

EXHIBIT A

Complaint

IN THE FIRST JUDICIAL DISTRICT COURT
IN AND FOR LARAMIE COUNTY, STATE OF WYOMING

PEOPLE OF THE STATE OF WYOMING,)
)
 Plaintiff,)
)
 vs.)
)
 FRONTIER REFINING INC.,)
 a Delaware corporation,)
)
 Defendant.)

Civil No. 169-196

FILED

JAN 03 2007

GERRIE E. BISHOP
CLERK OF THE DISTRICT COURT

COMPLAINT

Plaintiff, Wyoming Department of Environmental Quality, in the name of the People of the State of Wyoming, by the Wyoming Attorney General's Office, pursuant to WYO. STAT. ANN. § 35-11-903(c), brings this action under WYO. STAT. ANN. § 35-11-901(a) against Frontier Refining Inc. seeking injunctive relief and penalties for violations of the Wyoming Environmental Quality Act, the Wyoming Solid and Hazardous Waste Rules & Regulations, the Wyoming Water Quality Rules & Regulations, and National Pollutant Discharge Elimination System (NPDES) Permit WY0000442, relating to operations at Frontier's petroleum refinery at Cheyenne, Wyoming. Specifically, Plaintiff alleges as follows.

PARTIES AND JURISDICTION

1. Frontier Refining Inc., (Frontier), a Delaware corporation, owns and operates a petroleum refinery (Frontier refinery) located at Cheyenne, Wyoming.
2. Frontier is a "person" as defined in WYO. STAT. ANN. § 35-11-103(a)(vi).
3. The Wyoming Department of Environmental Quality (DEQ) is the agency of Wyoming state government responsible for administering and enforcing the Wyoming Environmental Quality Act (Act) and rules, regulations and permits adopted or issued thereunder. WYO. STAT. ANN. § 35-11-109(a)(i).
4. This Court has jurisdiction over the parties and subject matter in this action under WYO. STAT. ANN. § 35-11-901(a), and venue is properly in Laramie County under WYO. STAT. ANN. § 35-11-903(c).

5. The DEQ is authorized to administer and enforce standards for state issuance of NPDES discharge permits pursuant to 33 U.S.C. § 1342(b) and WYO. STAT. ANN. § 35-11-302(a)(v). Under current Chapter 2 of the Wyoming Water Quality Rules, filed November, 10, 2004, such state-issued permits are now called WYPDES permits.

6. In 1994 the Wyoming Legislature enacted WYO. STAT. ANN. § 35-11-503(d), which (i) called for the promulgation of rules and regulations necessary for the state to obtain authorization for the DEQ to regulate hazardous waste in lieu of the United States Environmental Protection Agency (EPA) under subtitle C of the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. § 6926(b).

7. In October, 1995, upon the EPA's determination that Wyoming had adopted a regulatory program for hazardous waste which is consistent with and equivalent to the federal program, the State of Wyoming received authorization under 42 U.S.C. § 6926(b) for the DEQ to administer the RCRA hazardous waste program in lieu of the EPA, and that authorization remains in effect.

BACKGROUND

8. The Frontier refinery has operated since 1937 under a series of owners and operators.

9. On and after November 19, 1980, Frontier's predecessor owners and operators of the refinery managed hazardous waste in units, which were subject to permit or interim status requirements under §§ 3004 and 3005 of RCRA (42 U.S.C. §§ 6924 and 6925) and 40 C.F.R. Part 265.

10. In November, 1985, Frontier's predecessor submitted a RCRA Part B permit application to the EPA under 42 U.S.C. §6925(e)(2) to retain interim status for hazardous waste management units at the refinery, including three unlined refinery wastewater treatment ponds: Lower Ponds Nos. 3, 4 and 5.

11. In July, 1986, Frontier's predecessor submitted to EPA an interim status closure plan for three hazardous waste management units at the refinery: Lower Ponds Nos. 3, 4 and 5 (the three unlined refinery wastewater treatment ponds).

12. Modified and new interim status closure plans covering the three unlined refinery wastewater treatment ponds were subsequently approved by EPA on October 7, 1988 and July 25, 1989, respectively.

13. The approved closure plan involved removing the hazardous wastes from the three unlined refinery wastewater treatment ponds and consolidating those wastes in a hazardous waste landfill at the refinery.
14. Frontier assumed the status of owner and operator of the hazardous waste facilities at the refinery including the above-referenced three unlined refinery wastewater treatment ponds, and completed closure of the three unlined refinery wastewater treatment ponds subject to the EPA-approved interim status closure plan in or about November, 1990. Frontier's verification of closure completion was accepted by EPA on September 25, 1991.
15. Frontier and its predecessors were not required to obtain RCRA treatment, storage and disposal (TSD) permits to operate the three unlined refinery wastewater treatment ponds, based on Frontier's predecessors having obtained interim status for those particular hazardous waste management units and then Frontier closing them subject to the EPA-approved interim status closure plan.
16. Following EPA-approved closure of the three unlined refinery wastewater treatment ponds as hazardous waste management units, Frontier was allowed to use them for management of non-hazardous wastes.

ALLEGED VIOLATIONS

17. On February 5, 2004, DEQ issued Notice of Violation, Docket No. 3538-04 against Frontier alleging certain violations of the Act, Wyoming solid and hazardous waste rules, Wyoming water quality rules, and NPDES Permit WY0000442, based on facility inspections conducted by DEQ in late 2003 and early 2004.
18. Plaintiff reasserts each of the allegations contained in paragraphs 1 - 11 of the above-referenced Notice of Violation, Docket No. 3538-04, *which is attached hereto and incorporated herein.*

LIABILITY AND REMEDIES

19. Injunctive relief, penalties or both, as determined by the court, are remedies available under WYO. STAT. ANN. § 35-11-901(a) for the violations of the Act, regulations, standards and permit requirements alleged in the above-referenced Notice of Violation (Docket No. 3538-04).

PRAYER FOR RELIEF

WHEREFORE Plaintiff prays that the Court:

- A. Enter judgment finding in favor of Plaintiff on all counts and claims in this Complaint.
- B. Award such injunctive relief as is appropriate under the circumstances.
- C. Assess such penalties as the Court deems appropriate for the violations.
- D. Award such other and further relief as the Court deems appropriate.

DATED this 2nd day of January, 2007.



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

BEFORE THE

ENVIRONMENTAL QUALITY COUNCIL

STATE OF WYOMING

IN THE MATTER OF THE)
NOTICE OF VIOLATION)

ISSUED TO:)

FRONTIER REFINING INC.)

