

NM2 - 10

BONDS



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

April 30, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. P-326-936-432

Mr. Tim Kinney
111 Road 4990
Bloomfield, New Mexico 87413

**RE: Transfer of Giant Industries Arizona, Inc. Waste Management Facility Permit NM-02-0010 to Giant Mid-Continent, Inc.
NW/4 SE/4 of Sec. 16, T. 25 N., Range 12 W., NMPM, San Juan County, New Mexico
American Insurance Company Rider
Bond Number 11141629763**

Dear Mr. Kinney:

The New Mexico Oil Conservation Division (OCD) has received a request from Giant Industries, Inc. dated April 24, 1998 to transfer ownership of the Giant Industries Arizona, Inc. Waste Management Facility Permit NM-02-0010 at the above referenced location to Giant Mid-Continent, Inc. Included with the request was a rider to bond number 11141629763 amending the name of the Principal to Giant Mid-Continent, Inc. The request is hereby approved in accordance with OCD Rule 711.

Please be advised approval of this transfer does not relieve Giant Mid-Continent, Inc. of liability should their operation result in pollution of surface waters, ground water or the environment.

If there are any questions, please contact Martyne Kieling at (505) 827-7153.

Sincerely,


Lori Wrotenberg
Director

LW/mjk

xc: OCD Aztec Office

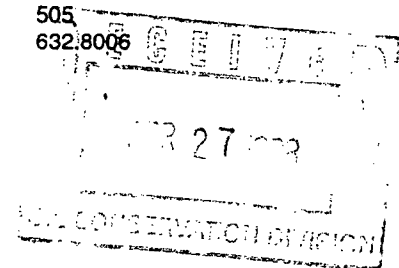
April 24, 1998



111 Road 4990
Bloomfield, New Mexico 87413

Ms. Martyne J. Kieling
Oil Conservation Division
Environmental Bureau
2040 South Pacheco St.
Santa Fe, New Mexico 87505

505
632.8006



Dear Ms. Kieling:

RE: Giant Industries Arizona, Inc. OCD Rule 711 permit Approval NM-02-0010
NW/4 SE/4 of Section 16, Township 25 North, Range 12 West, NMPM
San Juan County, New Mexico.

Please accept this letter as notification that ownership of the proposed centralized surface waste management landfarm facility referenced above has been transferred to Giant Mid-Continent, Inc. Giant Mid-Continent, Inc. is a subsidiary of Giant Industries Arizona, Inc. As requested, I have included a rider to the required facility bond which also reflects the change.

Thank you for your assistance in this matter. Please contact me at (505)632-4001 with any questions that may arise.

Sincerely,

A handwritten signature in cursive script that reads "Tim Kinney".

Tim Kinney
General Manager
Pipeline and Transportation Services

/dm

Enclosure

cc: Mike Hardy
Barry Holman
Kim Bullerdick
Jacque Cumbie

RIDER

TO BE ATTACHED TO AND FORM PART OF Waste Management Facility Bond

NO. 11141629763

IN FAVOR OF State of New Mexico

ON BEHALF OF Giant Industries Arizona, Inc.

IT IS AGREED THAT, in consideration of the original premium charged for this bond, and any additional premium that may be properly chargeable as a result of this rider,

the Principal is hereby amended to read:

GIANT MID-CONTINENT, INC.

PROVIDED, however, that the attached bond shall be subject to all its agreements, limitations, and conditions except as herein expressly modified, and that the liability of the Surety under the attached bond and under the attached bond as charged by this rider shall not be cumulative.

