

October 3, 2007

Mr. William Fulton 127 Main Street Shelby, MT 59474



Re: Response to United States Environmental Protection Agency Expedited Information Request for Fulton Fuel Crude Oil Release into Fred and George Creek, Toole County, Montana

Dear Mr. Fulton:

Hilling - Dilling

We received the signed authorization to proceed on the above-stated subject matter on September 24, 2007. In accordance with your signed authorization to proceed, we are providing information we have available to us, based on our observations, interviews, and field work performed at the release site, regarding the release of crude oil into Fred & George Creek in Toole County, Montana. This information is provided in order that the 14 question request from the United States Environmental Protection Agency (U.S. EPA) might be fulfilled by Fulton Fuel Company.

Attached, please find *Appendix A* containing the information we are able to provide and the corresponding questions being asked by the U.S. EPA in regard to the release. We have included this information, as well as the list of typed questions, in order to facilitate the completion of the request form and its provision to the U.S. EPA.

The remainder of the questions needs to be completed by Fulton Fuel Company and, the original Statement of Certification provided by the U.S. EPA will need to be signed by an official representative of Fulton Fuel Company.

A remedial investigation report was provided to Fulton Fuel Company and MCR, LLC, regarding the status of the cleanup response to the crude release in Fred & George Creek on August 12, 2005. That report provides details of the cleanup and condition of surface and sub-surface soils, surface water, and downstream conditions at the subject site. An additional remedial investigation report was provided for Fulton Fuel Company on



Fulton Fuel Company FUL:04 USEPA Expedited Information Request September 26, 2007 Page 2

November 17, 2006. The contents of that report included information regarding the status of the subsurface soils evaluated via borehole installations, surface soils and surface water sampling results and conditions of the site current at that time.

HydroSolutions provided a work plan dated May 4, 2007 to Fulton Fuel Company and Montana Department of Environmental Quality Groundwater Remediation Program (Montana DEQ GRP) to continue monitoring and evaluation of site conditions and determine if further mitigation work will be necessary at the site. That work plan was approved by Ms. Laura Alvey on May 9, 2007. HydroSolutions awaits signed Confirmation of Authorization from Fulton Fuel Company before we can proceed with the approved work plan.

In the event you have questions or concerns about the content of this letter or the information provided in Appendix A, please contact us by phone at (406) 655-9555. We will be glad to assist you.

Sincerely,

HydroSolutions Inc

Mark A. Nitz

Project Geologist

Shane A. Bofto

Deputy Operations Manager

Attch: Appendix A – Expedited Information Request Responses

Figures

Photographic Log

Cc: Carol Mundt, Fulton Fuel Company, 127 Main Street, Shelby, MT 59474

Renee Coppock, attorney at law, Crowley, Haughey, Hanson, Toole, & Dietrich, PLLP, PO Box 2529, Billings, MT 59103-2529

Mr. Richard L. Beatty, attorney at law, PO Box 904, Shelby, MT 59474

APPENDIX A

According to information and data available to HydroSolutions there is no evidence that the release directly affected waters of the United States, based on the ephemeral nature of Fred & George Creek. The crude release was initially observed by Fulton Fuel Company staff on February 28, 2004, at which time snow and ice covered the vicinity. Crude was observed on the banks of Fred & George Creek in June and August of 2004. The banks were remediated in December of 2004.

Major cleanup measures were ceased following the December 2004 mitigation efforts, and, according to the Montana DEQ approved work plan from September 2004, Fulton Fuel Company remains responsible for minor cleanup efforts, which continue in areas where surface staining of soil is occasionally visible. All cleanup and mitigation activities have been approved by Ms. Laura Alvey of Montana DEQ Groundwater Remediation Division.

9. What is the total above ground oil storage capacity of the facility? Please note that oil includes, but is not limited to petroleum oils, fuel (i.e. gasoline, diesel, etc.), sludge, synthetic oils, oil refuse, and oil mixed with wastes other than dredged soil. Oil also includes animal fats, vegetable oils and fish oils.

Total above ground storage capacity is zero.

- 10. What is the total below ground oil storage capacity of the facility?
 Total below ground storage capacity is zero.
- 11. What is the storage capacity of the single largest container/vessel at the facility?