P.O. BOX 1588)

CHEYENNE, WY 82003-1588)

DOCKET NO. 3538-04

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. On September 30, 2003, October 1, 2003, October 14, 2003, and January 7, 2004, personnel from the Wyoming Department of Environmental Quality conducted inspections of the Frontier Refinery in Cheyenne, WY for the purpose of evaluating compliance with the Wyoming Hazardous Waste Management Rules and Regulations (HWRR) and the facility's National Pollutant Discharge Elimination System (NPDES) Permit WY0000442.
2. Chapter 2, Section 4(b)(i) of the HWRR designates, as a hazardous waste, any sludges generated from the gravitational separation of oil/water/solids during the storage or treatment of process wastewaters and oily cooling waters from petroleum refineries. Such wastes are designated as listed hazardous waste code F037 in Chapter 2, Section 4(b) of HWRR.
3. The September 30, 2003, and October 1, 2003, inspections revealed that Frontier generated and disposed F037-listed hazardous waste in the unlined, earthen conveyance ditches and impoundments numbers 1, 3, 4, 5 and Porter Draw from gravitational separation of oil/water/solids when coker refinery wastewater bypassed primary and secondary wastewater treatment and was discharged into an unlined earthen conveyance ditch between the coker and impoundment number 1. Such wastewater was subsequently pumped from impoundment number 1 into impoundment number 3, and flowed into impoundments numbers 4 and 5, and then to the Porter Draw impoundment via NPDES outfall 004.
4. Frontier generated and disposed F037-listed hazardous waste in unlined, earthen ditches and in impoundments numbers 4 and 5 and the Porter Draw impoundment when wastewater originating from a leak in the main oily process sewer line leading to the wastewater treatment plant bypassed primary wastewater treatment. Such wastewater also bypassed secondary wastewater treatment.

5. The inspections revealed the following violations of the Wyoming Hazardous Waste Management Rules and Regulations:

a. **Count 1: Failure to notify**

Chapter 8, Section 1(c)(i) of the Wyoming HWRR requires that all persons who manage (i.e., treat, store, dispose) hazardous wastes must notify the Department of their activities. Frontier is both a large quantity generator of hazardous waste, and has operated hazardous waste disposal units containing primary refinery wastewater sludges designated as hazardous waste code F037 in the following units:

- a. 1. - numerous unlined wastewater ditches conveying primary refinery wastewater from the coker plant prior to discharge into unlined earthen impoundment number 1;
- a. 2. - numerous unlined wastewater ditches south and east of the wastewater treatment plant conveying primary refinery wastewater from a main oily process sewer leak, discharging to unlined, earthen impoundment number 4;
- a. 3. - unlined earthen impoundment number 1, which received primary refinery wastewater from the coker plant;
- a. 4. - unlined earthen impoundment number 3, which received primary refinery wastewater pumped from impoundment number 1;
- a. 5. - unlined earthen impoundment number 4, which received primary refinery wastewater which gravity drained from impoundment number 3 and from a main oily process sewer leak;
- a. 6. - unlined earthen impoundment number 5, which received primary refinery wastewater which gravity drained from impoundment number 4; and
- a. 7. - unlined earthen impoundment designated as Porter Draw which receives primary refinery wastewater following discharge from impoundment number 5 through NPDES outfall 004.

Frontier failed to notify the Department of its hazardous waste storage and disposal activities;

b. **Count 2: Failure to have a hazardous waste disposal permit.**

Chapter 1, Sections 1(h)(ii) and (iii) of the Wyoming HWRR require a permit to dispose of hazardous waste in a land disposal unit. Chapter 3, Section 2(a)(vi) requires the owner/operator to obtain a permit prior to constructing such a unit. Frontier disposed of hazardous waste in the unlined earthen wastewater conveyance ditches and in unlined earthen impoundments numbers 1, 3, 4, 5 and the Porter Draw impoundment in the form of primary refinery wastewater sludges (HWRR hazardous waste code F037). Frontier has neither obtained nor applied for a permit from the Department for these hazardous waste disposal units containing primary refinery wastewater sludge.

c. **Count 3: Failure to make a hazardous waste determination.**

Chapter 8, Section 1(b)(i) of the Wyoming HWRR requires waste generators to characterize wastes to determine whether wastes are hazardous. Frontier has disposed wastes in unlined earthen wastewater conveyance ditches and in unlined earthen impoundments numbers 1, 3, 4, 5 and the Porter Draw impoundment and as of September 30, 2003 had not conducted a waste determination;

d. Count 4: Failure to conduct periodic inspections of hazardous waste management units.

Chapter 11, Section 4(f) and Chapter 11, Sections 11 and 12 of the Wyoming HWRR require owners or operators of hazardous waste storage and disposal units to conduct routine, periodic (at least weekly) inspections of containers and disposal units and daily inspections of hazardous waste tanks, to detect and correct any problems. The unlined earthen wastewater conveyance ditches and unlined earthen impoundments numbers 1, 3, 4, 5 and the Porter Draw impoundment are hazardous waste disposal units subject to these inspection requirements. The September 30, 2003, inspection revealed Frontier has not conducted weekly inspections of the hazardous waste units for the period the wastes had been disposed and/or stored at the facility;

e. Count 5: Failure to prepare and maintain a cost estimate for closure and to demonstrate financial assurance for the cost of closure, post-closure care, and liability for damages to third parties.

Chapter 5, Section 1(c) of the Wyoming HWRR requires owners of hazardous waste treatment, storage or disposal facilities to prepare an estimate of the costs for a third party to close the hazardous waste facility in the event the owner is financially unable. Chapter 5, Section 1(c) also requires owners of hazardous waste disposal facilities to prepare an estimate of the costs for a third party to conduct monitoring and maintenance of the closed facility during the thirty year post-closure monitoring period. Chapter 5, Section 1(d) requires owners of hazardous waste treatment storage or disposal facilities to have and maintain evidence of financial assurance in an amount sufficient to cover the third-party closure cost estimate, using financial assurance mechanisms allowed by the regulations. Chapter 5, Section 1(h) requires owners of hazardous waste treatment, storage and disposal facilities to have and maintain liability insurance to cover damages to third parties from sudden accidental occurrences, and non-sudden accidental occurrences, in specified dollar amounts. Frontier has not estimated the closure or post-closure care costs for its hazardous waste storage and disposal units, nor provided financial assurance to cover those closure costs. Frontier has also not provided a liability mechanism for these regulated units as required by the hazardous waste regulations;

f. Count 6 - Failure to meet land disposal restriction (LDR) notification requirements and treatment standards.

Chapter 13, Sections 1, 3, 4, and 5 of the Wyoming HWRR require large quantity generators to comply with the LDR requirements, including making a determination if a waste can be land disposed and meeting treatment and storage standards (location standards, labeling standards, record keeping standards and storage for no longer than one (1) year without

authorization). Frontier disposed of F037 hazardous wastes on the land without first treating the waste to meet the treatment standard, and failed to meet any of the LDR requirements for such F037 hazardous waste generated at the facility;

g. Count 7 - Failure to implement groundwater monitoring system for land disposal units (surface impoundments).

Chapter 11, Section 8 of the Wyoming HWRR states owners or operators of surface impoundments which are used to manage hazardous wastes must implement a groundwater monitoring program. Frontier has not implemented a groundwater monitoring program for the unlined earthen impoundments numbers 1, 3, 4, 5, the Porter Draw impoundment or the primary refinery wastewater ditches (unlined earthen conveyance ditches) discharging to impoundments numbers 1 and 4;

h. Count 8 - Failure to meet minimum technology requirements for hazardous waste surface impoundments (unlined earthen impoundments numbers 1, 3, 4, 5, the Porter Draw impoundment and the unlined, earthen ditches conveying primary refinery wastewater to impoundments numbers 1 and 4).