SIGNED, AND SEALED THIS 6th day of April, 1998

American Insurance Company


Maryann Carafello Attorney-in-Fact

GENERAL
POWER OF
ATTORNEY

THE AMERICAN INSURANCE COMPANY

KNOW ALL MEN BY THESE PRESENTS: That THE AMERICAN INSURANCE COMPANY, a Corporation incorporated under the laws of the State of New Jersey on February 20, 1846, and redomesticated to the State of Nebraska on June 1, 1990, and having its principal office in the County of Marin, State of California, has made, constituted and appointed, and does by these presents make, constitute and appoint MARYANN CARAFELLO,

DEBRA K. YEFKO, LORENE M. ELLIS, jointly or severally

PHOENIX, AZ

its true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, seal, acknowledge and deliver any and all bonds, undertaking, recognizances or other written obligations in the nature thereof -----

and to bind the Corporation thereby as fully and to the same extent as if such bonds were signed by the President, sealed with the corporate seal of the Corporation and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney(s)-in-Fact may do in the premises.

This power of attorney is granted pursuant to Article VII, Sections 45 and 46 of By-laws of THE AMERICAN INSURANCE COMPANY now in full force and effect.

"Article VII. Appointment and Authority of Resident Secretaries, Attorneys-in-Fact and Agents to accept Legal Process and Make Appearances.

Section 45. Appointment. The Chairman of the Board of Directors, the President, any Vice-President or any other person authorized by the Board of Directors, the Chairman of the Board of Directors, the President or any Vice-President may, from time to time, appoint Resident Assistant Secretaries and Attorneys-in-Fact to represent and act for and on behalf of the Corporation and Agents to accept legal process and make appearances for and on behalf of the Corporation.

Section 46. Authority. The authority of such Resident Assistant Secretaries, Attorneys-in-Fact and Agents shall be as prescribed in the instrument evidencing their appointment. Any such appointment and all authority granted thereby may be revoked at any time by the Board of Directors or by any person empowered to make such appointment."

This power of attorney is signed and sealed under and by the authority of the following Resolution adopted by the Board of Directors of THE AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 31st day of July, 1984, and said Resolution has not been amended or repealed:

"RESOLVED, that the signature of any Vice-President, Assistant Secretary, and Resident Assistant Secretary of this Corporation, and the seal of this Corporation may be affixed or printed on any power of attorney, on any revocation of any power of attorney, or on any certificate relating thereto, by facsimile, and any power of attorney, any revocation of any power of attorney, or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Corporation."

IN WITNESS WHEREOF, THE AMERICAN INSURANCE COMPANY has caused these presents to be signed by its Vice-President, and its corporate seal to

be hereunto affixed this 23rd day of January, 1996.



THE AMERICAN INSURANCE COMPANY

By

[Signature]
Vice-President

STATE OF CALIFORNIA
COUNTY OF MARIN

ss.

On this 23rd day of January, 1996, before me personally came M. A. Mallonee, to me known, who, being by me duly sworn, did depose and say: that he is Vice-President of THE AMERICAN INSURANCE COMPANY, the Corporation described in and which executed the above instrument; that he knows the seal of said Corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Corporation and that he signed his name thereto by like order.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year herein first above written.



CERTIFICATE

STATE OF CALIFORNIA
COUNTY OF MARIN

ss.

I, the undersigned, Resident Assistant Secretary of THE AMERICAN INSURANCE COMPANY, a NEBRASKA Corporation, DO HEREBY CERTIFY that the foregoing and attached POWER OF ATTORNEY remains in full force and has not been revoked; and furthermore that Article VII, Sections 45 and 46 of the By-laws of the Corporation, and the Resolution of the Board of Directors; set forth in the Power of Attorney, are now in force.

Signed and sealed at the County of Marin. Dated the 6th day of April, 1998.



[Signature]
Resident Assistant Secretary



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

March 6, 1998

CERTIFIED MAIL
RETURN RECEIPT NO. P-326-936-403

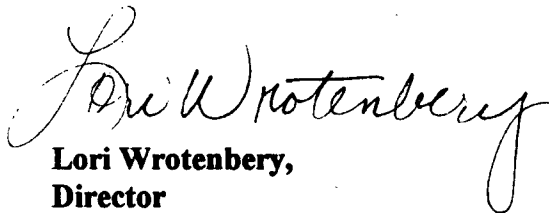
Mr. Timothy Kinney
Giant Industries Arizona, Inc.
5764 Highway 64
Farmington, NM 87401

Re: \$25,000 Waste Management Facility Bond
Waste Management Facility Permit # NM-02-0010
Giant Industries Arizona, Inc.
The American Insurance Company
NW/4 SE/4 of Section 16, Township 25 North, Range 12 West, NMPM,
San Juan County, New Mexico
Bond # 11141629763

Dear Mr. Kinney:

The New Mexico Oil Conservation Division hereby approves the above-referenced Waste Management Facility Bond with Rider.

