

**AP-111**

**GENERAL  
CORRESPONDENCE**

**2013 - Present**

**From:** [Chavez, Carl J. EMNRD](#)  
**To:** [Moore, John](#); [elizabeth.bisbeykuehn@state.nmn.us](mailto:elizabeth.bisbeykuehn@state.nmn.us)  
**Cc:** [Cobrain, Dave. NMENV](#); [Vail, Vanessa A](#)  
**Subject:** RE: Gallup Refinery  
**Date:** Thursday, April 16, 2020 11:27:00 AM

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John, et al.:

Received and transmitted.

Thank you.

Mr. Carl J. Chavez, CHMM (#13099)  
New Mexico Oil Conservation Division (Albuquerque Office)  
Energy Minerals and Natural Resources Department  
5200 Oakland Avenue, NE  
Albuquerque, New Mexico 87113  
Ph. (505) 660-7923  
E-mail: [CarlJ.Chavez@state.nm.us](mailto:CarlJ.Chavez@state.nm.us)

**“Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?” (To see how, go to: <http://www.emnrd.state.nm.us/OCD> and see “Publications”)**

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**From:** Moore, John <[JMoore5@Marathonpetroleum.com](mailto:JMoore5@Marathonpetroleum.com)>  
**Sent:** Thursday, April 16, 2020 11:18 AM  
**To:** [elizabeth.bisbeykuehn@state.nmn.us](mailto:elizabeth.bisbeykuehn@state.nmn.us)  
**Cc:** Cobrain, Dave, NMENV <[dave.cobrain@state.nm.us](mailto:dave.cobrain@state.nm.us)>; Chavez, Carl J, EMNRD <[CarlJ.Chavez@state.nm.us](mailto:CarlJ.Chavez@state.nm.us)>; Vail, Vanessa A <[VAVail@Marathonpetroleum.com](mailto:VAVail@Marathonpetroleum.com)>  
**Subject:** [EXT] Gallup Refinery  
**Importance:** High

Ms. Bisbey-Kuehn,

Please see the attached correspondence regarding the operating status of the Gallup Refinery. A hard copy will follow in the mail. If you have any questions, please feel free to contact me.

John Moore, P.E.  
Environmental Superintendent  
[JMoore5@Marathonpetroleum.com](mailto:JMoore5@Marathonpetroleum.com)

MPC – Gallup Refinery  
92 Giant Crossing Road  
Gallup, NM 87301  
Phone: (505) 722-0205  
Mobile: (505) 879-7643  
[www.Marathonpetroleum.com](http://www.Marathonpetroleum.com)





John Moore, P.E.  
Environmental Supervisor  
Gallup Refinery

## Western Refining Southwest, Inc.

A subsidiary of Marathon Petroleum Corporation

I-40 Exit 39  
Jamestown, NM 87347

April 16, 2020

Ms. Elizabeth Bisbey-Kuehn  
Bureau Chief  
New Mexico Environment Department  
Air Quality Bureau  
525 Camino de los Marquez  
Santa Fe, NM 87505-1816

Via email to Elizabeth.Kuehn@state.nm.us

**RE: Standby Operations at Gallup Refinery (Western Refining Southwest, Inc. -  
Facility IDEA No. 888)**

Dear Ms. Bisbey-Kuehn,

As the New Mexico Environment Department (Department) is aware, the COVID-19 pandemic has created a global crisis causing refiners to take unprecedented measures to reduce fuel supply as a result of gasoline and jet fuel demand declining significantly. Based upon these historically low market conditions, Western Refining Southwest, Inc, a wholly-owned subsidiary of the Marathon Petroleum Corporation (MPC), will transition the Gallup Refinery into cold standby mode.<sup>1</sup> While the timeline to contain the COVID-19 pandemic and restore gasoline and jet fuel demand is largely unknown at this time, MPC anticipates this cold standby mode to be temporary in nature.

To facilitate the expected restart of producing fuels at a future date, MPC is transitioning its Gallup Refinery into cold standby (idle) mode rather than shutting down the facility. While operating the facility in standby mode is costlier on an ongoing basis than a complete shutdown, MPC has chosen to place the facility in standby mode because the continued operation, inspection and maintenance of selected equipment during the standby period should allow resumption of refinery operations and production of fuels at a lower overall cost, although the actual cost will not be known until production is resumed in the future.