There are no vessels or containers at this site.

 Does the facility have a Spill Prevention Control and Countermeasure (SPCC) Plan, as required by 40 C.F.R. Part 112? If so, please send a copy of the SPCC Plan.

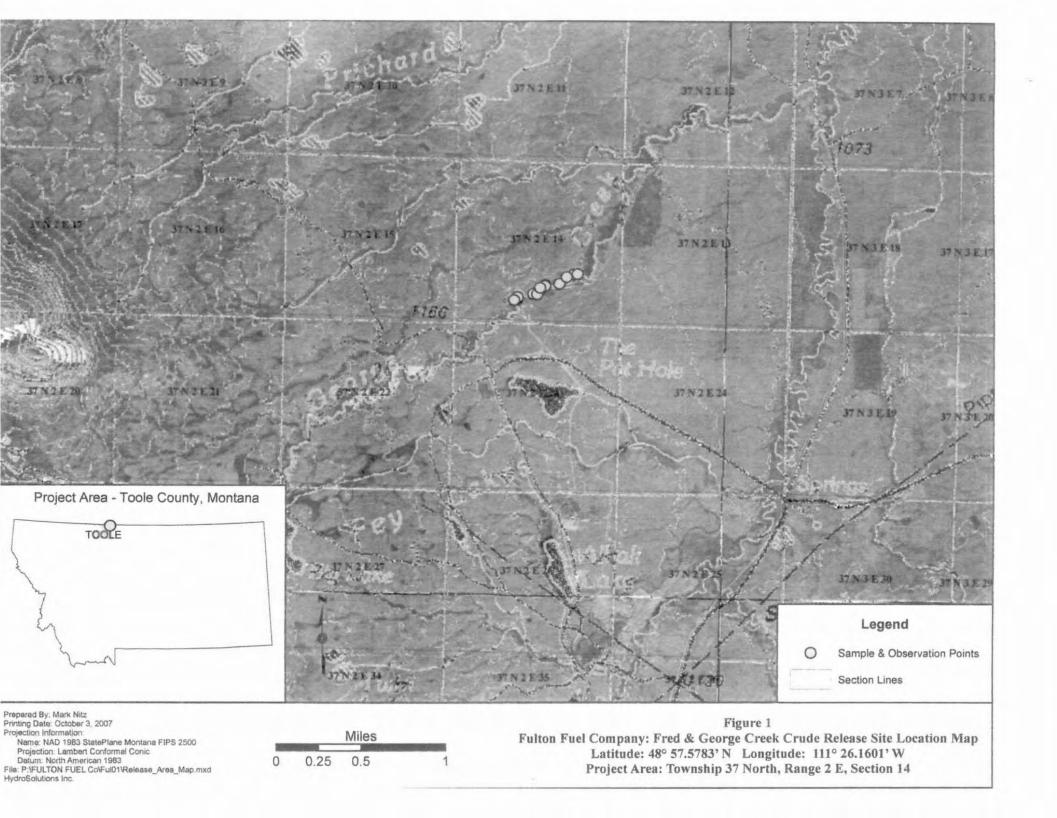
This not a facility, it is an isloated location on an oil gathering line.

