

BEFORE THE
ENVIRONMENTAL QUALITY COUNCIL
STATE OF WYOMING

FILED

OCT 17 2006

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

JOINT MOTION TO APPROVE JOINT STIPULATION FOR
MODIFICATION OF ADMINISTRATIVE ORDER ON CONSENT

The Wyoming Department of Environmental Quality (DEQ) and Frontier Refining Inc. (Frontier), a Delaware corporation, entered into a Final Administrative Order on Consent (AOC) in March, 1995 (a copy of which is attached hereto), which is equivalent to and intended to run concurrently with the Final Administrative Order on Consent, U.S. EPA Docket No. RCRA 3008(h)-VIII-88-08 (EPA Order) that was entered into by the United States Environmental Protection Agency (EPA) and Frontier in September, 1990. WYO. STAT. ANN. § 35-11-518(b) provides that the DEQ may issue an administrative order which is equivalent to any federal administrative order which has been issued pursuant to subtitle C of the Resource Conservation and Recovery Act (RCRA) prior to the effective date of the authorization of the state hazardous waste program under that subtitle. Wyoming's program was authorized in 1995.

Since the AOC between DEQ and Frontier was not contested by Frontier, it became final after ten days pursuant to WYO. STAT. ANN. § 35-11-701(c)(ii). The EPA Order was withdrawn on March 19, 1997, following issuance of the DEQ Order.

On September 15, 2006, Frontier and the DEQ entered into a Joint Stipulation for Modification of Administrative Order on Consent, a copy of which is attached to and incorporated into this Joint Motion to approve the Joint Stipulation. Section XXI

(SUBSEQUENT MODIFICATION) of the AOC provides that the AOC may be amended by mutual written agreement of the DEQ and Frontier. Except as specifically modified by the Joint Stipulation, all terms of the original AOC remain unchanged and in effect.

Frontier and the DEQ now respectfully request that the EQC enter an Order approving the Joint Stipulation for Modification of the Administrative Order on Consent and incorporate it into the AOC by reference.

DATED this 17th day of October, 2006.

COUNSEL FOR FRONTIER REFINING INC.:

COUNSEL FOR THE WYOMING
DEPARTMENT OF ENVIRONMENTAL
QUALITY:



Alexander K. Davison
Patton & Davison
P. O. Box 945
Cheyenne, WY 82003
307-635-4111



Mike Barrash
Wyoming Attorney General's Office
123 Capitol Building
Cheyenne, WY 82002
307-777-6946

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 17th day of October, 2006, a true and correct copy of the foregoing instrument was mailed in a sealed envelope with postage prepaid to the following:

Alexander K. Davison
Patton & Davison
P. O. Box 945
Cheyenne, WY 82003

Mike Barrash
Wyoming Attorney General's Office
123 Capitol Building
Cheyenne, WY 82002

Joseph F. Guida
Guida, Slavich & Flores, P.C.
750 N. St. Paul Street, Suite 200
Dallas, TX 75201-3205



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JOINT STIPULATION FOR MODIFICATION
OF ADMINISTRATIVE ORDER ON CONSENT

The Wyoming Department of Environmental Quality (DEQ) and Frontier Refining Inc. (Frontier), a Delaware corporation, entered into a Final Administrative Order on Consent (AOC) in March, 1995, which was equivalent to and intended to run concurrently with the Final Administrative Order on Consent, U.S. EPA Docket No. RCRA 3008(h)-VIII-88-08 (EPA Order) that was entered into by the United States Environmental Protection Agency (EPA) and Frontier in September, 1990. The EPA Order was withdrawn on March 19, 1997. W.S. 35-11-518(b) provides that the DEQ may issue an administrative order which is equivalent to any federal administrative order which has been issued pursuant to subtitle C of the Resource Conservation and Recovery Act (RCRA) prior to the effective date of the authorization of the state hazardous waste program under that subtitle. Wyoming's program was authorized in 1995. Section XXI (SUBSEQUENT MODIFICATION) of the AOC provides that the AOC may be amended by mutual written agreement of the DEQ and Frontier. Such amendments shall be incorporated into the AOC. Accordingly, the DEQ and Frontier now jointly stipulate as follows:

1. The DEQ and Frontier agree to modification of Section VI (WORK TO BE PERFORMED) by adding the following terms:

SPECIAL STIPULATED CORRECTIVE ACTION SCHEDULE

18. Completion of on-site and off-site RFI field activities and submittal of a Draft Final RFI report by October 15, 2007.

- i. The Draft Final RFI report will cover all on-site and off-site areas that have a reasonable potential to be impacted by refinery waste management activities and releases.
- ii. Information and data may need to be compiled from previously existing reports.
- iii. Additional data may need to be collected.
- iv. DEQ acknowledges potential limitations related to investigation of an operating refinery, but a good faith effort will be made to characterize on-site and off-site conditions.

- v. As part of the Draft Final RFI report, Frontier shall propose for DEQ approval, those areas (including SWMUs, AOCs, sources, hot spots) that should be subject to the standard Corrective Action process under the original AOC, or subject to Site Stabilization described in this Special Stipulation Corrective Action Schedule.

19. Achievement of the Environmental Indicators (EI) (human health and groundwater) by September 30, 2008, or sooner.

- i. Frontier will make diligent efforts to achieve both EIs by September 30, 2008. However, DEQ acknowledges that those determinations by September 30, 2008, are contingent on RFI and Site Stabilization activities.
- ii. "Diligent efforts" as provided in Paragraph 19 (i) above may include actions taken by Frontier pursuant to a consent decree if entered into by the Parties hereto in connection with DEQ Notice of Violation Docket No. 3538-04.
- iii. Achievement of EIs does not necessarily constitute fulfillment of other Special Stipulation Corrective Action Schedule Objectives.

