UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended March 31, 2010

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from to .

Commission file number: 001-33492

CVR ENERGY, INC.

(Exact name of registrant as specified in its charter)

Delaware *(State or other jurisdiction of incorporation or organization)*	**61-1512186** *(I.R.S. Employer Identification No.)*
2277 Plaza Drive, Suite 500 **Sugar Land, Texas** *(Address of principal executive offices)*	**77479** *(Zip Code)*

(281) 207-3200
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 or Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes o No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer o	Accelerated filer ☑	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act). Yes o No ☑

There were 86,329,237 shares of the registrant's common stock outstanding at May 4, 2010.

CVR ENERGY, INC. AND SUBSIDIARIES

INDEX TO QUARTERLY REPORT ON FORM 10-Q
For The Quarter Ended March 31, 2010

GLOSSARY OF SELECTED TERMS

The following are definitions of certain industry terms used in this Form 10-Q.

2-1-1 crack spread — The approximate gross margin resulting from processing two barrels of crude oil to produce one barrel of gasoline and one barrel of distillate. The 2-1-1 crack spread is expressed in dollars per barrel.

Ammonia — Ammonia is a direct application fertilizer and is primarily used as a building block for other nitrogen products for industrial applications and finished fertilizer products.

Backwardation market — Market situation in which futures prices are lower in succeeding delivery months. Also known as an inverted market. The opposite of contango.

Barrel — Common unit of measure in the oil industry which equates to 42 gallons.

Blendstocks — Various compounds that are combined with gasoline or diesel from the crude oil refining process to make finished gasoline and diesel fuel; these may include natural gasoline, fluid catalytic cracking unit or FCCU gasoline, ethanol, reformate or butane, among others.

bpd — Abbreviation for barrels per day.

Bulk sales — Volume sales through third party pipelines, in contrast to tanker truck quantity sales.

Capacity — Capacity is defined as the throughput a process unit is capable of sustaining, either on a calendar or stream day basis. The throughput may be expressed in terms of maximum sustainable, nameplate or economic capacity. The maximum sustainable or nameplate capacities may not be the most economical. The economic capacity is the throughput that generally provides the greatest economic benefit based on considerations such as feedstock costs, product values and downstream unit constraints.

Catalyst — A substance that alters, accelerates, or instigates chemical changes, but is neither produced, consumed nor altered in the process.

Coker unit — A refinery unit that utilizes the lowest value component of crude oil remaining after all higher value products are removed, further breaks down the component into more valuable products and converts the rest into pet coke.

Common units — The class of interests issued under the limited liability company agreements governing Coffeyville Acquisition LLC, Coffeyville Acquisition II LLC and Coffeyville Acquisition III LLC, which provide for voting rights and have rights with respect to profits and losses of, and distributions from, the respective limited liability companies.

Contango market — Market situation in which prices for future delivery are higher than the current or spot price of the commodity. The opposite of backwardation.

Crack spread — A simplified calculation that measures the difference between the price for light products and crude oil. For example, the 2-1-1 crack spread is often referenced and represents the approximate gross margin resulting from processing two barrels of crude oil to produce one barrel of gasoline and one barrel of distillate.

Distillates — Primarily diesel fuel, kerosene and jet fuel.

Ethanol — A clear, colorless, flammable oxygenated hydrocarbon. Ethanol is typically produced chemically from ethylene, or biologically from fermentation of various sugars from carbohydrates found in agricultural crops and cellulosic residues from crops or wood. It is used in the United States as a gasoline octane enhancer and oxygenate.

Farm belt — Refers to the states of Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Texas and Wisconsin.

Feedstocks — Petroleum products, such as crude oil and natural gas liquids, that are processed and blended into refined products.

Heavy crude oil — A relatively inexpensive crude oil characterized by high relative density and viscosity. Heavy crude oils require greater levels of processing to produce high value products such as gasoline and diesel fuel.

Independent petroleum refiner — A refiner that does not have crude oil exploration or production operations. An independent refiner purchases the crude oil used as feedstock in its refinery operations from third parties.

Light crude oil — A relatively expensive crude oil characterized by low relative density and viscosity. Light crude oils require lower levels of processing to produce high value products such as gasoline and diesel fuel.

Magellan — Magellan Midstream Partners L.P., a publicly traded company whose business is the transportation, storage and distribution of refined petroleum products.

MMBtu — One million British thermal units or Btu is a measure of energy. One Btu of heat is required to raise the temperature of one pound of water one degree Fahrenheit.

Natural gas liquids — Natural gas liquids, often referred to as NGLs, are both feedstocks used in the manufacture of refined fuels and are products of the refining process. Common NGLs used include propane, isobutane, normal butane and natural gasoline.

PADD II — Midwest Petroleum Area for Defense District which includes Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee, and Wisconsin.

Petroleum coke (Pet coke) — A coal-like substance that is produced during the refining process.

Refined products — Petroleum products, such as gasoline, diesel fuel and jet fuel, that are produced by a refinery.

Sour crude oil — A crude oil that is relatively high in sulfur content, requiring additional processing to remove the sulfur. Sour crude oil is typically less expensive than sweet crude oil.

Spot market — A market in which commodities are bought and sold for cash and delivered immediately.

Sweet crude oil — A crude oil that is relatively low in sulfur content, requiring less processing to remove the sulfur. Sweet crude oil is typically more expensive than sour crude oil.

Throughput — The volume processed through a unit or a refinery or transported on a pipeline.

Turnaround — A periodically required standard procedure to refurbish and maintain a refinery that involves the shutdown and inspection of major processing units and occurs every three to four years.

UAN — A solution of urea and ammonium nitrate in water used as a fertilizer.

WTI — West Texas Intermediate crude oil, a light, sweet crude oil, characterized by an American Petroleum Institute gravity, or API gravity, between 39 and 41 degrees and a sulfur content of approximately 0.4 weight percent that is used as a benchmark for other crude oils.

WTS — West Texas Sour crude oil, a relatively light, sour crude oil characterized by an API gravity of 30-32 degrees and a sulfur content of approximately 2.0 weight percent.

Yield — The percentage of refined products that is produced from crude oil and other feedstocks.

PART I. FINANCIAL INFORMATION

ITEM 1. ***FINANCIAL STATEMENTS***

CVR ENERGY, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2010 (unaudited)	December 31, 2009
	(in thousands, except share data)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 37,536	$ 36,905
Accounts receivable, net of allowance for doubtful accounts of $5,037 and $4,772, respectively	61,537	45,729
Inventories	255,612	274,838
Prepaid expenses and other current assets	26,251	26,141
Income tax receivable	31,177	20,858
Deferred income taxes	22,647	21,505
Total current assets	434,760	425,976
Property, plant, and equipment, net of accumulated depreciation	1,126,443	1,137,910
Intangible assets, net	369	377
Goodwill	40,969	40,969
Deferred financing costs, net	4,422	3,485
Insurance receivable	1,000	1,000
Other long-term assets	4,998	4,777
Total assets	$ 1,612,961	$ 1,614,494
LIABILITIES AND EQUITY		
Current liabilities:		
Current portion of long-term debt	$ —	$ 4,777
Note payable and capital lease obligation	8,099	11,774
Accounts payable	115,892	106,471
Personnel accruals	18,927	14,916
Accrued taxes other than income taxes	21,596	15,904
Deferred revenue	30,080	10,289
Other current liabilities	20,611	26,493
Total current liabilities	215,205	190,624
Long-term liabilities:		
Long-term debt, net of current portion	453,304	474,726
Accrued environmental liabilities, net of current portion	2,754	2,828
Deferred income taxes	281,817	278,008
Other long-term liabilities	3,949	3,893
Total long-term liabilities	741,824	759,455
Commitments and contingencies		
Equity:		
CVR stockholders' equity:		
Common Stock $0.01 par value per share, 350,000,000 shares authorized, 86,344,508 and 86,344,508 shares issued, respectively	863	863
Additional paid-in-capital	450,143	446,263
Retained earnings	194,426	206,789
Treasury stock, 15,271 and 15,271 shares, respectively, at cost	(100)	(100)
Total CVR stockholders' equity	645,332	653,815
Noncontrolling interest	10,600	10,600
Total equity	655,932	664,415
Total liabilities and equity	$ 1,612,961	$ 1,614,494

See accompanying notes to the condensed consolidated financial statements.

CVR ENERGY, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009
	(unaudited) (in thousands, except share data)	
Net sales	$ 894,512	$ 609,395
Operating costs and expenses:		
Cost of product sold (exclusive of depreciation and amortization)	802,890	421,605
Direct operating expenses (exclusive of depreciation and amortization)	60,562	56,234
Selling, general and administrative expenses (exclusive of depreciation and amortization)	21,394	19,506
Net costs associated with flood	—	181
Depreciation and amortization	21,260	20,909
Total operating costs and expenses	906,106	518,435
Operating income (loss)	(11,594)	90,960
Other income (expense):		
Interest expense and other financing costs	(9,922)	(11,470)
Interest income	416	14
Gain (loss) on derivatives, net	1,490	(36,861)
Loss on extinguishment of debt	(500)	—
Other income, net	42	25
Total other income (expense)	(8,474)	(48,292)
Income (loss) before income tax expense (benefit)	(20,068)	42,668
Income tax expense (benefit)	(7,705)	12,007
Net income (loss)	$ (12,363)	$ 30,661
Basic earnings (loss) per share	$ (0.14)	$ 0.36
Diluted earnings (loss) per share	$ (0.14)	$ 0.36
Weighted-average common shares outstanding:		
Basic	86,329,237	86,243,745
Diluted	86,329,237	86,322,411

See accompanying notes to the condensed consolidated financial statements.

CVR ENERGY, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009
	(unaudited) (in thousands)	
Cash flows from operating activities:		
Net income (loss)	$ (12,363)	$ 30,661
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	21,260	20,909
Provision for doubtful accounts	265	185
Amortization of deferred financing costs	462	535
Deferred income taxes	2,667	(5,090)
Loss on disposition of fixed assets	343	8
Loss on extinguishment of debt	500	—
Share-based compensation	7,279	3,854
Unrealized (gain) loss on derivatives	(3,180)	18,434
Changes in assets and liabilities:		
Restricted cash	—	34,560
Accounts receivable	(16,073)	(32,478)
Inventories	19,226	(24,632)
Prepaid expenses and other current assets	(469)	11,580
Insurance proceeds from flood	—	11,756
Other long-term assets	(390)	3,622
Accounts payable	10,878	(25,392)
Accrued income taxes	(10,319)	24,780
Deferred revenue	19,791	2,670
Other current liabilities	3,602	10,321
Payable to swap counterparty	—	(49,301)
Accrued environmental liabilities	(74)	(300)
Other long-term liabilities	56	(9)
Net cash provided by operating activities	43,461	36,673
Cash flows from investing activities:		
Capital expenditures	(11,416)	(15,918)
Net cash used in investing activities	(11,416)	(15,918)
Cash flows from financing activities:		
Revolving debt payments	(40,000)	(72,700)
Revolving debt borrowings	40,000	72,700
Principal payments on term debt	(26,199)	(1,211)
Payment of financing costs	(5,195)	—
Payment of capital lease obligation	(20)	(40)
Net cash used in financing activities	(31,414)	(1,251)
Net increase in cash and cash equivalents	631	19,504
Cash and cash equivalents, beginning of period	36,905	8,923
Cash and cash equivalents, end of period	$ 37,536	$ 28,427
Supplemental disclosures:		
Cash paid for income taxes, net of refunds (received)	$ (53)	$ (7,683)
Cash paid for interest, net of capitalized interest of $881 and $413 in 2010 and 2009, respectively	10,505	9,102
Non-cash investing activities:		
Accrual of construction in progress additions	(1,457)	(3,756)

See accompanying notes to the condensed consolidated financial statements.

CVR ENERGY, INC. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2010
(unaudited)

(1) Organization and History of the Company and Basis of Presentation

Organization

The "Company" or "CVR" may be used to refer to CVR Energy, Inc. and, unless the context otherwise requires, its subsidiaries. Any references to the "Company" as of a date prior to October 16, 2007 (the date of the restructuring as further discussed in this note) and subsequent to June 24, 2005 are to Coffeyville Acquisition LLC ("CALLC") and its subsidiaries.

The Company, through its wholly-owned subsidiaries, acts as an independent petroleum refiner and marketer of high value transportation fuels in the mid-continental United States. In addition, the Company, through its majority-owned subsidiaries, acts as an independent producer and marketer of upgraded nitrogen fertilizer products in North America. The Company's operations include two business segments: the petroleum segment and the nitrogen fertilizer segment.

CALLC formed CVR Energy, Inc. as a wholly-owned subsidiary, incorporated in Delaware in September 2006, in order to effect an initial public offering. The initial public offering of CVR was consummated on October 26, 2007. In conjunction with the initial public offering, a restructuring occurred in which CVR became a direct or indirect owner of all of the subsidiaries of CALLC. Additionally, in connection with the initial public offering, CALLC was split into two entities: CALLC and Coffeyville Acquisition II LLC ("CALLC II").

CVR is a controlled company under the rules and regulations of the New York Stock Exchange where its shares are traded under the symbol "CVI." As of March 31, 2010 and December 31, 2009, approximately 64% of its outstanding shares were beneficially owned by GS Capital Partners V, L.P. and related entities ("GS" or "Goldman Sachs Funds") and Kelso Investment Associates VII, L.P. and related entities ("Kelso" or "Kelso Funds").

Nitrogen Fertilizer Limited Partnership

In conjunction with the consummation of CVR's initial public offering in 2007, CVR transferred Coffeyville Resources Nitrogen Fertilizer, LLC ("CRNF"), its nitrogen fertilizer business, to a then newly created limited partnership, CVR Partners, LP (the "Partnership"), in exchange for a managing general partner interest ("managing GP interest"), a special general partner interest ("special GP interest") represented by special GP units and a de minimis limited partner interest represented by special LP units. This transfer was not considered a business combination as it was a transfer of assets among entities under common control and, accordingly, balances were transferred at their historical cost. CVR concurrently sold the managing GP interest to Coffeyville Acquisition III LLC ("CALLC III"), an entity owned by its controlling stockholders and senior management, at fair market value. The board of directors of CVR determined, after consultation with management, that the fair market value of the managing GP interest was $10,600,000. This interest has been classified as a noncontrolling interest included as a separate component of equity in the Condensed Consolidated Balance Sheets at March 31, 2010 and December 31, 2009.

CVR owns all of the interests in the Partnership (other than the managing GP interest and the associated incentive distribution rights ("IDRs")) and is entitled to all cash distributed by the Partnership except with respect to IDRs. The managing general partner is not entitled to participate in Partnership distributions except with respect to its IDRs, which entitle the managing general partner to receive increasing percentages (up to 48%) of the cash the Partnership distributes in excess of $0.4313 per unit in a quarter. However, the Partnership is not permitted to make any distributions with respect to the IDRs until the aggregate Adjusted Operating Surplus, as defined in the Partnership's partnership agreement, generated by the Partnership through December 31, 2009, has been distributed in respect of the units held by CVR and any common units issued by the Partnership if it elects to pursue an initial public offering. In addition, the Partnership and its subsidiaries are currently guarantors under the first priority credit facility of Coffeyville Resources, LLC ("CRLLC"), a wholly-owned subsidiary of CVR. There will be no distributions paid with respect to the IDRs for so long as the Partnership or its subsidiaries are guarantors under the first priority credit facility.

The Partnership is operated by CVR's senior management pursuant to a services agreement among CVR, the managing general partner, and the Partnership. The Partnership is managed by the managing general partner and, to the extent described below, CVR, as special general partner. As special general partner of the Partnership, CVR has joint management rights regarding the appointment, termination, and compensation of the chief executive officer and chief financial officer of the managing general partner, has the right to designate two members of the board of directors of the managing general partner, and has joint management rights regarding specified major business decisions relating to the Partnership. CVR, the Partnership, and the managing general partner also entered into a number of agreements to regulate certain business relations between the parties.

At March 31, 2010, the Partnership had 30,333 special LP units outstanding, representing 0.1% of the total Partnership units outstanding, and 30,303,000 special GP interests outstanding, representing 99.9% of the total Partnership units outstanding. In addition, the managing general partner owned the managing GP interest and the IDRs. The managing general partner contributed 1% of CRNF's interest to the Partnership in exchange for its managing GP interest and the IDRs.

In accordance with the Contribution, Conveyance, and Assumption Agreement, by and between the Partnership and the partners, dated as of October 24, 2007, since an initial private or public offering of the Partnership was not consummated by October 24, 2009, the managing general partner of the Partnership can require the Company to purchase the managing GP interest. This put right expires on the earlier of (1) October 24, 2012 or (2) the closing of the Partnership's initial private or public offering. If the Partnership's initial private or public offering is not consummated by October 24, 2012, the Company has the right to require the managing general partner to sell the managing GP interest to the Company. This call right expires on the closing of the Partnership's initial private or public offering. In the event of an exercise of a put right or a call right, the purchase price will be the fair market value of the managing GP interest at the time of the purchase determined by an independent investment banking firm selected by the Company and the managing general partner.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements were prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). The consolidated financial statements include the accounts of CVR and its majority-owned direct and indirect subsidiaries. The ownership interests of noncontrolling investors in its subsidiaries are recorded as a noncontrolling interest included as a separate component of equity for all periods presented. All intercompany account balances and transactions have been eliminated in consolidation. Certain information and footnotes required for complete financial statements under GAAP have been condensed or omitted pursuant to SEC rules and regulations. These unaudited condensed consolidated financial statements should be read in conjunction with the December 31, 2009 audited consolidated financial statements and notes thereto included in CVR's Annual Report on Form 10-K for the year ended December 31, 2009, which was filed with the SEC on March 12, 2010.

In the opinion of the Company's management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments (consisting only of normal recurring adjustments) that are necessary to fairly present the financial position of the Company as of March 31, 2010 and December 31, 2009, the results of operations for the three months ended March 31, 2010 and 2009, and the cash flows for the three months ended March 31, 2010 and 2009. Certain prior year amounts have been reclassified to conform to current year presentation.

Results of operations and cash flows for the interim periods presented are not necessarily indicative of the results that will be realized for the year ending December 31, 2010 or any other interim period. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

The Company evaluated subsequent events, that would require an adjustment to the Company's condensed consolidated financial statements or require disclosure in the notes to the condensed consolidated financial statements. The Company has evaluated subsequent events through the date of issuance of the condensed consolidated financial statements.

(2) Recent Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2010-06, "Improving Disclosures about Fair Value Measurements" an amendment to Accounting Standards Codification ("ASC") Topic 820, "Fair Value Measurements and Disclosures." This amendment requires an entity to: (i) disclose separately the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements and describe the reasons for the transfers, (ii) present separate information for Level 3 activity pertaining to gross purchases, sales, issuances, and settlements and (iii) enhance disclosures of assets and liabilities subject to fair value measurements. The provisions of ASU No. 2010-06 are effective for the Company for interim and annual reporting beginning after December 15, 2009, with one new disclosure effective after December 15, 2010. The Company adopted this ASU as of January 1, 2010. The adoption of this standard did not impact the Company's financial position or results of operations.

In June 2009, the FASB issued an amendment to a previously issued standard regarding consolidation of variable interest entities. This amendment was intended to improve financial reporting by enterprises involved with variable interest entities. Overall, the amendment revises the test for determining the primary beneficiary of a variable interest entity from a primarily quantitative analysis to a qualitative analysis. The provisions of the amendment are effective as of the beginning of the entity's first annual reporting period that begins after November 15, 2009, for interim periods within that first annual reporting period, and for interim and annual reporting periods thereafter. The Company adopted this standard as of January 1, 2010. The adoption of this standard did not impact the Company's financial position or results of operations.

(3) Share-Based Compensation

Prior to CVR's initial public offering in October 2007, CVR's subsidiaries were held and operated by CALLC. Management of CVR holds an equity interest in CALLC. CALLC issued non-voting override units to certain management members who held common units of CALLC. There were no required capital contributions for the override operating units. In connection with CVR's initial public offering, CALLC was split into two entities: CALLC and CALLC II. In connection with this split, management's equity interest in CALLC, including both their common units and non-voting override units, was split so that half of management's equity interest was in CALLC and half was in CALLC II. CALLC was historically the primary reporting company and CVR's predecessor. In addition, in connection with the transfer of the managing GP interest of the Partnership to CALLC III in October 2007, CALLC III issued non-voting override units to certain management members of CALLC III.

CVR, CALLC, CALLC II and CALLC III account for share-based compensation in accordance with standards issued by the FASB regarding the treatment of share-based compensation, as well as guidance regarding the accounting for share-based compensation granted to employees of an equity method investee. CVR has been allocated non-cash share-based compensation expense from CALLC, CALLC II and CALLC III.

In accordance with these standards, CVR, CALLC, CALLC II and CALLC III apply a fair-value based measurement method in accounting for share-based compensation. In addition, CVR recognizes the costs of the share-based compensation incurred by CALLC, CALLC II and CALLC III on its behalf, primarily in selling, general, and administrative expenses (exclusive of depreciation and amortization), and a corresponding capital contribution, as the costs are incurred on its behalf, following the guidance issued by the FASB regarding the accounting for equity instruments that are issued to other than employees for acquiring, or in conjunction with selling goods or services, which requires remeasurement at each reporting period through the performance commitment period, or in CVR's case, through the vesting period.

At March 31, 2010, the value of the override units of CALLC and CALLC II was derived from a probability-weighted expected return method. The probability-weighted expected return method involves a forward-looking analysis of possible future outcomes, the estimation of ranges of future and present value under each outcome, and the application of a probability factor to each outcome in conjunction with the application of the current value of the Company's common stock price with a Black-Scholes option pricing formula, as remeasured at each reporting date until the awards are vested.

The estimated fair value of the override units of CALLC III has been determined using a probability-weighted expected return method which utilizes CALLC III's cash flow projections, which are representative of the nature of the interests held by CALLC III in the Partnership.

The following table provides key information for the share-based compensation plans related to the override units of CALLC, CALLC II, and CALLC III. Compensation expense amounts are disclosed in thousands.