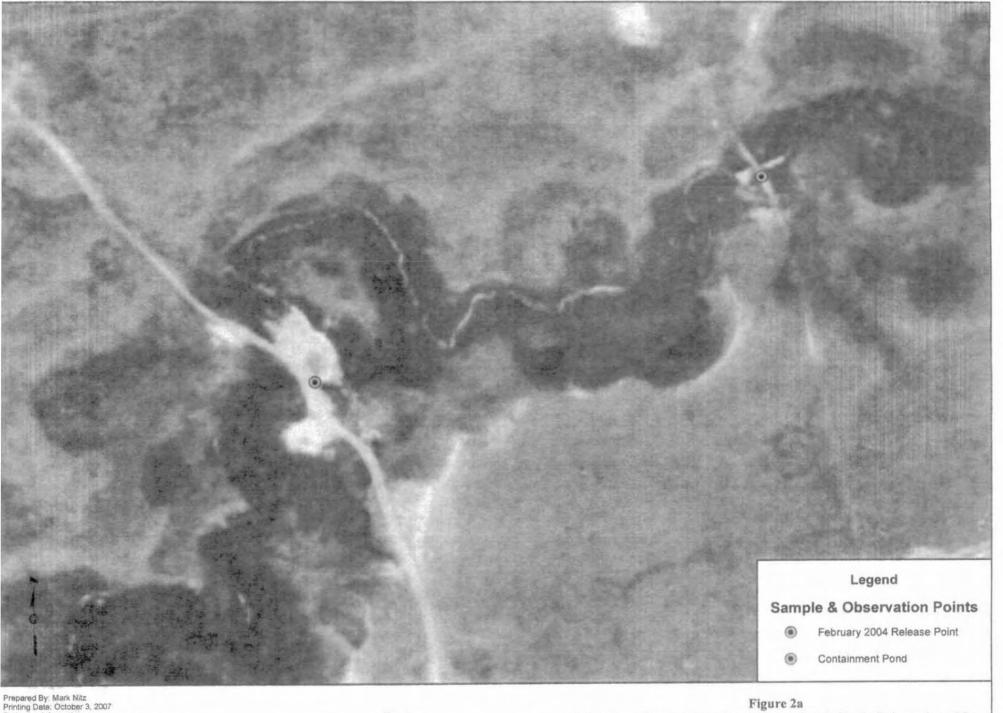
13. Has the facility submitted a Facility Response Plan (FRP) to EPA? What is the number?

There is no facility at this site.

 Submit any additional report(s) or relevant information which you have regarding this spill.

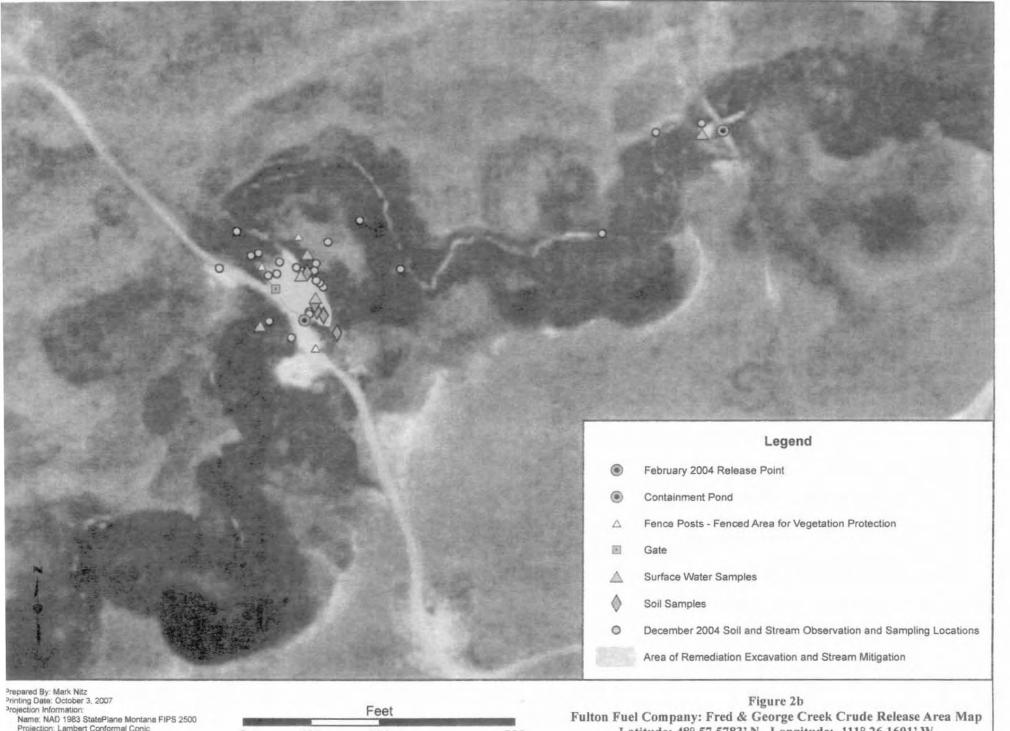
As stated in HydroSolutions' letter preceding this appendix, two reports on the state and nature of existing conditions at the site were provided to Fulton Fuel Company and Montana DEQ Groundwater Remediation Program. Copies of these reports would be available through Fulton Fuel Company.