Sincerely,


Lori Wrotenbery,
Director

LW:mjk

Enclosure: 2 copies of the Rider

xc with attachment:
Aztec OCD Office

Energy, Minerals and Natural Resources Department
Oil Conservation Division
Surety Bond For Waste Management Facilities
(File with Oil Conservation Division, 2040 South Pacheco Street, Santa Fe, New Mexico 87505)

BOND NO. 11141629763
(For Surety Company Use)

KNOW ALL MEN BY THESE PRESENTS:

That Giant Industries Arizona, Inc., (an individual, partnership, or a corporation organized in the State of Arizona, with its principal office in the City of Scottsdale State of Arizona, and authorized to do business in the State of New Mexico), as PRINCIPAL, and The American Insurance Co., a corporation organized and existing under the laws of the State of New Jersey, and authorized to do business in the State of New Mexico with duly appointed resident agent in the State of New Mexico to execute this bond on behalf of the surety company, as SURETY, are held firmly bound unto the State of New Mexico, for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department (the "Division") pursuant to Section 70-2-12 NMSA, 1978, (1995 Relp.) as amended in the sum of Twenty-Five Thousand and no/100\$ 25,000.00 Dollars for the payment of which PRINCIPAL and SURETY hereby bind themselves, their successors and assigns, jointly and severally.

The conditions of this obligation are such that:

WHEREAS, the above principal has heretofore or may hereafter enter into the collection, disposal, evaporation, remediation, reclamation, treatment or storage of produced water, drilling fluids, drill cuttings, completion fluids, contaminated soils, BS&W, tank bottoms, waste oil and/or other oil field related waste in Section 16, Township 25N, Range 12W, NMPM, San Juan County, New Mexico.

NOW, THEREFORE, this \$ 25,000.00 performance bond is conditioned upon substantial compliance with all applicable statutes of the State of New Mexico and all rules and orders of the Oil Conservation Commission, the Division, and upon clean-up of the facility site to standards of the Division; otherwise the principal amount of the bond to be forfeited to the State of New Mexico.

Signed and sealed this 21st day of November, 19 97.

Giant Industries Arizona, Inc.
Principal
23733 N. Scottsdale Rd.
Scottsdale, AZ 85255
Mailing Address

By [Signature] Treasurer
Signature Title

Note: If Principal is a corporation, affix corporate seal here.

The American Insurance Company
Surety
P. O. Box 1975, Santa Ana, CA 92702
Mailing Address

By [Signature]
Attorney-in-Fact

Note: If corporate surety, affix corporate seal here.

Note: If corporate surety executes this bond by an attorney-in-fact not in New Mexico, the resident New Mexico agent shall countersign here below.

Countersigned by: [Signature]
New Mexico Resident Agent
WM. KIP PRICE

4317 LEAD AVENUE S.E.
Address ALBUQUERQUE, NEW MEXICO 87108

GENERAL
POWER OF
ATTORNEY

THE AMERICAN INSURANCE COMPANY

KNOW ALL MEN BY THESE PRESENTS: That THE AMERICAN INSURANCE COMPANY, a Corporation incorporated under the laws of the State of New Jersey on February 20, 1846, and redomesticated to the State of Nebraska on June 1, 1990, and having its principal office in the County of Marin, State of California, has made, constituted and appointed, and does by these presents make, constitute and appoint **MARYANN CARAFELLO,**

DEBRA K. YEFKO, LORENE M. ELLIS, jointly or severally

PHOENIX AZ
its true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, seal, acknowledge and deliver any and all bonds, undertaking, recognizances or other written obligations in the nature thereof -----

and to bind the Corporation thereby as fully and to the same extent as if such bonds were signed by the President, sealed with the corporate seal of the Corporation and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney(s)-in-Fact may do in the premises.