Award Type	Benchmark Value (per Unit)	Original Awards Issued	Grant Date	*Compensation Expense Increase (Decrease) for the Three Months Ended March 31, 2010	2009
Override Operating Units(a)	$ 11.31	919,630	June 2005	$ 415	$ 584
Override Operating Units(b)	$ 34.72	72,492	December 2006	15	24
Override Value Units(c)	$ 11.31	1,839,265	June 2005	3,181	1,187
Override Value Units(d)	$ 34.72	144,966	December 2006	93	61
Override Units(e)	$ 10.00	138,281	October 2007	—	—
Override Units(f)	$ 10.00	642,219	February 2008	2	1
			Total	$ 3,706	$ 1,857

* As CVR's common stock price increases or decreases, compensation expense increases or is reversed in correlation with the calculation of the fair value under the probability-weighted expected return method.

Valuation Assumptions

Significant assumptions used in the valuation of the Override Operating Units (a) and (b) were as follows:

	(a) Override Operating Units March 31,		(b) Override Operating Units March 31,	
	2010	2009	2010	2009
Estimated forfeiture rate	None	None	None	None
CVR closing stock price	$8.75	$5.54	$8.75	$5.54
Estimated weighted-average fair value (per unit)	$15.01	$10.77	$2.52	$2.62
Marketability and minority interest discounts	20.0%	20.0%	20.0%	20.0%
Volatility	50.0%	68.2%	50.0%	68.2%

On the tenth anniversary of the issuance of override operating units, such units convert into an equivalent number of override value units. Override operating units are forfeited upon termination of employment for cause. The explicit service period for override operating unit recipients is based on the forfeiture schedule below. In the event of all other terminations of employment, the override operating units are initially subject to forfeiture as follows:

Minimum Period Held	Forfeiture Percentage
2 years	75%
3 years	50%
4 years	25%
5 years	0%

Significant assumptions used in the valuation of the Override Value Units (c) and (d) were as follows:

	(c) Override Value Units March 31,		(d) Override Value Units March 31,	
	2010	2009	2010	2009
Estimated forfeiture rate	None	None	None	None
Derived service period	6 years	6 years	6 years	6 years
CVR closing stock price	$8.75	$5.54	$8.75	$5.54
Estimated weighted-average fair value (per unit)	$9.61	$5.17	$2.50	$2.62
Marketability and minority interest discounts	20.0%	20.0%	20.0%	20.0%
Volatility	50.0%	68.2%	50.0%	68.2%

Unless the compensation committee of the board of directors of CVR takes an action to prevent forfeiture, override value units are forfeited upon termination of employment for any reason, except that in the event of termination of employment by reason of death or disability, all override value units are initially subject to forfeiture as follows:

Minimum Period Held	Forfeiture Percentage
2 years	75%
3 years	50%
4 years	25%
5 years	0%

(e) *Override Units* — Using a binomial and a probability-weighted expected return method that utilized CALLC III's cash flow projections which includes expected future earnings and the anticipated timing of IDRs, the estimated grant date fair value of the override units was approximately $3,000. As a non-contributing investor, CVR also recognized income equal to the amount that its interest in the investee's net book value has increased (that is its percentage share of the contributed capital recognized by the investee) as a result of the disproportionate funding of the compensation cost. As of March 31, 2010 these units were fully vested. Significant assumptions used in the valuation were as follows:

Estimated forfeiture rate	None
Grant date valuation	$0.02 per unit
Marketability and minority interest discount	15.0%
Volatility	34.7%

(f) *Override Units* — Using a probability-weighted expected return method that utilized CALLC III's cash flow projections which includes expected future earnings and the anticipated timing of IDRs, the estimated grant date fair value of the override units was approximately $3,000. As a non-contributing investor, CVR also recognized income equal to the amount that its interest in the investee's net book value has increased (that is its percentage share of the contributed capital recognized by the investee) as a result of the disproportionate funding of the compensation cost. Of the 642,219 units issued, 109,720 were immediately vested upon issuance and the remaining units are subject to a forfeiture schedule. Significant assumptions used in the valuation were as follows:

	March 31, 2010	March 31, 2009
Estimated forfeiture rate	None	None
Derived Service Period	Based on forfeiture schedule	Based on forfeiture schedule
Estimated fair value (per unit)	$0.08	$0.02
Marketability and minority interest discount	20.0%	20.0%
Volatility	59.7%	47.0%

Assuming no change in the estimated fair value at March 31, 2010, there was approximately $3,631,000 of unrecognized compensation expense related to non-voting override units. This expense is expected to be recognized over a remaining period of approximately two years as follows (in thousands):

	Override Operating Units	Override Value Units
Nine months ending December 31, 2010	$ 136	$ 2,140
Year ending December 31, 2011	—	1,355
	$ 136	$ 3,495

Phantom Unit Plans

CVR, through a wholly-owned subsidiary, has two Phantom Unit Appreciation Plans (the "Phantom Unit Plans") whereby directors, employees, and service providers may be awarded phantom points at the discretion of the board of directors or the compensation committee. Holders of service phantom points have rights to receive distributions when holders of override operating units receive distributions. Holders of performance phantom points have rights to receive distributions when CALLC and CALLC II holders of override value units receive distributions. There are no other rights or guarantees and the plan expires on July 25, 2015, or at the discretion of the compensation committee of the board of directors. As of March 31, 2010, the issued

Profits Interest (combined phantom points and override units) represented 15.0% of combined common unit interest and Profits Interest of CALLC and CALLC II. The Profits Interest was comprised of approximately 11.1% of override interest and approximately 3.9% of phantom interest. The expense associated with these awards is based on the current fair value of the awards which was derived from a probability-weighted expected return method. The probability-weighted expected return method involves a forward-looking analysis of possible future outcomes, the estimation of ranges of future and present value under each outcome, and the application of a probability factor to each outcome in conjunction with the application of the current value of the Company's common stock price with a Black-Scholes option pricing formula, as remeasured at each reporting date until the awards are settled. Based upon this methodology, the service phantom interest and performance phantom interest were valued at $14.49 and $9.41 per point, respectively, at March 31, 2010. Using the March 31, 2009 CVR stock closing price to determine the Company's equity value, through an independent valuation process, the service phantom interest and performance phantom interest were valued at $10.77 and $5.17 per point, respectively. CVR has recorded approximately $10,122,000 and $6,723,000 in personnel accruals as of March 31, 2010 and December 31, 2009, respectively. Compensation expense for the three months ended March 31, 2010 and 2009 related to the Phantom Unit Plans was $3,399,000 and $1,896,000, respectively.

Assuming no change in the estimated fair value at March 31, 2010, there was approximately $1,200,000 of unrecognized compensation expense related to the Phantom Unit Plans. This is expected to be recognized over a remaining period of approximately two years.

Long-Term Incentive Plan

CVR has a Long-Term Incentive Plan ("LTIP") that permits the grant of options, stock appreciation rights, non-vested shares, non-vested share units, dividend equivalent rights, share awards and performance awards (including performance share units, performance units and performance based restricted stock).

Stock Options

As of March 31, 2010, there have been a total of 32,350 stock options granted, of which 17,086 have vested. There were no options that vested in the first quarter of 2010. There were also no additional grants or forfeitures of stock options for the three months ended March 31, 2010. The fair value of stock options is estimated on the date of grant using the Black-Scholes option pricing model. As of March 31, 2010, there was approximately $40,000 of total unrecognized compensation cost related to stock options to be recognized over a weighted-average period of approximately one year.

Non-Vested Stock

A summary of non-vested stock grant activity and changes during the three months ended March 31, 2010 is presented below:

Non-Vested Stock	Shares	Weighted-Average Grant-Date Fair Value
Outstanding at January 1, 2010 (non-vested)	177,060	$ 6.59
Vested	—	—
Granted	—	—
Forfeited	(333)	4.14
Outstanding at March 31, 2010 (non-vested)	176,727	$ 6.60

CVR ENERGY, INC. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Through the LTIP, shares of non-vested stock have been granted to employees and directors of the Company. Non-vested shares, when granted, are valued at the closing market price of CVR's common stock on the date of issuance and amortized to compensation expense on a straight-line basis over the vesting period of the stock. These shares generally vest over a three-year period. As of March 31, 2010, there was approximately $755,000 of total unrecognized compensation cost related to non-vested shares to be recognized over a weighted-average period of approximately two years.

Compensation expense recorded for the three months ended March 31, 2010 and 2009 related to the non-vested stock and stock options was $173,000 and $101,000, respectively.

(4) Inventories

Inventories consist primarily of crude oil, blending stock and components, work-in-progress, fertilizer products, and refined fuels and by-products. Inventories are valued at the lower of the first-in, first-out ("FIFO") cost or market for fertilizer products, refined fuels and by-products for all periods presented. Refinery unfinished and finished products inventory values were determined using the ability-to-bear process, whereby raw materials and production costs are allocated to work-in-process and finished products based on their relative fair values. Other inventories, including other raw materials, spare parts, and supplies, are valued at the lower of moving-average cost, which approximates FIFO, or market. The cost of inventories includes inbound freight costs.

Inventories consisted of the following (in thousands):

	March 31, 2010	December 31, 2009
Finished goods	$ 119,247	$ 123,548
Raw materials and catalysts	95,741	107,840
In-process inventories	16,867	19,401
Parts and supplies	23,757	24,049
	$ 255,612	$ 274,838

(5) Property, Plant, and Equipment

A summary of costs for property, plant, and equipment is as follows (in thousands):

	March 31, 2010	December 31, 2009
Land and improvements	$ 18,394	$ 18,016
Buildings	24,802	23,316
Machinery and equipment	1,305,971	1,305,362
Automotive equipment	8,796	8,796
Furniture and fixtures	8,261	8,095
Leasehold improvements	1,220	1,301
Construction in progress	84,500	77,818
	1,451,944	1,442,704
Accumulated depreciation	325,501	304,794
	$ 1,126,443	$ 1,137,910

Capitalized interest recognized as a reduction in interest expense for the three months ended March 31, 2010 and 2009, totaled approximately $881,000 and $413,000, respectively. Land and buildings that are under a capital lease obligation approximated $4,827,000 as of March 31, 2010. Amortization of assets held under capital leases is included in depreciation expense.

(6) Cost Classifications

Cost of product sold (exclusive of depreciation and amortization) includes cost of crude oil, other feedstocks, blendstocks, pet coke expense and freight and distribution expenses. Cost of product sold excludes depreciation and amortization of $728,000 and $711,000 for the three months ended March 31, 2010 and 2009, respectively.

Direct operating expenses (exclusive of depreciation and amortization) includes direct costs of labor, maintenance and services, energy and utility costs, as well as chemicals and catalysts and other direct operating expenses. Direct operating expenses exclude depreciation and amortization of $20,018,000 and $19,742,000 for the three months ended March 31, 2010 and 2009, respectively.

Selling, general and administrative expenses (exclusive of depreciation and amortization) consist primarily of legal expenses, treasury, accounting, marketing, human resources and maintaining the corporate office in Texas and the administrative office in Kansas. Selling, general and administrative expenses exclude depreciation and amortization of $514,000 and $456,000 for the three months ended March 31, 2010 and 2009, respectively.

(7) Note Payable and Capital Lease Obligation

The Company entered into an insurance premium finance agreement in July 2009 to finance a portion of the purchase of its 2009/2010 property, liability, cargo and terrorism insurance policies. The original balance of the note provided by the Company under such agreement was $10,000,000. As of March 31, 2010 and December 31, 2009, the Company owed $3,750,000 and $7,500,000, respectively, related to this note. This note is due in equal monthly installments commencing November 1, 2009, with the final payment due in June 2010.

The Company also entered into a capital lease for real property used for corporate purposes on May 29, 2008. The lease had an initial lease term of one year with an option to renew for three additional one-year periods. The Company renewed the lease for a one-year period commencing June 5, 2009, and subsequently renewed the lease in April 2010 for an additional one-year period commencing June 5, 2010. In connection with this capital lease, the Company makes quarterly lease payments that total $80,000 annually. The Company also has the option to purchase the property during the term of the lease, including the renewal periods. In connection with the capital lease, the Company originally recorded a capital asset and capital lease obligation of $4,827,000. The capital lease obligation was $4,349,000 and $4,274,000 as of March 31, 2010 and December 31, 2009, respectively.

(8) Flood, Crude Oil Discharge and Insurance Related Matters

For the three months ended March 31, 2010 and 2009, the Company recorded pre-tax expenses, net of anticipated insurance recoveries of $0 and $181,000, respectively, associated with the June/July 2007 flood and associated crude oil discharge. The costs are reported in net costs associated with flood in the Condensed Consolidated Statements of Operations. With the final insurance proceeds received under the Company’s property insurance policy and builders’ risk policy during the first quarter of 2009, in the amount of $11,756,000, all property insurance claims and builders’ risk claims were fully settled, with all remaining claims closed under these policies only.

As of March 31, 2010, the remaining receivable from environmental insurance carriers was not anticipated to be collected in the next twelve months, and therefore has been classified as a non-current asset.

See Note 11 (“Commitments and Contingent Liabilities”) for additional information regarding environmental and other contingencies related to the crude oil discharge that occurred on July 1, 2007.

(9) Income Taxes

As of March 31, 2010, the Company did not have any unrecognized tax benefits and did not have an accrual for any amounts for interest or penalties related to uncertain tax positions. The Company’s accounting policy with respect to interest and penalties related to tax uncertainties is to classify these amounts as income taxes.

CVR and its subsidiaries file U.S. federal and various state income and franchise tax returns. The Company’s U.S. federal and state tax years generally subject to examination as of March 31, 2010 are 2006 to 2009.

The Company’s effective tax rate for the three months ended March 31, 2010 and 2009 was 38.4% and 28.1%, respectively, as compared to the Company’s combined federal and state expected statutory tax rate of 39.7%. The effective tax rate for the three months ended March 31, 2009 is lower than the expected statutory tax rate due primarily to federal income tax credits available to small business refiners related to the production of ultra low sulfur diesel fuel. Additionally, the effective tax rate for 2009 was favorably impacted by Kansas state income tax incentives generated under the High Performance Incentive Program.

(10) Earnings Per Share

Basic and diluted earnings per share are computed by dividing net income (loss) by weighted-average common shares outstanding. The components of the basic and diluted earnings (loss) per share calculation are as follows:

	For the Three Months Ended March 31,	
	2010	2009
	(in thousands, except share data)	
Net income (loss)	$ (12,363)	$ 30,661
Weighted-average common shares outstanding	86,329,237	86,243,745
Effect of dilutive securities:		
Non-vested common stock	—	78,666
Weighted-average common shares outstanding assuming dilution	86,329,237	86,322,411
Basic earnings (loss) per share	$ (0.14)	$ 0.36
Diluted earnings (loss) per share	$ (0.14)	$ 0.36

Outstanding stock options totaling 32,350 common shares were excluded from the diluted earnings (loss) per share calculation for the three months ended March 31, 2010 and 2009, respectively, as they were antidilutive. For the three months ended March 31, 2010, 176,727 shares of non-vested common stock were excluded from the diluted earnings (loss) per share calculation, as they were antidilutive.

(11) Commitments and Contingent Liabilities

Leases and Unconditional Purchase Obligations

The minimum required payments for the Company's lease agreements and unconditional purchase obligations are as follows (in thousands):

	Operating Leases	Unconditional Purchase Obligations(1)
Nine months ending December 31, 2010	$ 3,778	$ 24,411
Year ending December 31, 2011	5,393	30,487
Year ending December 31, 2012	4,985	27,693
Year ending December 31, 2013	2,541	27,846
Year ending December 31, 2014	1,878	27,846
Thereafter	1,354	154,696
	$ 19,929	$ 292,979

(1) This amount excludes approximately $510,000,000 potentially payable under petroleum transportation service agreements between Coffeyville Resources Refining & Marketing, LLC ("CRRM") and TransCanada Keystone Pipeline, LP ("TransCanada"), pursuant to which CRRM would receive transportation of at least 25,000 barrels per day of crude oil with a delivery point at Cushing, Oklahoma for a term of ten years on a new pipeline system being constructed by TransCanada. This $510,000,000 would be payable ratably over the ten year service period under the agreements, such period to begin upon commencement of services under the new pipeline system. Based on information currently available to us, we believe commencement of services would begin in the first quarter of 2011. The Company filed a Statement of Claim in the Court of the Queen's Bench of Alberta, Judicial District of Calgary, on September 15, 2009, to dispute the validity of the petroleum transportation service agreements. The Company cannot provide any assurance that the petroleum transportation service agreements will be found to be invalid.

The Company leases various equipment, including rail cars, and real properties under long-term operating leases, expiring at various dates. In the normal course of business, the Company also has long-term commitments to purchase services such as natural gas, electricity, water and transportation services. For the three months ended March 31, 2010 and 2009, lease expense totaled $1,192,000 and $1,190,000, respectively. The lease agreements have various remaining terms. Some agreements are renewable, at the Company's option, for additional periods. It is expected, in the ordinary course of business, that leases will be renewed or replaced as they expire. The Company also has other customary operating leases and unconditional purchase obligations primarily related to pipeline, utility and raw material suppliers. These leases and agreements are entered into in the normal course of business.

Litigation

From time to time, the Company is involved in various lawsuits arising in the normal course of business, including matters such as those described below under, "Environmental, Health, and Safety ("EHS") Matters." Liabilities related to such litigation are recognized when the related costs are probable and can be reasonably estimated. Management believes the Company has accrued for losses for which it may ultimately be responsible. It is possible that management's estimates of the outcomes will change within the next year due to uncertainties inherent in litigation and settlement negotiations. In the opinion of management, the ultimate resolution of any other litigation matters is not expected to have a material adverse effect on the accompanying condensed consolidated financial statements. There can be no assurance that management's beliefs or opinions with respect to liability for potential litigation matters are accurate.

Samson Resources Company, Samson Lone Star, LLC and Samson Contour Energy E&P, LLC (together, “Samson”) filed fifteen lawsuits in federal and state courts in Oklahoma and two lawsuits in state courts in New Mexico against CRRM and other defendants between March 2009 and July 2009. All of the lawsuits allege that Samson sold crude oil to a group of companies, which generally are known as SemCrude or SemGroup (collectively, “Sem”), which later declared bankruptcy and that Sem has not paid Samson for all of the crude oil purchased from Sem. The lawsuits further allege that Sem sold some of the crude oil purchased from Samson to J. Aron & Company (“J. Aron”) and that J. Aron sold some of this crude oil to CRRM. All of the lawsuits seek the same remedy, the imposition of a trust, an accounting and the return of crude oil or the proceeds therefrom. The amount of Samson’s alleged claims are unknown since the price and amount of crude oil sold by Samson and eventually received by CRRM through Sem and J. Aron, if any, is unknown. CRRM timely paid for all crude oil purchased from J. Aron and intends to vigorously defend against these claims.

The Company received a letter dated January 27, 2010, from the Litigation Trust formed pursuant to the Sem bankruptcy plan of reorganization claiming that $41,625,000 received by the Company from various Sem entities within the 90 day period prior to the Sem bankruptcy on July 22, 2008, may constitute recoverable preferences under the U.S. Bankruptcy Code. The Company has asserted that it has various defenses to such preference claim including that the payments were made in the ordinary course of business in return for products sold by the Company. The Company intends to vigorously defend against this claim.

See note (1) to the table at the beginning of this Note 11 (“Commitments and Contingent Liabilities”) for a discussion of the TransCanada litigation.

Flood, Crude Oil Discharge and Insurance

Crude oil was discharged from the Company’s refinery on July 1, 2007 due to the short amount of time available to shut down and secure the refinery in preparation for the flood that occurred on June 30, 2007. In connection with that discharge, the Company received in May 2008 notices of claims from sixteen private claimants under the Oil Pollution Act in an aggregate amount of approximately $4,393,000. In August 2008, those claimants filed suit against the Company in the United States District Court for the District of Kansas in Wichita (“Angleton Case”). In October, 2009, a companion case to the Angleton Case was filed in the United States District Court for the District of Kansas at Wichita, seeking a total of $3,200,000 for three additional plaintiffs as a result of the July 1, 2007 crude oil discharge. The Company believes that the resolution of these claims will not have a material adverse effect on the consolidated financial statements.

As a result of the crude oil discharge that occurred on July 1, 2007, the Company entered into an administrative order on consent (the “Consent Order”) with the Environmental Protection Agency (“EPA”) on July 10, 2007. As set forth in the Consent Order, the EPA concluded that the discharge of oil from the Company’s refinery caused an imminent and substantial threat to the public health and welfare. Pursuant to the Consent Order, the Company agreed to perform specified remedial actions to respond to the discharge of crude oil from the Company’s refinery. In July 2008, the Company substantially completed remediating the damage caused by the crude oil discharge. The substantial majority of all known remedial actions were completed by January 31, 2009. The Company prepared its final report to the EPA to satisfy the final requirement of the Consent Order. The Company anticipates that the EPA’s review of this report will not result in any further requirements that could be material to the Company’s business, financial condition, or results of operations.

The Company has not estimated or accrued for any potential fines, penalties or claims that may be imposed or brought by regulatory authorities or possible additional damages arising from lawsuits related to the June/July 2007 flood as management does not believe any such fines, penalties or lawsuits would be material nor can they be estimated.

The Company is seeking insurance coverage for this release and for the ultimate costs for remediation and property damage claims. On July 10, 2008, the Company filed two lawsuits in the United States District Court for the District of Kansas against certain of the Company's environmental and property insurance carriers with regard to the Company's insurance coverage for the June/July 2007 flood and crude oil discharge. The Company's excess environmental liability insurance carrier has asserted that its pollution liability claims are for "cleanup," which is not covered by such policy, rather than for "property damage," which is covered to the limits of the policy. While the Company will vigorously contest the excess carrier's position, it contends that if that position were upheld, its umbrella Comprehensive General Liability policies would continue to provide coverage for these claims. Each insurer, however, has reserved its rights under various policy exclusions and limitations and has cited potential coverage defenses. Although the Company believes that certain additional amounts under the environmental and liability insurance policies will be recovered, the Company cannot be certain of the ultimate amount or timing of such recovery because of the difficulty inherent in projecting the ultimate resolution of the Company's claims. The Company has received $25,000,000 of insurance proceeds under its primary environmental liability insurance policy which constitutes full payment to the Company of the primary pollution liability policy limit.

The lawsuit with the insurance carriers under the environmental policies remains the only unsettled lawsuit with the insurance carriers. The property insurance lawsuit has been settled and dismissed.