Chapter 11, Section 12 of the Wyoming HWRR requires owners or operators using surface impoundments to manage hazardous wastes to meet minimum technology requirements for design and operation, including that surface impoundments have two separate liners with leak detection systems beneath each liner. Frontier has disposed hazardous waste in unlined earthen impoundments numbers 1, 3, 4, 5, the Porter Draw impoundment and the unlined primary refinery wastewater ditches discharging to impoundments numbers 1 and 4, and none of these units meet minimum technology requirements.

i. Count 9 - Failure to make an initial determination for volatile organic emissions for hazardous waste surface impoundments (unlined earthen impoundments numbers 1, 3, 4, 5, the Porter Draw impoundment and the primary refinery wastewater ditches discharging to impoundments numbers 1 and 4).

Chapter 11, Section 30 (d)(iii)(A) of the Wyoming HWRR requires an initial determination of volatile organic concentrations from hazardous waste surface impoundments using the procedures specified in Chapter 11, Section 30 (e)(f). Frontier did not make an initial determination for volatile organics as required by the rules.

6. On July 31, 1998, the Department of Environmental Quality (DEQ), Water Quality Division (Division) issued NPDES renewal permit WY0000442 to Frontier Refining, Inc. (Frontier). The permit, which became effective on August 1, 1998 and expired on July 31, 2003, authorized the discharge of treated refinery wastewater from impoundment number 5 through outfall 003 into Crow Creek or from impoundment number 5 through outfall 004 into Porter Draw. Additionally, the permit authorized Frontier to discharge uncontaminated storm water from impoundment number 2 through outfall 005 in excess of the 10-year/24-hour storm event (in excess of 2.4 inches of precipitation or snow melt) into Crow Creek;

7. On July 25, 2003, the Division issued NPDES renewal permit WY0000442 to Frontier Refining, Inc. (Frontier). The permit, which became effective on August 1, 2003 and expires on July 31, 2008, continues to authorize the discharge of treated refinery wastewater from impoundment number 5 through outfall 003 into Crow Creek or from impoundment number 5 through outfall 004 into Porter Draw. Additionally, the permit authorizes Frontier to discharge any uncontaminated storm water from the basin west of the coker unit through outfall 006, and any uncontaminated storm water from impoundment 5 through outfall 007, which exceeds the 10-year/24-hour storm event (in excess of 2.4 inches of precipitation or snow melt) into Crow Creek. This permit also eliminated outfall 005 from impoundment number 2. As stated in a letter from Frontier to the Division dated June 16, 2003, impoundment number 2 is a lined pond to be used solely to hold commingled treated process wastewater and storm water runoff. Elimination of outfall 005 means Frontier is no longer authorized to discharge any wastewater or storm water runoff to Crow Creek from impoundment number 2;
8. Frontier personnel conveyed to the DEQ inspectors during the September 30, 2003 inspection that coker process wastewater, a new and unpermitted source of wastewater, was being routed to impoundment number 1 and then pumped into impoundment number 3, and that such routing of coker process wastewater had occurred at least since July of 2003 due to a malfunctioning maze pit. The coker process wastewater is normally a closed loop water system between the maze pit, the Dorr tank, the coke drum and the coke pit to recycle and reuse water at the coker unit. This was confirmed by Frontier personnel during a DEQ inspection of the wastewater treatment facility on January 7, 2004. As indicated in a letter dated November 13, 2003 from Frontier to the Solid and Hazardous Waste Division (SHWD), Frontier did not take any steps to correct the illegal discharge of untreated coker process wastewater to impoundment number 1 until after the inspection on September 30, 2003. Frontier did not notify the Water Quality Division (WQD) of the routing of untreated coker process wastewater to Ponds 1, 3, 4 and 5. Such coker wastewater has never received primary or secondary treatment;
9. During the September 30, 2003 inspection, an oily wastewater stream was found to be surfacing just north of impoundment number 3, flowing down an unlined ditch along the access road to the wastewater ponds, into a hole in a boiler blowdown line from the boilers, and then discharging into impoundment number 4. This new and unpermitted source of wastewater has been discharging into impoundment number 4 at least since July of 2003 and was still flowing into impoundment number 4 during the inspection on January 7, 2004. Frontier did not notify WQD of the routing of this process wastewater to impoundment number 4, and this process wastewater has never received primary or secondary treatment;
10. Process refinery wastewater is defined by 40 CFR Part 401, §401.11(q) which states: *“process wastewater means any water which, during manufacturing or processing, comes into direct contact with or results from the production or use of any raw material, intermediate product, finished product, by-product, or waste product.”* Contaminated runoff that is commingled with process wastewater is required to be routed for treatment and discharged from impoundment number 5 through outfalls 003 and/or 004.
11. Therefore, Frontier was in violation of the following provision of the Wyoming Environmental Quality Act, and of the following terms and conditions of NPDES Permit

WY0000442:

- a. Count 10 - Frontier discharged an unpermitted and untreated process wastewater into impoundments numbered 3, 4 and 5 at least from July of 2003 through September 30, 2003. Frontier is in violation of Part II.A.1. of NPDES Permit WY0000442 for failing to notify WQD of the routing of untreated process wastewater from the coker unit to the treated process wastewater ponds;
- b. Count 11 - Frontier discharged an unpermitted and untreated process wastewater into impoundments numbered 4 and 5 from a source surfacing just north of impoundment number 3, at least from July of 2003 through January of 2004. Frontier is in violation of Part II.A.1. of NPDES Permit WY0000442 for failing to notify WQD of the routing of untreated process wastewater from an oily sewer line leak to the treated process wastewater ponds.

During a phone conversation between Mr. Brian Bohlmann, NPDES Compliance Supervisor with the Division, and Mr. Scott Denton, Environmental Engineer with Frontier, on Friday, November 21, 2003, Mr. Denton informed Mr. Bohlmann of the refinery's use of each outfall under the terms of NPDES Permit WY0000442. Mr. Denton indicated that outfall 005 had, under the permit which expired July 31, 2003, been used to allow the discharge of uncontaminated stormwater to Crow Creek from impoundment number 2. Mr. Denton noted that outfall 005 is no longer authorized to be used, effective August 1, 2003, when the renewal permit became effective. Mr. Denton also expressed his opinion that the renewal permit authorizes Frontier to discharge uncontaminated stormwater, in excess of 2.4 inches of precipitation, from impoundment number 5 through a new outfall 007;

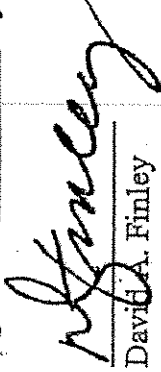
c. Count 12 - As noted during an inspection on January 7, 2004, the standpipe formerly authorized as outfall 005 for discharging water from impoundment number 2 has not been capped or dismantled. Thus Frontier still has the physical ability to discharge water from outfall 005. This is a violation of § 35-11-301 (a)(i) of the Wyoming Environmental Quality Act which states the following: "*No person, except when authorized by a permit issued pursuant to the provisions of this act, shall cause, threaten or allow the discharge of any pollution or wastes into the waters of the state*";

d. Count 13 - As noted during the January 7, 2004 inspection, boiler blowdown wastewater is currently being routed into the west retention basin next to the coker unit process/safety flare. This is a violation of Part I.C.10. of NPDES Permit WY0000442 which states the west retention basin collects uncontaminated storm water to be discharged through outfall 006. Therefore, Frontier discharged an untreated process wastewater into an uncontaminated storm water only retention basin at least from August 1, 2003 through January of 2004.

