

**EXHIBIT B**

Draft Remediation Agreement

**AGREEMENT FOR THE REMEDIATION  
OF ENVIRONMENTAL CONTAMINATION**

THIS AGREEMENT (the "Agreement") is entered into this \_\_\_\_ day of February, 2007, by and between Frontier Refining, Inc., a Delaware corporation ("Frontier"), and Arp & Hammond Hardware Company, a Wyoming corporation ("Arp & Hammond").

RECITALS

WHEREAS, Arp & Hammond owns land formerly leased by Frontier in Porter Draw, an area located in the N2, Sec. 33, T13N, R22W, 6<sup>th</sup> P.M., Laramie County, Wyoming; and

WHEREAS, the Frontier Refinery (the "Refinery") is connected, by a wastewater conveyance pipeline which crosses land owned by Arp & Hammond and its affiliates, to the Porter Draw Reservoir which has been a contiguous operation of the Refinery; and

WHEREAS, Arp & Hammond lands in Porter Draw and associated with the conveyance pipeline have been materially and adversely affected by Frontier's operations, including sediment, soil, surface water and groundwater; and

WHEREAS, the undersigned parties wish to set forth their agreement with respect to the remediation of the environmental damage done by Frontier's operations at Porter Draw.

NOW, THEREFORE, in consideration of one hundred dollars (\$100) in hand paid, the receipt and sufficiency of which is hereby acknowledged, and their mutual covenants as hereinafter set forth, the sufficiency of which is also acknowledged, the parties, intending to be bound, agree as follows:

1) Arp & Hammond and its affiliates agree to provide Frontier with access to Porter Draw and the conveyance pipeline by Access Agreement in substantially the form annexed hereto, identified as Attachment A and incorporated by this reference, in order to allow Frontier to remediate lands and water affected by the conveyance pipeline and effluent discharge at Porter Draw.

2) Frontier agrees to conduct environmental investigations along the entire length of the wastewater conveyance pipeline that connects Frontier Refinery to Porter Draw Reservoir to determine whether there are any environmental impacts or contamination associated with that pipeline or whether such pipeline should be removed to prevent such impacts or contamination in the future. Any impacts identified shall be addressed by Frontier for remediation.

3) Frontier agrees that the remediation of Porter Draw and the conveyance pipeline shall be completed to no less than non-restricted/residential standards or background conditions.

4) Frontier agrees to develop a work plan for remediation of Porter Draw and to complete additional investigations to address soil and sediment sampling data gaps near the

conveyance pipeline discharge, the drainage basin leading to the Reservoir and the inlet in the southwest corner of the Reservoir.

5) Frontier agrees to complete additional sampling within the high wastewater line of the Reservoir to further define sediment quality, depth of subsurface soil impacts and groundwater impacts.

6) Frontier agrees to complete additional groundwater assessment to establish background groundwater quality and the depth and areal extent of groundwater impact beneath the Reservoir and well as down gradient of the Reservoir. Such investigations shall not be limited to RCRA regulated compounds, but shall include constituents of the wastewater that potentially impact waters of the State of Wyoming.

7) Frontier agrees to remove all wastewater remaining at the Porter Draw Reservoir no later than November 30, 2007.

8) Frontier agrees to remove all impacts to the land, surface water and groundwater associated with its use of the Porter Draw Reservoir and other lands associated with the conveyance pipeline. Such impacts shall be deemed to be inclusive of both regulated and non-regulated compounds contained within the wastewater which have impacted sediment, soil, surface water and groundwater at Porter Draw.

9) Frontier agrees to remediate Porter Draw to no less than non-restricted/residential land use standards or established background concentrations.

10) Characterization and remediation of the Porter Draw shall be completed no later than July 31, 2008. Penalties for non-compliance as provided in the March 15, 1995, *Administrative Order on Consent* shall apply.

11) Frontier agrees to submit a technically adequate application for modification of WYPDES Permit No. WY0000442 to eliminate Outfall 004 and shall remain subject to such permitting requirements for so long as wastewater remains in the Porter Draw Reservoir and the conveyance pipeline remains in place.

12) Frontier agrees to keep Arp & Hammond informed of all activities associated with this matter and to include Arp & Hammond in the review, comment and participation in any and all negotiations relating to Frontier actions and compliance addressed to offsite impacts specific to and/or in relation to Arp & Hammond lands.

13) This Agreement will be governed by and construed and interpreted in accordance with the laws of the State of Wyoming.

14) Each individual and entity executing this Agreement hereby represents and warrants that he, she or it has the capacity set forth on the signature pages hereof with full power and authority to bind the party on whose behalf he, she or it is executing this Agreement to the terms hereof.



15) This Agreement is the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, whether oral or written, between the parties with respect to the matters contained in this Agreement. Any waiver, modification, consent or acquiescence with respect to any provision of this Agreement will be set forth in writing and duly executed by or on behalf of the party to be bound thereby. No waiver by any party of any breach hereunder will be deemed a waiver of any other or subsequent breach.

16) This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which when taken together will constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this Agreement attached thereto. Facsimile signatures shall have the same effect as originals.

17) Time is of the essence in the performance of and compliance with each of the provisions and conditions of this Agreement.

18) Any communication, notice or demand of any kind whatsoever which either party may be required or may desire to give to or serve upon the other will be in writing and delivered by personal service (including express or courier service), by electronic communication, by facsimile transmission, or by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

Arp & Hammond Hardware Company  
1825 Campstool Road  
Cheyenne, Wyoming 82007

With copy to: Alvin Wiederspahn  
Alvin Wiederspahn J.D., P.C.  
2015 Central Avenue, Suite 200  
Cheyenne, Wyoming 82001-3754

Frontier Refining and Marketing, Inc.  
Gerald B. Faudel, Vice President  
Government Relations and Environmental Affairs  
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

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

FRONTIER REFINING, INC.

By: \_\_\_\_\_  
Gerald Faudel, Vice President  
duly authorized to so sign

ARP & HAMMOND HARDWARE COMPANY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
duly authorized to so sign