Prepared By: Mark Nitz Printing Date: October 3, 2007 Projection Information: Name: NAD 1983 StatePlane Montana FIPS 2500 Projection: Lambert Conformal Conic Datum: North American 1983 File: P:\FULTON FUEL Co\Ful01\Release_Area_Map.mxd HydroSolutions Inc.

Feet 0 50 100 200 Fulton Fuel Company: Fred & George Creek Crude Release Area Map Latitude: 48° 57.5783' N Longitude: 111° 26.1601' W Project Area: Township 37 North, Range 2 E, Section 14

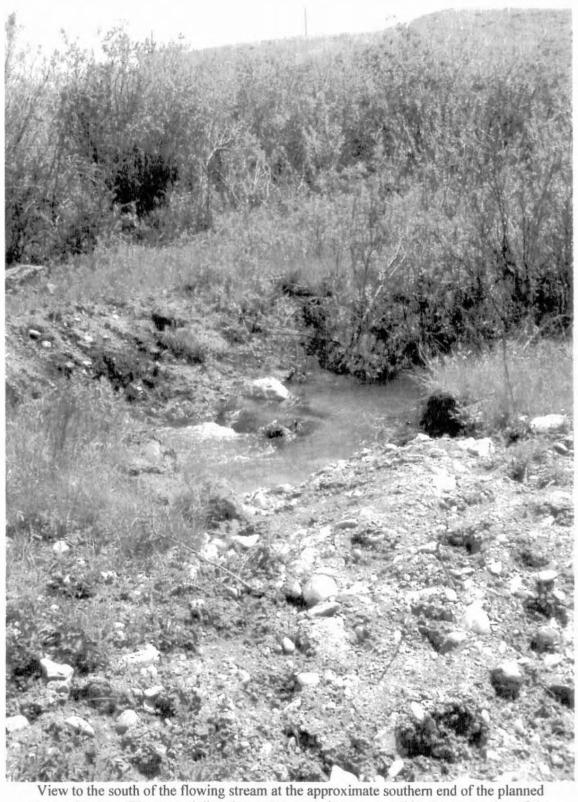


Projection: Lambert Conformal Conic Datum: North American 1983 ile: P:\FULTON FUEL Co\Ful01\Release_Area_Map.mxd lydroSolutions Inc.

125 250 500

Latitude: 48° 57.5783' N Longitude: 111° 26.1601' W Project Area: Township 37 North, Range 2 E, Section 14

PHOTOGRAPHIC LOG



View to the south of the flowing stream at the approximate southern end of the planned excavation area. The ground disturbance (center left) was caused by the excavation of the fiberglass pipe in order to seal off the ends to prevent further release.

Photo taken: June 17, 2004



View to the northeast of the flowing stream at the approximate mid-point of the planned excavation area. Crude 'staining' is also visible along the bank immediately above the water line (far right and bottom left of photo).

Photo taken: June 17, 2004



View to the north of the flowing stream at the north end of the planned excavation area. Note the padding in place as countermeasure to the crude release. Crude 'staining' is also visible along the bank immediately above the water line. Photo taken: June 17, 2004



View to the east of the flowing stream at the north end of the planned excavation area. Note the padding in place (far left of photo) as countermeasure to the crude release. Crude 'staining' is also visible along the bank immediately above the water line.