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<sup>1</sup> Gallup Refinery is owned by Western Refining Southwest, Inc. which owns the refinery processing equipment and Western Terminals, LLC owns the storage and loadout equipment. Each entity is a subsidiary of Marathon Petroleum Corporation.

Ms. Elizabeth Bisbey-Kuehn, NMED  
Standby Operations at the Gallup Refinery  
April 15, 2020

MPC is aware of the New Source Review (NSR) Reactivation Policy of the United States Environmental Protection Agency (EPA), as expressed in EPA's memoranda.<sup>2</sup> The policy supports the conclusion that new permits are not required when a facility suspends normal operations for a temporary period during which the facility is maintained, as opposed to a facility that shuts down completely but is later reactivated. It is important to MPC that standby operations at the Gallup Refinery are not construed as a shut-down that would require new permits upon resumed operations, so we have reviewed the Reactivation Policy criteria carefully and now seek your concurrence regarding the significance of the following points.

As part of MPC's plan to maintain the operability and integrity of the facility while production and distribution of fuels are suspended due to market conditions, MPC expects the emission units (EU) authorized by Title V Operating Permit No. P021-R3<sup>3</sup> and NSR Permits 633-M17 and 633-M19 to be operated and maintained. Actual operation of some of the units is expected to be minimal and will continue to be maintained and inspected during operating rounds as they have in the past. Although some units will likely be deactivated and remain inactive while the Refinery is not making petroleum products, the equipment will remain at the site and will be regularly inspected and maintained by refinery personnel. The refinery will be undertaking decommissioning activities, such as placing de-inventoried units under an inert blanket, in ways that will protect the equipment from damage or corrosion and minimize the effort required to bring the equipment back into service. Additionally, the refinery plans to remain staffed with operations and maintenance personnel.

The plan above is subject to change but represents our best estimate of how we will operate the EUs at this time. If conditions change significantly in the future, MPC will notify the Department of the changes.

Consistent with MPC's intent to maintain the plant as an active facility under EPA's NSR Reactivation Policy, MPC requests that the Department continue to process our Title V Operating Permit P021-R3 renewal application in a timely manner. As noted above, EUs authorized by the current Gallup Refinery Title V and NSR permits will continue to operate in some capacity during the period the facility is in standby mode. Going forward, MPC specifically requests authorization to continue to operate all the equipment authorized by the current operating permit.

MPC also requests that the Department maintain all Gallup Refinery EUs in the State of New Mexico's Air Emissions Inventory required under 40 CFR 51, Subpart A. As required by 20.2.73.300(B) New Mexico Administrative Code (NMAC), MPC will assist the Department in meeting the reporting requirements of

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<sup>2</sup> The "Reactivation Policy" has been expressed through a series of EPA memoranda, letters and determinations issued since the late 1970s. See EPA Memorandum from E. Reich (Sept. 6, 1978) re: PSD Requirements; EPA Memorandum from J. Seitz (May 27, 1987) re: Reactivation of Noranda Lakeshore Mines' RLA Plant and PSD Review; EPA Letter from D. Howekamp (Nov. 6, 1987) re: Supplemental PSD Applicability Determination Cyprus Case Grande Corporation Copper Mining and Processing Facilities; USEPA Memorandum from J. Rasnic (Nov. 19, 1991) re: Applicability of PSD to Watertown Power Plant, South Dakota, Shutdown 9 Years; See also EPA Letter from William L. Wehrum (April 5, 2018) re: Applicability of NSR to Limetree Bay Terminals, St. Croix, U.S. Virgin Islands, Shutdown 6 years.

<sup>3</sup> Title V Operating Permit No. P021-R3 expired March 27, 2020. While the Department processes Western Refining Southwest, Inc.'s (Western Refining) operating permit renewal application, Western Refining is currently operating under the permit application shield afforded by 40 CFR 71.7(b) (20.2.70.302.J NMAC & 20.2.70.400(D) NMAC).

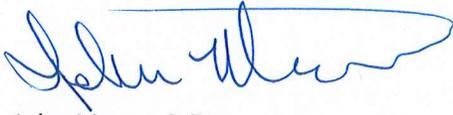
Ms. Elizabeth Bisbey-Kuehn, NMED  
Standby Operations at the Gallup Refinery  
April 15, 2020

40 CFR 51.15 by continuing to submit to the Department annual estimates of actual emissions from operating EUs at the refinery.