Environmental, Health, and Safety ("EHS") Matters

CRRM, Coffeyville Resources Crude Transportation, LLC ("CRCT") and Coffeyville Resources Terminal, LLC ("CRT"), all of which are wholly-owned subsidiaries of CVR, and CRNF are subject to various stringent federal, state, and local EHS rules and regulations. Liabilities related to EHS matters are recognized when the related costs are probable and can be reasonably estimated. Estimates of these costs are based upon currently available facts, existing technology, site-specific costs, and currently enacted laws and regulations. In reporting EHS liabilities, no offset is made for potential recoveries. EHS liabilities are monitored and adjusted regularly as new facts emerge or changes in law or technology occur.

CRRM, CRNF, CRCT and CRT own and/or operate manufacturing and ancillary operations at various locations directly related to petroleum refining and distribution and nitrogen fertilizer manufacturing. Therefore, CRRM, CRNF, CRCT and CRT have exposure to potential EHS liabilities related to past and present EHS conditions at these locations.

CRRM and CRT have agreed to perform corrective actions at the Coffeyville, Kansas refinery and Phillipsburg, Kansas terminal facility, pursuant to Administrative Orders on Consent issued under the Resource Conservation and Recovery Act ("RCRA") to address historical contamination by the prior owners (RCRA Docket No. VII-94-H-0020 and Docket No. VII-95-H-011, respectively). In 2005, CRNF agreed to participate in the State of Kansas Voluntary Cleanup and Property Redevelopment Program ("VCPRP") to address a reported release of UAN at its UAN loading rack. As of March 31, 2010 and December 31, 2009, environmental accruals of $4,827,000 and $5,007,000, respectively, were reflected in the Condensed Consolidated Balance Sheets for probable and estimated costs for remediation of environmental contamination under the RCRA Administrative Orders and the VCPRP, for which $2,073,000 and $2,179,000, respectively, are included as other current liabilities. The Company's accruals were determined based on an estimate of payment costs through 2031 and were discounted at the appropriate risk free rates at March 31, 2010 and December 31, 2009, respectively. The accruals include estimated closure and post-closure costs of $909,000 and $883,000 for two landfills at March 31, 2010 and December 31, 2009, respectively. The estimated future payments for these required obligations are as follows (in thousands):

	Amount
Nine months ending December 31, 2010	$ 1,980
Year ending December 31, 2011	370
Year ending December 31, 2012	435
Year ending December 31, 2013	325
Year ending December 31, 2014	431
Thereafter	2,023
Undiscounted total	5,564
Less amounts representing interest at 3.39%	737
Accrued environmental liabilities at March 31, 2010	$ 4,827

Management periodically reviews and, as appropriate, revises its environmental accruals. Based on current information and regulatory requirements, management believes that the accruals established for environmental expenditures are adequate.

In February 2000, the EPA promulgated the Tier II Motor Vehicle Emission Standards Final Rule for all passenger vehicles, establishing standards for sulfur content in gasoline that were required to be met by 2006. In addition, in January 2001, the EPA promulgated its on-road diesel regulations, which required a 97% reduction in the sulfur content of diesel sold for highway use by June 1, 2006, with full compliance by January 1, 2010. In February 2004, the EPA granted the Company approval under a “hardship waiver” that would defer meeting final Ultra Low Sulfur Gasoline (“ULSG”) standards and Ultra Low Sulfur Diesel (“ULSD”) requirements. The hardship waiver was revised at CRRM’s request on September 25, 2008. The Company met the conditions of the “hardship waiver” related to the ULSD requirements in late 2006 and is continuing its work related to meeting its compliance date with ULSG standards in accordance with a revised hardship waiver which gave the Company short-term flexibility on sulfur content during the recovery from the flood. Compliance with the Tier II gasoline and on-road diesel standards required the Company to spend approximately $20,589,000 during 2009, $13,787,000 during 2008, $16,800,000 during 2007 and $79,033,000 during 2006. Based on information currently available, CRRM anticipates spending approximately $21,984,000 in 2010 to comply with ULSG requirements. The entire amounts are expected to be capitalized. For the three months ended March 31, 2010 and 2009, CVR spent $6,751,000 and $3,450,000, respectively.

In 2007, the EPA promulgated the Mobile Source Air Toxic II (“MSAT II”) rule, that requires the reduction of benzene in gasoline by 2011. CRRM is considered a small refiner under the MSAT II rule and compliance with the rule is extended until 2015 for small refiners. Because of the extended compliance date, CRRM has not begun engineering work at this time. CVR anticipates that capital expenditures to comply with the rule will not begin before 2013.

In February 2010, the EPA finalized changes to the Renewable Fuel Standards (“RFS2”) which require the total volume of renewable transportation fuels sold or introduced in the U.S. to reach 12.95 billion gallons in 2010 and rise to 36 billion gallons by 2022. Due to mandates in the RFS2 requiring increasing volumes of renewable fuels to replace petroleum products in the U.S. motor fuel market, there may be a decrease in demand for petroleum products. In addition, CRRM may be impacted by increased capital expenses and production costs to accommodate mandated renewable fuel volumes. CRRM’s small refiner status under the original Renewable Fuel Standards will continue under the RFS2 and therefore, CRRM is exempted from the requirements of the RFS2 through December 31, 2010.

In March 2004, CRRM and CRT entered into a Consent Decree (the “Consent Decree”) with the EPA and the Kansas Department of Health and Environment (the “KDHE”) to resolve air compliance concerns raised by the EPA and KDHE related to Farmland’s prior ownership and operation of our refinery. Under the Consent Decree, CRRM agreed to install controls to reduce emissions of sulfur dioxide, nitrogen oxides and particulate matter from its FCCU by January 1, 2011. In addition, pursuant to the Consent Decree, CRRM and CRT assumed cleanup obligations at the Coffeyville refinery and the Phillipsburg terminal facilities. The costs of complying with the Consent Decree are expected to be approximately $54 million, of which approximately $44 million is expected to be capital expenditures which do not include the cleanup obligations for historic contamination at the site that are being addressed pursuant to administrative orders issued under the RCRA. As a result of our agreement to install certain controls and implement certain operational changes, the EPA and KDHE agreed not to impose civil penalties, and provided a release from liability for Farmland’s alleged noncompliance with the issues addressed by the Consent Decree. To date, CRRM and CRT have materially complied with the Consent Decree. On June 30, 2009, CRRM submitted a force majeure notice to the EPA and KDHE in which CRRM indicated that it may be unable to meet the Consent Decree’s January 1, 2011 deadline related to the installation of controls on the FCCU because of delays caused by the June/July 2007 flood. In February 2010, CRRM and the EPA reached an agreement in principle to a 15-month extension of the January 1, 2011 deadline for the installation of controls that is awaiting final approval by the government before filing as a material modification to the existing Consent Decree. Pursuant to this agreement, CRRM will offset any incremental emissions resulting from the delay by providing additional controls to existing emission sources over a set timeframe.

Over the course of the last decade, the EPA has embarked on a national Petroleum Refining Initiative alleging industry-wide noncompliance with four “marquee” issues under the Clean Air Act: New Source Review, Flaring, Leak Detection and Repair, and Benzene Waste Operations NESHAP. The Petroleum Refining Initiative has resulted in most refiners entering into consent decrees imposing civil penalties and requiring substantial expenditures for pollution control and enhanced operating procedures. The EPA has indicated that it will seek to have all refiners enter into “global settlements” pertaining to all “marquee” issues. Our current Consent Decree covers some, but not all, of the “marquee” issues. We currently are in negotiations with EPA and KDHE under the Petroleum Refining Initiative. To date, the EPA has not made any specific claims or findings against us and we have not determined whether we will ultimately enter into a “global settlement” agreement with the EPA and KDHE. By entering into a “global settlement”, we may be able to extend the deadline for the installation of controls on the FCCU required under the 2004 Consent Decree. If we agree to enter into a global settlement we would be required to pay a civil penalty, but our incremental capital expenses would be limited primarily to the retrofit and replacement of heaters and boilers over a seven-year timeframe.

On February 24, 2010, the Company received a letter from the United States Department of Justice on behalf of the EPA seeking a $900,000 civil penalty related to alleged late and incomplete reporting of air releases in violation of the Comprehensive Environmental Response, Compensation, and Liability Act and the Emergency Planning and Community Right to Know Act. The Company is currently in the process of reviewing the EPA’s allegations to determine whether they are factually and legally accurate.

Environmental expenditures are capitalized when such expenditures are expected to result in future economic benefits. For the three months ended March 31, 2010 and 2009, capital environmental expenditures were $7,663,000 and $3,963,000, respectively, and were incurred to improve environmental compliance and efficiency of operations.

CRRM, CRNF, CRCT and CRT each believe it is in substantial compliance with existing EHS rules and regulations. There can be no assurance that the EHS matters described above or other EHS matters which may develop in the future will not have a material adverse effect on the business, financial condition, or results of operations.

(12) Fair Value Measurements

In September 2006, the FASB issued ASC 820 — *Fair Value Measurements and Disclosures* ("ASC 820"). ASC 820 established a single authoritative definition of fair value when accounting rules require the use of fair value, set out a framework for measuring fair value, and required additional disclosures about fair value measurements. ASC 820 clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

ASC 820 discusses valuation techniques, such as the market approach (prices and other relevant information generated by market conditions involving identical or comparable assets or liabilities), the income approach (techniques to convert future amounts to single present amounts based on market expectations including present value techniques and option-pricing), and the cost approach (amount that would be required to replace the service capacity of an asset which is often referred to as replacement cost). ASC 820 utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The following is a brief description of those three levels:

- Level 1 — Quoted prices in active market for identical assets and liabilities
- Level 2 — Other significant observable inputs (including quoted prices in active markets for similar assets or liabilities)
- Level 3 — Significant unobservable inputs (including the Company's own assumptions in determining the fair value)

The following table sets forth the assets and liabilities measured at fair value on a recurring basis, by input level, as of March 31, 2010 and December 31, 2009 (in thousands):

	March 31, 2010			
Location and Description	Level 1	Level 2	Level 3	Total
Cash equivalents (money market account)	$ 23	$ —	$ —	$ 23
Total Assets	$ 23	$ —	$ —	$ 23
Derivatives:				
Other current liabilities (Interest Rate Swap)	—	(1,085)	—	(1,085)
Other current liabilities (Other derivative agreements)	—	(412)	—	(412)
Total Derivatives	$ —	$ (1,497)	$ —	$ (1,497)
Total Liabilities	$ —	$ (1,497)	$ —	$ (1,497)

	December 31, 2009			
	Level 1	Level 2	Level 3	Total
Cash equivalents (money market account)	$ 723	$ —	$ —	$ 723
Total Assets	$ 723	$ —	$ —	$ 723
Derivatives:				
Other current liabilities (Interest Rate Swap)	—	(2,830)	—	(2,830)
Other current liabilities (Other derivative agreements)	—	(1,847)	—	(1,847)
Total Derivatives	$ —	$ (4,677)	$ —	$ (4,677)
Total Liabilities	$ —	$ (4,677)	$ —	$ (4,677)

As of March 31, 2010 and December 31, 2009, the only financial assets and liabilities that are measured at fair value on a recurring basis are the Company's money market account and derivative instruments. The Company's Interest Rate Swap giving rise to a liability under Level 2 is valued using broker quotations from the respective counterparties to the Interest Rate Swap. These quotations are derived from projected yield curves that consider inputs that include but are not limited to market risk, interest risk and credit risk. See Note 13 ("Derivative Financial Instruments") for further discussion of the Interest Rate Swap. Given the degree of varying assumptions used to value the Interest Rate Swap, it was deemed as having level 2 inputs. The Company's commodity derivative contracts giving rise to a liability under Level 2 are valued using broker quoted market prices of similar commodity contracts. The Company had no transfers of assets or liabilities between any of the above levels during the three months ended March 31, 2010. The carrying value of the Company's long-term debt approximates fair value as a result of floating interest rates assigned to this financial instrument.

(13) Derivative Financial Instruments

Gain (loss) on derivatives, net consisted of the following (in thousands):

	Three Months Ended March 31,	
	2010	2009
Realized gain (loss) on cash flow swap agreements	$ —	$ (15,714)
Unrealized gain (loss) on cash flow swap agreements	—	(20,114)
Realized gain (loss) on other derivative agreements	85	(1,003)
Unrealized gain (loss) on other derivative agreements	1,435	163
Realized gain (loss) on interest rate swap agreements	(1,775)	(1,710)
Unrealized gain (loss) on interest rate swap agreements	1,745	1,517
Total gain (loss) on derivatives, net	$ 1,490	$ (36,861)

CVR is subject to price fluctuations caused by supply and demand conditions, weather, economic conditions, interest rate fluctuations and other factors. To manage price risk on crude oil and other inventories and to fix margins on certain future production, the Company may enter into various derivative transactions. The Company, as further described below, entered into certain commodity derivative contracts and an interest rate swap as required by the long-term debt agreements. The commodity derivative contracts are for the purpose of managing price risk on crude oil and finished goods and the interest rate swap is for the purpose of managing interest rate risk.

CVR has adopted accounting standards which impose extensive record-keeping requirements in order to designate a derivative financial instrument as a hedge. CVR holds derivative instruments, such as exchange-traded crude oil futures, certain over-the-counter forward swap agreements, and interest rate swap agreements, which it believes provide an economic hedge on future transactions, but such instruments are not designated as hedges for GAAP purposes. Gains or losses related to the change in fair value and periodic settlements of these derivative instruments are classified as gain (loss) on derivatives, net in the Condensed Consolidated Statements of Operations.

Cash Flow Swap

Until October 8, 2009, CRLLC had been a party to commodity derivative contracts (referred to as the "Cash Flow Swap") that were originally executed on June 16, 2005. The swap agreements were executed at the prevailing market rate at the time of execution and were to provide an economic hedge on future transactions. The Cash Flow Swap resulted in unrealized gains (losses), using a valuation method that utilized quoted market prices. All of the activity related to the Cash Flow Swap is reported in the Petroleum Segment.

On October 8, 2009, CRLLC and J. Aron mutually agreed to terminate the Cash Flow Swap. The Cash Flow Swap was expected to terminate in 2010; however, the third amendment to the Company's first priority credit facility permitted early termination.

Interest Rate Swap

At March 31, 2010, CRLLC held derivative contracts known as interest rate swap agreements (the "Interest Rate Swap") that converted CRLLC's floating-rate bank debt into 4.195% fixed-rate debt on a notional amount of $110,000,000. Half of the Interest Rate Swap agreements are held with a related party (as described in Note 14, "Related Party Transactions"), and the other half are held with a financial institution that is a lender under CRLLC's first priority credit facility. The Interest Rate Swap agreements carry the following terms:

Period Covered	Notional Amount	Fixed Interest Rate
March 31, 2010 to June 30, 2010	110 million	4.195%

CVR pays the fixed rate listed above and receives a floating rate based on three month LIBOR rates, with payments calculated on the notional amount listed above. The notional amount does not represent the actual amount exchanged by the parties but instead represents the amount on which the contracts are based. The Interest Rate Swap is settled quarterly and marked to market at each reporting date, and all unrealized gains and losses are currently recognized in income. Transactions related to the Interest Rate Swap agreements are not allocated to the Petroleum or Nitrogen Fertilizer segments.

The Interest Rate Swap has two counterparties. As noted above, one half of the Interest Rate Swap agreements are held with a related party. As of March 31, 2010, both counterparties had an investment-grade debt rating. The maximum amount of loss due to the credit risk of the counterparty, should the counterparty fail to perform according to the terms of the contracts, is contingent upon the unsettled portion of the Interest Rate Swap, if any. For the Company to be "at-risk", the unsettled portion of the Interest Rate Swap would need to be in a net receivable position. As of March 31, 2010, the Company's Interest Rate Swap was in a payable position and thus would not be considered "at-risk" as it relates to risk posed by the swap counterparties.

(14) Related Party Transactions

The Goldman Sachs Funds and the Kelso Funds together own a majority of the common stock of the Company.

Cash Flow Swap

CRLLC entered into the Cash Flow Swap with J. Aron, a subsidiary of GS. These agreements were entered into on June 16, 2005, with an expiration date of June 30, 2010 (as described in Note 13, "Derivative Financial Instruments"). The Cash Flow Swap was terminated by the parties effective October 8, 2009. For the three months ended March 31, 2009, the Company recognized net realized and unrealized losses totaling $35,828,000 related to these swap agreements which are reflected in gain (loss) on derivatives, net in the Condensed Consolidated Statements of Operations.

J. Aron Deferrals

As a result of the June/July 2007 flood and the related temporary cessation of business operations, the Company entered into deferral agreements for amounts owed to J. Aron under the Cash Flow Swap discussed above. The amount deferred, excluding accrued interest, totaled $123,681,000. Of the deferred balances, $61,306,000 had been repaid as of December 31, 2008 and the remaining deferral obligation of $62,375,000 including accrued interest of $509,000 was paid in the first quarter of 2009, resulting in the Company being unconditionally and irrevocably released from any and all of its obligations under the deferred agreements. In addition, J. Aron released the Goldman Sachs Funds and the Kelso Funds from any and all of their obligations to guarantee the deferred payment obligations. Interest expense related to the deferral agreement totaled $0 and $307,000 for the three months ended March 31, 2010 and 2009, respectively.

Interest Rate Swap

On June 30, 2005, the Company also entered into three Interest Rate Swap agreements with J. Aron. Net losses totaling $15,000 and $97,000 were recognized related to these swap agreements for the three months ended March 31, 2010 and 2009, respectively, and are reflected in gain (loss) on derivatives, net in the Condensed Consolidated Statements of Operations. In addition, the Condensed Consolidated Balance Sheet at March 31, 2010 and December 31, 2009 includes $543,000 and $1,415,000, respectively, in other current liabilities. See Note 13, (“Derivative Financial Instruments”) for additional information.

Cash and Cash Equivalents

The Company holds a portion of its cash balance in a highly liquid money market account with average maturities of less than 90 days within the Goldman Sachs Funds family. As of March 31, 2010 and December 31, 2009, the balance in the account was approximately $23,000 and $723,000, respectively. For the three months ended March 31, 2010, the account earned a nominal amount of interest income compared to $16,000 for the three months ended March 31, 2009.

Financing and Other

In March 2010, CRLLC amended its outstanding first priority credit facility. In connection with the amendment, CRLLC paid a subsidiary of GS fees and expenses of $904,500 for their services as lead bookrunner. In addition, on April 6, 2010, a subsidiary of GS received a fee as a participating underwriter of $2,000,000 upon completion of the issuance of senior secured notes (as described in Note 16, “Subsequent Events”).

For the three months ended March 31, 2010 and 2009, the Company purchased approximately $237,000 and $77,000, respectively, of Fluid Catalytic Cracking Unit additives from Intercat, Inc. A director of the Company, Mr. Regis Lippert, is also a director, and the President, CEO and majority shareholder of Intercat, Inc.

(15) Business Segments

The Company measures segment profit as operating income for Petroleum and Nitrogen Fertilizer, CVR’s two reporting segments, based on the definitions provided in ASC 280 — *Segment Reporting*. All operations of the segments are located within the United States.

Petroleum

Principal products of the Petroleum Segment are refined fuels, propane and petroleum refining by-products including pet coke. The Petroleum Segment sells the pet coke to the Partnership for use in the manufacture of nitrogen fertilizer at the adjacent nitrogen fertilizer plant. For the Petroleum Segment, a per-ton transfer price is used to record intercompany sales on the part of the Petroleum Segment and a corresponding intercompany cost of product sold (exclusive of depreciation and amortization) is recorded for the Nitrogen Fertilizer Segment. The per-ton transfer price paid, pursuant to the pet coke supply agreement that became effective October 24, 2007, is based on the lesser of a pet coke price derived from the price received by the Nitrogen Fertilizer Segment for UAN (subject to a UAN based price ceiling and floor) and a pet coke price index for pet coke. The intercompany transactions are eliminated in the Other Segment. Intercompany sales included in Petroleum net sales were $413,000 and $3,018,000 for the three months ended March 31, 2010 and 2009, respectively.

The Petroleum Segment recorded intercompany cost of product sold (exclusive of depreciation and amortization) for the hydrogen sales described below under “Nitrogen Fertilizer” for the three months ended March 31, 2010 of $568,000. For the three months ended March 31, 2009, the Petroleum Segment purchased hydrogen from the Partnership and recorded cost of product sold (exclusive of depreciation and amortization) of $658,000.

Nitrogen Fertilizer

The principal product of the Nitrogen Fertilizer Segment is nitrogen fertilizer. Intercompany cost of product sold (exclusive of depreciation and amortization) for the pet coke transfer described above was $438,000 and $3,536,000 for the three months ended March 31, 2010 and 2009, respectively.

Pursuant to the feedstock agreement, the Company's segments have the right to transfer excess hydrogen to one another. Sales of hydrogen to the Petroleum Segment have been reflected as net sales for the Nitrogen Fertilizer Segment. Receipts of hydrogen from the Petroleum Segment have been reflected in cost of product sold (exclusive of depreciation and amortization) for the Nitrogen Fertilizer Segment. The Nitrogen Fertilizer Segment recorded cost of product sold (exclusive of depreciation and amortization) from intercompany hydrogen purchases of $568,000 for the three months ended March 31, 2010. For the three months ended March 31, 2009, the Nitrogen Fertilizer Segment recorded net sales generated from intercompany sales of hydrogen to the Petroleum Segment of $658,000.

CVR ENERGY, INC. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Other Segment

The Other Segment reflects intercompany eliminations, cash and cash equivalents, all debt related activities, income tax activities and other corporate activities that are not allocated to the operating segments.