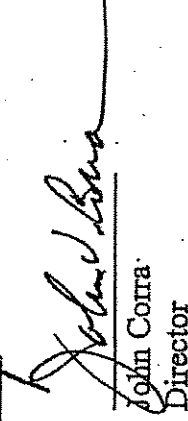
12. ANY PERSON who violates any provision of the Environmental Quality Act, or any rules, standard, permit, license, or variance adopted thereunder is liable to a penalty of up to ten thousand dollars (\$10,000) for each day of each violation. The penalty may be recovered in a civil action brought by the Attorney General in the name of the People of the State of Wyoming; and

13. THIS NOTICE OF VIOLATION is being sent to you pursuant to Wyoming Statute 35-11-701(c) which requires that in any case of failure to correct or remedy an alleged violation the Director of the Department of Environmental Quality shall cause a written notice to be issued and served upon the person alleged to be responsible.

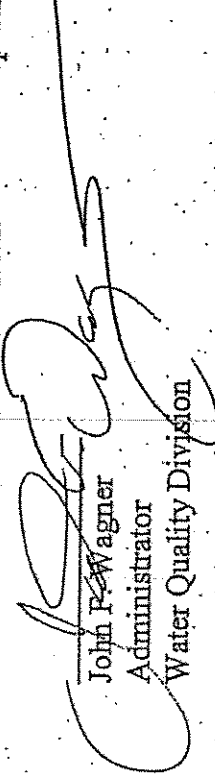
Signed this 5th day of FEBRUARY, 2004.


David A. Finley
Administrator

Solid & Hazardous Waste Division


John Corra
Director

Department of Environmental Quality


John R. Wagner
Administrator
Water Quality Division

C: Dave Finley, Administrator, WDEQ/SHWD
Mike Barrash, Assistant State Attorney General, AG Office
Bob Breuer, I&C Program Manager, WDEQ/SHWD Casper Office, Casper.
Joel Frost, I&C, WDEQ/SHWD, Cheyenne
Brian R. Bohlmann, NPDES Compliance Supervisor, WQD
Todd T. Parfitt, NPDES Program Manager, WQD
Colleen Gillespie, ENF-T, EPA Region VIII

EXHIBIT B

Consent Decree

IN THE FIRST JUDICIAL DISTRICT COURT
IN AND FOR LARAMIE COUNTY, STATE OF WYOMING

PEOPLE OF THE STATE OF
WYOMING,

Plaintiffs,

v.

FRONTIER REFINING INC.,
a Delaware Corporation,

Defendant.

Docket No. 169-196

CONSENT DECREE

The Wyoming Department of Environmental Quality (DEQ), through the Wyoming Attorney General's Office, in the name of the People of the State of Wyoming as Plaintiffs, pursuant to WYO. STAT. ANN. §§ 35-11-901(a) and 903(c) of the Wyoming Environmental Quality Act (the Act), has filed a Complaint for injunctive relief and assessment of civil penalties against Defendant Frontier Refining Inc. (Frontier), a Delaware corporation, alleging violations of the Act, Wyoming Water Quality Rules and Regulations (Water Quality Rules) and Wyoming Solid and Hazardous Waste Rules and Regulations (Solid and Hazardous Waste Rules) at Frontier's refinery in Cheyenne, Wyoming. The Parties have agreed to the following terms for resolving this litigation by consent decree prior to trial. It is therefore ORDERED, ADJUDGED, and DECREED as follows:

I. JURISDICTION AND VENUE

This Court has jurisdiction over the subject matter and parties in this civil action under WYO. STAT. ANN. § 35-11-901(a), and venue is properly in Laramie County under WYO. STAT. ANN. § 35-11-903(c).

II. PARTIES

A. Frontier, a Delaware corporation authorized to do business in the State of Wyoming, owns and operates a petroleum refinery (refinery or facility) located at Cheyenne, Wyoming.

B. Frontier is a "person" for purposes of this action. WYO. STAT. ANN. § 35-11-103(a)(vi).

C. The Wyoming Department of Environmental Quality and its Water Quality Division (WQD) and Solid and Hazardous Waste Division (SHWD) (collectively referred to herein as "DEQ") are agencies of Wyoming state government. WYO. STAT. ANN. §§ 35-11-104 and -105.

D. The DEQ and Frontier are collectively referred to herein as the "Parties."

III. BACKGROUND

A. Any person who violates any provision of the Act, or any rule, regulation or standard, or permit issued under the Act, may be subject to injunction and penalties under WYO. STAT. ANN. § 35-11-901(a).

B. On February 5, 2004, DEQ issued Notice of Violation, Docket No. 3538-04 (the NOV), against Frontier, alleging certain violations of Wyoming solid and hazardous waste and water quality requirements based on facility inspections conducted by DEQ in late 2003 and early 2004. Following the issuance of the NOV (attached and incorporated into the Complaint in this action), Frontier and DEQ engaged in extensive, arm's length discussions to resolve and settle the matters cited in the NOV through a judicial consent decree. The instant Consent Decree reflects the outcome of those discussions and, as stated herein, sets forth the terms of the final settlement between the Parties relative to the NOV and the Complaint filed in this action.

C. The DEQ and Frontier acknowledge that a controversy exists between the Parties as to the applicability of certain provisions of Wyoming Water Quality Rules and Wyoming Solid and Hazardous Waste Rules as alleged in the NOV and the Complaint. The Parties reserve their respective rights, arguments, interpretations, and defenses on these issues in any subsequent administrative or judicial proceedings, except proceedings solely to enforce the terms of this Consent Decree and, subject to Dispute Resolution under this Consent Decree, related workplans or other submittals approved by DEQ.

D. By entering into this Consent Decree, Frontier does not admit and the DEQ does not retract any allegations alleged in the Complaint and NOV, however Frontier does not dispute its obligations under this Consent Decree, except as provided in Section XI on Dispute Resolution.

IV. OBJECTIVE

By this Consent Decree, the Parties intend to and do hereby resolve and settle all violations alleged in the Complaint and in NOV No. 3538-04.

V. GENERAL

- A. Sampling, sample preservation and testing required under this Consent Decree shall be performed in compliance with a DEQ-approved quality assurance and quality control (QA/QC) project plan. Test methods shall conform to methods contained in the latest edition of United States Environmental Protection Agency (EPA) SW-846, Test Methods for Evaluating Solid Waste Physical/Chemical Methods. Monitoring wells, piezometers, or boreholes shall be designed, constructed, installed and operated in accordance with Chapters 3 and 11 of the Wyoming Water Quality Rules and Regulations. All monitoring wells, piezometers or boreholes shall be installed using standard engineering practices and logged by a qualified individual under the supervision of a professional geologist or professional engineer using standard soil classification systems as recognized by industry standard or practice. The monitoring wells, piezometers or boreholes will be logged primarily for environmental parameters such as, but not limited to, organic vapors, color, odor, staining, and the presence of free phase hydrocarbon and secondarily for geotechnical purposes. Monitoring wells, piezometers or boreholes shall be plugged and abandoned in accordance with Chapter 11 of the Wyoming Water Quality Rules and Regulations.
- B. Records or other documentation containing data or non-privileged information related to reports, work plans or other submittals required under this Consent Decree shall be available for review and copying by DEQ.
- C. All DEQ approvals required in this Consent Decree shall be in writing. DEQ will strive to review submittals in a timely manner. DEQ may approve Frontier submittals, provide written comments identifying revisions necessary for approval, or if revised submittal(s) is (are) not adequate, then approve with modification, subject to Dispute Resolution. DEQ-approved submittals under this Consent Decree are enforceable under this Consent Decree.
- D. Any proposed deviation from or modification of an approved workplan and schedule shall be approved by DEQ in writing prior to implementation of the deviation or modification. Frontier may proceed without prior DEQ approval under the following

conditions: 1) the deviation is minor; 2) the deviation is necessitated by unanticipated field conditions or circumstances which are not reasonably foreseeable and therefore beyond Frontier's control; 3) Frontier makes confirmed efforts via email or fax to contact appropriate DEQ personnel, but Frontier gets no response; 4) Frontier informs DEQ by confirmed fax or email within one (1) business day of the deviation; and 5) such deviation does not negatively impact the integrity or objectives of the work to be performed under the approved workplan.