Photo taken: June 17, 2004



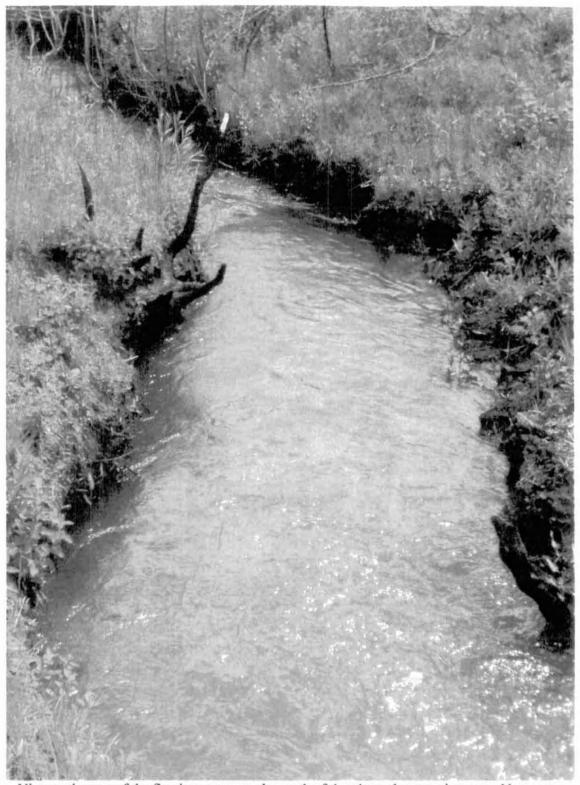
View to the north of the flowing stream at the north end of the planned excavation area. Note the padding in place as countermeasure to the crude release. Crude 'staining' is also visible along the bank immediately above the water line.

Photo taken: June 17, 2004



View of the flowing stream to the west of the planned excavation area. Note some residual evidence of the crude release along the banks just below the grass line.

Photo taken: June 17, 2004



View to the east of the flowing stream to the north of the planned excavation area. Note some residual evidence of the crude release on the surface along the banks just below the grass line.

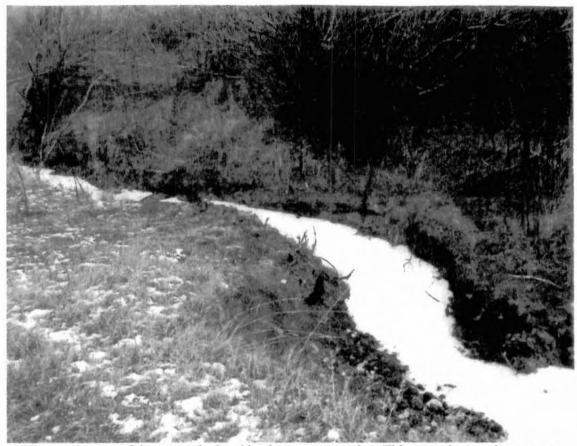
Photo taken: June 17, 2004



View to the southeast of the stream bed and banks, pre-excavation. The disturbed area of the banks is where the fiberglass pipeline was excavated and capped on either end to prevent any additional release from residual crude in the lines.



View to the east of the stream bed and banks, pre-excavation. This photo was taken on the south end of the expected area of excavation. Note some residual evidence of the crude release on the surface along the banks just above the snow.



View to the east of the stream bed and banks, pre-excavation. This was taken on the extreme north end of the area that was selected to be excavated. Note some residual evidence of the crude release on the surface along the banks just above the snow.



View of the south end of the excavation during remediation activities. Note the crude-impaired zone of soils. The crude material generally reached a depth of approximately 6 to 7 feet.

Photo taken: December 10, 2004



View of the southwest walls of the excavation during remediation activities. Note the crudeimpaired zone of soils. All visible remnants of crude were removed from the west side of the stream's banks and bed to a depth of approximately 8 feet.



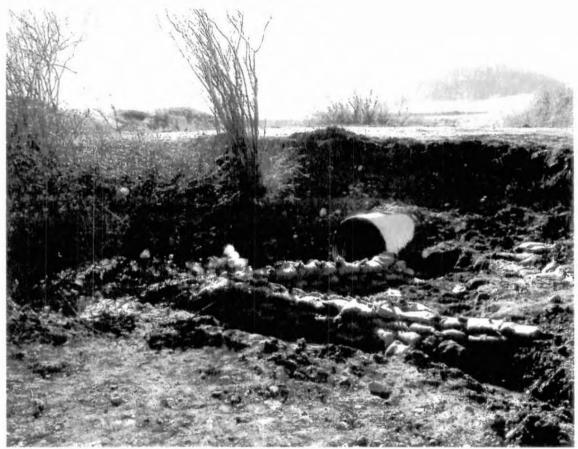
View to the south showing remediation activities. Photo taken: December 10, 2004



View of the west wall of the excavation during remediation activities. Note the crude-impaired zone of soils. All visible remnants of crude were removed from the west side of the stream's banks and bed to a depth of approximately 8 feet.