	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009
	(in thousands)	
Net sales		
Petroleum	$ 856,688	$ 545,282
Nitrogen Fertilizer	38,285	67,789
Intersegment eliminations	(461)	(3,676)
Total	$ 894,512	$ 609,395
Cost of product sold (exclusive of depreciation and amortization)		
Petroleum	$ 798,951	$ 417,598
Nitrogen Fertilizer	4,977	8,682
Intersegment eliminations	(1,038)	(4,675)
Total	$ 802,890	$ 421,605
Direct operating expenses (exclusive of depreciation and amortization)		
Petroleum	$ 38,389	$ 34,622
Nitrogen Fertilizer	22,173	21,612
Other	—	—
Total	$ 60,562	$ 56,234
Net costs associated with flood		
Petroleum	$ —	$ 181
Nitrogen Fertilizer	—	—
Other	—	—
Total	$ —	$ 181
Depreciation and amortization		
Petroleum	$ 16,134	$ 15,878
Nitrogen Fertilizer	4,665	4,616
Other	461	415
Total	$ 21,260	$ 20,909
Operating income (loss)		
Petroleum	$ (7,095)	$ 64,659
Nitrogen Fertilizer	2,968	29,282
Other	(7,467)	(2,981)
Total	$ (11,594)	$ 90,960
Capital expenditures		
Petroleum	$ 9,109	$ 7,392
Nitrogen Fertilizer	1,216	7,431
Other	1,091	1,095
Total	$ 11,416	$ 15,918

	As of March 31, 2010	As of December 31, 2009
	(in thousands)	
Total assets		
Petroleum	$ 1,083,184	$ 1,082,707
Nitrogen Fertilizer	733,345	702,929
Other	(203,568)	(171,142)
Total	$ 1,612,961	$ 1,614,494
Goodwill		
Petroleum	$ —	$ —
Nitrogen Fertilizer	40,969	40,969
Other	—	—
Total	$ 40,969	$ 40,969

(16) Subsequent Events

Issuance of Senior Secured Notes

On April 6, 2010, CRLLC and its newly formed wholly-owned subsidiary, Coffeyville Finance Inc. (together the “Issuers”), completed a private offering of $275.0 million aggregate principal amount of 9.0% First Lien Senior Secured Notes due 2015 (the “First Lien Notes”) and $225.0 million aggregate principal amount of 10.875% Second Lien Senior Secured Notes due 2017 (the “Second Lien Notes” and together with the First Lien Notes, the “Notes”). The Notes are fully and unconditionally guaranteed by each of the Company’s subsidiaries that also guarantee the first priority credit facility.

CRLLC received total net proceeds from the offering of approximately $485.7 million, net of underwriter fees of $10.0 million and original issue discount of approximately $4.0 million, but before deducting other third-party fees and expenses associated with the offering. CRLLC applied the net proceeds to prepay all of the outstanding balance of its tranche D term loan under its first priority credit facility in an amount equal to $453.3 million and to pay related fees and expenses. In accordance with the terms of its first priority credit facility, CRLLC paid a 2.0% premium totaling approximately $9.1 million to the lenders of the term debt upon the prepayment of the outstanding balance. This amount will be recorded as a loss on extinguishment of debt during the second quarter of 2010. Additionally, due to the prepayment and termination of the term debt, a write-off of previously deferred financing charges of approximately $5.4 million will be recorded during the second quarter of 2010. The discount and related debt issuance costs of the Notes are being amortized over the term of the applicable Notes.

The First Lien Notes mature on April 1, 2015, unless earlier redeemed or repurchased by the Issuers. The Second Lien Notes mature on April 1, 2017, unless earlier redeemed or repurchased by the Issuers. Interest is payable on the Notes semi-annually on April 1 and October 1 of each year commencing on October 1, 2010.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

The following discussion and analysis should be read in conjunction with the consolidated financial statements and related notes and with the statistical information and financial data appearing in this Quarterly Report on Form 10-Q for the quarter ended March 31, 2010, as well as our Annual Report on Form 10-K for the year ended December 31, 2009. Results of operations for the three months ended March 31, 2010 are not necessarily indicative of results to be attained for any other period.

Forward-Looking Statements

This Form 10-Q, including this Management's Discussion and Analysis of Financial Condition and Results of Operations, contains "forward-looking statements" as defined by the Securities and Exchange Commission (the "SEC"). Such statements are those concerning contemplated transactions and strategic plans, expectations and objectives for future operations. These include, without limitation:

- statements, other than statements of historical fact, that address activities, events or developments that we expect, believe or anticipate will or may occur in the future;
- statements relating to future financial performance, future capital sources and other matters; and
- any other statements preceded by, followed by or that include the words "anticipates," "believes," "expects," "plans," "intends," "estimates," "projects," "could," "should," "may," or similar expressions.

Although we believe that our plans, intentions and expectations reflected in or suggested by the forward-looking statements we make in this Form 10-Q, including this Management's Discussion and Analysis of Financial Condition and Results of Operations, are reasonable, we can give no assurance that such plans, intentions or expectations will be achieved. These statements are based on assumptions made by us based on our experience and perception of historical trends, current conditions, expected future developments and other factors that we believe are appropriate in the circumstances. Such statements are subject to a number of risks and uncertainties, many of which are beyond our control. You are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements as a result of various factors, including but not limited to those set forth under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2009. Such factors include, among others:

- volatile margins in the refining industry;
- exposure to the risks associated with volatile crude prices;
- the availability of adequate cash and other sources of liquidity for our capital needs;
- disruption of our ability to obtain an adequate supply of crude oil;
- interruption of the pipelines supplying feedstock and in the distribution of our products;
- competition in the petroleum and nitrogen fertilizer businesses;
- capital expenditures required by environmental laws and regulations;
- changes in our credit profile;
- the potential decline in the price of natural gas, which historically has correlated with the market price of nitrogen fertilizer products;
- the cyclical nature of the nitrogen fertilizer business;
- adverse weather conditions, including potential floods and other natural disasters;
- the supply and price levels of essential raw materials;

- the volatile nature of ammonia, potential liability for accidents involving ammonia that cause severe damage to property and/or injury to the environment and human health and potential increased costs relating to transport of ammonia;
- the dependence of the nitrogen fertilizer operations on a few third-party suppliers, including providers of transportation services and equipment;
- the potential loss of the nitrogen fertilizer business' transportation cost advantage over its competitors;
- existing and proposed environmental laws and regulations, including those relating to climate change, alternative energy or fuel sources, and the end-use and application of fertilizers;
- refinery operating hazards and interruptions, including unscheduled maintenance or downtime, and the availability of adequate insurance coverage;
- our significant indebtedness; and
- instability and volatility in the capital and credit markets.

All forward-looking statements contained in this Form 10-Q speak only as of the date of this document. We undertake no obligation to update or revise publicly any forward-looking statements to reflect events or circumstances that occur after the date of this Form 10-Q, or to reflect the occurrence of unanticipated events.

Company Overview

CVR Energy, Inc. and, unless the context requires otherwise, its subsidiaries ("CVR", the "Company", "we", "us" or "our") is an independent refiner and marketer of high value transportation fuels. In addition, we currently own all of the interests (other than the managing general partner interest and associated incentive distribution rights) in CVR Partners, LP (the "Partnership"), a limited partnership which produces nitrogen fertilizers, ammonia and urea ammonium nitrate ("UAN").

Any references to the "Company" as of a date prior to October 16, 2007 and subsequent to June 24, 2005 are to Coffeyville Acquisition LLC ("CALLC") and its subsidiaries. CALLC formed CVR Energy, Inc. as a wholly owned subsidiary, incorporated in Delaware in September 2006, in order to effect an initial public offering, which was consummated on October 26, 2007. In conjunction with the initial public offering, a restructuring occurred in which CVR became a direct or indirect owner of all of the subsidiaries of CALLC. Additionally, in connection with the initial public offering, CALLC was split into two entities: CALLC and Coffeyville Acquisition II LLC ("CALLC II").

We operate under two business segments: petroleum and nitrogen fertilizer. Throughout the remainder of this document, our business segments are referred to as our "petroleum business" and our "nitrogen fertilizer business," respectively.

Petroleum business. Our petroleum business includes a 115,000 bpd complex full coking medium-sour crude oil refinery in Coffeyville, Kansas. In addition, supporting businesses include (1) a crude oil gathering system with a gathering capacity in excess of 30,000 bpd serving Kansas, Oklahoma, western Missouri, eastern Colorado and southwestern Nebraska, (2) a rack marketing division supplying product through tanker trucks directly to customers located in close geographic proximity to Coffeyville and Phillipsburg and at throughput terminals on Magellan's refined products distribution systems, (3) a 145,000 bpd pipeline system that transports crude oil to our refinery and associated crude oil storage tanks with a capacity of 1.2 million barrels and (4) storage and terminal facilities for refined fuels and asphalt in Phillipsburg, Kansas.

Our refinery is situated approximately 100 miles from Cushing, Oklahoma, one of the largest crude oil trading and storage hubs in the United States. Cushing is supplied by numerous pipelines from locations including the U.S. Gulf Coast and Canada, providing us with access to virtually any crude oil variety in the world capable of being transported by pipeline. In addition to rack sales (sales which are made at terminals into third party tanker trucks), we make bulk sales (sales through third party pipelines) into the mid-continent markets via Magellan and into Colorado and other destinations utilizing the product pipeline networks owned by Magellan, Enterprise Products Operating, L.P. and NuStar Energy, L.P.

Crude oil is supplied to our refinery through our gathering system and by a Plains pipeline from Cushing, Oklahoma. We maintain capacity on the Spearhead Pipeline from Canada and have access to foreign and deepwater domestic crude oil via the Seaway Pipeline system from the U.S. Gulf Coast to Cushing. We also maintain leased storage in Cushing to facilitate optimal crude oil purchasing and blending. Our refinery blend consists of a combination of crude oil grades, including onshore and offshore domestic grades, various Canadian medium and heavy sours and sweet synthetics and from time-to-time a variety of South American, North Sea, Middle East and West African imported grades. The access to a variety of crude oils coupled with the complexity of our refinery allows us to purchase crude oil at a discount to WTI. Our crude consumed cost discount to WTI for the first quarter of 2010 was $(3.02) per barrel compared to $(6.47) per barrel in the first quarter of 2009.

Nitrogen fertilizer business. The nitrogen fertilizer business consists of our interest in the Partnership, which is controlled by our affiliates. The nitrogen fertilizer business consists of a nitrogen fertilizer manufacturing facility, including (1) a 1,225 ton-per-day ammonia unit, (2) a 2,025 ton-per-day UAN unit and (3) a dual train gasifier complex each with a capacity of 84 million standard cubic feet per day, capable of processing approximately 1,400 tons per day of pet coke to produce hydrogen.

The nitrogen fertilizer plant in Coffeyville, Kansas includes two pet coke gasifiers that produce high purity hydrogen which in turn is converted to ammonia at a related ammonia synthesis plant. Ammonia is further upgraded into UAN solution in a related UAN unit. In 2009, the nitrogen fertilizer business produced 435,184 tons of ammonia, of which approximately 64% was upgraded into 677,739 tons of UAN. Pet coke is a low value by-product of the refinery coking process. On average during the last five years, more than 74% of the pet coke consumed by the nitrogen fertilizer plant was produced by our refinery. The nitrogen fertilizer business obtains most of its pet coke via a long-term pet coke supply agreement with the petroleum business.

The nitrogen fertilizer plant is the only commercial facility in North America utilizing a pet coke gasification process to produce nitrogen fertilizers. Its redundant train gasifier provides good on-stream reliability and uses low cost by-product pet coke feed (rather than natural gas) to produce hydrogen. In times of high natural gas prices, the use of low cost pet coke can provide us with a significant competitive advantage. The nitrogen fertilizer business' competition utilizes natural gas to produce ammonia. Historically, pet coke has generally been a less expensive feedstock than natural gas on a per-ton of fertilizer produced basis.

Major Influences on Results of Operations

Petroleum Business

Our earnings and cash flows from our petroleum operations are primarily affected by the relationship between refined product prices and the prices for crude oil and other feedstocks. Feedstocks are petroleum products, such as crude oil and natural gas liquids, that are processed and blended into refined products. The cost to acquire feedstocks and the price for which refined products are ultimately sold depend on factors beyond our control, including the supply of and demand for crude oil, as well as gasoline and other refined products which, in turn, depend on, among other factors, changes in domestic and foreign economies, weather conditions, domestic and foreign political affairs, production levels, the availability of imports, the marketing of competitive fuels and the extent of government regulation. Because we apply first-in, first-out, or FIFO, accounting to value our inventory, crude oil price movements may impact net income in the short term because of changes in the value of our unhedged on-hand inventory. The effect of changes in crude oil prices on our results of operations is influenced by the rate at which the prices of refined products adjust to reflect these changes.

Feedstock and refined product prices are also affected by other factors, such as product pipeline capacity, local market conditions and the operating levels of competing refineries. Crude oil costs and the prices of refined products have historically been subject to wide fluctuations. An expansion or upgrade of our competitors' facilities, price volatility, international political and economic developments and other factors beyond our control are likely to continue to play an important role in refining industry economics. These factors can impact, among other things, the level of inventories in the market, resulting in price volatility and a reduction in product margins. Moreover, the refining industry typically experiences seasonal fluctuations in demand for refined products, such as increases in the demand for gasoline during the summer driving season and for home heating oil during the winter, primarily in the Northeast. In addition to current market conditions, there are long-term factors that may impact the demand for refined products. These factors include mandated renewable fuel standards, proposed climate change laws and regulations, and increased mileage standards for vehicles.

In order to assess our operating performance, we compare our net sales, less cost of product sold, or our refining margin, against an industry refining margin benchmark. The industry refining margin is calculated by assuming that two barrels of benchmark light sweet crude oil is converted into one barrel of conventional gasoline and one barrel of distillate. This benchmark is referred to as the 2-1-1 crack spread. Because we calculate the benchmark margin using the market value of NYMEX gasoline and heating oil against the market value of NYMEX WTI, we refer to the benchmark as the NYMEX 2-1-1 crack spread, or simply, the 2-1-1 crack spread. The 2-1-1 crack spread is expressed in dollars per barrel and is a proxy for the per barrel margin that a sweet crude oil refinery would earn assuming it produced and sold the benchmark production of gasoline and distillate.

Although the 2-1-1 crack spread is a benchmark for our refinery margin, because our refinery has certain feedstock costs and logistical advantages as compared to a benchmark refinery and our product yield is less than total refinery throughput, the crack spread does not account for all the factors that affect refinery margin. Our refinery is able to process a blend of crude oil that includes quantities of heavy and medium sour crude oil that has historically cost less than WTI. We measure the cost advantage of our crude oil slate by calculating the spread between the price of our delivered crude oil and the price of WTI. The spread is referred to as our consumed crude oil differential. Our refinery margin can be impacted significantly by the consumed crude oil differential. Our consumed crude oil differential will move directionally with changes in the WTS differential to WTI and the West Canadian Select ("WCS") differential to WTI as both these differentials indicate the relative price of heavier, more sour, slate to WTI. The correlation between our consumed crude oil differential and published differentials will vary depending on the volume of light medium sour crude oil and heavy sour crude oil we purchase as a percent of our total crude oil volume and will correlate more closely with such published differentials the heavier and more sour the crude oil slate. The WTI less WCS differential was $10.47 and $7.19 per barrel for the three months ended March 31, 2010 and 2009, respectively. The WTI less WTS differential was $1.89 and $0.93 per barrel for the three months ended March 31, 2010 and 2009, respectively. The Company's consumed crude oil differential was $(3.02) and $(6.47) per barrel for the three months ended March 31, 2010 and 2009, respectively.

We produce a high volume of high value products, such as gasoline and distillates. We benefit from the fact that our marketing region consumes more refined products than it produces so that the market prices in our region include the logistics cost for U.S. Gulf Coast refineries to ship into our region. The result of this logistical advantage and the fact the actual product specifications used to determine the NYMEX are different from the actual production in our refinery is that prices we realize are different than those used in determining the 2-1-1 crack spread. The difference between our price and the price used to calculate the 2-1-1 crack spread is referred to as gasoline PADD II, Group 3 vs. NYMEX basis, or gasoline basis, and Ultra Low Sulfur Diesel PADD II, Group 3 vs. NYMEX basis, or Ultra Low Sulfur Diesel basis. If both gasoline and Ultra Low Sulfur Diesel basis are greater than zero, this means that prices in our marketing area exceed those used in the 2-1-1 crack spread. Ultra Low Sulfur Diesel basis for the first quarter of 2010 was $(0.36) per barrel compared to $(1.82) per barrel in the first quarter of 2009. Gasoline basis for the first quarter of 2010 was $(2.73) per barrel compared to $(0.64) per barrel in the first quarter of 2009.

Our direct operating expense structure is also important to our profitability. Major direct operating expenses include energy, employee labor, maintenance, contract labor, and environmental compliance. Our predominant variable cost is energy, which is comprised primarily of electrical cost and natural gas. We are therefore sensitive to the movements of natural gas prices.

Consistent, safe, and reliable operations at our refinery are key to our financial performance and results of operations. Unplanned downtime at our refinery may result in lost margin opportunity, increased maintenance expense and a temporary increase in working capital investment and related inventory position. We seek to mitigate the financial impact of planned downtime, such as major turnaround maintenance, through a diligent planning process that takes into account the margin environment, the availability of resources to perform the needed maintenance, feedstock logistics and other factors. The refinery generally undergoes a facility turnaround every four to five years. The length of the turnaround is contingent upon the scope of work to be completed.

Because petroleum feedstocks and products are essentially commodities, we have no control over the changing market. Therefore, the lower target inventory we are able to maintain significantly reduces the impact of commodity price volatility on our petroleum product inventory position relative to other refiners. This target inventory position is generally not hedged. To the extent our inventory position deviates from the target level, we consider risk mitigation activities usually through the purchase or sale of futures contracts on the NYMEX. Our hedging activities carry customary time, location and product grade basis risks generally associated with hedging activities. Because most of our titled inventory is valued under the FIFO costing method, price fluctuations on our target level of titled inventory have a major effect on our financial results unless the market value of our target inventory is increased above cost.

Nitrogen Fertilizer Business

In the nitrogen fertilizer business, earnings and cash flow from operations are primarily affected by the relationship between nitrogen fertilizer product prices and direct operating expenses. Unlike its competitors, the nitrogen fertilizer business uses minimal natural gas as feedstock and, as a result, is not directly impacted in terms of cost, by volatile swings in natural gas prices. Instead, our adjacent refinery supplies most of the pet coke feedstock needed by the nitrogen fertilizer business pursuant to a long-term pet coke supply agreement we entered into in October 2007. The price at which nitrogen fertilizer products are ultimately sold depends on numerous factors, including the global supply and demand for nitrogen fertilizer products which, in turn, depends on the price of natural gas, the cost and availability of fertilizer transportation infrastructure, changes in the world population, weather conditions, grain production levels, the availability of imports, and the extent of government intervention in agriculture markets. Nitrogen fertilizer prices are also affected by other factors, such as local market conditions and the operating levels of competing facilities. An expansion or upgrade of competitors' facilities, international political and economic developments and other factors are likely to continue to play an important role in nitrogen fertilizer industry economics. These factors can impact, among other things, the level of inventories in the market, resulting in price volatility and a reduction in product margins. Moreover, the industry typically experiences seasonal fluctuations in demand for nitrogen fertilizer products.

In addition, the demand for fertilizers is affected by the aggregate crop planting decisions and fertilizer application rate decisions of individual farmers. Individual farmers make planting decisions based largely on the prospective profitability of a harvest, while the specific varieties and amounts of fertilizer they apply depend on factors like crop prices, their current liquidity, soil conditions, weather patterns and the types of crops planted.

Natural gas is the most significant raw material required in our competitors' production of nitrogen fertilizers. North American natural gas prices increased significantly in the summer months of 2008 and moderated from these high levels in the last half of 2008. Over the past several years, natural gas prices have experienced high levels of price volatility. This pricing and volatility has a direct impact on our competitors' cost of producing nitrogen fertilizer.

In order to assess the operating performance of the nitrogen fertilizer business, we calculate plant gate price to determine our operating margin. Plant gate price refers to the unit price of fertilizer, in dollars per ton, offered on a delivered basis, excluding shipment costs.

Because the nitrogen fertilizer plant has certain logistical advantages relative to end users of ammonia and UAN and demand relative to our production has remained high, the nitrogen fertilizer business primarily targets end users in the U.S. farm belt where it incurs lower freight costs as compared to U.S. Gulf Coast competitors. The nitrogen fertilizer business does not incur any barge or pipeline freight charges when it sells in these markets, giving us a distribution cost advantage over U.S. Gulf Coast producers and importers. Selling products to customers within economic rail transportation limits of the nitrogen fertilizer plant and keeping transportation costs low are keys to maintaining profitability.

The value of nitrogen fertilizer products is also an important consideration in understanding our results. During 2009, the nitrogen fertilizer business upgraded approximately 64% of its ammonia production into UAN, a product that presently generates a greater value than ammonia. UAN production is a major contributor to our profitability.

The direct operating expense structure of the nitrogen fertilizer business also directly affects its profitability. Using a pet coke gasification process, the nitrogen fertilizer business has significantly higher fixed costs than natural gas-based fertilizer plants. Major fixed operating expenses include electrical energy, employee labor, maintenance, including contract labor, and outside services. These costs comprise the fixed costs associated with the nitrogen fertilizer plant.

The nitrogen fertilizer business' largest raw material expense is pet coke, which it purchases from the petroleum business and third parties. In 2009, the nitrogen fertilizer business spent $12.8 million for pet coke. If pet coke prices rise substantially in the future, the nitrogen fertilizer business may be unable to increase its prices to recover increased raw material costs, because the price floor for nitrogen fertilizer products is generally correlated with natural gas prices, the primary raw material used by its competitors, and not pet coke prices.

Consistent, safe, and reliable operations at the nitrogen fertilizer plant are critical to its financial performance and results of operations. Unplanned downtime of the nitrogen fertilizer plant may result in lost margin opportunity, increased maintenance expense and a temporary increase in working capital investment and related inventory position. The financial impact of planned downtime, such as major turnaround maintenance, is mitigated through a diligent planning process that takes into account margin environment, the availability of resources to perform the needed maintenance, feedstock logistics and other factors. The nitrogen fertilizer plant generally undergoes a facility turnaround every two years. The turnaround typically lasts 13-15 days each turnaround year and costs approximately $3 million to $5 million per turnaround. The facility underwent a turnaround in the fourth quarter of 2008, and the next facility turnaround is currently scheduled for the fourth quarter of 2010.

Factors Affecting Comparability of Our Financial Results

Our historical results of operations for the periods presented may not be comparable with prior periods or to our results of operations in the future for the reasons discussed below.

Cash Flow Swap

Until October 8, 2009, CRLLC had been a party to the Cash Flow Swap with J. Aron, a subsidiary of The Goldman Sachs Group, Inc. and a related party of ours. On October 8, 2009, the Cash Flow Swap was terminated and all remaining obligations were settled in advance. We have determined that the Cash Flow Swap did not qualify as a hedge for hedge accounting treatment under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 815, *Derivatives and Hedging*. As a result, the Consolidated Statement of Operations reflects all the realized and unrealized gains and losses from this swap which has created significant changes between periods. As a result of the termination of the Cash Flow Swap in the fourth quarter of 2009, there was no impact recorded in the first quarter of 2010 compared to net realized and unrealized losses of $35.8 million related to the Cash Flow Swap for the first quarter of 2009.