E. Within ninety (90) days after entry of this Consent Decree, Frontier shall submit for DEQ review and approval a master schedule for all the work and reporting requirements of this Consent Decree.

VI. CLOSURE, POST-CLOSURE, AND CORRECTIVE ACTION REQUIREMENTS

A. Surface Impoundment #1 and former Coker Conveyance Ditch

Surface Impoundment #1 (also referred to as Pond #1) is depicted in the figure included as Attachment #1 hereto. Frontier shall carry out the following activities with respect to Surface Impoundment #1:

1. Within ninety (90) days after entry of this Consent Decree, Frontier shall submit for DEQ review and written approval a workplan (SI No. 1 workplan) for Surface Impoundment #1, including a schedule of work activities for either closure or continued operation of Surface Impoundment #1 and for remediation of the former Coker Conveyance Ditch. If the SI No. 1 workplan is not accepted by DEQ, Frontier shall submit a revised SI No. 1 workplan and schedule within ninety (90) days after receiving DEQ's written comments.
2. In accordance with the approved SI No. 1 workplan and schedule, Frontier shall: (a) remove wastes, sludges, and impacted sediments and subsoils from Surface Impoundment #1 that exceed closure concentration limits for all constituents specified in Appendix A (attached hereto); (b) prevent the release of hazardous constituents to the environment and ensure the structural integrity of the surface impoundment during removal activities; and (c) manage wastes, sludges, and impacted sediments and subsoils removed from Surface Impoundment #1 in compliance with applicable solid and hazardous waste regulations based on Toxicity Characteristic Leaching Procedure (TCLP) results.

3. If Frontier believes naturally occurring background concentrations for lead, nickel and chromium are greater than the Appendix A closure concentrations for these constituents, then Frontier's SI No. 1 workplan and schedule may propose using background concentrations in lieu of Appendix A concentration limits for these constituents based upon three (3) soil samples taken in areas not affected by refinery activities, and shall specify proposed sampling locations, sampling protocols, and the statistical method to be used to determine statistical significance.
4. Frontier shall test waste, sludge, impacted sediment, subsoils and confirmation samples for specific constituent concentrations, expressed in units of milligrams per kilogram (mg/kg) or milligrams per liter (mg/L) as appropriate, using EPA SW-846 test methods approved by DEQ. All sampling and testing activities are subject to the SI No. 1 workplan and schedule and reporting requirements in this Consent Decree. Frontier may use the Data Collection and Quality Assurance Plan (DCQAP) dated October 22, 1999, as revised (Appendix B attached hereto) to the extent that DEQ agrees it is consistent with the requirements of this Section VI.
5. Frontier shall conduct confirmation sampling and analysis to verify that wastes, sludges, and impacted sediments and subsoils exceeding Appendix A (or background, as provided above) closure concentrations have been removed from Surface Impoundment #1 in accordance with DEQ Fact Sheet #10 (Soil Confirmation Sampling Guidelines Under the Voluntary Remediation Program) (Appendix C attached hereto), developed under DEQ's Voluntary Remediation Program, or as agreed upon in writing by DEQ. For confirmation sampling, discrete sampling versus composite sampling shall be used.
6. If Frontier elects to cease operating and close Surface Impoundment #1, then following removal of wastes, sludges, and impacted sediments and subsoils, and confirmation sampling and analysis to verify closure of Surface Impoundment #1, in accordance with the approved SI No. 1 workplan and schedule, Frontier shall fill in the impoundment and restore to the surrounding grade as necessary to render the impoundment permanently inoperable, without interfering with DEQ approved storm water management for the refinery.
7. Alternatively, if Frontier elects to continue operating Surface Impoundment #1 for managing only surface stormwater runoff, piped uncontaminated

steam condensate, and/or treated refinery wastewater but not hazardous waste, the SI

No.1 workplan and schedule shall also include the following:

- a. specific information on the proposed design and construction of a synthetic liner for Surface Impoundment #1, including details as narrative, drawings and cross-sections;
 - b. specific information documenting that the synthetic liner systems shall have a low hydraulic conductivity, shall have ease of installation and management (including future removal of waste, sludge, and impacted sediment), shall be compatible with constituents managed in Surface Impoundment #1, shall have long term reliability, and shall adequately protect groundwater;
 - c. a specific description of the procedures for bed preparation and liner placement, including methods to ensure that the liner bed is free of materials that may puncture the liner;
 - d. a specific description of the procedures for jointing and bonding the synthetic liner materials, including QA/QC measures that shall be consistent with the manufacturer's recommendations and procedures;
 - e. a specific description of the QA/QC program to ensure the liner is adequately constructed in a manner consistent with the manufacturer's recommendations and procedures;
 - f. other specific information necessary to ensure the liner is adequately designed and constructed, and monitored for QA/QC;
 - g. a schedule of work activities associated with design and construction of the liner; and
 - h. a provision that the refinery stormwater management plan shall address periodic, visual inspection and maintenance of Surface Impoundment #1.
8. Within one-hundred eighty (180) days after completion of waste, sludges, and impacted sediments and subsoils removal activities, if Surface Impoundment #1 is removed from continued service, or within one-hundred eighty (180) days after completion of construction of the liner for Surface Impoundment #1, Frontier shall submit a final report to DEQ documenting work activities, including as-built design drawings.

9. The former Coker Conveyance Ditch is depicted in the figure included as Attachment #1 hereto. Frontier shall remediate the former Coker Conveyance

Ditch on schedule. In connection with remediation of the former Coker Conveyance Ditch, Frontier (i) shall remove all associated wastes, sludges, and impacted sediments and subsoils to levels below Appendix A limits, (ii) shall handle all such materials removed as hazardous waste if such materials exceed TCLP standards, (iii) shall perform confirmation sampling, and (iv) will report the results of the confirmation sampling (including sample locations) to DEQ within thirty (30) days of receipt of analytical data from the laboratory. The remediated former Coker Conveyance Ditch may only be used as a drainage conveyance to move surface stormwater runoff to Surface Impoundment #1, in accordance with the refinery Storm Water Pollution Prevention Plan (SWPPP) to be submitted to DEQ for approval under Section VII.E.

B. Surface Impoundments #3, #4 and #5

Surface Impoundments #3, #4 and #5 (also referred to as Ponds #3, #4, and #5) are depicted in the figure included as Attachment #1 hereto. Frontier shall carry out the following activities with respect to Surface Impoundments #3, #4 and #5:

1. Within ninety (90) days after entry into this Consent Decree, Frontier shall submit for DEQ review and written approval a workplan (SI Nos. 3-5 workplan) for Surface Impoundments #3, #4 and #5, including a schedule of work activities for either their closure or continued operation. If the SI Nos. 3-5 workplan is not accepted by DEQ, Frontier shall submit a revised SI Nos. 3-5 workplan and schedule within ninety (90) days after receiving DEQ's written comments.

