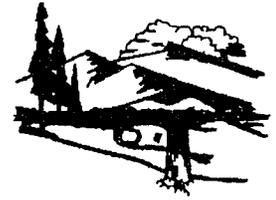




Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Dave Freudenthal, Governor

John Corra, Director

February 19, 2008

Mr. C. Patrick Havener
Vice President,
Wyoming Refining Company
PO BOX 820
Newcastle, WY 82701

Re: Notice of Violation

Dear Mr. Havener:

Enclosed you will find a Notice of Violation (NOV) issued to Wyoming Refining Company by the Department of Environmental Quality, Air Quality Division for: 1) failing to submit required test results to the Division within 30 days of completion for approximately 14 tests in violation of permits MD-1500 and MD-1500A, and 2) failing to conduct the required annual performance test for particulate using Methods 1-5 for the FCC Stack (S-21) in violation of permit 3-0-136-2A.

As the Department and this Division consider the failure to comply with air quality regulatory requirements and permit conditions to be a serious matter, I am recommending the Department refer this violation to the State Attorney General's office requesting a suit be filed in District Court to recover appropriate penalties. If you would like to discuss settlement of this issue prior to action on the referral by the Attorney General's office, please contact Ms. Karen Godman, Air Quality Compliance Program Principal, at 307-777-8601 no later than ten (10) days after receipt of this letter.

Should you have any questions or comments regarding the Notice of Violation, please feel free to contact me or Ms. Karen Godman.

Sincerely,

David A. Finley
Administrator
Air Quality Division

cc: Nancy Vehr
Robert Gill
District 3
Keith Guille

Herschler Building • 122 West 25th Street • Cheyenne, WY 82002 • <http://deq.state.wy.us>

ADMIN/OUTREACH (307) 777-7937 FAX 777-3610	ABANDONED MINES (307) 777-6145 FAX 777-6462	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7369 FAX 777-5973	LAND QUALITY (307) 777-7756 FAX 777-5864	SOLID & HAZ. WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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**BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING**

**IN THE MATTER OF THE NOTICE OF VIOLATION
ISSUED TO WYOMING REFINING COMPANY,
MR. C. PATRICK HAVENER, VICE PRESIDENT,
P.O. BOX 820,
NEWCASTLE, WY 82701**

)
) **DOCKET NO.**
) 4212-08
)
)

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. The Department of Environmental Quality, Division of Air Quality, has found Wyoming Refining Company (Wyoming Refining) to be in violation of various permits issued in accordance with W.S. 35-11-801 of the Wyoming Environmental Quality Act and both Chapter 6, Section 2 and Chapter 6, Section 3 of the Wyoming Air Quality Standards and Regulations in the operation of the Newcastle Refinery located in Weston County, Wyoming.

2. W.S. 35-11-801 of the Wyoming Environmental Quality Act states, "In granting permits, the director may impose such conditions as may be necessary to accomplish the purpose of this act which are not inconsistent with the existing rules, regulations and standards."

3. Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations prescribes the applicability and procedures for issuing permits to sources under Wyoming's construction and modification permitting program and Chapter 6, Section 3 of the Wyoming Air Quality Standards and Regulations prescribes the applicability and procedures for issuing permits to major sources under Wyoming's Operating Permit Program.

4. Permit MD-1500 was issued to Wyoming Refining Company on December 19, 2006. MD-1500A was issued to Wyoming Refining Company on May 30, 2007. MD-1500 & MD-1500A, Condition 15 requires testing of the Prefact Heater (H-01), Crude Heater (H-03), Alky Reboiler (H-06), Boiler #1 (H-07), Boiler #3 (H-09), Vacuum Flasher/Supplementary Crude Heater (H-15), FCC Preheater (H-19), CO Furnace (H-20), Truck Rack Incinerator (H-21), and Common Stack for FCC Regenerator (S-21). This condition also requires the submittal of testing results to the Division within 30-days of completion.

5. Wyoming Refining Company conducted the testing for these units during December 18-20, 2006. However the results were submitted to the Division on December 30, 2007, a little over a year following the test date.

6. Said violation consists of failing to submit required test results to the Division within 30 days of completion as required by condition 15 of permits MD-1500 and MD-1500A.

7. Operating Permit 3-0-136-2A was issued to Wyoming Refining Company on February 22, 2007. Condition (F10)(a) requires annual performance tests for the FCC Stack (S-21) using Methods 1-5 to determine compliance with particulate emissions.

8. On March 27, 2007, testing of the FCC Stack (S-21) for particulate was conducted using Methods 1-4, and 17.

9. Said violation consists of failing to conduct the required particulate testing using Methods 1-5 as required by condition (F10)(a) of permit 3-0-136-2A.

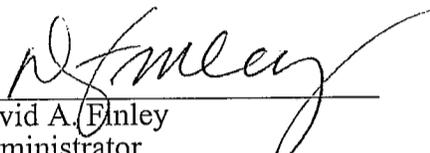
10. Said violations consist of: 1) failing to submit required test results to the Division within 30 days of completion for approximately 14 tests in violation of permits MD-1500 and MD-1500A, and 2) failing to conduct the required annual performance test for particulate using Methods 1-5 for the FCC Stack (S-21) in violation of permit 3-0-136-2A.

11. Under W.S. 35-11-901(a), any person who violates any provision of Article 2 of [the Environmental Quality Act] ... or any rule, regulation, standard or permit adopted pursuant to those provisions, or who violates any determination or order of the council pursuant to Article 2 of [the Environmental Quality Act] ... is subject to a penalty not to exceed ten thousand dollars (\$10,000.00) for each violation for each day during which the violation continues, a temporary or permanent

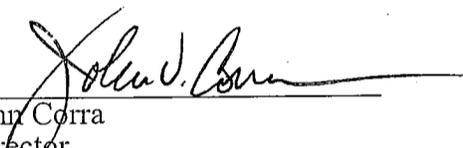
injunction, or both a penalty and an injunction.

12. This notice is being sent to you pursuant to W.S. 35-11-701(c), which requires that, in any case of the failure to correct or remedy an alleged violation, the Director of the Department of Environmental Quality shall cause a written notice to be issued and served upon the person alleged to be responsible.

DATED this 25 day of FEB, 2008.



David A. Finley
Administrator
Air Quality Division



John Corra
Director
Department of Environmental Quality

Please direct all inquiries to David A. Finley, Administrator, Division of Air Quality, Department of Environmental Quality, Herschler Building, 2nd Floor, 122 W. 25th Street, Cheyenne, Wyoming 82002. (Telephone: 307/777-7393.)