Share-Based Compensation

Through a wholly-owned subsidiary, we have two Phantom Unit Appreciation Plans (the "Phantom Unit Plans") whereby directors, employees, and service providers may be awarded phantom points at the discretion of the board of directors or the compensation committee. We account for awards under our Phantom Unit Plans as liability based awards. In accordance with FASB ASC 718, *Compensation — Stock Compensation*, the expense associated with these awards is based on the current fair value of the awards which was derived from a probability-weighted expected return method. The probability-weighted expected return method involves a forward-looking analysis of possible future outcomes, the estimation of ranges of future and present value under each outcome, and the application of a probability factor to each outcome in conjunction with the application of the current value of our common stock price with a Black-Scholes option pricing formula, as remeasured at each reporting date until the awards are settled.

Also, in conjunction with the initial public offering in October 2007, the override units of CALLC were modified and split evenly into override units of CALLC and CALLC II. As a result of the modification, the awards were no longer accounted for as employee awards and became subject to an accounting standard issued by the FASB which provides guidance regarding the accounting treatment by an investor for stock-based compensation granted to employees of an equity method investee. In addition, these awards are subject to an accounting standard issued by the FASB which provides guidance regarding the accounting treatment for equity instruments that are issued to other than employees for acquiring or in conjunction with selling goods or services. In accordance with this accounting guidance, the expense associated with the awards is based on the current fair value of the awards which is derived under the same methodology as the Phantom Unit Plans, as remeasured at each reporting date until the awards vest. For the three months ended March 31, 2010 and 2009, we increased compensation expense by $7.1 million and $3.8 million, respectively, as a result of the phantom and override unit share-based compensation awards. We expect to incur additional incremental share-based compensation expense to the extent our common stock price increases.

Results of Operations

The following tables summarize the financial data and key operating statistics for CVR and our two operating segments for the three months ended March 31, 2010 and 2009. The summary financial data for our two operating segments does not include certain selling, general and administrative expenses and depreciation and amortization related to our corporate offices. The following data should be read in conjunction with our condensed consolidated financial statements and the notes thereto included elsewhere in this Form 10-Q. All information in “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” except for the balance sheet data as of December 31, 2009, is unaudited.

	Three Months Ended March 31, 2010	2009
	(unaudited) (in millions, except share data)	
Consolidated Statement of Operations Data		
Net sales	$ 894.5	$ 609.4
Cost of product sold(1)	802.9	421.6
Direct operating expenses(1)	60.6	56.2
Selling, general and administrative expenses(1)	21.3	19.5
Net costs associated with flood(2)	—	0.2
Depreciation and amortization(3)	21.3	20.9
Operating income (loss)	$ (11.6)	$ 91.0
Other income, net	0.4	0.1
Interest expense and other financing costs	(9.9)	(11.5)
Gain (loss) on derivatives, net	1.5	(36.9)
Loss on extinguishment of debt	(0.5)	—
Income (loss) before income tax expense (benefit)	$ (20.1)	$ 42.7
Income tax expense (benefit)	(7.7)	12.0
Net income (loss)(4)	$ (12.4)	$ 30.7
Basic earnings (loss) per share	$ (0.14)	$ 0.36
Diluted earnings (loss) per share	$ (0.14)	$ 0.36
Weighted-average common shares outstanding:		
Basic	86,329,237	86,243,745
Diluted	86,329,237	86,322,411

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	As of March 31, 2010 (unaudited)	As of December 31, 2009
	(in millions)	
Balance Sheet Data		
Cash and cash equivalents	$ 37.5	$ 36.9
Working capital	219.6	235.4
Total assets	1,613.0	1,614.5
Total debt, including current portion	461.4	491.3
Total CVR stockholders' equity	645.3	653.8

	Three Months Ended March 31,	
	2010	2009
	(unaudited) (in millions)	
Cash Flow Data		
Net cash flow provided by (used in):		
Operating activities	$ 43.4	$ 36.7
Investing activities	(11.4)	(15.9)
Financing activities	(31.4)	(1.3)
Other Financial Data		
Capital expenditures for property, plant and equipment	$ 11.4	$ 15.9
Depreciation and amortization	21.3	20.9

(1) Amounts are shown exclusive of depreciation and amortization.

(2) Represents the approximate net costs associated with the June/July 2007 flood and crude oil spill that are not probable of recovery.

(3) Depreciation and amortization is comprised of the following components as excluded from cost of product sold, direct operating expenses and selling, general administrative expenses:

	Three Months Ended March 31,	
	2010	2009
	(unaudited) (in millions)	
Depreciation and amortization excluded from cost of product sold	$ 0.8	$ 0.7
Depreciation and amortization excluded from direct operating expenses	20.0	19.7
Depreciation and amortization excluded from selling, general and administrative expenses	0.5	0.5
Total depreciation and amortization	$ 21.3	$ 20.9

(4) The following are certain charges and costs incurred in each of the relevant periods that are meaningful to understanding our net income and in evaluating our performance:

	Three Months Ended March 31,	
	2010	2009
	(unaudited) (in millions)	
Loss on extinguishment of debt(a)	$ 0.5	$ —
Letter of credit expense and interest rate swap not included in interest expense(b)	2.3	4.3
Unrealized net (gain) loss from Cash Flow Swap	—	20.1
Share-based compensation expense(c)	7.3	3.9

(a) In January 2010, we made a voluntary unscheduled principal payment of $20.0 million on our tranche D term loans. In addition, we made a second voluntary unscheduled principal payment of $5.0 million in February 2010. In connection with these voluntary prepayments, we paid a 2.0% premium totaling $0.5 million to the lenders of our first priority credit facility. The premiums paid are reflected as a loss on extinguishment of debt in our Consolidated Statements of Operations.

(b) Consists of fees which are expensed to selling, general and administrative expenses in connection with the funded letter of credit facility issued in support of the Cash Flow Swap, terminated effective October 8, 2009, as well as other letters of credit outstanding. We consider these fees to be equivalent to interest expense and the fees are treated as such in the calculation of consolidated adjusted EBITDA in the first priority credit facility.

(c) Represents the impact of share-based compensation awards.

Petroleum Business Results of Operations

The following tables below provide an overview of the petroleum business' results of operations, relevant market indicators and its key operating statistics:

	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009
	(unaudited) (in millions)	
Petroleum Business Financial Results		
Net sales	$ 856.7	$ 545.3
Cost of product sold(1)	799.0	417.6
Direct operating expenses(1)(2)	38.4	34.6
Net costs associated with flood	—	0.2
Depreciation and amortization	16.1	15.9
Gross profit(2)	$ 3.2	$ 77.0
Plus direct operating expenses(1)	38.4	34.6
Plus net costs associated with flood	—	0.2
Plus depreciation and amortization	16.1	15.9
Refining margin(3)	57.7	127.7
Operating income (loss)	$ (7.1)	$ 64.7
Key Operating Statistics (per crude oil throughput barrel)		
Refining margin(3)	$ 6.10	$ 13.36
Gross profit(2)	$ 0.34	$ 8.06
Direct operating expenses(1)(2)	$ 4.06	$ 3.62

	Three Months Ended March 31, 2010	%	2009	%
Refining Throughput and Production Data (bpd)				
Throughput:				
Sweet	84,867	75.0	74,958	62.1
Light/medium sour	7,527	6.6	20,733	17.2
Heavy sour	12,746	11.3	10,478	8.7
Total crude oil throughput	105,140	92.9	106,169	88.0
All other feedstocks and blendstocks	7,980	7.1	14,498	12.0
Total throughput	113,120	100.0	120,667	100.0
Production:				
Gasoline	59,036	51.6	64,327	53.3
Distillate	45,234	39.5	46,184	38.3
Other (excluding internally produced fuel)	10,184	8.9	10,133	8.4
Total refining production (excluding internally produced fuel)	114,454	100.0	120,644	100.0
Product price (dollars per gallon):				
Gasoline	$ 2.04		$ 1.24	
Distillate	$ 2.05		$ 1.32	

	Three Months Ended March 31, 2010	2009
Market Indicators (dollars per barrel)		
West Texas Intermediate (WTI) NYMEX	$ 78.88	$ 43.31
Crude Oil Differentials:		
WTI less WTS (light/medium sour)	1.89	0.93
WTI less WCS (heavy sour)	10.47	7.19
NYMEX Crack Spreads:		
Gasoline	9.72	9.07
Heating Oil	7.24	13.13
NYMEX 2-1-1 Crack Spread	8.48	11.10
PADD II Group 3 Basis:		
Gasoline	(2.73)	(0.64)
Ultra Low Sulfur Diesel	(0.36)	(1.82)
PADD II Group 3 Product Crack:		
Gasoline	6.99	8.43
Ultra Low Sulfur Diesel	6.88	11.31
PADD II Group 3 2-1-1	6.93	9.87

(1) Amounts are shown exclusive of depreciation and amortization.

(2) In order to derive the gross profit per crude oil throughput barrel, we utilize the total dollar figures for gross profit as derived above and divide by the applicable number of crude oil throughput barrels for the period. In order to derive the direct operating expenses per crude oil throughput barrel, we utilize the total

direct operating expenses, which does not include depreciation or amortization expense, and divide by the applicable number of crude oil throughput barrels for the period.

(3) Refining margin is a measurement calculated as the difference between net sales and cost of product sold (exclusive of depreciation and amortization). Refining margin is a non-GAAP measure that we believe is important to investors in evaluating our refinery's performance as a general indication of the amount above our cost of product sold that we are able to sell refined products. Each of the components used in this calculation (net sales and cost of product sold (exclusive of depreciation and amortization)) are taken directly from our Condensed Statement of Operations. Our calculation of refining margin may differ from similar calculations of other companies in our industry, thereby limiting its usefulness as a comparative measure. In order to derive the refining margin per crude oil throughput barrel, we utilize the total dollar figures for refining margin as derived above and divide by the applicable number of crude oil throughput barrels for the period. We believe that refining margin and refining margin per crude oil throughput barrel is important to enable investors to better understand and evaluate our ongoing operating results and allow for greater transparency in the review of our overall financial, operational and economic performance.

Nitrogen Fertilizer Business Results of Operations

The tables below provide an overview of the nitrogen fertilizer business' results of operations, relevant market indicators and key operating statistics:

	Three Months Ended March 31, 2010	2009
	(unaudited) (in millions)	
Nitrogen Fertilizer Business Financial Results		
Net sales	$ 38.3	$ 67.8
Cost of product sold(1)	5.0	8.7
Direct operating expenses(1)	22.2	21.6
Net costs associated with flood	—	—
Depreciation and amortization	4.7	4.6
Operating income	$ 3.0	$ 29.3

	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009
	(unaudited)	
Key Operating Statistics		
Production (thousand tons):		
Ammonia (gross produced)(2)	105.1	108.0
Ammonia (net available for sale)(2)	38.2	38.8
UAN	163.8	169.7
Pet coke consumed (thousand tons)	117.7	125.3
Pet coke (cost per ton)	$ 14	$ 35
Sales (thousand tons)(3):		
Ammonia	31.2	48.0
UAN	155.8	143.0
Total sales	187.0	191.0
Product pricing (plant gate) (dollars per ton)(3):		
Ammonia	$ 282	$ 373
UAN	$ 167	$ 316
On-stream factor(4):		
Gasification	96.0%	100.0%
Ammonia	94.2%	100.0%
UAN	90.6%	96.0%
Reconciliation to net sales (in millions):		
Freight in revenue	$ 3.5	$ 4.1
Hydrogen revenue	—	0.7
Sales net plant gate	34.8	63.0
Total net sales	$ 38.3	$ 67.8

	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009
	(unaudited)	
Market Indicators		
Natural gas NYMEX (dollars per MMBtu)	$ 4.99	$ 4.47
Ammonia — Southern Plains (dollars per ton)	$ 330	$ 337
UAN — Mid Cornbelt (dollars per ton)	$ 245	$ 274

(1) Amounts are shown exclusive of depreciation and amortization.

(2) The gross tons produced for ammonia represent the total ammonia produced, including ammonia produced that was upgraded into UAN. The net tons available for sale represent the ammonia available for sale that was not upgraded into UAN.

(3) Plant gate sales per ton represent net sales less freight and hydrogen revenue divided by product sales volume in tons in the reporting period. Plant gate pricing per ton is shown in order to provide a pricing measure that is comparable across the fertilizer industry.

(4) On-stream factor is the total number of hours operated divided by the total number of hours in the reporting period.

Three Months Ended March 31, 2010 Compared to the Three Months Ended March 31, 2009

Consolidated Results of Operations

Net Sales. Consolidated net sales were $894.5 million for the three months ended March 31, 2010 compared to $609.4 million for the three months ended March 31, 2009. The increase of $285.1 million for the three months ended March 31, 2010 as compared to the three months ended March 31, 2009 was primarily due to an increase in petroleum net sales of $311.4 million that resulted from higher product prices ($309.3 million) and slightly higher sales volumes ($2.1 million). The increase petroleum sales were partially offset by a decrease in nitrogen fertilizer net sales of $29.5 million for the three months ended March 31, 2010 as compared to the three months ended March 31, 2009. The decrease in nitrogen net sales was primarily due to lower plant gate prices ($26.7 million) and lower overall sales volume ($2.8 million).

Cost of Product Sold (Exclusive of Depreciation and Amortization). Consolidated cost of product sold (exclusive of depreciation and amortization) was $802.9 million for the three months ended March 31, 2010 as compared to $421.6 million for the three months ended March 31, 2009. The increase of $381.3 million for the three months ended March 31, 2010 as compared to the three months ended March 31, 2009 primarily resulted from an increase in crude oil prices. On a quarter-over-quarter basis, our consumed crude oil costs increased approximately $367.3 million. Consumed crude oil cost per barrel increased 106.6% on a quarter-over-quarter basis from an average price of $36.75 per barrel for the three months ended March 31, 2009 to an average price of $75.91 per barrel for the three months ended March 31, 2010. Inherent in the overall increase was the impact associated with the decrease in the contango in the crude oil market between the periods of approximately $2.60 per barrel for the first quarter of 2010 compared to the first quarter of 2009.

Direct Operating Expenses (Exclusive of Depreciation and Amortization). Consolidated direct operating expenses (exclusive of depreciation and amortization) were $60.6 million for the three months ended March 31, 2010 as compared to $56.2 million for the three months ended March 31, 2009. This increase of $4.4 million for the three months ended March 31, 2010 as compared to the three months ended March 31, 2009 was due to an increase in petroleum direct operating expenses of $3.8 million and an increase in nitrogen fertilizer direct operating expenses of $0.6 million. The increase was primarily attributable to increased energy and utility costs ($3.3 million) which included approximately $1.1 million of higher natural gas prices and approximately $3.3 million of increases due to increased natural gas usage. These increases to the overall energy and utility costs were partially offset by a decrease of approximately $1.1 million of electricity costs for the nitrogen fertilizer business. This increased natural gas usage for our petroleum business occurred in order to attain an overall increased light product yield. The increased natural gas usage offset our increase of recovery in liquid barrels from our internally produced fuel system. Additionally, other increases to the overall costs included increased downtime repairs and maintenance expense ($2.1 million) which included $1.1 million of opportunistic repairs and maintenance in the first quarter of 2010 and labor ($1.1 million) and other direct operating expenses ($0.5 million). These direct operating expense increases were partially offset by decreases in expenses associated with production chemicals ($1.6 million) and outside services and other direct operating expense ($0.9 million).

Selling, General and Administrative Expenses (Exclusive of Depreciation and Amortization). Consolidated selling, general and administrative expenses (exclusive of depreciation and amortization) were $21.3 million for the three months ended March 31, 2010 as compared to $19.5 million for the three months ended March 31, 2009. This variance was primarily the result of an increase in expenses associated with share-based compensation ($3.4 million), other selling, general and administrative expenses ($0.3 million), asset write-off ($0.3 million), outside services ($0.3 million), other employee costs ($0.2 million) and office costs ($0.1 million) which was partially offset by a decrease in bank charges ($2.1 million), payroll ($0.4 million), insurance ($0.2 million) and property taxes ($0.1 million).

Depreciation and Amortization. Consolidated depreciation and amortization was $21.3 million for the three months ended March 31, 2010 as compared to $20.9 million for the three months ended March 31, 2009. The increase in depreciation and amortization for the three months ended March 31, 2010 as compared to the three months ended March 31, 2009 was the result of additional capital projects completed throughout 2009.

Operating Income (loss). Consolidated operating loss was $11.6 million for the three months ended March 31, 2010 as compared to an operating income of $91.0 million for the three months ended March 31, 2009. For the three months ended March 31, 2010 as compared to the three months ended March 31, 2009, petroleum operating income decreased $71.8 million and nitrogen fertilizer operating income decreased by $26.3 million. The decline in operating income is primarily attributable to declines in the 2-1-1 crack spread for our petroleum business coupled with lower average plant gate prices for our nitrogen fertilizer business.

Interest Expense. Consolidated interest expense for the three months ended March 31, 2010 was $9.9 million as compared to interest expense of $11.5 million for the three months ended March 31, 2009. This $1.6 million decrease for the three months ended March 31, 2010 as compared to the three months ended March 31, 2009 primarily resulted from a decrease in average borrowings outstanding due to scheduled principal payments and voluntary unscheduled principal payments of $25.0 million in the first quarter of 2010.

Gain (loss) on Derivatives, net. For the three months ended March 31, 2010, we recorded $1.5 million in gain on derivatives, net. This compares to a $36.9 million loss on derivatives, net for the three months ended March 31, 2009. The gain on derivatives, net for the three months ended March 31, 2010 as compared to the loss on derivatives, net for the three months ended March 31, 2009 was primarily attributable to the termination of the Cash Flow Swap in the fourth quarter of 2009. The Cash Flow Swap for the three months ended March 31, 2009 contributed realized and unrealized losses of approximately $35.8 million compared $0 for the three months ended March 31, 2010.

Income tax expense (benefit). Income tax benefit for the three months ended March 31, 2010 was $7.7 million, or 38.4% of income (loss) before income tax expense (benefit), as compared to income tax expense of $12.0 million, or 28.1% of income before income tax expense (benefit), for the three months ended March 31, 2009. This increase in the effective income tax rate is primarily related to projected levels of pre-tax income for 2010 in correlation with no generation of Ultra Low Sulfur Diesel credits in 2010.

Net Income (loss). For the three months ended March 31, 2010, net income decreased to a net loss of $12.4 million as compared to net income of $30.7 million for the three months ended March 31, 2009. The decrease of $43.1 million for the first quarter of 2010 compared to the first quarter of 2009 was primarily due to a decline in refining margins partially offset by a decrease in the loss on derivatives, net in the first quarter of 2009 compared to a gain on derivatives, net for the first quarter of 2010.

Petroleum Business Results of Operations for the Three Months Ended March 31, 2010

Net Sales. Petroleum net sales were $856.7 million for the three months ended March 31, 2010 compared to $545.3 million for the three months ended March 31, 2009. The increase of $311.4 million during the three months ended March 31, 2010 as compared to the three months ended March 31, 2009 was primarily the result of significantly higher product prices ($309.3 million) and slightly higher overall sales volumes ($2.1 million). Our average sales price per gallon for the three months ended March 31, 2010 for gasoline of $2.04 and distillate of $2.05 increased by 64.5% and 54.8%, respectively, as compared to the three months ended March 31, 2009.

Cost of Product Sold (Exclusive of Depreciation and Amortization). Cost of product sold (exclusive of depreciation and amortization) includes cost of crude oil, other feedstocks and blendstocks, purchased products for resale, transportation and distribution costs. Petroleum cost of product sold exclusive of depreciation and amortization was $799.0 million for the three months ended March 31, 2010 compared to $417.6 million for the three months ended March 31, 2009. The increase of $381.4 million during the three months ended March 31, 2010 as compared to the three months ended March 31, 2009 was primarily the result of a significant increase in crude oil prices. The impact of FIFO accounting also impacted cost of product sold during the comparable periods. Our average cost per barrel of crude oil consumed for the three months ended March 31, 2010 was $75.91 compared to $36.75 for the comparable period of 2009, an increase of 106.6%. Sales volume of refined fuels increased by approximately 0.4% for the three months ended March 31, 2010 as compared to the three months ended March 31, 2009. In addition, under our FIFO accounting method, changes in crude oil prices can cause fluctuations in the inventory valuation of our crude oil, work in process and finished goods, thereby resulting in a favorable FIFO inventory impact when crude oil prices increase and an unfavorable FIFO inventory impact when crude oil prices decrease. For the three months ended March 31, 2010, we had a favorable FIFO inventory impact of $15.7 million compared to an unfavorable FIFO inventory impact of $6.0 million for the comparable period of 2009.

Refining margin per barrel of crude throughput decreased from $13.36 for the three months ended March 31, 2009 to $6.10 for the three months ended March 31, 2010. Gross profit per barrel decreased to $0.34 in the first quarter of 2010 as compared to gross profit per barrel of $8.06 in the equivalent period in 2009. Several factors contributed to the negative variance in refining margin per barrel of crude throughput. One contributing factor was the decrease in our consumed crude oil differential over the comparable periods. Our consumed crude oil differential for the three months ended March 31, 2010 was $(3.02) per barrel as compared to $(6.47) per barrel for the three months ended March 31, 2009. This was the result of our processing a sweeter crude slate in the three months ended March 31, 2010 (approximately 81% sweet crude) as compared to the three months ended March 31, 2009 (approximately 71% sweet crude). Additionally, the contango in the market during the periods was approximately on average $2.60 per barrel less than the comparative period in 2009. This factored into the overall decrease in the refining margin. Another factor contributing to the decline of our refining margin per barrel was a decline in the average NYMEX 2-1-1 crack spread over the comparable periods. The average NYMEX 2-1-1 crack spread for the three months ended March 31, 2010 was $8.48 per barrel or a 23.6% decline from the three months ended March 31, 2009. The negative regional differences between gasoline prices in our primary marketing region (the Coffeyville supply area) and that of the NYMEX also negatively impacted refining margin per barrel over the comparable periods. The average gasoline basis for the three months ended March 31, 2010 decreased by $2.09 per barrel to $(2.73) per barrel compared to $(0.64) per barrel in the comparable period of 2009. The average distillate basis increased by $1.46 per barrel to $(0.36) per barrel compared to $(1.82) per barrel in the comparable period of 2009. The decrease in the crack spread and the average basis differential was the result of increased supply and decreased demand of refined fuels for the majority of the first quarter of 2010 compared to the first quarter of 2009.