20. Special Stipulation Corrective Action Schedule - Site Stabilization, including boundary control, by October 15, 2008.

- i. Site Stabilization consists of DEQ approved (subject to dispute resolution) completion of remediation of hot spots; elimination and/or remediation of on-going sources of contamination (e.g., underground pipes, above ground pipes, tanks); remediation of off-site releases, and implementation of boundary control. For purposes of this Paragraph 20, remediation shall be consistent with Paragraph 21 (ii).
 - a. Frontier shall accomplish Special Stipulation Corrective Action Schedule Site Stabilization by October 15, 2008, except as provided in Paragraph 20(i)(b). Boundary control is not subject to the exception provided in Paragraph 20(i)(b).
 - b. For hot spots, known ongoing sources of contamination, and off-site releases, which cannot be remediated by October 15, 2008, Frontier shall accomplish Corrective Action according to a plan and schedule to be submitted by October 15, 2007, and approved by DEQ (subject to dispute resolution).
- ii. Frontier should implement a strategy to ensure on-going activities at the site will not affect Site Stabilization (future releases).
- iii. DEQ and Frontier are currently in settlement negotiations, as of September, 2006, for boundary control along the southern, eastern, and southwestern portion of the facility. Provided that boundary control along the southern, eastern, and southwestern portion is agreed upon, this will satisfy a portion of this requirement for Site Stabilization.

- iv. For boundaries not part of the current settlement negotiations, as of September, 2006, Frontier and DEQ acknowledge that there may be an eventual need for boundary control in other areas and that actions (e.g., design development) to address those other boundaries must occur before October 15, 2008.
- v. Additional boundary control measures, as warranted, will be invoked through Section VII, Additional Work Measures, of this Administrative Order on Consent.

21. On-site source control by October 15, 2008.

- i. Source control is a component of Site Stabilization, and is covered by Paragraph 20 above.
- ii. Sources include, but are not limited to, hot spots identified during the RFI that pose a significant risk to humans and to groundwater, or other on-going sources of releases of contamination that pose a significant risk to humans or groundwater.

2. Except as specifically modified by this Joint Stipulation, all terms of the original AOC remain unchanged and in effect.

3. The AOC, as modified by this Joint Stipulation, shall apply to and be binding upon Frontier and its successors and assigns.

4. The DEQ and Frontier request that the Wyoming Environmental Quality Council (EQC) approve this Joint Stipulation for modification of the AOC and incorporate it into the AOC by reference.

The signatories certify that they are authorized to execute this Joint Stipulation on behalf of their respective Parties.

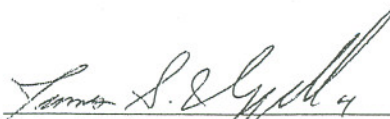
DATED this 15th day of September, 2006.

FOR FRONTIER REFINING INC.:

FOR THE WYOMING DEPARTMENT
OF ENVIRONMENTAL QUALITY:



Lloyd J. Nordhausen
Vice President and Refinery Manager



John V. Corra
Director



LeRoy C. Feusner, P.E., BCEE
Administrator Solid and Hazardous
Waste Division

WYOMING
DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

FRONTIER REFINING INC.
Cheyenne, Wyoming

Respondent.

) FINAL ADMINISTRATIVE ORDER
) ON CONSENT
)
) DOCKET NO. _____
)
) Proceeding under Wyoming
) Environmental Quality Act
) §§ 35-11-101 *et seq.*
)

I. JURISDICTION

This Administrative Order on Consent ("Order" or "Consent Order") is issued pursuant to the authority vested in the Wyoming Department of Environmental Quality ("Department" or "WDEQ") by the provisions of Act No. 43, 1994 Budget Session, of the Fifty-second Legislature of the State of Wyoming. Among other things, this Act provides for Wyoming State primacy in the federal hazardous waste program that is authorized by the Resource Conservation and Recovery Act of 1976 ("RCRA"), as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. § 6928(h).

Except for certain provisions which have been changed to conform with state law, this Order corresponds, is equivalent to, and is intended to run concurrently with the Final Administrative Order on Consent, U.S. EPA Docket No. RCRA 3008(h)-VIII-88- 08 ("EPA Order"), that was entered into by the United States Environmental Protection Agency ("EPA") and Frontier Refining Inc. ("Frontier") in September of 1990. This Order is being issued pursuant to W.S. 35-11-518.

This Order is issued to Frontier, owner and operator of Frontier Refinery, Cheyenne, Wyoming (the "Facility"). Frontier consents to the issuance of this Consent Order and agrees to abide by its terms and conditions. Frontier agrees not to contest the Department's authority to bring, or any court's jurisdiction to hear, any action to enforce this Consent Order. In an action to enforce this Consent Order or any rights afforded hereunder, Frontier agrees not to contest the Department's jurisdiction in this matter pursuant to W.S. 35-11-518. Because this Consent Order was entered with the consent of the parties, Frontier waives any right it may have to a hearing to challenge the Department's issuance of the Consent Order.

II. PARTIES BOUND

1. This Order shall apply to and be binding upon Frontier and its officers, directors, employees, agents, successors and assigns. Frontier shall be responsible for ensuring that all contractors, consultants, firms, and other persons or entities acting on its behalf, with respect to matters included herein, comply with the terms of this Consent Order.

2. No change in ownership or corporate or partnership status relating to the Facility shall in any way alter Frontier's responsibility under this Order, unless any successor-in-interest demonstrates to the Department's satisfaction that it has the capability to perform and also consents to perform the obligations of this Order in lieu of Frontier. In any conveyance of Frontier's real