Finally, MPC would appreciate written acknowledgment from the Department that based on the information provided in this letter, that MPC has presented a reasonable plan for permitting and operations, consistent with our intent to maintain the Gallup Refinery as an active facility for purposes of EPA NSR Reactivation Policy.

If you have any questions or require additional information, please do not hesitate to contact Brian Valenzuela at 505-726-9743 or BValenzuelaAlcantar@Marathonpetroleum.com.

Sincerely,



John Moore, P.E.  
Environmental Superintendent

CC: Dave Cobrain – NMED HWB  
Carl Chavez - OCD

**From:** [Moore, John](#)  
**To:** [Chavez, Carl J. EMNRD](#)  
**Cc:** [Cobrain, Dave. NMENV](#)  
**Subject:** [EXT] AP-111 formerly GW-32  
**Date:** Monday, April 13, 2020 2:10:13 PM  
**Attachments:** [Discharge Response.pdf](#)

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Carl,

Attached, please find correspondence related to the recent request for a discharge permit. If you have any questions, or would like to discuss this, please let me know.

John Moore, P.E.  
Environmental Superintendent  
[JMoore5@Marathonpetroleum.com](mailto:JMoore5@Marathonpetroleum.com)

MPC – Gallup Refinery  
92 Giant Crossing Road  
Gallup, NM 87301  
Phone: (505) 722-0205  
Mobile: (505) 879-7643  
[www.Marathonpetroleum.com](http://www.Marathonpetroleum.com)





John Moore, P.E.  
Environmental Supervisor  
Gallup Refinery

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## Western Refining Southwest, Inc.

A subsidiary of Marathon Petroleum Corporation

I-40 Exit 39  
Jamestown, NM 87347

April 13, 2020

Ms. Adrienne Sandoval Oil Conservation Division Director  
New Mexico Energy, Minerals, and Natural Resources Department  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

RE: Gallup Refinery (AP-111 – formerly GW-32)  
OCD Facility WQCC Discharge Permit (DP) Application Requirement

Dear Ms. Sandoval:

Western Refining Southwest, Inc. is in receipt of the above-referenced notice from the Oil Conservation Division, dated March 5, 2020, regarding Gallup Refinery (OCD March 5, 2020 Letter). The OCD March 4, 2020 letter specifically states that our “facility is hereby required under 20.6.2 et seq. NMAC to submit a Water Quality Control Commission (WQCC) discharge permit application with required information within 90 calendar days from the date of this letter.” No other information or basis for requiring this permit was provided in this letter.

For your recollection, on February 17, 2012, the Oil Conservation Division (OCD) determined that Gallup Refinery was not required to operate under a Water Quality Control Commission (WQCC) Discharge Permit and accordingly rescinded the WQCC Discharge Permit for GW-032 (OCD February 17, 2012 Letter). OCD’s February 17, 2012 Letter stated: “OCD has determined that Western does not intentionally discharge at this facility; therefore, no WQCC Discharge Permit is required.”

20.6.2.3104 NMAC provides, in relevant part, the following:

Unless otherwise provided by this Part, no person shall cause or allow effluent or leachate to discharge so that it may move directly or indirectly into ground water unless he is discharging pursuant to a discharge permit issued by the secretary. When a permit has been issued, discharges must be consistent with the terms and conditions of the permit.

The Gallup Refinery has not, and does not, intentionally discharge from any specific source to ground water or surface water and is unaware of any change in circumstances that would alter OCD’s 2012 determinations or support exercise of OCD’s permit authority at this time. Consequently, Western Refining Southwest, Inc. finds no basis for OCD’s call for a permit application, and respectfully requests



John Moore, P.E.  
Environmental Supervisor  
Gallup Refinery

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**Western Refining Southwest, Inc.**

A subsidiary of Marathon Petroleum Corporation

I-40 Exit 39  
Jamestown, NM 87347

that OCD withdraw its March 5, 2020 Letter requiring such. If you have any questions or would like to further discuss, please feel free to contact me at 505-722-0205 (office) or 505-879-7643.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John Moore', written over a horizontal line.