Direct Operating Expenses (Exclusive of Depreciation and Amortization). Direct operating expenses for our petroleum operations include costs associated with the actual operations of our refinery, such as energy and utility costs, catalyst and chemical costs, repairs and maintenance, labor and environmental compliance costs. Petroleum direct operating expenses (exclusive of depreciation and amortization) were $38.4 million for the three months ended March 31, 2010 compared to direct operating expenses of $34.6 million for the three months ended March 31, 2009. The increase of $3.8 million for the three months ended March 31, 2010 compared to the three months ended March 31, 2009, was the result of increases in expenses primarily associated with utilities and energy ($4.1 million), opportunistic repairs and maintenance ($1.1 million), downtime repairs and maintenance ($0.2) and labor ($0.9 million). The increases associated with utilities and energy were primarily generated from increased natural gas usage ($3.3 million) derived as a result of our increased recovery of saleable liquid barrels from our internally produced fuel system. The natural gas increases were the result of an overall improvement in the light product yield structure. The remaining increase in the energy costs resulted from price increases. Increases in direct operating expenses were partially offset by decreases in expenses primarily associated with chemicals ($1.5 million) and outside services and other direct operating expenses ($1.0 million). On a per barrel of crude throughput basis, direct operating expenses per barrel of crude oil throughput for the three months ended March 31, 2010 increased to $4.06 per barrel as compared to $3.62 per barrel for the three months ended March 31, 2009.

Depreciation and Amortization. Petroleum depreciation and amortization was $16.1 million for the three months ended March 31, 2010 as compared to $15.9 million for the three months ended March 31, 2009.

Operating Income (loss). Petroleum operating loss was $(7.1) million for the three months ended March 31, 2010 as compared to operating income of $64.7 million for the three months ended March 31, 2009. This decrease of $71.8 million from the three months ended March 31, 2010 as compared to the three months ended March 31, 2009 was primarily the result of a decline in the refining margin ($70.0 million), an increase in direct operating expenses ($3.8 million) and an increase in depreciation and amortization ($0.2 million). The decrease in refining margin and increases in direct operating expenses and depreciation and amortization were partially offset by a decrease in selling, general and administrative expenses ($2.0 million).

Nitrogen Fertilizer Business Results of Operations for the Three Months Ended March 31, 2010

Net Sales. Nitrogen fertilizer net sales were $38.3 million for the three months ended March 31, 2010 compared to $67.8 million for the three months ended March 31, 2009. The decrease of $29.5 million for the three months ended March 31, 2010 as compared to the three months ended March 31, 2009 was the result of both lower average plant gate prices ($26.7 million) and lower product sales volume ($2.8 million).

In regard to product sales volumes for the three months ended March 31, 2010, our nitrogen fertilizer operations experienced a decrease of 35% in ammonia sales unit volumes and an increase of 9% in UAN sales unit volumes. The decrease in ammonia sales for the first quarter of 2010 compared to the first quarter of 2009 was primarily attributable to wet weather conditions in March 2010. The increase in UAN sales volume in the first quarter of 2010 compared to the first quarter of 2009 was primarily attributable to high priced UAN inventory held by distributors and dealers in the first quarter of 2009. Much of this inventory was purchased when prices reached record levels in 2008. As market prices declined, distributors and dealers continued to try to sell this higher priced carryover inventory which led to lower UAN sales volume in first quarter of 2009. On-stream factors (total number of hours operated divided by total hours in the reporting period) for the gasification, ammonia and UAN units decreased over the comparable periods with the units reporting 96.0%, 94.2% and 90.6%, respectively, on-stream for the three months ended March 31, 2010. Although the on-stream factors for the three months ending March 31, 2010 continue to demonstrate reliability, it is typical to experience brief outages in complex manufacturing operations such as our nitrogen fertilizer plant which result in less than one hundred percent on-stream availability for one or more specific units.

Plant gate prices are prices FOB the delivery point less any freight cost we absorb to deliver the product. We believe plant gate price is meaningful because we sell products both FOB our plant gate (sold plant) and FOB the customer's designated delivery site (sold delivered) and the percentage of sold plant versus sold delivered can change month to month or three months to three months. The plant gate price provides a measure that is consistently comparable period to period. Plant gate prices for the three months ended March 31, 2010 for ammonia were lower than the comparable period of 2009 by 24%. Plant gate prices for the three months ended March 31, 2010 for UAN were lower than plant gate prices for the comparable period of 2009 by 47%. The decline in ammonia and UAN prices on a quarter-over-quarter basis was primarily attributable to the fact that 2009 market prices for these commodities were still decreasing from unprecedented highs in 2008. High priced orders booked in 2008 were continuing to be shipped in the first quarter of 2009.

The demand for nitrogen fertilizer is affected by the aggregate crop planting decisions and nitrogen fertilizer application rate decisions of individual farmers. Individual farmers make planting decisions based largely on the prospective profitability of a harvest, while the specific varieties and amounts of nitrogen fertilizer they apply depend on factors like crop prices, their current liquidity, soil conditions, weather patterns and the types of crops planted.

Cost of Product Sold (Exclusive of Depreciation and Amortization). Cost of product sold (exclusive of depreciation and amortization) is primarily comprised of pet coke expense and freight and distribution expenses. Cost of product sold (excluding depreciation and amortization) for the three months ended March 31, 2010 was $5.0 million compared to $8.7 million for the three months ended March 31, 2009. The decrease of $3.7 million for the three months ended March 31, 2010 as compared to the three months ended March 31, 2009 was primarily the result of an decrease in expenses associated with petroleum coke ($2.8 million), freight expense ($0.3 million) and inventory ($1.2 million), partially offset by an increase in expenses associated with the costs of hydrogen ($0.6 million).

Direct Operating Expenses (Exclusive of Depreciation and Amortization). Direct operating expenses for our nitrogen fertilizer operations include costs associated with the actual operations of our nitrogen plant, such as repairs and maintenance, energy and utility costs, catalyst and chemical costs, outside services, labor and environmental compliance costs. Nitrogen fertilizer direct operating expenses (exclusive of depreciation and amortization) for the three months ended March 31, 2010 were $22.2 million as compared to $21.6 million for the three months ended March 31, 2009. The increase of $0.6 million for the three months ended March 31, 2010 as compared to the three months ended March 31, 2009 was primarily the result of increases in expenses associated with downtime repairs and maintenance ($0.7 million), outside services and other direct operating expenses ($0.4 million), refractory brick amortization ($0.3 million), labor ($0.2 million) and property taxes ($0.1 million). These increases in direct operating expenses were partially offset by decreases in expenses associated with utilities ($0.8 million), insurance ($0.2 million) and production chemicals ($0.1 million).

Depreciation and Amortization. Nitrogen fertilizer depreciation and amortization increased to $4.7 million for the three months ended March 31, 2010 as compared to $4.6 million for the three months ended March 31, 2009.

Operating Income. Nitrogen fertilizer operating income was $3.0 million for the three months ended March 31, 2010 as compared to operating income of $29.3 million for the three months ended March 31, 2009. This decrease of $26.3 million for the three months ended March 31, 2010 as compared to the three months ended March 31, 2009 was primarily the result of a decline in the nitrogen fertilizer margin ($25.8 million), increases in direct operating costs ($0.6 million) and depreciation and amortization ($0.1 million) and slightly offset by a decline of selling, general and administrative expense ($0.1 million).

Liquidity and Capital Resources

Our primary sources of liquidity currently consist of cash generated from our operating activities, existing cash and cash equivalent balances and our existing revolving credit facility. Our ability to generate sufficient cash flows from our operating activities will continue to be primarily dependent on producing or purchasing, and selling, sufficient quantities of refined products and nitrogen fertilizer products at margins sufficient to cover fixed and variable expenses.

We believe that our cash flows from operations and existing cash and cash equivalent balances, together with borrowings under our existing revolving credit facility as necessary, will be sufficient to satisfy the anticipated cash requirements associated with our existing operations for at least the next 12 months. However, our future capital expenditures and other cash requirements could be higher than we currently expect as a result of various factors. Additionally, our ability to generate sufficient cash from our operating activities depends on our future performance, which is subject to general economic, political, financial, competitive, and other factors beyond our control.

Cash Balance and Other Liquidity

As of March 31, 2010, we had cash and cash equivalents of $37.5 million. As of March 31, 2010 and May 4, 2010, we had no amounts outstanding under our revolving credit facility and aggregate availability of $114.2 million and $119.2 million, respectively, under our revolving credit facility. At May 4, 2010, we had cash and cash equivalents of $16.6 million.

Working capital at March 31, 2010 was $219.6 million, consisting of $434.8 million in current assets and $215.2 million in current liabilities. Working capital at December 31, 2009 was $235.4 million, consisting of $426.0 million in current assets and $190.6 million in current liabilities.

Senior Notes

On April 6, 2010, CRLLC and its newly formed wholly-owned subsidiary, Coffeyville Finance Inc. (together the “Issuers”), completed a private offering of $275.0 million aggregate principal amount of 9.0% First Lien Senior Secured Notes due 2015 (the “First Lien Notes”) and $225.0 million aggregate principal amount of 10.875% Second Lien Senior Secured Notes due 2017 (the “Second Lien Notes” and together with the First Lien Notes, the “Notes”). The First Lien Notes were issued at 99.511% of their principal amount and the Second Lien Notes were issued at 98.811% of their principal amount.

CRLLC received total net proceeds from the offering of approximately $485.7 million, net of underwriter fees of $10.0 million and original issue discount of approximately $4.0 million, but before deducting other third-party fees and expenses associated with the offering. CRLLC applied the net proceeds to prepay all of the outstanding balance of its tranche D term loan under its first priority credit facility in an amount equal to $453.3 million and to pay related fees and expenses. In accordance with the terms of its first priority credit facility, CRLLC paid a 2.0% premium totaling approximately $9.1 million to the lenders of the term debt upon the prepayment of the outstanding balance. This amount will be recorded as a loss on extinguishment of debt during the second quarter of 2010. Additionally, due to the prepayment and termination of the term debt, a write-off of previously deferred financing charges of approximately $5.4 million will be recorded during the second quarter of 2010. The discount and related debt issuance costs of the Notes are being amortized over the term of the applicable Notes.

The First Lien Notes were issued pursuant to an indenture (the "First Lien Notes Indenture"), dated April 6, 2010, among the Issuers, the guarantors party thereto and Wells Fargo Bank, National Association, as trustee (the "First Lien Notes Trustee"). The Second Lien Notes were issued pursuant to an indenture (the "Second Lien Notes Indenture" and together with the First Lien Notes Indenture, the "Indentures"), dated April 6, 2010, among the Issuers, the guarantors party thereto and Wells Fargo Bank, National Association, as trustee (the "Second Lien Notes Trustee" and in reference to the Indentures, the "Trustee"). The Notes are fully and unconditionally guaranteed by each of the Company's subsidiaries that also guarantee the first priority credit facility (the "Guarantors" and, together with the Issuers, the "Credit Parties").

The First Lien Notes bear interest at a rate of 9.0% per annum and mature on April 1, 2015, unless earlier redeemed or repurchased by the Issuers. The Second Lien Notes bear interest at a rate of 10.875% per annum and mature on April 1, 2017, unless earlier redeemed or repurchased by the Issuers. Interest is payable on the Notes semi-annually on April 1 and October 1 of each year, beginning on October 1, 2010, to holders of record at the close of business on March 15 and September 15, as the case may be, immediately preceding each such interest payment date.

The Issuers have the right to redeem the First Lien Notes at the redemption prices set forth below:

- On or after April 1, 2012, some or all of the First Lien Notes may be redeemed at a redemption price of 106.750% of the principal amount thereof if redeemed during the twelve-moth period beginning on April 1, 2012, 104.500% of the principal amount thereof if redeemed during the twelve-month period beginning on April 1, 2013, and 100% of the principal amount if redeemed on or after April 1, 2014, plus any accrued and unpaid interest;
- Prior to April 1, 2012, up to 35% of the First Lien Notes issued under the First Lien Notes Indenture may be redeemed with the proceeds from certain equity offerings at a redemption price of 109.000% of the principal amount thereof, plus any accrued and unpaid interest;
- Prior to April 1, 2012, some or all of the First Lien Notes may be redeemed at a price equal to 100% of the principal amount thereof plus a make-whole premium; and
- Prior to April 1, 2012, but not more than once in any twelve-month period, up to 10% of the First Lien Notes issued under the First Lien Notes Indenture may be redeemed at a price equal to 103.000% of the principal amount thereof plus accrued and unpaid interest to the date of redemption.

The Issuers have the right to redeem the Second Lien Notes at the redemption prices set forth below:

- On or after April 1, 2013, some or all of the Second Lien Notes may be redeemed at a redemption price of 108.156% of the principal amount thereof if redeemed during the twelve-moth period beginning on April 1, 2013, 105.438% of the principal amount thereof if redeemed during the twelve-month period beginning on April 1, 2014, 102.719% of the principal amount thereof if redeemed during the twelve-month period beginning on April 1, 2015, and 100% of the principal amount if redeemed on or after April 1, 2016, plus any accrued and unpaid interest;
- Prior to April 1, 2013, up to 35% of the Second Lien Notes issued under the Second Lien Notes Indenture may be redeemed with the proceeds from certain equity offerings at a redemption price of 110.875% of the principal amount thereof, plus any accrued and unpaid interest; and

- Prior to April 1, 2013, some or all of the Second Lien Notes may be redeemed at a price equal to 100% of the principal amount thereof plus a make-whole premium.

In the event of a “change of control” as defined in the Indentures, the Issuers are required to offer to buy back all of the Notes at 101% of their principal amount. A change of control is defined as (1) the sale or transfer (other than by a merger) of “all or substantially all of the assets of the Company” to any person other than permitted holders, which are generally GS, Kelso and certain members of management, (2) liquidation or dissolution of CRLLC, (3) any person, other than a permitted holder, acquiring 50% of the voting stock of CRLLC or (4) the first day when a majority of the directors of CRLLC or CVR Energy are not existing directors or approved by the then-existing directors.

The definition of “change of control” specifically excludes a transaction where CVR Energy becomes a subsidiary of another company, so long as (1) CVR Energy’s shareholders own a majority of the surviving parent or (2) no one person owns a majority of the common stock of the surviving parent following the merger.

The Indentures also allow the company to sell, spin-off or complete an initial public offering if the Partnership, as long as the Company buys back a percentage of the Notes as described in the Indentures.

The Indentures impose covenants that restrict the ability of the Credit Parties to (i) issue debt, (ii) incur or otherwise cause liens to exist on any of their property or assets, (iii) declare or pay dividends, repurchase equity, or make payments on subordinated or unsecured debt, (iv) make certain investments, (v) sell certain assets, (vi) merge, consolidate with or into another entity, or sell all or substantially all of their assets, and (vii) enter into certain transactions with affiliates. Most of the foregoing covenants would cease to apply at such time the Notes are rated investment grade by both S&P and Moody’s; provided, such covenants would be reinstituted at such time the Notes lost their investment grade rating. In addition, the Indentures contain customary events of default, the occurrence of which would result in, or permit the Trustee or holders of at least 25% of the First Lien Notes or Second Lien Notes to cause the, acceleration of the applicable Notes, in addition to the pursuit of other available remedies.

The obligations of the Credit Parties under the Notes and the guarantees are secured by liens on substantially all of the Credit Parties’ assets. The liens granted in connection with the First Lien Notes are first-priority liens and rank pari passu with the liens granted to the lenders under the first priority credit facility and certain hedge counterparties, including J. Aron. The liens granted in connection with the Second Lien Notes are second-priority liens and rank junior to the aforementioned first-priority liens.

First Priority Credit Facility

As of March 31, 2010 the first priority credit facility consisted of tranche D term loans with an outstanding balance of $453.3 million at March 31, 2010 and a $150.0 million revolving credit facility. The tranche D term loans were repaid in full on April 6, 2010 as a result of proceeds received through the issuance of the Notes.

The revolving credit facility of $150.0 million provides for direct cash borrowings for general corporate purposes and on a short-term basis. Letters of credit issued under the revolving credit facility are subject to a $100.0 million sub-limit. Outstanding letters of credit reduce the amount available under our revolving credit facility. As of March 31, 2010, we had $35.8 million of outstanding letters of credit consisting of: $0.2 million in letters of credit in support of certain environmental obligations, $30.6 million in letters of credit to secure transportation services for crude oil ($27.4 million of which relates to TransCanada Keystone Pipeline, LP (“TransCanada”) petroleum transportation service agreements, the validity of which we are contesting) and a $5.0 million standby letter of credit issued in connection with the Interest Rate Swap. On April 27, 2010, the $5.0 million standby letter of credit issued in support of the Interest Rate Swap was terminated. The revolving loan commitment expires on December 28, 2012. As of March 31, 2010, we had available $114.2 million under the revolving credit facility.

On March 12, 2010, CRLLC entered into a fourth amendment to its first priority credit facility. The amendment, among other things, provided CRLLC the opportunity to issue junior lien debt, subject to certain conditions, including, but not limited to, a requirement that 100% of the proceeds are used to prepay the tranche D term loans. The amendment also provided CRLLC the ability to issue up to $350.0 million of first lien debt, subject to certain conditions, including, but not limited to, a requirement that 100% of the proceeds be used to prepay all of the remaining tranche D term loans.

The amendment also provides financial flexibility to CRLLC through modifications to its financial covenants over the next four quarters and as a result of the Notes issuance on April 6, 2010 the total leverage ratio became a first-lien only test and the interest coverage ratio was further modified. Additionally, the amendment permits CRLLC to re-invest up to $15.0 million of asset sale proceeds each year, so long as such proceeds are re-invested within twelve months of receipt (eighteen months if a binding agreement is entered into within twelve months). CRLLC paid an upfront fee in an amount equal to 0.75% of the aggregate of the approving lenders' loans and commitments outstanding as of March 11, 2010. Additionally, CRLLC paid a fee of $0.9 million in the first quarter of 2010 to a subsidiary of GS in connection with their services as lead bookrunner related to the amendment.

The first priority credit facility contains customary covenants, which, among other things, restrict, subject to certain exceptions, the ability of CRLLC and its subsidiaries to incur additional indebtedness, create liens on assets, make restricted junior payments, enter into agreements that restrict subsidiary distributions, make investments, loans or advances, engage in mergers, acquisitions or sales of assets, dispose of subsidiary interests, enter into sale and leaseback transactions, engage in certain transactions with affiliates and stockholders, change the business conducted by the credit parties, and enter into hedging agreements. The first priority credit facility provides that CRLLC may not enter into commodity agreements if, after giving effect thereto, the exposure under all such commodity agreements exceeds 75% of Actual Production (the estimated future production of refined products based on the actual production for the three prior months) or for a term of longer than six years from December 28, 2006. In addition, CRLLC may not enter into material amendments related to any material rights under the Partnership's partnership agreement without the prior written approval of the requisite lenders. These limitations are subject to critical exceptions and exclusions and are not designed to protect investors in our common stock.

The first priority credit facility also requires CRLLC to maintain certain financial ratios as follows:

Fiscal Quarter Ending	Minimum Interest Coverage Ratio(1)	Maximum Leverage Ratio(1)
March 31, 2010	2.00:1.00	4.25:1.00
June 30, 2010	1.50:1.00	4.50:1.00
September 30, 2010	1.50:1.00	4.50:1.00
December 31, 2010	2.00:1.00	4.75:1.00
March 31, 2011 and thereafter	2.00:1.00	2.75:1.00

(1) The minimum interest coverage ratio and maximum leverage ratio presented above represents the adjusted ratios in effect as a result of the issuance of the Notes on April 6, 2010.

The computation of these ratios is governed by the specific terms of the first priority credit facility and may not be comparable to other similarly titled measures computed for other purposes or by other companies. The minimum interest coverage ratio is the ratio of consolidated adjusted EBITDA to consolidated cash interest expense over a four quarter period. The maximum leverage ratio is the ratio of consolidated total debt to consolidated adjusted EBITDA over a four quarter period. The computation of these ratios requires a calculation of consolidated adjusted EBITDA. In general, under the terms of our first priority credit facility, consolidated adjusted EBITDA is calculated by adding CRLLC consolidated net income (loss), consolidated interest expense, income taxes, depreciation and amortization, other non-cash expenses, any fees and expenses related to permitted acquisitions, any non-recurring expenses incurred in connection with the issuance of debt or equity, management fees, any unusual or non-recurring charges up to 7.5% of CRLLC consolidated adjusted EBITDA, any net after-tax loss from disposed or discontinued operations, any incremental property taxes related to abatement non-renewal, any losses attributable to minority equity interests, major scheduled turnaround expenses and for purposes of computing the financial ratios (and compliance therewith), the FIFO adjustment, and then subtracting certain items that increase consolidated net income (loss). As of March 31, 2010, we were in compliance with our covenants under the first priority credit facility.

We present CRLLC consolidated adjusted EBITDA because it is a material component of material covenants within our first priority credit facility and significantly impacts our liquidity and ability to borrow under our revolving line of credit. However, CRLLC consolidated adjusted EBITDA is not a defined term under GAAP and should not be considered as an alternative to operating income or net income as a measure of operating results or as an alternative to cash flows as a measure of liquidity. CRLLC consolidated adjusted EBITDA is calculated under the first priority credit facility as follows which reconciles CVR consolidated net income (loss) to CRLLC consolidated net income (loss) for the years presented below:

	For the Twelve Months Ended March 31, 2010	For the Twelve Months Ended March 31, 2009
	(unaudited) (in millions)	
Consolidated Financial Results		
CVR net income	$ 26.3	$ 172.4
Plus:		
Selling, general and administration at CVR	14.0	7.1
Income tax expense	9.5	69.0
Non-cash compensation expense for equity awards	3.0	(6.0)
Unusual or nonrecurring charges	—	2.2
Interest income	—	(0.1)
CRLLC consolidated net income	52.8	244.6
Plus:		
Depreciation and amortization	85.2	83.5
Interest expense	42.7	40.5
Loss on extinguishment of debt	2.6	10.0
Letters of credit expenses and interest rate swap not included in interest expense	11.4	10.8
Major scheduled turnaround expense	—	3.3
Unrealized (gain) or loss on derivatives, net	16.2	(248.4)
Non-cash compensation expense for equity awards	4.0	(9.4)
(Gain) or loss on disposition of fixed assets	0.3	5.8
Unusual or nonrecurring charges	3.4	5.1
Property tax — increases due to expiration of abatement	11.0	12.1
FIFO impact (favorable) unfavorable	(83.3)	102.5
Goodwill impairment	—	42.8
CRLLC consolidated adjusted EBITDA	$ 146.3	$ 303.2

Capital Spending

Our total capital expenditures for the three months ended March 31, 2010 totaled $11.4 million, of which approximately $9.1 million was spent for the petroleum business, $1.2 million for the nitrogen fertilizer business and $1.1 million for corporate purposes. We divide our capital spending needs into two categories: non-discretionary and discretionary. Non-discretionary capital spending is required to maintain safe and reliable operations or to comply with environmental, health and safety regulations. We undertake discretionary capital spending based on the expected return on incremental capital employed. Discretionary capital projects generally involve an expansion of existing capacity, improvement in product yields, and/or a reduction in direct operating expenses.

