SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, Air Quality Division (DEQ/AQD), Herschler Building, 122 West 25th Street, Cheyenne, WY 82002, and Hermes Consolidated, LLC dba Wyoming Refining Company (Wyoming Refining), 1600 Broadway, Suite 2300, Denver, CO 80202-4923, enter into this Settlement Agreement (Agreement) to fully and finally resolve without litigation the alleged violations cited in DEQ Notice of Violation Docket No. 5002-12 (Notice of Violation). As more fully set forth below, the Notice of Violation generally alleges that Wyoming Refining failed to obtain a DEQ/AQD permit for Boiler H-23 prior to construction and operation at Wyoming Refining's Newcastle Refinery facility (Facility) located in Weston County, Wyoming, thereby violating the Wyoming Environmental Quality Act (Act) and applicable Wyoming Air Quality Standards and Regulations (WAQSR).

Wyo. Stat. Ann. § 35-11-901(a)(ii)(West 2007) authorizes stipulated settlement, including payment of a penalty, implementation of compliance schedules or other settlement conditions in lieu of litigation. To that end, Wyoming Refining and the DEQ/AQD hereby stipulate and agree as follows:

1. Hermes Consolidated, LLC, dba Wyoming Refining Company, is a Delaware limited liability company that owns and/or operates the Facility.

2. The DEQ/AQD is responsible for enforcing the Act, the WAQSR and permits issued thereunder.

3. Wyo. Stat. Ann. § 35-11-201 states: "[n]o person shall cause, threaten or allow the discharge or emission of any air contaminant in any form so as to cause pollution which violates rules, regulations and standards adopted by the council."

4. Wyo. Stat. Ann. § 35-11-801(c) states: "[a] permit to construct is required before construction or modification of any industrial facility capable of causing or increasing air or water pollution in excess of standards established by the department is commenced."

5. Chapter 6, Section 2(a)(i) of the WAQSR states: "[a]ny person who plans to construct any new facility or source, modify any existing facility or source, or to engage in the use of which may cause the issuance of or an increase in the issuance of air contaminants into the air of this state shall obtain a construction permit from the State of Wyoming, Department of Environmental Quality before any actual work is begun on the facility."

6. On May 2, 2012, the DEQ/AQD received Wyoming Refining's startup notification for the Facility's Boiler H-23. Upon further review and inspection, the DEQ/AQD determined that Wyoming Refining began construction of Boiler H-23 on December 16, 2011 and startup occurred on January 31, 2012. DEQ/AQD permit waiver WV-13052 was issued for Boiler H-23 on April 23, 2012.

7. On June 4, 2012, the DEQ/AQD issued the Notice of Violation to Wyoming Refining alleging that Wyoming Refining failed to obtain a DEQ/AQD permit for the Facility's Boiler H-23 before constructing and operating it.

8. In lieu of litigation, the DEQ/AQD and Wyoming Refining agree to resolve the violations alleged in the Notice of Violation for the total amount of seventeen thousand dollars and no cents ($17,000.00) as a stipulated civil penalty. Within thirty (30) days after Wyoming Refining has been notified in writing by the DEQ/AQD that the final signature has been affixed to this Agreement, Wyoming Refining shall make full payment by check made payable to the DEQ/AQD. Wyoming Refining shall mail the payment to Nancy Vehr, Sr. Asst. Attorney General, 123 Capitol Building, Cheyenne, WY 82002.

9. Wyoming Refining, by entering into this Agreement, neither admits nor denies the validity of any allegation contained in the Notice of Violation, nor does Wyoming Refining concede or admit to any liability or fault, and this Agreement constitutes no admission of fault or non-compliance.

10. Full compliance by Wyoming Refining with this signed Agreement shall constitute full satisfaction for and resolution of all claims by the DEQ/AQD against Wyoming Refining based on the Notice of Violation and for the particular alleged violation. Upon full compliance with this signed Agreement, the DEQ/AQD and the State of Wyoming hereby release and covenant not to sue or seek any further enforcement against Wyoming Refining, its successors, assigns, affiliates, parents, officers, directors, employees and representatives for any other common law claims, statutory claims, or other claims or causes of action based on the Notice of Violation and for the particular alleged violation.

11. Wyoming Refining waives any statute of limitations which may apply to an enforcement action by the DEQ/AQD involving the specific matters described in the Notice of Violation in the event that Wyoming Refining fails to fulfill its obligations under this Agreement.

12. This Agreement shall be admissible by either Wyoming Refining or DEQ/AQD (hereinafter Wyoming Refining and DEQ/AQD may be referred to individually as "Party" or collectively as "Parties") without objection by the other Party

only in an action between these Parties relating to the violations alleged herein; provided, however, that nothing herein constitutes an admission by Wyoming Refining of liability or fault.

13. Neither Party hereto shall have any claim against the other for attorneys' fees or other costs incurred with the allegations resolved hereby, including costs incurred in the preparation of this Agreement. Each Party shall bear its own attorney fees and costs, if any, incurred through the date this Agreement is signed by both Parties. Each Party assumes the risk of any liability arising from its own conduct. Neither Party agrees to insure, defend or indemnify the other.

14. Any changes, modifications, revisions or amendments to this Agreement which are mutually agreed upon by the Parties shall be incorporated by written instrument, executed and signed by all Parties to this Agreement.

15. The construction, interpretation and enforcement of this Agreement shall be governed by the laws of the State of Wyoming. The Courts of the State of Wyoming shall have jurisdiction over this Agreement and the Parties, and the venue shall be the First Judicial District, Laramie County, Wyoming.

16. This Agreement, consisting of four (4) pages, represents the entire and integrated agreement between the Parties and supersedes all prior negotiations, representations, and agreements, whether written or oral.

17. The State of Wyoming and DEQ/AQD do not waive sovereign immunity by entering into this Agreement and specifically retain immunity and all defenses available to them as sovereign pursuant to Wyo. Stat. Ann. § 1-39-104(a) and all other state law.

18. The Parties do not intend to create in any other individual or entity the status of third party beneficiary, and this Agreement shall not be construed so as to create such status. The rights, duties and obligations contained in this Agreement shall operate only between the Parties to this Agreement, and shall inure solely to the benefit of the Parties to this Agreement. The Parties to this Agreement intend and expressly agree that only Parties signatory to this Agreement shall have any legal or equitable right to seek to enforce this Agreement, to seek any remedy arising out of a Party's performance or failure to perform any term or condition of this Agreement, or to bring an action for the breach of this Agreement.

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19. Each Party represents that they are authorized to enter into this Agreement and agree to be bound hereby. This Agreement shall become binding upon the Parties once executed by all Parties.

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, have executed this Agreement on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this Agreement:

HERMES CONSOLIDATED, LLC dba WYOMING REFINING COMPANY:

By: Bob Neufeld — July 26, 2012

Bob Neufeld, Vice-President
Environment and Government Relations

Date

STATE OF WYOMING, DEPARTMENT OF ENVIRONMENTAL QUALITY:

By: Steven A. Dietrich — 8-2-12

Steven A. Dietrich
AQD Administrator

Date

By: John Corra — 8/3/13

John Corra, DEQ Director

Date

APPROVAL AS TO FORM:

Nancy E. Vehr — 7/24/2012

Nancy E. Vehr, Sr. Asst. Attorney General
Attorney for DEQ/AQD

Date