John Moore, P.E.  
Environmental Supervisor

Attachment

CC: Dave Cobrain, NMED



John Moore, P.E.  
Environmental Supervisor  
Gallup Refinery

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**Western Refining Southwest, Inc.**

A subsidiary of Marathon Petroleum Corporation

I-40 Exit 39  
Jamestown, NM 87347

ATTACHMENT

# New Mexico Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**John H. Bemis**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**Jami Bailey**  
Division Director  
Oil Conservation Division



**FEBRUARY 17, 2012**

Mr. Mark B. Turri  
Refinery General Manager  
Western Refining Southwest, Inc. - Gallup Refinery  
Interstate I-40, Exit 39  
Jamestown, New Mexico 87347

**Re: Rescission of Discharge Permit Renewal (GW-032) Gallup Refinery (Transfer to Abatement Plan No. 111) Section 28, UL: H, Township 15 North, Range 15 West, NMPM, McKinley County, New Mexico**

Dear Mr. Turri:

Based on your responses given in the "Oil & Gas Facilities Questionnaire for Determination of a WQCC Discharge Permit" and a file review, the Oil Conservation Division (OCD) has determined that your facility with an expired or soon to be expired permit is not required to operate under a Water Quality Control Commission (WQCC) Discharge Permit. This means that the WQCC Discharge Permit for GW-032 (Gallup Refinery) is hereby rescinded and you are not required to proceed with the renewal of the expired WQCC Discharge Permit. OCD will close this discharge permit in its database.

Previously, Western Refining Southwest, Inc. (Western) has conducted abatement of ground water contamination at this facility under the authority of its WQCC Discharge Permit, pursuant to 20.6.2.4000 NMAC (PREVENTION AND ABATEMENT OF WATER POLLUTION). OCD has determined that Western does not intentionally discharge at this facility; therefore, no WQCC Discharge Permit is required. However, because of existing ground water contamination at this facility, OCD is requiring Western to continue to abate pollution of ground water pursuant to 19.15.30 NMAC (REMEDIATION). The new Abatement Plan case number for the former GW-032 site is **AP-111**. Please use this Abatement Plan case number in all future correspondence.

Because this WQCC Discharge Permit will no longer be in effect, you may be required to obtain separate OCD permit(s) for other processes at your facility, such as: pits, ponds, impoundments, below-grade tanks, waste treatment, storage and disposal operations; and landfarms and landfills. OCD will determine if any of these existing processes may require a separate permit under OCD's Oil, Gas, and Geothermal Regulations. If OCD determines that a separate permit(s) is required, then a letter will be sent to you indicating the type of permit.

Please keep in mind, if your facility has any discharges that would require a WQCC Discharge Permit now or in the future, then Western will be required to renew or obtain a WQCC Discharge Permit.

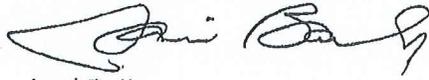
Oil Conservation Division \* 1220 South St. Francis Drive  
\* Santa Fe, New Mexico 87505

\* Phone: (505) 476-3440 \* Fax (505) 476-3462\* <http://www.emnrd.state.nm.us>

MR. MARK B. TURN  
February 17, 2012  
Page 2 of 2

If Western has any questions regarding this matter, please contact Glenn von Gonten at 505-476-3488.

Thank you for your cooperation.

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with a large initial "J" and "B".

Jami Bailey  
Director

JB/cjc

**From:** [Chavez, Carl J. EMNRD](#)  
**To:** ["Moore, John"](#)  
**Cc:** [Griswold, Jim, EMNRD](#); [Cobrain, Dave, NMENV](#); [Powell, Brandon, EMNRD](#)  
**Bcc:** [Sandoval, Adrienne, EMNRD](#); [Wade, Gabriel, EMNRD](#)  
**Subject:** Gallup Refinery (AP-111)  
**Date:** Thursday, March 5, 2020 4:48:00 PM  
**Attachments:** [OCD Director Letter 3-5-2020.pdf](#)

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John:

Good afternoon.

Please find attached the letter the New Mexico Oil Conservation Division (OCD) has discussed at meetings with the Marathon Petroleum Company.

A hardcopy was placed in the U.S. Mail today.

Please contact OCD if you have questions.

Thank you.

