

Giant Industries, Inc.
Audit Committee Charter
Adopted March 11, 2004

1. Members. The Board of Directors (the “Board”) of Giant Industries, Inc. (the “Company”) shall appoint an Audit committee of at least three members, consisting entirely of independent directors of the Board, and shall designate one member as chairperson or delegate the authority to designate a chairperson to the Audit Committee. Members of the Audit Committee shall be appointed by the Board upon the recommendation of the Nominating and Corporate Governance Committee. For purposes hereof, the term “independent” shall mean a director that the Board has determined meets the independence requirements of the New York Stock Exchange (“NYSE”) and applicable federal law, including the rules of the Securities and Exchange Commission (the “SEC”).

Each member of the Audit Committee must be financially literate and at least one member must have accounting or related financial management expertise, as determined by the Board. In addition, at least one member of the Audit Committee shall be an “audit committee financial expert,” as determined by the Board in accordance with SEC rules.

2. Purposes. The purposes of the Audit Committee are to:

- (i) assist the Board in discharging its oversight responsibility relating to: (i) the accounting, reporting, and financial practices of the Company and its subsidiaries, including the integrity of the Company’s financial statements; (ii) the surveillance of administration and financial controls and the Company’s compliance with legal and regulatory requirements; (iii) the outside auditor’s qualifications and independence; and (iv) the performance of the Company’s internal audit function and the Company’s outside auditor; and
- (ii) prepare the Audit Committee report required by the rules of the SEC to be included in the Company’s annual proxy statement.

3. Duties and Responsibilities. The Audit Committee shall have the following duties and responsibilities:

- (i) Be directly responsible, in its capacity as a committee of the Board, for the appointment, compensation and oversight of the work of the outside auditor (including resolution of disagreements between management and the auditors regarding financial reporting). In this regard, the Audit Committee shall appoint and retain, compensate, evaluate, and terminate, when appropriate, the outside auditor, which shall report directly to the Audit Committee.
- (ii) Obtain and review, at least annually, a report by the outside auditor describing: (i) the outside auditor’s internal quality-control procedures; and (ii) any material issues raised by the most recent internal quality-control review, or peer review, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the outside auditing firm, and any steps taken to deal with any such issues.

- (iii) Approve in advance all audit services to be provided by the outside auditor. (By approving the audit engagement, an audit service within the scope of the engagement shall be deemed to have been pre-approved.) The Audit Committee also shall periodically consider the advisability of rotating the Company's outside auditors.
- (iv) Establish policies and procedures for the engagement of the outside auditor to provide audit and permissible non-audit services, which shall include pre-approval of all permissible non-audit services to be provided by the outside auditor.
- (v) Consider, at least annually, the independence of the outside auditor, including whether the outside auditor's performance of permissible non-audit services is compatible with the auditor's independence, and obtain and review a report by the outside auditor describing any relationships between the outside auditor and the Company or any other relationships that may adversely affect the independence of the auditor. The Audit Committee shall present its conclusions with respect to the independence of the outside auditors to the Board.
- (vi) Review with the outside auditor: (A) its audit plans and audit procedures, including the scope, fees and timing of the audit; (B) the results of the annual audit examination by the auditor and accompanying management letters; (C) any difficulties the auditor encountered in the course of its audit work, including any restrictions on the scope of the outside auditor's activities or on access to requested information, any disagreements with management, and management's responses; and (D) the results of the outside auditor's procedures with respect to interim periods.
- (vii) Review with management and the outside auditor the annual audited and quarterly financial statements of the Company, including: (A) analyses of significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including an analysis of the effects of alternative GAAP methods on the financial statements; (B) the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," including accounting policies that may be regarded as critical; (C) major issues regarding the Company's accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles and financial statement presentations; (D) any major issues regarding the adequacy of the Company's internal controls; (E) any special audit steps adopted in light of material control deficiencies; (F) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Company's financial statements; and (G) all reports from the outside auditor required by SEC rules.
- (viii) Recommend to the Board based on the review and discussion described in paragraphs (v) - (vii) above, whether the financial statements should be included in the Annual Report on Form 10-K.
- (ix) Review the adequacy and effectiveness of the Company's internal controls, including any significant deficiencies in internal controls and significant changes in such controls reported to the Audit Committee by the outside auditor or management.

