

RELIANCE REFINERY
Kalispell, Montana
January 12, 2005

Brief Summary of DNRC Activities to Date

The Reliance Refinery Company owned and operated a crude oil refinery near the city of Kalispell from approximately 1925 to 1930. The State of Montana acquired this 6.62-acre property under a foreclosure of lien for delinquent oil taxes in 1934. The State, through the Department of State Lands (now the Trust Land Management Division within DNRC) leased this property out for refinery and storage operations from 1935 to 1971. Unlike school trust land, this property is sovereign state land, and all revenues generated from leasing the property go to the State's general fund. Leasing ceased in 1971 with the discovery of hydrocarbon contamination. Reliance Refinery subsequently became a "Superfund" site. Since that time, both DEQ and DNRC (as directed by DEQ) have been engaged in a variety of efforts, ultimately focused on site remediation. Below is a brief chronology of activities.

- 1985 - DEQ conducts initial field investigation, including eight test pits.
- 1986 - EPA directs a field investigation, including monitoring wells, soil, sludge and groundwater sampling.
- 1988 - DEQ conducts additional site investigation, including soil, sludge and groundwater sampling.
- 1991 - EPA study, including additional soil and groundwater sampling.
- 1996 - DEQ directs the preparation of a Resource Investigation/Feasibility Study (RI/FS). Field work included extensive soil sampling, test pits and monitoring wells. DEQ advises it expects to complete the RI/FS Study in 1996, which DNRC can use to complete site remediation.
- 1997 - DEQ completes a draft Final Remedial Investigation Study.
 - Legislature provides DNRC a \$600,000 reclamation grant from the Resource Indemnity Trust Fund.
- 1998 - DEQ conducts additional soil sampling.
- 2000 - DNRC submits Remedial Soil Alternatives Report to DEQ.
 - DEQ requests their contractor to submit a revised Remedial Investigation Study.
 - DEQ advises DNRC of data gaps in Remedial Soil Alternatives Report.
- 2001 - Meetings with DEQ to clarify and confirm summary of data gaps.
 - DNRC submits Work Plan for DEQ review and comment.
 - DNRC submits revised Work Plan, containing modifications requested by DEQ.
- 2002 - DNRC completes revised Work Plan and submits Phase II RI/FS Study to DEQ.
- 2004 - DEQ rejects Phase II RI/FS Study, requests additional data, and files suit against DNRC and other landowners.

Total DNRC Expenditures

From RIT Reclamation Grant:	\$ 83,071
From TLMD operating budget:	<u>39,586</u>
TOTAL	\$ 122,657

Note: Remainder of Reclamation Grant reverted back to Resource Indemnity Trust -