Mr. Carl J. Chavez, CHMM (#13099)  
New Mexico Oil Conservation Division  
Energy Minerals and Natural Resources Department  
1220 South St Francis Drive  
Santa Fe, New Mexico 87505  
Ph. (505) 476-3490  
E-mail: [CarlJ.Chavez@state.nm.us](mailto:CarlJ.Chavez@state.nm.us)

**“Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?” (To see how, go to: <http://www.emnrd.state.nm.us/OCD> and see “Publications”)**

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Michelle Lujan Grisham  
Governor

Sarah Cottrell Propst  
Cabinet Secretary

Todd E. Leahy, JD, PhD  
Deputy Secretary

Adrienne Sandoval, Director  
Oil Conservation Division



*Sent via e-mail and U.S. Mail*

**MARCH 5, 2020**

Mr. John Moore, P.E.  
Environmental Superintendent  
Western Refining, Southwest Inc., Gallup Refinery  
92 Giant Crossing Road  
Gallup, New Mexico 87301

Re: **Marathon Petroleum Company (MPC)  
Gallup Refinery (AP-111- formerly GW-32)  
OCD Facility WQCC Discharge Permit (DP) Application Requirement**

Dear Mr. Moore:

The New Mexico Energy, Minerals and Natural Resources Department (EMNRD), Oil Conservation Division (OCD) has determined the above subject facility is hereby required under 20.6.2 et seq. NMAC to submit a Water Quality Control Commission (WQCC) discharge permit application with required information within 90 calendar days from the date of this letter.

Please contact Carl Chavez of my staff at (505) 476-3490 or (505) 660-7923 or E-mail: [CarlJ.Chavez@state.nm.us](mailto:CarlJ.Chavez@state.nm.us) if you have any questions or wish to arrange for a meeting to communicate further in this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "AS", is placed over a light green rectangular background.

Adrienne Sandoval  
OCD Director

CC: Dave Cobrain, NMED



**Marathon  
Petroleum Company LP**

September 26, 2019

Mr. John E. Kieling, Chief  
New Mexico Environmental Department  
2905 Rodeo Park Drive East, Bldg. 1  
Santa Fe, NM 87505-6303

**RE: 2018 Land Treatment Unit Sampling – Statistical Increase  
Marathon Petroleum Company LP, Gallup Refinery  
(dba Western Refining Southwest, Inc.)  
EPA ID# NMD000333211**

Dear Mr. Kieling:

Marathon Petroleum Company LP (dba Western Refining Southwest, Inc.) Gallup Refinery is providing notification of a statistically significant increase of constituents of concern (arsenic) in soils in the zone of infiltration or the treatment zone pursuant to Section III.E.1 of the RCRA Post-Closure Care Permit. The 2018 Sampling Event Report will be submitted in the next few weeks to document the sampling event and the statistical evaluation of the data. If there are any questions, please call Brian Moore at 505-726-9745.

Certification

*I certify under penalty of law that this document and all attachments were prepared under my direction or supervision according to a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.*

Sincerely,  
Marathon Petroleum Company LP, Gallup Refinery

*Robert S. Hanks*

Robert S. Hanks  
Refinery General Manager

Enclosure

cc K. Van Horn NMED  
C. Chavez NMOCD  
B. Moore Marathon Gallup Refinery

92 Giant Crossing Road  
Gallup, NM 87301

Andeavor  
I-40 Exit 39  
Jamestown, NM 87347



505 722 3833  
andeavor.com

**USPS Certified Mail: 7017 1070 0000 8701 6647**

October 18, 2018

Mr. John E. Keiling  
Chief, Hazardous Waste Bureau  
New Mexico Environmental Department  
2905 Rodeo Park Drive East, Bldg 1  
Santa Fe, NM 87505-6303

**RE: Notice of Organizational Change**

Western Refining Southwest, Inc. Gallup Refinery RCRA Post-Closure Permit and NMED v. San Juan Refining Company Order  
Western Refining Southwest, Inc., Gallup Refinery  
EPA ID # NMD000333211  
Western Refining Southwest, Inc., Bloomfield Refinery  
EPA ID #NMD089416416  
HWB-WRG-MISC and HWB-WRB-MISC