Compliance with the Tier II Motor Vehicle Emission Standards Final Rule required us to spend approximately $6.8 million for the three months ended March 31, 2010 and we estimate that compliance will require us to spend approximately $22.0 million in 2010.

Our planned capital expenditures for 2010 are subject to change due to unanticipated increases in the cost, scope and completion time for our capital projects. For example, we may experience increases in labor and/or equipment costs necessary to comply with government regulations or to complete projects that sustain or improve the profitability of our refinery or nitrogen fertilizer plant. Capital spending for the nitrogen fertilizer business has been and will be determined by the managing general partner of the Partnership.

Cash Flows

The following table sets forth our cash flows for the periods indicated below (in millions):

	Three Months Ended March 31,	
	2010	2009
	(unaudited)	
Net cash provided by (used in):		
Operating activities	$ 43.4	$ 36.7
Investing activities	(11.4)	(15.9)
Financing activities	(31.4)	(1.3)
Net increase in cash and cash equivalents	$ 0.6	$ 19.5

Cash Flows Provided by Operating Activities

Net cash flows provided by operating activities for the three months ended March 31, 2010 was $43.4 million. The positive cash flow from operating activities generated over this period was primarily driven by favorable changes in trade working capital and other working capital which were partially offset by a net loss for the quarter. For purposes of this cash flow discussion, we define trade working capital as accounts receivable, inventory and accounts payable. Other working capital is defined as all other current assets and liabilities except trade working capital. Trade working capital for the three months ended March 31, 2010 resulted in a cash inflow of $14.0 million, primarily attributable to a decrease in inventory of $19.2 million, an increase in accounts payable of $9.4 million coupled with the accrual of construction in progress of $1.5 million. This activity was partially offset by an increase in accounts receivable of $16.1 million. In addition, our deferred revenue increased by $19.8 million as a result of the receipt of nitrogen fertilizer payments.

Net cash flows from operating activities for the three months ended March 31, 2009 was $36.7 million. The positive cash flow from operating activities generated over this period was primarily driven by $30.7 million of net income, favorable changes in other working capital, partially offset by unfavorable changes in trade working capital and other assets and liabilities over the period. Net income for the period was not indicative of the operating margins for the period. This is the result of the accounting treatment of our derivatives in general and, more specifically, the Cash Flow Swap. The net income for the three months ended March 31, 2009 included both the realized losses and the unrealized losses on the Cash Flow Swap. Since the Cash Flow Swap had a significant term remaining as of March 31, 2009 (approximately one year and three months) and the NYMEX crack spread that is the basis for the underlying swaps had increased, the unrealized losses on the Cash Flow Swap decreased our net income over this period. Other sources of cash in other working capital included $34.6 million of restricted cash related to insurance proceeds, $24.8 million of accrued income taxes, $11.8 million of additional insurance proceeds partially offset by a $29.2 million use of cash related to the payable on the Cash Flow Swap. Trade working capital for the three months ended March 31, 2009 resulted in a use of cash of $82.5 million. For the three months ended March 31, 2009, accounts receivable increased $32.3 million, inventory increased by $24.7 million and accounts payable decreased by $29.1 million.

Cash Flows Used in Investing Activities

Net cash used in investing activities for the three months ended March 31, 2010 was $11.4 million compared to $15.9 million for the three months ended March 31, 2009. The decrease in investing activities for the three months ended March 31, 2010 as compared to the three months ended March 31, 2009 was the result of decreased capital expenditures primarily related to the nitrogen fertilizer business. For the three months ended March 31, 2010 capital expenditure for the nitrogen fertilizer business totaled approximately $1.2 million compared to $7.4 million for the three months ended March 31, 2009. This decrease was partially offset by an increase in petroleum capital expenditures that totaled approximately $9.1 million for the three months ended March 31, 2010 compared to $7.4 million for the three months ended March 31, 2009.

Cash Flows Used in Financing Activities

Net cash used for financing activities for the three months ended March 31, 2010 was $31.4 million as compared to net cash used in financing activities of $1.3 million for the three months ended March 31, 2009. During the three months ended March 31, 2010, we paid $1.2 million of scheduled principal payments on our long-term debt and made additional voluntary unscheduled principal payments totaling $25.0 million. In addition, we incurred approximately $4.9 million and $0.3 million of financing costs associated with the fourth amendment to our first priority credit facility completed in March 2010 and our Notes offering, respectively. Additional financing costs associated with the Notes offering will be reflected in our second quarter consolidated financial statements. During the three months ended March 31, 2009, we paid $1.2 million of scheduled principal payments on our long-term debt.

Capital and Commercial Commitments

In addition to long-term debt, we are required to make payments relating to various types of obligations. The following table summarizes our minimum payments as of March 31, 2010 relating to long-term debt, operating leases, capital lease obligation, unconditional purchase obligations and other specified capital and commercial commitments for the period following March 31, 2010 and thereafter.

	Payments Due by Period						
	Total	2010	2011	2012	2013	2014	Thereafter
				(unaudited) (in millions)			
Contractual Obligations							
Long-term debt(1)	$ 453.3	$ —	$ 3.4	$ 4.5	$ 445.4	$ —	$ —
Operating leases(2)	19.9	3.8	5.4	5.0	2.5	1.9	1.3
Capital lease obligation(3)	4.7	—	4.7	—	—	—	—
Unconditional purchase obligations(4)(5)	293.0	24.4	30.5	27.7	27.8	27.9	154.7
Environmental liabilities(6)	5.6	2.0	0.4	0.4	0.3	0.4	2.1
Interest payments(7)	132.2	29.4	38.9	38.6	25.3	—	—
Total	$ 908.7	$ 59.6	$ 83.3	$ 76.2	$ 501.3	$ 30.2	$ 158.1
Other Commercial Commitments							
Standby letters of credit(8)	$ 35.8	$ —	$ —	$ —	$ —	$ —	$ —

(1) Long-term debt amortization is based on the contractual terms of our first priority credit facility and assumes no additional borrowings under our revolving credit facility. As of March 31, 2010, $453.3 million was outstanding under our credit facility. As a result of the issuance of the Notes, our long-term debt balance was repaid in full on April 6, 2010. The Notes take the form of First Lien Notes totaling

$275.0 million and Second Lien Notes totaling $225.0 million which bear an interest rate of 9.0% and 10.875% per year, payable semi-annually, respectively.

(2) The nitrogen fertilizer business leases various facilities and equipment, primarily railcars, under non-cancelable operating leases for various periods.

(3) This amount represents a capital lease for real property used for corporate purposes.

(4) The amount includes (a) commitments under several agreements in our petroleum operations related to pipeline usage, petroleum products storage and petroleum transportation and (b) commitments under an electric supply agreement with the city of Coffeyville.

(5) This amount excludes approximately $510.0 million potentially payable under petroleum transportation service agreements between Coffeyville Resources Refining & Marketing, LLC ("CRRM") and TransCanada, pursuant to which CRRM would receive transportation of at least 25,000 barrels per day of crude oil with a delivery point at Cushing, Oklahoma for a term of 10 years on a new pipeline system being constructed by TransCanada. This $510.0 million would be payable ratably over the 10 year service period under the agreements, such period to begin upon commencement of services under the new pipeline system. Based on information currently available to us, we believe commencement of services would begin in the first quarter of 2011. CRRM filed a Statement of Claim in the Court of the Queen's Bench of Alberta, Judicial District of Calgary, on September 15, 2009, to dispute the validity of the petroleum transportation service agreements. The Company cannot provide any assurance that the petroleum transportation service agreements will be found to be invalid.

(6) Environmental liabilities represents (a) our estimated payments required by federal and/or state environmental agencies related to RCRA at our sites in Coffeyville and Phillipsburg, Kansas and (b) our estimated remaining costs to address environmental contamination resulting from a reported release of UAN in 2005 pursuant to the State of Kansas Voluntary Cleaning and Redevelopment Program.

(7) Interest payments are based on interest rates in effect at March 31, 2010 and assume contractual amortization payments. As a result of the issuance of the Notes, as described above, interest payments are payable semi-annually for both the First Lien Notes and Second Lien Notes.

(8) Standby letters of credit include $0.2 million of letters of credit issued in connection with environmental liabilities, $30.6 million in letters of credit to secure transportation services for crude oil and a $5.0 million standby letter of credit issued in support of the Interest Rate Swap. On April 27, 2010, the $5.0 million standby letter of credit issued in support of the Interest Rate Swap was terminated.

Off-Balance Sheet Arrangements

We had no off-balance sheet arrangements as of March 31, 2010.

Recent Accounting Pronouncements

In January 2010, the FASB issued Accounting Standards Update ("ASU") No. 2010-06, "Improving Disclosures about Fair Value Measurements" an amendment to Accounting Standards Codification ("ASC") Topic 820, "Fair Value Measurements and Disclosures." This amendment requires an entity to: (i) disclose separately the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements and describe the reasons for the transfers, (ii) present separate information for Level 3 activity pertaining to gross purchases, sales, issuances, and settlements and (iii) enhance disclosures of assets and liabilities subject to fair value measurements. The provisions of ASU No. 2010-06 are effective for us for interim and annual reporting beginning after December 15, 2009, with one new disclosure effective after December 15, 2010. We adopted this ASU as of January 1, 2010. The adoption of this standard did not impact our financial position or results of operations.

In June 2009, the FASB issued an amendment to a previously issued standard regarding consolidation of variable interest entities. This amendment was intended to improve financial reporting by enterprises involved with variable interest entities. Overall, the amendment revises the test for determining the primary beneficiary of a variable interest entity from a primarily quantitative analysis to a qualitative analysis. The provisions of the amendment are effective as of the beginning of the entity's first annual reporting period that begins after November 15, 2009, for interim periods within that first annual reporting period, and for interim and annual reporting periods thereafter. We adopted this standard as of January 1, 2010. The adoption of this standard did not impact our financial position or results of operations.

Critical Accounting Policies

Our critical accounting policies are disclosed in the "Critical Accounting Policies" section of our Annual Report on Form 10-K for the year ended December 31, 2009. No modifications have been made to our critical accounting policies.

Item 3. *Quantitative and Qualitative Disclosures About Market Risk*

The risk inherent in our market risk sensitive instruments and positions is the potential loss from adverse changes in commodity prices and interest rates. Information about market risks for the three months ended March 31, 2010 does not differ materially from that discussed under Part II — Item 6A of our Annual Report on Form 10-K for the year ended December 31, 2009. We are exposed to market pricing for all of the products sold in the future both at our petroleum business and the nitrogen fertilizer business, as all of the products manufactured in both businesses are commodities. As of March 31, 2010, all $453.3 million of the outstanding term debt under our first priority credit facility was at floating rates. On April 6, 2010, we repaid our term debt through the issuance of the Notes consisting of $275.0 million aggregate principal First Lien Notes and $225.0 million aggregate principal amount Second Lien Notes. The First Lien Notes bear an interest rate of 9.0% per year, payable semi-annually, and the Second Lien Notes bear an interest rate of 10.875% per year, payable semi-annually. None of our market risk sensitive instruments are held for trading.

Our earnings and cash flows and estimates of future cash flows are sensitive to changes in energy prices. The prices of crude oil and refined products have fluctuated substantially in recent years. These prices depend on many factors, including the overall demand for crude oil and refined products, which in turn depend on, among other factors, general economic conditions, the level of foreign and domestic production of crude oil and refined products, the availability of imports of crude oil and refined products, the marketing of alternative and competing fuels, the extent of government regulations and global market dynamics. The prices we receive for refined products are also affected by factors such as local market conditions and the level of operations of other refineries in our markets. The prices at which we can sell gasoline and other refined products are strongly influenced by the price of crude oil. Generally, an increase or decrease in the price of crude oil results in a corresponding increase or decrease in the price of gasoline and other refined products. The timing of the relative movement of the prices, however, can impact profit margins, which could significantly affect our earnings and cash flows.

Item 4. *Controls and Procedures*

Evaluation of Disclosure Controls and Procedures

Our management, under the direction of our Chief Executive Officer and Chief Financial Officer, evaluated as of March 31, 2010 the effectiveness of our disclosure controls and procedures as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Based upon and as of the date of that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective, at a reasonable assurance level, to ensure that information required to be disclosed in the reports we file and submit under the Exchange Act is recorded, processed, summarized and reported as and when required and is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. It should be noted that any system of disclosure controls and procedures, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met. In addition, the design of any system of disclosure controls and procedures is based in part upon assumptions about the likelihood of future events. Due to these and other inherent limitations of any such system, there can be no assurance that any design will always succeed in achieving its stated goals under all potential future conditions.

Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting required by Rule 13a-15 of the Exchange Act that occurred during the fiscal quarter ended March 31, 2010 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Part II. Other Information

Item 1. ***Legal Proceedings***

See Note 11 (“Commitments and Contingent Liabilities”) to Part I, Item I of this Form 10-Q, which is incorporated by reference into this Part II, Item 1, for a description of the Samson litigation, TransCanada litigation and Sem preference claim contained in “Litigation” and for a description of the Consent Decree contained in “Environmental, Health, and Safety (“EHS”) Matters.”

Item 1A. ***Risk Factors***

As a result of the offering and issuance of the Notes in April 2010, we have updated the risk factor related to our indebtedness contained in Part I — Item 1A “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2009. Other than with respect to the risk factor set forth below, there have been no material changes from the risk factors disclosed in the “Risk Factors” section of our Annual Report on Form 10-K for the year ended December 31, 2009.

Our significant indebtedness may affect our ability to operate our business, and may have a material adverse effect on our financial condition and results of operations.

We and our subsidiaries may be able to incur significant additional indebtedness in the future. Although the indentures governing the $275.0 million 9.0% First Lien Senior Secured Notes due 2015 (the “First Lien Notes”) and $225.0 million 10.875% Second Lien Senior Secured Notes due 2017 (the “Second Lien Notes” and together with the First Lien Notes, the “Notes”) and our first priority credit facility contain restrictions on our incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions and, under certain circumstances, indebtedness incurred in compliance with these restrictions could be substantial. In addition to our Notes outstanding totaling $500.0 million, as of May 4, 2010, we had $30.8 million in letters of credit outstanding and borrowing availability of $119.2 million under our first priority credit facility. The restrictions, under our Notes and first priority credit facility, may not prevent us from incurring obligations that do not constitute indebtedness. If new indebtedness is added to our current indebtedness, the risks described below could increase. Our high level of indebtedness could have important consequences, such as:

- limiting our ability to obtain additional financing to fund our working capital needs, capital expenditures, debt service requirements or for other purposes;
- limiting our ability to use operating cash flow in other areas of our business because we must dedicate a substantial portion of these funds to service debt;
- limiting our ability to compete with other companies who are not as highly leveraged, as we may be less capable of responding to adverse economic and industry conditions;
- placing restrictive financial and operating covenants in the agreements governing our and our subsidiaries’ long-term indebtedness and bank loans, including, in the case of certain indebtedness of subsidiaries, certain covenants that restrict the ability of subsidiaries to pay dividends or make other distributions to us;
- exposing us to potential events of default (if not cured or waived) under financial and operating covenants contained in our or our subsidiaries’ debt instruments that could have a material adverse effect on our business, financial condition and operating results;
- increasing our vulnerability to a downturn in general economic conditions or in pricing of our products; and
- limiting our ability to react to changing market conditions in our industry and in our customers’ industries.

In addition, changes in our credit ratings may affect the way crude oil and feedstock suppliers view our ability to make payments and may induce them to shorten the payment terms of their invoices. Given the large dollar amounts and volume of our feedstock purchases, a change in payment terms may have a material adverse effect on our liability and our ability to make payments to our suppliers.

In addition to our debt service obligations, our operations require substantial investments on a continuing basis. Our ability to make scheduled debt payments, to refinance our obligations with respect to our indebtedness and to fund capital and non-capital expenditures necessary to maintain the condition of our operating assets, properties and systems software, as well as to provide capacity for the growth of our business, depends on our financial and operating performance, which, in turn, is subject to prevailing economic conditions and financial, business, competitive, legal and other factors. In addition, we are and will be subject to covenants contained in agreements governing our present and future indebtedness. These covenants include and will likely include restrictions on certain payments, the granting of liens, the incurrence of additional indebtedness or the issuance of certain preferred shares, dividend restrictions affecting subsidiaries, investments, asset sales, transactions with affiliates and mergers and consolidations. Under our first priority credit facility, we are required to satisfy and maintain specified financial ratios. Our ability to meet those financial ratios can be affected by events beyond our control, and there can be no assurance that we will meet these ratios. The indentures governing the Notes may require us to offer to buy back the Notes (or repay other indebtedness) upon a “change of control” or “fertilizer business event” (each as defined in the indentures) or if certain asset sales occur. Any failure to comply with these covenants could result in a default under our first priority credit facility and the indentures governing the Notes. Upon a default, unless waived, the lenders under our first priority credit facility would have all remedies available to a secured lender, and could elect to terminate their commitments, cease making further loans, institute foreclosure proceedings against our or our subsidiaries’ assets, and force us and our subsidiaries into bankruptcy or liquidation. Holders of the Notes would also have the ability ultimately to foreclose against our assets and force us into bankruptcy or liquidation, subject to the terms of the intercreditor agreements amongst our lenders and the trustees under the indentures governing the Notes. We have pledged and will pledge substantially all of our assets as collateral under our first priority credit facility and the indentures governing the Notes. In addition, a default under our first priority credit facility, the indentures governing the Notes or any other debt could trigger cross defaults under the agreements governing our existing or future indebtedness. Our operating results may not be sufficient to service our indebtedness or to fund our other expenditures and we may not be able to obtain financing to meet these requirements.

Item 6. *Exhibits*

Number	Exhibit Title
4.1*	Indenture, dated as of April 6, 2010, among Coffeyville Resources, LLC, Coffeyville Finance Inc., the Guarantors (as defined therein) and Wells Fargo Bank, National Association, as Trustee (filed as Exhibit 1.1 to the Company’s Current Report on Form 8-K, filed on April 12, 2010 and incorporated herein by reference).
4.2*	Indenture, dated as of April 6, 2010, among Coffeyville Resources, LLC, Coffeyville Finance Inc., the Guarantors (as defined therein) and Wells Fargo Bank, National Association, as Trustee (filed as Exhibit 1.2 to the Company’s Current Report on Form 8-K, filed on April 12, 2010 and incorporated herein by reference).
4.3*	Second Lien Pledge and Security Agreement, dated as of April 6, 2010, by and between Coffeyville Resources, LLC, Coffeyville Finance Inc., certain affiliates of Coffeyville Resources, LLC as guarantors and Wells Fargo Bank, National Association, as Collateral Trustee (filed as Exhibit 1.3 to the Company’s Current Report on Form 8-K, filed on April 12, 2010 and incorporated herein by reference).

Number	Exhibit Title
4.4*	Omnibus Amendment Agreement and Consent under the Intercreditor Agreement, dated as of April 6, 2010, by and among Coffeyville Resources, LLC, Coffeyville Finance Inc., Coffeyville Pipeline, Inc., Coffeyville Refining & Marketing, Inc., Coffeyville Nitrogen Fertilizers, Inc., Coffeyville Crude Transportation, Inc., Coffeyville Terminal, Inc., CL JV Holdings, LLC, and certain subsidiaries of the foregoing as Guarantors, the Requisite Lenders, Credit Suisse AG, Cayman Islands Branch, as Administrative Agent, Collateral Agent and Revolving Issuing Bank, J. Aron & Company, as a hedge counterparty and Wells Fargo Bank, National Association, as Collateral Trustee (filed as Exhibit 1.4 to the Company's Current Report on Form 8-K, filed on April 12, 2010 and incorporated herein by reference).
10.1	Second Amended and Restated Employment Agreement, dated as of January 1, 2010, by and between CVR Energy, Inc. and John J. Lipinski.
10.2	Second Amended and Restated Employment Agreement, dated as of January 1, 2010, by and between CVR Energy, Inc. and Stanley A. Riemann.
10.3	Amended and Restated Employment Agreement, dated as of January 1, 2010, by and between CVR Energy, Inc. and Edward Morgan.
10.4	Second Amended and Restated Employment Agreement, dated as of January 1, 2010, by and between CVR Energy, Inc. and Edmund S. Gross.
10.5	Second Amended and Restated Employment Agreement, dated as of January 1, 2010, by and between CVR Energy, Inc. and Robert W. Haugen.
10.6	Third Amendment to Crude Oil Supply Agreement, dated as of January 1, 2010, by and between Vitol Inc. and Coffeyville Resources Refining & Marketing, LLC.
10.7	Fourth Amendment to Crude Oil Supply Agreement, dated as of January 25, 2010, by and between Vitol Inc. and Coffeyville Resources Refining & Marketing, LLC.
10.8	Amendment to Services Agreement, dated as of January 1, 2010, by and between CVR Partners, LP, CVR GP, LLC, CVR Special GP, LLC and CVR Energy, Inc.
10.9*	Fourth Amendment to the Second Amended and Restated Credit and Guaranty Agreement and Consent Under the First Lien Intercreditor Agreement, dated as of March 12, 2010, among Coffeyville Resources, LLC and the other parties thereto (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on March 18, 2010 and incorporated herein by reference).
12.1	Computation of Ratio of Earnings to Fixed Charges.
31.1	Certification of the Company's Chief Executive Officer pursuant to Rule 13a-14(a) or 15(d)-14(a) under the Securities Exchange Act.
31.2	Certification of the Company's Chief Financial Officer pursuant to Rule 13a-14(a) or 15(d)-14(a) under the Securities Exchange Act.
32.1	Certification of the Company's Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of the Company's Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
*	Previously filed.

