities associated with the Porter Draw site, WDEQ and Frontier met on December 6, 2006 to discuss the report and future activities at the site. I have reviewed the memorandum and see no additional edits at this time. However, data gaps do exist. Data gaps exist at two locations: 1) while it is understood that reservoir soil/sediment sampling was limited within the high-water mark of the reservoir, no soil samples were collected from the outfall or along the drainage basin leading into the reservoir, and 2) no soil/sediment samples were collected at the inlet located in the southwest corner of the reservoir. Therefore, additional field activities to collect the data needed to eliminate data gaps are necessary.

However, in order to expedite remedial activities at the Porter Draw site, an additional work plan for data gaps is not being requested as part of the Investigation Report, but additional work to fill the above identified data gaps should be presented in a remediation work plan for the

Herschler Building • 122 West 25th Street • Cheyenne, WY 82002 • <http://deq.state.wy.us>

ADMIN/OUTREACH (307) 777-7937 FAX 777-3610	ABANDONED MINES (307) 777-6145 FAX 777-6462	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7369 FAX 777-5973	LAND QUALITY (307) 777-7756 FAX 777-5864	SOLID & HAZ. WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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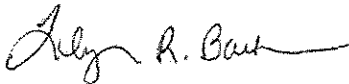


Mr. Melvyn Wilkenfeld
Frontier Refining Inc.
January 9, 2007
Page 2 of 2

site. In addition, the remediation work plan must include, but not limited to be the following: 1) a description of the response action defining in three dimensions the affected area including areas where soils, sediment, and reservoir water will be removed; 2) proposed confirmation sampling locations within affected areas and proposed background sampling locations for comparing metals concentration, as necessary; 3) management of any contaminated soil including any waste analysis procedures, results and disposal; 4) proposed list of constituent of concern for confirmation sampling; 5) schedule for the proposed work; and 6) other requirements for work plans and reporting as required by the Administrative Order on Consent.

Please provide a schedule for submittal of a remedial work plan and field activities within 30 days. If you should have any questions or need clarification please contact me at 307-777-7541.

Sincerely,



Lily R. Barkau
Senior Analyst, HWPCA
Solid and Hazardous Waste Division

Cc: Mike Barrash (AG's Office)
Tom Aalto (EPA Region 8)
Facility file



FRONTIER REFINING INC.
a Subsidiary of Frontier Refining & Marketing Inc.

P.O. BOX 1588
CHEYENNE, WYOMING 82002-1588
(307) 634-3551
FAX (Main Office) (307) 771-8794
FAX (Purchasing) (307) 771-8795

February 7, 2007

Ms. Lily Barkau
Wyoming Department of Environmental Quality
Hazardous Waste Permitting and Corrective Action
122 West 25th Street
Cheyenne, WY 82002

Re: Your letter "Porter Draw Investigation Report and Memorandum..." dated January 9, 2007

Dear Ms. Barkau,

I am in receipt of your letter referenced above and would like to thank you for your efforts to expedite the remediation of the Porter Draw reservoir and associated areas. Frontier expects to provide, for your review and comment, the remedial work plan no later than May 11, 2007. Allowing sufficient time for you to complete your review, and for your comments to be addressed, we expect to begin the remedial activities on or about August 16, 2007. If these initial target dates are successfully achieved, we anticipate field activities could be completed by early November 2007.

I trust that this will satisfy your request. Should you require any further information please contact me at your convenience at (307) 771- 8776.

Very truly yours,

Melvyn S. Wilkenfeld
Manager, Government Relations and Special Projects
Frontier Refining Inc.

cc: Mr. Mike Barrash – Senior Assistant Attorney General
Wyoming Attorney General's Office
123 Capitol Building
Cheyenne, WY 82002

Mr. Tom Aalto – USEPA Region 8
1595 Wynkoop Street
Denver, CO 80202