Dear Mr. Keiling,

On August 16, 2018, Western Refining Southwest, Inc. – Gallup Refinery (“Gallup Refinery”) provided notification to the New Mexico Environment Department (“NMED”) Hazardous Waste Bureau of the corporate transaction that resulted in a series of mergers involving Andeavor and certain indirect subsidiaries of Marathon Petroleum Corporation (“MPC”). As of the date of closing, October 1, 2018, Andeavor became an indirect subsidiary of MPC and converted to an LLC. All of Andeavor’s current subsidiaries remain in place as subsidiaries of Andeavor LLC and indirect subsidiaries of MPC. These merger-related transactions involved only Andeavor, and no changes to Western Refining Southwest, Inc., San Juan Refining Company or facility operations occurred. This letter is to provide notice of organizational changes at Gallup Refinery as it relates to environmental matters and is hereby submitting this request to update your records to reflect the following:

Environmental Superintendent	<b>John Moore</b> Office: (505) 722-0205      Mobile: (307) 337-7642 E-mail: <a href="mailto:John.Moore@andeavor.com">John.Moore@andeavor.com</a>
Environmental Waste Engineer	<b>Janelle Vestal</b> Office: (505) 726-9721      Mobile: (505) 285-8193 E-Mail: <a href="mailto:Janelle.Vestal@andeavor.com">Janelle.Vestal@andeavor.com</a>
Remediation Project Manager	<b>Brian Moore</b> Office: (505) 726-9745      Mobile: (281) 734-1572 E-Mail: <a href="mailto:Brian.Moore@andeavor.com">Brian.Moore@andeavor.com</a>

Please send future correspondence to me and copy the other above-mentioned personnel, as necessary and applicable. If you have any questions in regard to the changes in personnel, please do not hesitate to contact me by telephone or email.

Sincerely,

John Moore  
Environmental Superintendent  
Western Refining Southwest, Inc. – Gallup Refinery

cc: Kristen VanHorn, NMED HWB (via e-mail: [Kristen.VanHorn@state.nm.us](mailto:Kristen.VanHorn@state.nm.us))  
Carl Chavez, OCD (via USPS Certified mail: **7017 1070 0000 8701 6647**)  
D. Statile, Gallup Refinery (via e-mail)  
D. Pruner, Gallup Refinery (via e-mail)

## Chavez, Carl J, EMNRD

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**From:** Chavez, Carl J, EMNRD  
**Sent:** Friday, June 2, 2017 12:07 PM  
**To:** Schmaltz, Randy (Randy.Schmaltz@wnr.com); Bailey, William  
**Cc:** Brancard, Bill, EMNRD; Marks, Allison, EMNRD; Griswold, Jim, EMNRD; VanHorn, Kristen, NMENV; Tsinnajinnie, Leona, NMENV  
**Subject:** Western Refining Southwest, Inc. Bloomfield Terminal (GW-1) & Gallup Refinery (AP-111) Parent Company Change to Endeavor  
**Attachments:** Tesoro Transition to Andeavor 6-2-17.pdf

Randy and William:

The New Mexico Oil Conservation Division (OCD) hereby acknowledges the Parent Company name change to “Andeavor” (see attachment). OCD understands there will be no change to “Western Refining Southwest, Inc.” the Permittee of the above subject OCD regulated facilities.

Therefore, no “Transfer of Ownership” is required under the existing OCD Discharge Permits.

Please continue to reference “Western Refining Southwest, Inc.- Bloomfield Terminal or Gallup Refinery” in your non-legal and especially any legal documents from now on.

Please contact me if you have questions. Thank you.

Mr. Carl J. Chavez, CHMM (#13099)  
New Mexico Oil Conservation Division  
Energy Minerals and Natural Resources Department  
1220 South St Francis Drive  
Santa Fe, New Mexico 87505  
Ph. (505) 476-3490  
E-mail: [CarlJ.Chavez@state.nm.us](mailto:CarlJ.Chavez@state.nm.us)

**“Why not prevent pollution, minimize waste to reduce operating costs, reuse or recycle, and move forward with the rest of the Nation?” (To see how, go to: <http://www.emnrd.state.nm.us/OCD> and see “Publications”)**

# Our Journey Continues...



Tesoro has acquired Western Refining and will adopt a new name, Andeavor, effective August 1, 2017. Our continuing evolution, driven by the extraordinary efforts of our employees and the addition of outstanding talent and assets, has transformed our Company. Our new name acknowledges the significant progress we have made and signals our aspiration to continue establishing Andeavor as a premier refining, marketing and logistics company. We aim to be better in every way - for our people, our customers, our shareholders, our business partners and our communities. You can learn more about our new name and logo [here](#).