- (x) Review the adequacy and effectiveness of the Company's disclosure controls and procedures and management reports thereon.
- (xi) Review annually the scope and results of the Company's internal audit program.
- (xii) Review the types of information to be disclosed, and the type of presentation to be made, in earnings press releases and in financial information and earnings guidance provided to analysts and ratings agencies.
- (xiii) Review the Company's policies with respect to risk assessment and risk management, including a review of the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
- (xiv) Except as otherwise expressly delegated by the Board, oversee the Company's compliance systems with respect to legal and regulatory requirements and review the Company's codes of conduct and programs to monitor compliance with such codes.
- (xv) Establish procedures for handling complaints regarding accounting, internal accounting controls and auditing matters, including procedures for confidential, anonymous submission of concerns by employees regarding accounting and auditing matters.
- (xvi) Establish policies for the hiring of employees and former employees of the outside auditor.
- (xvii) Review with management and the outside auditor topics and events that may have significant financial impact on the Company or that are the subject of discussions between management and the outside auditor.
- (xviii) Any other duties or responsibilities expressly delegated to the Audit Committee by the Board from time to time.

4. Resources. The Audit Committee shall have the authority to retain such outside counsel, accountants, experts and other advisors as it determines appropriate to assist it in the performance of its functions and shall receive appropriate funding, as determined by the Audit Committee, from the Company for payment of compensation to any such advisors, as well as the payment of the Audit Committee's own ordinary administrative expenses.

5. Meetings. The Audit Committee shall meet regularly, typically at least four times a year, and is empowered to hold special meetings as circumstances require. The meetings may be either in person or telephonically, and at such times and places as the Audit Committee shall determine. The Audit Committee shall periodically meet separately in executive session with each of management, the principal internal auditor of the Company, the outside auditor, and the general counsel. The Audit Committee shall report regularly to the Board with respect to its activities. A majority of the members of the Audit Committee shall constitute a quorum. Any action required or permitted to be taken at any meeting of the Audit Committee may be taken without a meeting if all the members of the Audit Committee consent thereto in writing, and the writings are filed with the minutes of the proceedings of the Audit Committee.

6. Responsibility of Management and the Independent Auditors. The function of the Audit Committee is oversight. The management of the Company is responsible for the preparation, presentation

and integrity of the Company's financial statements. Management and the internal auditing department (or the contractor hired to perform this function for the Company) are responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations. The independent auditors are responsible for planning and carrying out a proper audit of the Company's annual financial statements, reviews of the Company's quarterly financial statements prior to the filing of each quarterly report on Form 10-Q, and other procedures. While the Committee has the oversight responsibilities set out in this charter, it is not the Committee's responsibility to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management and the independent auditor. Further, in fulfilling their responsibilities hereunder, it is recognized that members of the Audit Committee are not full-time employees of the Company and are not, and do not represent themselves to be, performing the functions of auditors or accountants. As such, it is not the duty or responsibility of the Audit Committee or its members to conduct "field work" or other types of auditing or accounting reviews or procedures or to set auditor independence standards.

7. Performance Evaluation. Annually, the Audit Committee shall produce and provide to the Board a performance evaluation of the Audit Committee and an assessment of the adequacy of the Audit Committee charter. The performance evaluation by the Audit Committee shall be conducted in such manner as the Audit Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson of the Audit Committee or any other member of the Audit Committee designated by the Audit Committee to make this report.

8. Equal Opportunity. The Audit Committee adheres to the Company's policy of equal employment by prohibiting discrimination in hiring, promotion, compensation, and other conditions of employment.