2. In accordance with the approved SI Nos. 3-5 workplan and schedule, Frontier shall remove all materials that exist above the final base and sidewall elevations which were determined following the earlier, EPA-authorized removal of characteristic sludges from Surface Impoundments #3, #4 and #5. Final base and sidewall elevation maps and surveys are contained in Appendix D (attached hereto). All work activities are subject to the schedule, workplan and reporting requirements of this Consent Decree. The SI Nos. 3-5 workplan and schedule shall include the following:

- a. The protocols and procedures that Frontier proposes to use to verify that waste, sludge, and impacted sediment and subsoil removal activities have achieved the required elevations.

- b. During removal activities, Frontier shall prevent the release of hazardous constituents to the environment and shall ensure the structural integrity of the surface impoundments.
- c. Frontier shall properly characterize and manage the materials removed from Surface Impoundments #3, #4 and #5, in a manner which is consistent with federal, state and local waste management requirements.
3. If adequate maps or surveys are not available to allow implementation of removal activities based on final base and sidewall elevations existing after the earlier, EPA-authorized removal of characteristic sludges from Surface Impoundments #3, #4 and #5, then Frontier shall remove all wastes, sludges, sediments, and subsoils with concentrations above the limits specified for the constituents in Appendix A in accordance with the approved SI Nos. 3-5 workplan and schedule.
- a. If Frontier believes naturally occurring background concentrations for lead, nickel and chromium are greater than the Appendix A closure concentrations for these constituents, then Frontier's SI Nos. 3-5 workplan and schedule may propose using background concentrations in lieu of Appendix A concentration limits for these constituents based upon three (3) soil samples taken in areas not affected by refinery activities, and shall specify proposed sampling locations, sampling protocols, and the statistical method to be used to determine statistical significance.
- b. Frontier shall test waste, sludge, and impacted sediment and subsoils, and confirmation samples for specific constituent concentrations, expressed in units of mg/kg or mg/L as appropriate, using EPA SW-846 test methods approved by DEQ. All sampling and testing activities are subject to the SI Nos. 3-5 workplan and schedule and reporting requirements in this Consent Decree. Frontier may use the DCCQAP dated October 22, 1999, as revised (Appendix B) to the extent that DEQ agrees it is consistent with the requirements of this Section VI.
- c. Frontier shall conduct confirmation sampling and analysis to verify that wastes, sludges, and impacted sediments and subsoils exceeding Appendix A (or background, as provided above) closure concentrations have been removed from Surface Impoundments #3, #4 and #5 in accordance with DEQ Fact Sheet #10 (Soil Confirmation Sampling Guidelines Under the Voluntary Remediation Program), attached hereto as Appendix C, developed under DEQ's Voluntary Remediation Program or as

agreed upon in writing by DEQ. For confirmation sampling, discrete sampling versus composite sampling shall be used.

4. If Frontier elects to cease operating and close Surface Impoundments #3, #4 and/or #5, then following removal of wastes, sludges, and impacted sediments and subsoils from Surface Impoundments #3, #4 and #5 in accordance with the approved SI Nos. 3-5 workplan and schedule, Frontier shall fill in the impoundment(s) and restore to the surrounding grade as necessary to render the impoundment(s) permanently inoperable, without interfering with DEQ approved storm water management for the refinery.

5. Alternatively, if Frontier elects to continue operating Surface Impoundments #3, #4 and/or #5 for managing only surface stormwater runoff, piped uncontaminated steam condensate, and/or treated refinery wastewater but not hazardous waste, the SI Nos. 3-5 workplan and schedule shall also include the following:

- a. specific information on the proposed design and construction of a synthetic liner for Surface Impoundments #3, #4 and #5, including details as narrative, drawings and cross-sections;
- b. specific information documenting that the synthetic liner systems shall have a low hydraulic conductivity, shall have ease of installation and management (including future removal of waste, sludge, and impacted sediment), shall be compatible with constituents managed in Surface Impoundments #3, #4 and #5, shall have long term reliability, and shall adequately protect groundwater;
- c. a specific description of the procedures for bed preparation and liner placement, including methods to ensure that the liner bed is free of materials that may puncture the liner;
- d. a specific description of the procedures for jointing and bonding the synthetic liner materials, including QA/QC measures that shall be consistent with the manufacturer's recommendations and procedures;
- e. a specific description of the QA/QC program to ensure the liner is adequately constructed in a manner consistent with the manufacturer's recommendations and procedures;
- f. other specific information necessary to insure the liner is adequately designed and constructed, and monitored for QA/QC;

- g. a schedule of work activities associated with design and construction of the liner; and
- h. a provision that the refinery stormwater management plan shall address periodic, visual inspection and maintenance of Surface Impoundments #3, #4 and #5.
6. Within one-hundred eighty (180) days of completion of waste, sludge, and impacted sediment and subsoil removal activities, if Surface Impoundments #3, #4 and/or #5 are removed from continued service, or within one-hundred eighty (180) days after construction of the liner for Surface Impoundments #3, #4 and #5 is completed, Frontier shall submit a final report to DEQ documenting work activities, including as-built design drawings.

C. Management of Cooling Tower Water Discharge/Blowdown, Boiler Blowdown, and Certain Incidental Drillage

1. The catch basin below the Main Flare shall not be used for cooling tower blowdown or cooling tower overflow or boiler blowdown without prior written DEQ approval. This provision does not release Frontier of the obligation to prevent mismanagement of cooling tower blowdown or cooling tower overflow or boiler blowdown.
2. Prior to removal of wastes, sludges, and impacted sediments and subsoils or materials from Surface Impoundments #3, #4 and #5 respectively in accordance with SI Nos. 3-5 workplans and schedules under this Consent Decree, Frontier may use those impoundments to manage non-contact cooling tower water blowdown or cooling tower overflow or boiler blowdown routed there via existing channels only. The SI workplans and schedules shall provide that Frontier's use of Surface Impoundments #3, #4 and #5 to manage non-contact cooling tower water blowdown or cooling tower overflow or boiler blowdown cease in time to allow completion of the removal of wastes, sludges, and impacted sediments and subsoils or materials from each of those surface impoundments on schedule. Within thirty (30) days after entry of this Consent Decree, Frontier shall provide DEQ/WQD with information identifying anti-scaling agents or additives in non-contact cooling tower water blowdown or cooling tower overflow or boiler blowdown that Frontier manages in Surface Impoundments #3, #4 and/or #5 pursuant to this Section VI.C.

3. Prior to removal of waste, sludges, and impacted sediments and subsoils, or materials from Surface Impoundment #1, in accordance with SI No. 1 workplan and schedule under this Consent Decree, but in any event not longer than one hundred twenty (120) days after entry of this Consent Decree, Frontier may use Surface Impoundment #1 to manage incidental drippage (but no hazardous waste) from railcars at the existing coke loading rack routed to that impoundment via existing channels only.