## A Message from the CEO

I want to share with you some exciting news about our Company. On August 1, we will adopt a new name. We will become Andeavor.

The change in our name has its roots in our decision some years ago to create a special Company, one that delivers ever greater value to all our stakeholders by bringing out the best in each other. Our rapid evolution, growth and improved performance have remade our enterprise into a premier refining, marketing and logistics company.

With our acquisition of Western Refining on June 1, we now have 1.1 million barrels of refining capacity, 13,000 employees, more than 3,000 retail locations, an extensive logistics system, a track record of performance, and a solid platform for growth for years to come.

We believe our transformation is an opportunity to redefine ourselves in a way that captures the spirit of how far we've come and what we still hope to achieve.

On August 1, the Andeavor name will be applied to our refining, marketing and logistics businesses as well as Tesoro Logistics, which will become Andeavor Logistics.

Our stock ticker symbols will change to ANDV for Andeavor and ANDX for Andeavor Logistics. You won't see Andeavor at a gas station or convenience store, because we'll continue with our successful multi-brand retail strategy.

It's important for you to know that some things won't change, such as our steadfast commitments to safety, environmental responsibility, and to being a good employer and responsible member of the communities where we operate.

We hope that you come to see Andeavor as a sign of our aspiration to make our Company better in every way.

**Sincerely,**



Greg Goff  
Chairman, President and Chief Executive Officer

## Who is Andeavor?

As our Company continues to grow, our new name reflects the significant progress we've made and the journey we're continuing on. This is Andeavor by the numbers:

**Number of Refineries:** 10

**Refining Capacity:** More than 1.1 Million BPD

**Employee Count:** More than 13,000

**Retail Sites:** Approximately 3,000

**Barrels of Storage Capacity:** More than 46 Million

**Miles of Pipelines:** More than 4,800

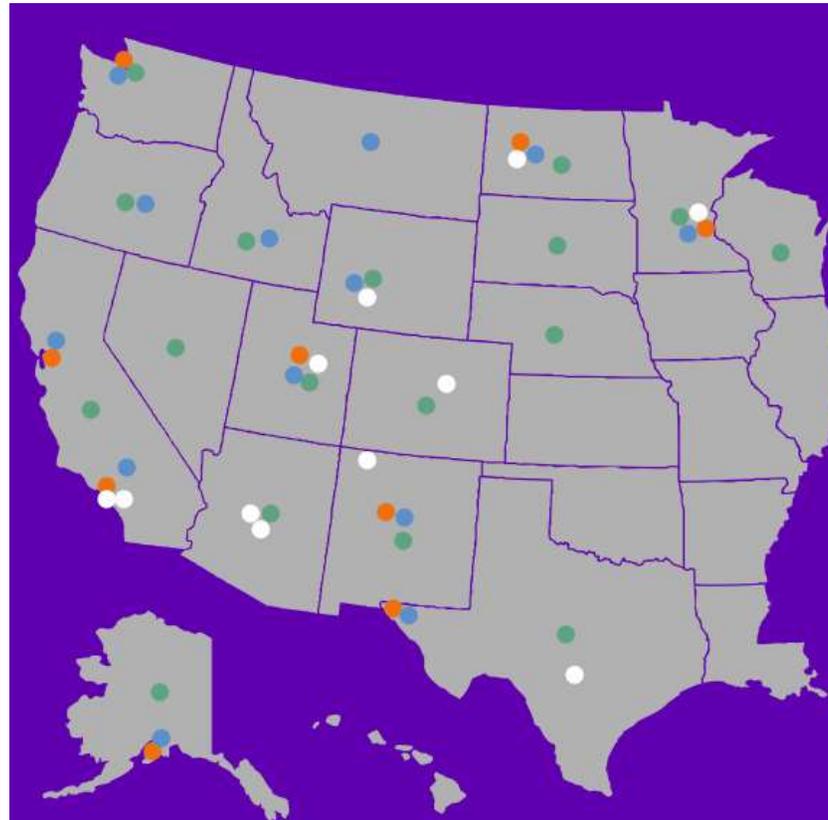
**Marine, Rail and Storage Terminals:** 39

**Natural Gas Processing Complexes:** 6

**States Where We Operate:** 18

\*stats above include Tesoro, Tesoro Logistics and Western Refining Logistics

[Download Fact Sheet](#)



## What's Not Changing?

Our name might be changing but the essential principles that got us here will remain the same as we move forward. We'll continue to view every day as an opportunity to work together to bring out the best in each other.