This power of attorney is granted pursuant to Article VII, Sections 45 and 46 of By-laws of THE AMERICAN INSURANCE COMPANY now in full force and effect.

"Article VII. Appointment and Authority of Resident Secretaries, Attorneys-in-Fact and Agents to accept Legal Process and Make Appearances.

Section 45. Appointment. The Chairman of the Board of Directors, the President, any Vice-President or any other person authorized by the Board of Directors, the Chairman of the Board of Directors, the President or any Vice-President may, from time to time, appoint Resident Assistant Secretaries and Attorneys-in-Fact to represent and act for and on behalf of the Corporation and Agents to accept legal process and make appearances for and on behalf of the Corporation.

Section 46. Authority. The authority of such Resident Assistant Secretaries, Attorneys-in-Fact and Agents shall be as prescribed in the instrument evidencing their appointment. Any such appointment and all authority granted thereby may be revoked at any time by the Board of Directors or by any person empowered to make such appointment."

This power of attorney is signed and sealed under and by the authority of the following Resolution adopted by the Board of Directors of THE AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 31st day of July, 1984, and said Resolution has not been amended or repealed:

"RESOLVED, that the signature of any Vice-President, Assistant Secretary, and Resident Assistant Secretary of this Corporation, and the seal of this Corporation may be affixed or printed on any power of attorney, on any revocation of any power of attorney, or on any certificate relating thereto, by facsimile, and any power of attorney, any revocation of any power of attorney, or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Corporation."

IN WITNESS WHEREOF, THE AMERICAN INSURANCE COMPANY has caused these presents to be signed by its Vice-President, and its corporate seal to

be hereunto affixed this 23rd day of January, 19 96.



STATE OF CALIFORNIA
COUNTY OF MARIN

ss.

THE AMERICAN INSURANCE COMPANY
By [Signature]
Vice-President

On this 23rd day of January, 19 96, before me personally came M. A. Mallonee, to me known, who, being by me duly sworn, did depose and say: that he is Vice-President of THE AMERICAN INSURANCE COMPANY, the Corporation described in and which executed the above instrument; that he knows the seal of said Corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Corporation and that he signed his name thereto by like order.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year herein first above written.



CERTIFICATE

ss.

STATE OF CALIFORNIA
COUNTY OF MARIN

[Signature]
Notary Public

I, the undersigned, Resident Assistant Secretary of THE AMERICAN INSURANCE COMPANY, a NEBRASKA Corporation, DO HEREBY CERTIFY that the foregoing and attached POWER OF ATTORNEY remains in full force and has not been revoked; and furthermore that Article VII, Sections 45 and 46 of the By-laws of the Corporation, and the Resolution of the Board of Directors; set forth in the Power of Attorney, are now in force.

Signed and sealed at the County of Marin. Dated the 21st day of November, 19 97.



[Signature]
Resident Assistant Secretary

1. (For a natural person acting in his own right:)

STATE OF _____)
)SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____,
by _____.

My commission expires:

Date

Notary Public

2. (For a partnership acting by one or more partners)

STATE OF _____)
)SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 19____,
by _____,
_____, partner(s) on behalf of
_____, a partnership.

My commission expires:

Date

Notary Public

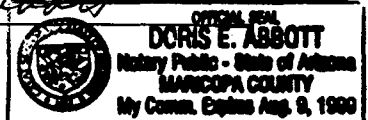
3. (For a corporation or incorporated association)

The foregoing instrument was acknowledged before me this 2nd day of December, 1997,
by MARK B. COX,
a corporation, on behalf of said corporation.

My commission expires:

8/9/99
Date

Doris E. Abbott
Notary Public



NOTE: When Lessor is a partnership, corporation of association, list all partners, officers and directors as may be applicable. This information may be provided below.

APPROVED BY:
OIL CONSERVATION DIVISION

By: Larry Notenberg