



News Release

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FLINT HILLS RESOURCES ADDING FUEL STORAGE CAPACITY AT WACO, TEXAS, TERMINAL

WICHITA, Kan. — Flint Hills Resources will increase its fuel storage capacity in Waco, Texas, by about 40 percent in 2006 to better serve Central Texas fuel markets.

“With the addition of a new tank and truck-loading facilities, Flint Hills Resources is continuing its effort to address growing needs for fuels in Central Texas,” said Kim Penner, vice president of Gulf Coast marketing for Flint Hills Resources. “This additional capacity also allows us to meet new fuel specifications in the Texas markets we serve.”

Flint Hills Resources provides an array of fuels, including low sulfur gasoline and diesel, for retail customers who provide fuel to Central Texas communities such as Waco, Temple, Killeen, Bryan, College Station and Corsicana, among others. The company has been supplying fuel in these markets for more than 20 years.

The Waco expansion project is expected to be complete in the second half of 2006. The company, which owns a crude oil refining complex in Corpus Christi, pipelines and fuel terminals, is also building a new storage and distribution facility in Bastrop County, Texas, to supply jet fuel to Austin-Bergstrom International Airport.

“These projects are all focused on enhancing our ability to serve customers in these important markets,” Penner said.

Flint Hills Resources’ Texas refining operation can process about 300,000 barrels per day of crude oil. Two main pipelines from the Corpus Christi site serve customers in San Antonio, Austin, Waco and the Dallas-Ft. Worth area, including Dallas-Ft. Worth International Airport.

The company also operates refineries in Minnesota and Alaska. In Minnesota, Flint Hills Resources plans to increase its refining capacity by 50,000 barrels per day to meet growing demand in the Upper Midwest. The company also has increased pipeline capacity by 10,000 barrels per day to markets it serves in Wisconsin.

In Alaska, the company is investing \$23 million to supply Alaska customers with low sulfur fuels.

Flint Hills Resources, LP, a wholly owned subsidiary of Koch Industries, Inc., is a leading producer of fuels and other petrochemical products. The company operates refineries in Corpus Christi, Texas, North Pole, Alaska, and Pine Bend, Minn., as well as a chemical intermediates plant near Joliet, Ill. For more information, see www.fhr.com.

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