### SAFETY

Safety is and always will be a Core Value at Andeavor. We will continue to strive to achieve



### COMMUNITY

We remain dedicated to fostering mutually beneficial relationships in the communities





### CUSTOMER RELATIONSHIPS

Our focus on delivering great quality products and services to our partners and nurturing



### STRATEGIC PRIORITIES

Underpinning the pillars of our business are our Strategic Priorities: Operational efficiency and





### PERFORMANCE

We believe that exceptional performance is the result of simple and thoughtful improvements



### WORKFORCE

We continue to build a team of employees that reflect the communities where we operate and



## A Message to Investors

At Andeavor we are creating the premier, highly integrated and geographically diversified refining, marketing and logistics company in our strategic footprint. With a strong platform for earnings growth, our

increased scale and diversity enables us to leverage and enhance our in-house technical capabilities, resulting in cost efficiencies that drive growth and productivity. To find out more, you can visit our [Investor Relations site](#).

Tesoro Investors Site

## Becoming Andeavor

The timeline below represents some of the key milestones in our transition to our new name. The dates here project the timing we are aiming to achieve as part of our current plans. We will continue to communicate and provide updates as we progress.



### JUNE 1, 2017

Announce Andeavor name



### AUGUST 1, 2017

We will begin doing business as Andeavor, and you will start to see our new name become effective in a number of ways:

- Tesoro and Tesoro Logistics ticker symbols will change to Andeavor - ANDV, and Andeavor Logistics - ANDX
- Our company email addresses will be changed to Andeavor
- Our primary external-facing website addresses will become [andeavor.com](http://andeavor.com) and [andeavorlogistics.com](http://andeavorlogistics.com)
- We will launch Andeavor social media channels



### POST AUGUST 1, 2017

- At our sites, Andeavor FRC patches and hard hats will be issued to employees systematically over

time

- Permanent sign changes will begin. Complete conversion across all sites may take up to 1 year

## Learn More

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May 2, 2017

2017

VIA CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Jim Griswold  
Environmental Bureau, Bureau Chief  
Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Re: Western Refining Southwest, Inc.  
Surface Waste Management Permit, No. NM-02-0010

Dear Sir/Madam:

I am writing in connection with Western Refining Southwest, Inc.'s ("Western") Surface Waste Management Permit, No. NM-02-0010, for a Centralized Surface Waste Management Landfarm. This permit was originally issued to Giant Industries Arizona, Inc., which changed its name to Western Refining Southwest, Inc. on November 9, 2007. I am writing to provide your office with courtesy notice of an upcoming transaction.

Western is an indirect subsidiary of Western Refining, Inc. Tesoro Corporation and Western Refining, Inc. have entered into a merger agreement pursuant to which one of Tesoro Corporation's wholly-owned subsidiaries, will merge with and into Western Refining, Inc., with Western Refining, Inc. surviving the merger as a wholly owned subsidiary of Tesoro Corporation. At the present time, a closing date for the merger has not been determined, however, Western Refining, Inc. anticipates that the merger will be completed in the first half of 2017, subject to customary closing conditions including regulatory approval.

Please note that Tesoro Corporation has advised Western that no operational changes to the facility are currently planned as a result of this transaction, and that Western will remain the owner and operator of the permitted facility after the transaction occurs.

This letter is being provided in connection with Western Refining, Inc.'s integration planning efforts in anticipation of the closing of the merger transaction with Tesoro Corporation. Western Refining, Inc. and its subsidiaries are separate and independent from Tesoro Corporation and will remain that way until closing of the merger transaction occurs.

Please do not hesitate to contact me with any questions.

Sincerely,

WESTERN REFINING SOUTHWEST, INC.

By: *Leslie Ann Allen*

Printed Name: Leslie Ann Allen

Title: SVP – Corporate Environmental, Health and Safety

cc: Kevin C. Boyle, Corporate Counsel, Tesoro Corporation (via e-mail)