View to the south showing remediation activities. Photo taken: December 10, 2004



View to the west showing the pre-vegetation state following bank reconstruction. Sandbags on the northwest bank of the stream were placed in March 2005.

Photo taken: March 15, 2005



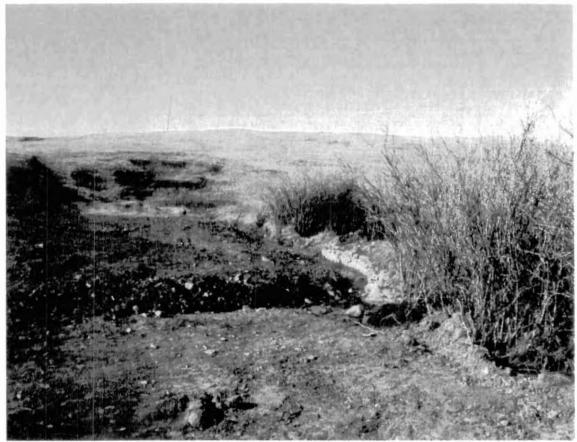
View to the north showing the pre-vegetation state following bank reconstruction. Sandbags on the east bank of the stream were placed in March 2005.

Photo taken: March 15, 2005



View to the south showing the pre-vegetation state following bank reconstruction. Sandbags on the east bank of the stream were placed in March 2005.

Photo taken: March 15, 2005



View to the north showing the pre-vegetation state following bank reconstruction. Sandbags on the east bank of the stream were placed in March 2005. Photo taken: March 15, 2005



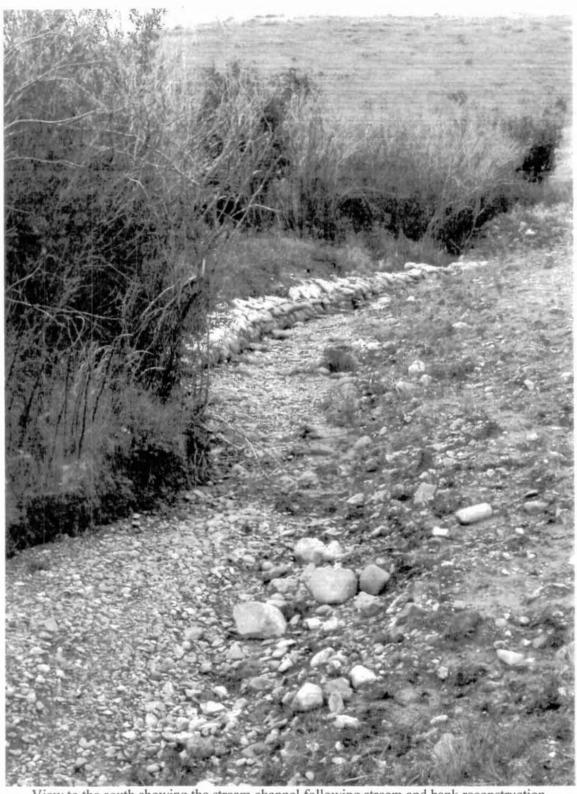
View to the east showing the bank and the pre-vegetation state following bank reconstruction. Sandbags on the east bank of the stream were placed in March 2005. Residual crude deposition was noted to have occurred between the time of the bank reconstruction and the September 2005 field review.

Photo taken: September 29, 2005



View to the northeast showing the bank and the pre-vegetation state following bank reconstruction. Sandbags on the east bank of the stream were placed in March 2005.

Photo taken: September 29, 2005



View to the south showing the stream channel following stream and bank reconstruction.

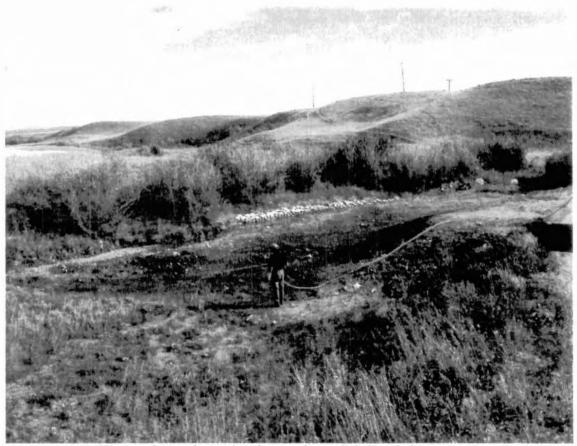
Sandbags on the east bank of the stream were placed in March 2005.