The SI No. 1 workplan and schedule shall also provide that Frontier's use of Surface Impoundment #1 to manage such incidental drippage from railcars at the existing coke loading rack must cease in time to allow completion of the removal of waste, sludges, and impacted sediments and subsoils, or materials from Surface Impoundment #1 on schedule. Frontier shall implement ongoing best practices to control and minimize incidental drippage from railcars beyond the coke loading rack during dry weather conditions and take such other measures as needed to comply with the approved refinery SWPPP under Section VII.E.

D. Characterization of Refinery Waste

Within ninety (90) days after entry of this Consent Decree, Frontier shall submit for DEQ review a listing of all refinery solid waste streams (generated from unit turnarounds or other events in quantities exceeding 25 tons per year). Frontier shall evaluate and document these waste streams in a written waste determination supported by a documented evaluation of any hazardous waste listing criterion, generator knowledge, and/or updated TCLP analytical results to demonstrate whether any of these wastes which were previously non-hazardous wastes have become hazardous wastes due to significant changes in crude feedstock over the past eight (8) years. These waste determinations shall be conducted after the next maintenance turnaround or other future event(s) generating these wastes following entry of this Consent Decree, as necessary to accomplish this objective and to comply with applicable regulations.

E. Previous hydrocarbon seep to Surface Impoundment #4

1. Frontier will institute a program of visual inspections relative to previously identified hydrocarbon seeps to Surface Impoundment #4. Such program will include visual inspections once a week. Frontier may request DEQ approval for modification of the inspection schedule. In the event that a hydrocarbon seep is detected,

then Frontier shall submit a workplan for DEQ approval, or implement a previously DEQ-approved workplan to control and mitigate the seep.

VII. WATER QUALITY REQUIREMENTS

A. Porter Draw Reservoir

1. Prior to the entry of this Consent Decree, Frontier shall cease all discharges into the Porter Draw Reservoir Complex, as defined herein. The "Porter Draw Reservoir Complex" consists of an upper, larger holding pond, into which treated refinery wastewater has been piped from the refinery wastewater treatment system, and a lower, smaller pond immediately downstream from the upper, larger pond. The lower pond receives seepage from the upper pond. Outfall 004, located at the east end of the lower pond, was permitted for discharges into Porter Draw, a natural watercourse hydraulically-connected to, and downstream of, the Porter Draw Reservoir Complex.
2. Within ninety (90) days of entry of this Consent Decree, Frontier shall submit a complete and technically adequate application for modification of WYPDES Permit No. WY0000442 to eliminate Outfall 004. On and after the date of DEQ's final approval of Frontier's application to eliminate Outfall 004, Frontier shall be released from any WYPDES permitting requirements for discharges from the Porter Draw Reservoir Complex, so long as Frontier refrains from any future discharges from or into the Porter Draw Reservoir Complex and/or into Porter Draw.

3. Remediation of the Porter Draw Reservoir Complex is subject to the existing or modified 1995 DEQ Administrative Order on Consent for Frontier Refining Inc. and not this Consent Decree.

B. "Black Diamond" containment pond

1. Within ninety (90) days after entry of this Consent Decree, Frontier shall submit a complete and technically adequate application to DEQ for modification of WYPDES Permit No. WY0000442 to eliminate outfall 006.
2. Immediately upon entry of the Consent Decree, at the latest, Frontier shall cease any further discharge from outfall 006.
3. Future application by Frontier for a permit to discharge treated refinery wastewater or storm water from a new outfall shall be subject to applicable DEQ permit and SWPPP requirements and effluent limits.

C. Prevent discharge of untreated Coker wastewater into Ponds #3, #4 and #5

1. Following entry of this Consent Decree, and if the units identified in this Section VII.C. are in existence at the refinery on the date this Consent Decree is entered by the Court, Frontier shall conduct inspections of the Maze Pit, the Maze Pit pump(s), and the Dorr Tank (the units) at least monthly to ensure the units are operating properly. All inspections shall be documented with records retained for a minimum of three (3) years from the date of the inspection. The inspection report shall include the date of the inspection, time of the inspection, name of the person conducting the inspection, any problems noted during the inspection, any corrective actions taken as a result of the inspection, and the date those corrective actions were implemented. Frontier shall provide DEQ/WQD with a copy of inspection reports identifying any problems noted or corrective actions taken. All inspection records shall be maintained through methods such as a database or manual files and made available to WQD upon request.

2. Following entry of this Consent Decree, and if the units identified in this Section VII.C. are in existence at the refinery on the date this Consent Decree is entered by the Court, in the event that Frontier needs to route Coker process wastewater away from the current closed loop, consisting of, in part, the Maze Pit and the Dorr Tank, it shall be routed, in a manner to be approved by DEQ, to Frontier's refinery wastewater treatment plant for full treatment.

3. Nothing in this Section VII.C. shall prohibit Frontier from (i) permanently removing the units referenced in Section VII.C from service, and (ii) thereby terminating the requirements of this section. In the event such permanent removal occurs before entry of this Consent Decree, the requirements of this Section VII.C.1. & 2. shall be null and void.

D. Eliminate discharges through outfall 007 from Pond #5

1. As part of the complete and technically adequate application to be submitted by Frontier under Section VII.B.1. above within ninety (90) days after entry of this Consent Decree, Frontier shall apply to DEQ for modification of WYPDES Permit No. WY0000442 to eliminate outfall 007.

2. Immediately upon entry of the Consent Decree, Frontier shall cease any further discharge from outfall 007 from Pond #5 to Crow Creek, except discharge of uncontaminated stormwater pending issuance of a permit modification under Section

VII.D.1. above. In accordance with Section VI.B.5., Frontier may continue to use Pond #5 to hold surface stormwater runoff, piped uncontaminated steam condensate, and/or treated refinery wastewater but not hazardous waste, (and such other materials only as specifically provided in Section VI.C.2.), although Frontier may not discharge them from outfall 007.

3. Future application by Frontier for a permit to discharge treated refinery wastewater or storm water from a new outfall shall be subject to applicable DEQ permit and SWPPP requirements and effluent limits.

E. Storm Water Pollution Prevention Plan for the Refinery

1. Within ninety (90) days after entry of this Consent Decree, Frontier shall submit a complete and technically adequate application to DEQ/WQD for an individual industrial storm water permit, including a Storm Water Pollution Prevention Plan and schedule for the entire refinery. The SWPPP shall be developed in accordance with requirements specified by the WQD and included with the application. For purposes of the SWPPP, all storm water and runoff at or from the refinery shall be considered to be contaminated storm water, unless the WQD agrees Frontier has demonstrated that certain storm water runoff is not contaminated, using a recognized method pre-approved by the WQD. The SWPPP shall provide for management of contaminated storm water, including treatment, as necessary to assure that any discharges from the refinery containing contaminated storm water (including storm water discharges as may be necessitated by work under this Consent Decree on Surface Impoundments ## 1, 3, 4 and 5) comply with the applicable WYPDES permit requirements, including effluent limits.

F. Eliminate discharges through outfall 005 from Pond #2

1. Immediately upon entry of the Consent Decree, at the latest, Frontier shall physically eliminate the potential for any future discharges from Pond #2 through outfall 005.

2. Future application by Frontier for a permit to discharge treated refinery wastewater or storm water from a new outfall shall be subject to applicable DEQ permit and SWPPP requirements and effluent limits.