Photo taken: September 29, 2005

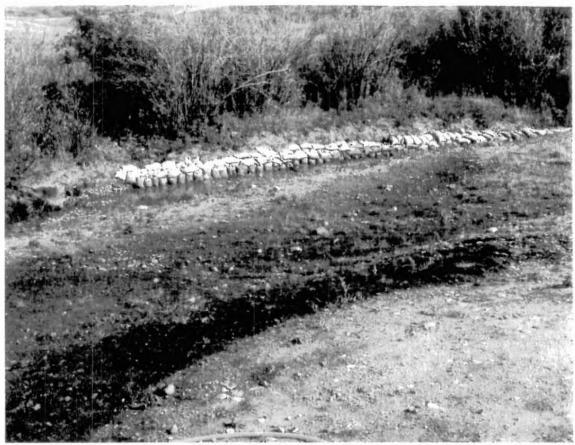


View to the east showing west slope of the bank and the pre-vegetation state following bank reconstruction. Sandbags on the east bank of the stream were placed in March 2005.

Photo taken: September 29, 2005



View to the southeast showing newly seeded slope being watered.
Photo taken: September 29, 2005



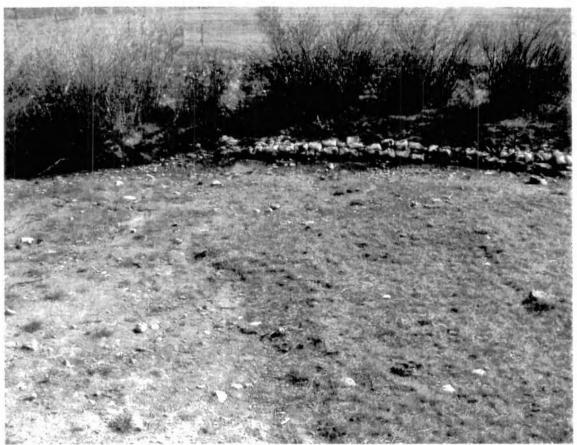
View to the east showing remediated area and newly seeded, reconstructed slope. Sandbags on the far east bank were placed in March of 2005.

Photo taken: September 29, 2005



View to the southeast showing remediated area just below culvert. Note that vegetation on both banks (north and south) is beginning to fill in where topsoils were replaced after the excavation and bank reconstruction. Also note the stream cuts beginning to develop.

Photo taken: May 4, 2006



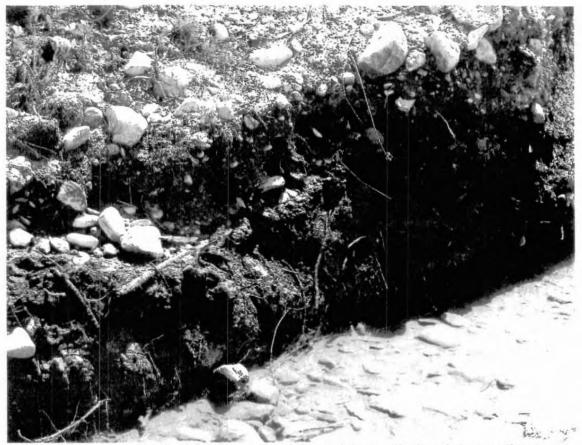
View to the southeast showing remediated area. Note that vegetation on the north bank is beginning to fill in where topsoils were replaced after the excavation and bank reconstruction.

Photo taken: May 4, 2006



View to the east showing remediation area just east of the culvert. Note that vegetation is filling in on the north bank after the excavation and bank reconstruction.

Photo taken: May 4, 2006



View of the southeast bank of the stream, showing remaining residual crude in remediated area. Photo taken: May 4, 2006



View to the south showing remediation area. Note that vegetation is beginning to fill in where topsoils were replaced after the excavation and bank reconstruction.

Photo taken: May 4, 2006