G. Permit enforcement

Following the granting of any permit referenced in this Section VII, the Parties agree that any permit requirement, term, or condition contained therein shall be

enforceable pursuant to applicable laws governing permit compliance, including the Wyoming Environmental Quality Act, rather than under this Consent Decree.

VIII. CIVIL PENALTY

A. Within sixty (60) days after entry by the Court of this Consent Decree, Frontier, without admitting liability, agrees to pay a total civil penalty in the amount of six hundred thirty-one thousand dollars (\$631,000.00) for settlement of the matters covered herein under WYO. STAT. ANN. § 35-11-901(a). The check for payment of the civil penalty shall be made payable to the Wyoming Department of Environmental Quality, note this docket number, and be delivered to James Uzzell, Fiscal Administrator, Herschler Building 4th Floor West, 122 W. 25th Street, Cheyenne, WY 82002.

IX. RELATION TO EXISTING ADMINISTRATIVE ORDER ON CONSENT AND PROSPECTIVE RCRA POST-CLOSURE PERMIT

The Parties acknowledge that a separate March, 1995 "Final Administrative Order on Consent" ("AOC") entered into by the Parties for corrective action at the Frontier refinery pursuant to the State of Wyoming's federally authorized hazardous waste program under 42 U.S.C. § 6926(b) of the Resource Conservation and Recovery Act ("RCRA") is currently in effect. Frontier has also submitted an application for a RCRA post-closure permit for a closed RCRA cell at the refinery, which prospective post-closure permit ("PCP") may include related requirements for RCRA corrective action at the refinery. To the extent that certain requirements of the AOC, the PCP, and this Consent Decree may overlap, the Parties agree that DEQ-approved activities undertaken by Frontier to implement requirements of the AOC, PCP, or this Consent Decree will not be unnecessarily duplicative. This section shall survive termination of the Consent Decree as provided herein.

X. MODIFICATION

This Consent Decree may be modified only by written and signed mutual agreement of the Parties or by further order of the Court. Any written and signed mutual agreement between the Parties to modify this Consent Decree, except those for workplan or schedule changes, shall be filed with the Court.

XI. DISPUTE RESOLUTION

In the event of a dispute involving the terms of this Consent Decree, the Parties may attempt to resolve such dispute between them before seeking judicial resolution

under the Court's continuing jurisdiction. Any attempt to resolve a dispute between the Parties does not constitute a waiver by either Party of its right at any time to unilaterally seek judicial resolution of that dispute under the Court's continuing jurisdiction. Frontier, with notice to DEQ, may request, and DEQ may oppose, a postponement of the disputed requirement(s) during the pendency of the dispute resolution process, which shall be decided by the Court, in its discretion and for good cause shown.

XII. PERFORMANCE DELAYS

In the event of a delay relating to Frontier's compliance with any deadline or schedule in this Consent Decree caused by equipment delays, delays in DEQ approvals or permits, or other circumstances not attributable to acts or omissions of Frontier and beyond Frontier's control, Frontier shall (i) immediately notify the DEQ of the delay, its cause, and projected duration, followed by written notification of same within five (5) business days, and (ii) take all reasonable steps to minimize the delay. Frontier may request, and DEQ may oppose, a corresponding modification of any deadline or schedule under this Consent Decree based on equipment delays, delays in DEQ approvals or permits, or other circumstances not attributable to acts or omissions of Frontier and beyond Frontier's control. The grant or denial of such a request shall be decided by the Court in its discretion and for good cause shown, including Frontier's obligation to take all reasonable steps to minimize the delay. Pending a decision by the Court on Frontier's request, Frontier shall not be deemed in non-compliance with such deadline or schedule, provided Frontier notified the DEQ as required above and takes all reasonable steps to minimize the delay.

XIII. RELEASE AND COVENANT NOT TO SUE

- A. The DEQ agrees that Frontier's full compliance with the terms of this Consent Decree shall constitute full satisfaction for its claims against Frontier based on the violations alleged in the Complaint and in NOV No. 3538-04.
- B. In consideration of and in reliance upon the obligations undertaken by Frontier under this Consent Decree, the DEQ agrees to release and covenants not to sue Frontier, its respective successors, assigns, affiliates, parents, subsidiaries, partners, officers, directors, employees, stockholders and representatives, for any claims or causes of action based on the violations alleged in the Complaint and in NOV No. 3538-04.
- C. This release and covenant are conditioned upon the complete and

satisfactory performance by Frontier of its obligations under this Consent Decree, provided that the release and covenant not to sue as it pertains to a penalty for the violations alleged in the NOV and Complaint shall be effective upon payment of the penalty as specified in Section VIII above.

D. Nothing in this covenant or release relieves Frontier of its duty to comply with all applicable requirements under the Act and rules, regulations and standards adopted thereunder, including permit requirements.

E. The terms of this Section XIII shall survive termination of the Consent Decree.

XIV. PARTIES BOUND

This Consent Decree shall apply to and be binding upon Frontier, its successors and assigns, and upon the DEQ.

XV. TERMINATION OF CONSENT DECREE

Except as otherwise provided herein, the terms and conditions of this Consent Decree shall terminate on the DEQ's filing of written notice to the Court, which shall not be unreasonably withheld, confirming completion of all of Frontier's obligations under this Consent Decree.

XVI. ATTORNEY FEES/COSTS OF ACTION

Each Party shall bear its own attorney fees and costs of this action through the entry of this Consent Decree.

XVII. RETENTION OF JURISDICTION

The Court shall retain jurisdiction to enforce the terms and conditions of this Consent Decree, to enter such orders as are appropriate under the Consent Decree, and to resolve all disputes as may be necessary or appropriate for the construction, or to carry out the terms, of this Consent Decree.

XVIII. SIGNATORY AUTHORITY

The signatories for the DEQ and for Frontier certify that they are duly authorized to bind their respective Parties to this Consent Decree.

DATED this _____ day of _____, 200__.

DISTRICT COURT JUDGE

WE HEREBY CONSENT to the entry of this Consent Decree:

FOR THE WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY:

Date: 1/2, 2006⁷

By: [Signature]
John Corva
Director,
Department of Environmental Quality

Date: Jan. 2, 2006⁷
[Signature]

By: [Signature]
John F. Wagant
Administrator, ~~Water Quality~~ Waste Division
Department of Environmental Quality

Date: 2 Jan, 2006⁷
[Signature]

By: [Signature]
Robert C. Fousner
Administrator, ~~Waste Management~~ Waste Division
Department of Environmental Quality

FOR FRONTIER REFINING INC.:

Date: Dec. 28, 2006

By: [Signature]
Lloyd Nordhausen
Vice President and Refinery Manager

APPROVED AS TO FORM:

Date: JANUARY 2, 2006⁷
[Signature]

By: [Signature]
Mike Barrash
Senior Assistant Attorney General
Wyoming Attorney General's Office
123 State Capitol Building
Cheyenne, WY 82002
(307) 777-6946
Counsel for the Wyoming Department
of Environmental Quality

Date: 12/28, 2006

By: [Signature]
Alex Davison
Patton & Davison
P.O. Box 945
Cheyenne, WY 82003-0945
(307) 635-4111
Counsel for Frontier Refining Inc.

Date: December 27, 2006

By: [Signature]
Joseph F. Guida
Guida, Slavich & Flores, P.C.
750 N. St. Paul Street, Suite 200
Dallas, Texas 75201-3205
(214) 692-0009
Counsel for Frontier Refining Inc.