PLEASE NOTE: Pursuant to the rules and regulations of the Securities and Exchange Commission, we have filed or incorporated by reference the agreements referenced above as exhibits to this quarterly report on Form 10-Q. The agreements have been filed to provide investors with information regarding their respective terms. The agreements are not intended to provide any other factual information about the Company or its business or operations. In particular, the assertions embodied in any representations, warranties and covenants contained in the agreements may be subject to qualifications with respect to knowledge and materiality different from those applicable to investors and may be qualified by information in confidential disclosure schedules not included with the exhibits. These disclosure schedules may contain information that modifies, qualifies and creates exceptions to the representations, warranties and covenants set forth in the agreements. Moreover, certain representations, warranties and covenants in the agreements may have been used for the purpose of allocating risk between the parties, rather than establishing matters as facts. In addition, information concerning the subject matter of the representations, warranties and covenants may have changed after the date of the respective agreement, which subsequent information may or may not be fully reflected in the Company's public disclosures. Accordingly, investors should not rely on the representations, warranties and covenants in the agreements as characterizations of the actual state of facts about the Company or its business or operations on the date hereof.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CVR Energy, Inc.

By: /s/ John J. Lipinski
Chief Executive Officer
(Principal Executive Officer)

May 5, 2010

By: /s/ Edward Morgan
Chief Financial Officer
(Principal Financial Officer)

May 5, 2010

SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT

SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT, dated as of January 1, 2010 (the "Employment Agreement"), by and between **CVR ENERGY, INC.**, a Delaware corporation (the "Company"), and **JOHN J. LIPINSKI** (the "Executive").

WHEREAS, the Company and the Executive entered into an amended and restated employment agreement dated January 1, 2008 (the "First Amended and Restated Agreement");

WHEREAS, the Company and the Executive desire to further amend and restate the First Amended and Restated Agreement in its entirety as provided for herein;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other valid consideration the sufficiency of which is acknowledged, the parties hereto agree as follows:

Section 1. Employment.

1.1. Term. The Company agrees to employ the Executive, and the Executive agrees to be employed by the Company, in each case pursuant to this Employment Agreement, for a period commencing on January 1, 2010 (the "Commencement Date") and ending on the earlier of (i) the third (3rd) anniversary of the Commencement Date and (ii) the termination or resignation of the Executive's employment in accordance with Section 3 hereof (the "Term"), provided, however, that at the end of each calendar month after the Commencement Date, the term of this Employment Agreement shall be automatically extended for one month.

1.2. Duties. During the Term, the Executive shall serve as President and Chief Executive Officer of the Company and such other or additional positions as an officer or director of the Company, and of such direct or indirect affiliates of the Company ("Affiliates"), as the Executive and the board of directors of the Company (the "Board") shall mutually agree from time to time. In such positions, the Executive shall perform such duties, functions and responsibilities during the Term commensurate with the Executive's positions as reasonably directed by the Board. The Executive shall be employed in the State of Texas during the Term.

1.3. Exclusivity. During the Term, the Executive shall devote substantially all of Executive's working time to the business and affairs of the Company and its Affiliates, shall faithfully serve the Company and its Affiliates, and shall in all material respects conform to and comply with the lawful and reasonable directions and instructions given to Executive by the Board, consistent with Section 1.2 hereof. During the Term, the Executive shall use Executive's best efforts during Executive's working time to promote and serve the interests of the Company and its Affiliates and shall not engage in any other business activity, whether or not such activity shall be engaged in for pecuniary profit. The provisions of this Section 1.3 shall not be construed to prevent Executive from (i) investing Executive's personal, private assets as a passive investor in such form or manner as will not require any active services on the part of Executive in the management or operation of the affairs of the companies, partnerships, or other business entities in which any such passive investments are made; or (ii) serving on the board of directors for Thumbs Up Enterprises Limited and its affiliated companies.

Section 2. Compensation.

2.1. Salary. As compensation for the performance of the Executive's services hereunder, during the Term, the Company shall pay to the Executive a salary at an annual rate of $900,000 which annual salary shall be prorated for any partial year at the beginning or end of the Term and shall accrue and be payable in accordance with the Company's standard payroll policies, as such salary may be adjusted upward by the Compensation Committee of the Board in its discretion (as adjusted, the "Base Salary").

2.2. Annual Bonus. For each completed fiscal year occurring during the Term, the Executive shall be eligible to receive an annual cash bonus (the "Annual Bonus"). Commencing with fiscal year 2010, the target Annual Bonus shall be 250% of the Executive's Base Salary as in effect at the beginning of the Term in fiscal year 2010 and at the beginning of each such fiscal year thereafter during the Term, the actual Annual Bonus to be based upon such individual and/or Company performance criteria established for each such fiscal year by the Compensation Committee of the Board. The Annual Bonus, if any, payable to Executive for a fiscal year will be paid by the Company to the Executive on the last scheduled payroll payment date during such fiscal year.

2.3. Employee Benefits. During the Term, the Executive shall be eligible to participate in such health, insurance, retirement, and other employee benefit plans and programs of the Company as in effect from time to time on the same basis as other senior executives of the Company.

2.4. Paid Time Off. During the Term, the Executive shall be entitled to twenty-five (25) days of paid time off ("PTO") each year.

2.5. Business Expenses. The Company shall pay or reimburse the Executive for all commercially reasonable business out-of-pocket expenses that the Executive incurs during the Term in performing Executive's duties under this Employment Agreement upon presentation of documentation and in accordance with the expense reimbursement policy of the Company as approved by the Board and in effect from time to time. Notwithstanding anything herein to the contrary or otherwise, except to the extent any expense or reimbursement described in this Employment Agreement does not constitute a "deferral of compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury regulations and other guidance issued thereunder, any expense or reimbursement described in this Employment Agreement shall meet the following requirements: (i) the amount of expenses eligible for reimbursement provided to the Executive during any calendar year will not affect the amount of expenses eligible for reimbursement to the Executive in any other calendar year; (ii) the reimbursements for expenses for which the Executive is entitled to be reimbursed shall be made on or before the last day of the calendar year following the calendar year in which the applicable expense is incurred; (iii) the right to payment or reimbursement or in-kind benefits hereunder may not be liquidated or exchanged for any other

benefit; and (iv) the reimbursements shall be made pursuant to objectively determinable and nondiscretionary Company policies and procedures regarding such reimbursement of expenses.

Section 3. Employment Termination.

3.1. Termination of Employment. The Company may terminate the Executive's employment for any reason during the Term, and the Executive may voluntarily resign Executive's employment for any reason during the Term, in each case (other than a termination by the Company for Cause) at any time upon not less than thirty (30) days' notice to the other party. Upon the termination or resignation of the Executive's employment with the Company for any reason (whether during the Term or thereafter), the Executive shall be entitled to any Base Salary earned but unpaid through the date of termination or resignation, any earned but unpaid Annual Bonus for completed fiscal years, any unused accrued PTO and any unreimbursed expenses in accordance with Section 2.5 hereof (collectively, the "Accrued Amounts").

3.2. Certain Terminations.

(a) Termination by the Company Other Than For Cause or Disability; Resignation by the Executive for Good Reason. If during the Term (i) the Executive's employment is terminated by the Company other than for Cause or Disability, or (ii) the Executive resigns for Good Reason, then in addition to the Accrued Amounts the Executive shall be entitled to the following payments and benefits: (x) the continuation of Executive's Base Salary at the rate in effect immediately prior to the date of termination or resignation for a period of thirty-six (36) months (or, if earlier, until and including the month in which the Executive attains age 70) (the "Severance Period") and (y) to the extent permitted pursuant to the applicable plans, the continuation on the same terms as an active employee (including, where applicable, coverage for the Executive and his dependents) of medical, dental, vision and life insurance benefits ("Welfare Benefits") the Executive would otherwise be eligible to receive as an active employee of the Company for thirty-six (36) months or, if earlier, until the Executive becomes eligible for Welfare Benefits from a subsequent employer (the "Welfare Benefit Continuation Period"); provided, that, if (A) such termination or resignation occurs pursuant to clause (i) or (ii) directly above within the one (1) year period following a Change in Control, or (B) the Executive's termination or resignation is a Change in Control Related Termination, then the Executive shall also be entitled to a payment each month during the Severance Period equal to one-twelfth (1/12th) of the target Annual Bonus for the year in which the Executive's termination or resignation occurs (such payments, the "Severance Payments"). If the Executive is not permitted to continue participation in the Company's Welfare Benefit plans pursuant to the terms of such plans or pursuant to a determination by the Company's insurance providers, the Company shall use reasonable efforts to obtain individual insurance policies providing the Welfare Benefits to the Executive during the Welfare Benefit Continuation Period, but shall only be required to pay for such policies an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans; provided, that, if such coverage cannot be obtained, the Company shall pay to the Executive monthly during the Welfare Benefit Continuation Period an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans. The Company's obligations to make the Severance Payments shall be conditioned upon:

(i) the Executive's continued compliance with Executive's obligations under Section 4 of this Employment Agreement and (ii) the Executive's execution, delivery and non-revocation of a valid and enforceable general release of claims arising in connection with the Executive's employment and termination or resignation of employment with the Company (the "Release") in a form reasonably acceptable to the Company and the Executive that becomes effective not later than forty-five (45) days after the date of such termination or resignation of employment. In the event that the Executive breaches any of the covenants set forth in Section 4 of this Employment Agreement, the Executive will immediately return to the Company any portion of the Severance Payments that have been paid to the Executive pursuant to this Section 3.2(a). Subject to Section 3.2(f), the Severance Payments will commence to be paid to the Executive within ten (10) days following the effectiveness of the Release.

(b) Termination by the Company For Disability. If the Executive's employment is terminated during the Term by the Company by reason of the Executive's Disability, in addition to the Accrued Amounts and any payments to be made to the Executive under the Company's disability plan(s) as a result of such Disability, the Company shall pay to the Executive such supplemental amounts (the "Supplemental Disability Payments") as shall be necessary to result in the payment of aggregate amounts to the Executive as a result of his Disability that shall be equal to the Executive's Base Salary as in effect immediately before such Disability; provided, that, at the Company's option, the Company may purchase insurance to cover its obligations under this Section 3.2(b) and the Executive shall cooperate to assist the Company in obtaining such insurance. Such Supplemental Disability Payments shall be made for a period of thirty-six (36) months from the Date of Disability. The Company's obligations to make the Supplemental Disability Payments shall be conditioned upon: (i) the Executive's continued compliance with his obligations under Section 4 of this Employment Agreement and (ii) the Executive's execution, delivery and non-revocation of a Release. In the event that the Executive breaches any of the covenants set forth in Section 4 of this Employment Agreement, the Executive will immediately return to the Company any portion of the Supplemental Disability Payments that have been paid to the Executive pursuant to this Section 3.2(b). Subject to Section 3.2(f), the Supplemental Disability Payments will commence to be paid to the Executive as soon as practicable following the effectiveness of the Release.

(c) Termination by Reason of Death. If the Executive's employment is terminated during the Term by reason of his death, in addition to the Accrued Amounts and any employee benefits to which the Executive's estate, spouse or other beneficiaries, as applicable, may be entitled, the Company shall pay to the beneficiary designated in writing by the Executive (or to his estate if no such beneficiary has been so designated), the Base Salary which the Executive would have received if he had remained employed under this Employment Agreement for a total of thirty-six months from the commencement of the Term, assuming for such remaining period the Executive's Base Salary as in effect on the date of the Executive's death; provided, that, at the Company's option, the Company may purchase insurance to cover its obligations under this Section 3.2(c) and the Executive shall cooperate to assist the Company in obtaining such insurance.

(d) Retirement. Upon Retirement, the Executive, whether or not Sections 3.2(a) or 3.2(b) also apply but without duplication of benefits, shall be entitled to (i) to the extent permitted pursuant to the applicable plans, the continuation on the same terms as an active employee of Welfare Benefits the Executive would otherwise be eligible to receive as an active employee of the Company for thirty-six (36) months following date of his Retirement or, if earlier, until such time as the Executive becomes eligible for Welfare Benefits from a subsequent employer and, thereafter, shall be eligible to continue participation in the Company's Welfare Benefits plans, provided that such continued participation shall be entirely at the Executive's expense and shall cease when the Executive becomes eligible for Welfare Benefits from a subsequent employer and (ii) the provision of an office at the Company's headquarters and use of such offices and the Company facilities and administrative support at the Company's expense for thirty-six (36) months following the date of his Retirement and at the Executive's expense thereafter, provided that such use shall not interfere with Company use thereof. Notwithstanding the foregoing, (x) if the Executive is not permitted to continue participation in the Company's Welfare Benefit plans pursuant to the terms of such plans or pursuant to a determination by the Company's insurance providers, the Company shall use reasonable efforts to obtain individual insurance policies providing the Welfare Benefits to the Executive for such thirty-six (36) months, but shall only be required to pay for such policies an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefit plans; provided, that, if such coverage cannot be obtained, the Company shall pay to the Executive monthly for such thirty-six (36) months an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans and (y) any Welfare Benefits coverage provided pursuant to this Section 3.2(d), whether through the Company's Welfare Benefit plans or through individual insurance policies, shall be supplemental to any benefits for which the Executive becomes eligible under Medicare, whether or not the Executive actually obtains such Medicare coverage.

(e) Definitions. For purposes of this Section 3.2, the following terms shall have the following meanings:

(1) A resignation for "Good Reason" shall mean a resignation by the Executive within thirty (30) days following the date on which the Company has engaged in any of the following: (i) the assignment of duties or responsibilities to the Executive that reflect a material diminution of the Executive's position with the Company; (ii) a relocation of the Executive's principal place of employment that increases the Executive's commute by more than fifty (50) miles; (iii) a reduction in the Executive's Base Salary, other than across-the-board reductions applicable to similarly situated employees of the Company; or (iv) a Change in Control in which the Executive does not concurrently receive an employment contract substantially in the form of this Employment Agreement from the successor company; provided, however, that the Executive must provide the Company with notice promptly following the occurrence of any of the foregoing and at least ten (10) business days to cure.

(2) "Cause" shall mean that the Executive has engaged in any of the following: (i) willful misconduct or breach of fiduciary duty; (ii) intentional failure or refusal to perform reasonably assigned duties after written notice of such willful failure or refusal and the failure or refusal is not corrected within ten (10) business days; provided, however, that the Executive's refusal to participate in or perform any act on behalf of the Company which upon advice of counsel the Executive in good faith believes is illegal or unethical shall not constitute Cause; (iii) the indictment for, conviction of or entering a plea of guilty or nolo contendere to a crime constituting a felony (other than a traffic violation or other

offense or violation outside of the course of employment which does not adversely affect the Company and its Affiliates or their reputation or the ability of the Executive to perform Executive's employment-related duties or to represent the Company and its Affiliates); provided, however, that (A) if the Executive is terminated for Cause by reason of Executive's indictment pursuant to this clause (iii) and the indictment is subsequently dismissed or withdrawn or the Executive is found to be not guilty in a court of law in connection with such indictment, then the Executive's termination shall be treated for purposes of this Employment Agreement as a termination by the Company other than for Cause, and the Executive will be entitled to receive (without duplication of benefits and to the extent permitted by law and the terms of the then-applicable Welfare Benefits plans) the payments and benefits set forth in Section 3.2(a) and, to the extent applicable, Section 3.2(d), following such dismissal, withdrawal or finding, payable in the manner and subject to the conditions set forth in such Sections and (B) if such indictment relates to environmental matters and does not allege that the Executive was directly involved in or directly supervised the action(s) forming the basis of the indictment, Cause shall not be deemed to exist under this Employment Agreement by reason of such indictment until the Executive is convicted or enters a plea of guilty or nolo contendere in connection with such indictment; or (iv) material breach of the Executive's covenants in Section 4 of this Employment Agreement or any material written policy of the Company or any Affiliate after written notice of such breach and failure by the Executive to cure such breach within ten (10) business days; provided, however, that no such notice of, nor opportunity to cure, such breach shall be required hereunder if the breach cannot be cured by the Executive.

(3) "Change in Control" shall have the meaning set forth on Appendix A.

(4) "Change in Control Related Termination" shall mean a termination of the Executive's employment by the Company other than for Cause or Executive's resignation for Good Reason, in each case at any time prior to the date of a Change in Control and (A) the Executive reasonably demonstrates that such termination or the basis for resignation for Good Reason occurred in anticipation of a transaction that, if consummated, would constitute a Change in Control, (B) such termination or the basis for resignation for Good Reason occurred after the Company entered into a definitive agreement, the consummation of which would constitute a Change in Control or (C) the Executive reasonably demonstrates that such termination or the basis for resignation for Good Reason was implemented at the request of a third party who has indicated an intention or has taken steps reasonably calculated to effect a Change in Control.

(5) "Disability" shall mean that: (i) the Executive is unable to perform his duties hereunder as a result of illness or physical injury for a period of at least ninety (90) days; (ii) the Executive is entitled to receive payments under the Company's long-term disability insurance plan; (iii) the Executive has started to receive such disability insurance payments; and (iv) no person has contested or questioned the Executive's right to receive such payments or, if such payments have been contested, the Company has irrevocably and unconditionally agreed to pay the Executive such amounts as will net to the Executive after reduction for applicable federal and state income taxes the same amount as he would have received after such taxes from such insurance. The "Date of Disability" shall mean the first date on which all of the requirements set forth in clauses (i) through (iv) above have been satisfied.

(6) "Retirement" shall mean the Executive's termination or resignation of employment for any reason (other than by the Company for Cause or by reason of the Executive's death) following the date the Executive attains age 62.

(f) Section 409A. To the extent applicable, this Employment Agreement shall be interpreted, construed and operated in accordance with Section 409A of the Code and the Treasury regulations and other guidance issued thereunder. If on the date of the Executive's separation from service (as defined in Treasury Regulation §1.409A-1(h)) with the Company the Executive is a specified employee (as defined in Code Section 409A and Treasury Regulation §1.409A-1(i)), no payment constituting the "deferral of compensation" within the meaning of Treasury Regulation §1.409A-1(b) and after application of the exemptions provided in Treasury Regulation §§1.409A-1(b)(4) and 1.409A-1(b)(9)(iii) shall be made to Executive at any time during the six (6) month period following the Executive's separation from service, and any such amounts deferred such six (6) months shall instead be paid in a lump sum on the first payroll payment date following expiration of such six (6) month period. For purposes of conforming this Employment Agreement to Section 409A of the Code, the parties agree that any reference to termination of employment, severance from employment, resignation from employment or similar terms shall mean and be interpreted as a "separation from service" as defined in Treasury Regulation §1.409A-1(h).

3.3. Exclusive Remedy. The foregoing payments upon termination or resignation of the Executive's employment shall constitute the exclusive severance payments due the Executive upon a termination or resignation of Executive's employment under this Employment Agreement.

3.4. Resignation from All Positions. Upon the termination or resignation of the Executive's employment with the Company for any reason, the Executive shall be deemed to have resigned, as of the date of such termination or resignation, from and with respect to all positions the Executive then holds as an officer, director, employee and member of the Board of Directors (and any committee thereof) of the Company and any of its Affiliates.

3.5. Cooperation. Following the termination or resignation of the Executive's employment with the Company for any reason and during any period in which the Executive is receiving Severance Payments or Supplemental Disability Payments, or for one (1) year following termination or resignation of the Executive's employment with the Company if no Severance Payments or Supplemental Disability Payments are payable, the Executive agrees to reasonably cooperate with the Company upon reasonable request of the Board and to be reasonably available to the Company with respect to matters arising out of the Executive's services to the Company and its Affiliates, provided, however, such period of cooperation shall be for three (3) years, following any such termination or resignation of Executive's employment for any reason, with respect to tax matters involving the Company or any of its Affiliates. The Company shall reimburse the Executive for expenses reasonably incurred in connection with such matters as agreed by the Executive and the Board and the Company shall compensate the Executive for such cooperation at an hourly rate based on the Executive's most recent base salary rate assuming two thousand (2,000) working hours per year; provided, that if the Executive is required to spend more than forty (40) hours in any month on Company matters pursuant to this

Section 3.5, the Executive and the Board shall mutually agree to an appropriate rate of compensation for the Executive's time over such forty (40) hour threshold.

Section 4. Unauthorized Disclosure; Non-Solicitation; Non-Competition; Proprietary Rights.

4.1. Unauthorized Disclosure. The Executive agrees and understands that in the Executive's position with the Company and any Affiliates, the Executive has been and will be exposed to and has and will receive information relating to the confidential affairs of the Company and its Affiliates, including, without limitation, technical information, intellectual property, business and marketing plans, strategies, customer information, software, other information concerning the products, promotions, development, financing, expansion plans, business policies and practices of the Company and its Affiliates and other forms of information considered by the Company and its Affiliates to be confidential and in the nature of trade secrets (including, without limitation, ideas, research and development, know-how, formulas, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information and business and marketing plans and proposals) (collectively, the "Confidential Information"); provided, however, that Confidential Information shall not include information which (i) is or becomes generally available to the public not in violation of this Employment Agreement or any written policy of the Company; or (ii) was in the Executive's possession or knowledge on a non-confidential basis prior to such disclosure. The Executive agrees that at all times during the Executive's employment with the Company and thereafter, the Executive shall not disclose such Confidential Information, either directly or indirectly, to any individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof (each, for purposes of this Section 4, a "Person") without the prior written consent of the Company and shall not use or attempt to use any such information in any manner other than in connection with Executive's employment with the Company, unless required by law to disclose such information, in which case the Executive shall provide the Company with written notice of such requirement as far in advance of such anticipated disclosure as possible. Executive's confidentiality covenant has no temporal, geographical or territorial restriction. Upon termination or resignation of the Executive's employment with the Company, the Executive shall promptly supply to the Company all property, keys, notes, memoranda, writings, lists, files, reports, customer lists, correspondence, tapes, disks, cards, surveys, maps, logs, machines, technical data and other tangible products or documents, in each case which have been produced by, received by or otherwise submitted to the Executive during or prior to the Executive's employment with the Company and which are or contain Confidential Information, and any copies thereof in Executive's (or capable of being reduced to Executive's) possession.

4.2. Non-Competition. By and in consideration of the Company's entering into this Employment Agreement and the payments to be made and benefits to be provided by the Company hereunder, and in further consideration of the Executive's exposure to the Confidential Information of the Company and its Affiliates, the Executive agrees that the Executive shall not, during the Term and thereafter for the period during which the Severance Payments or Supplemental Disability Payments are payable or one (1) year following the end of the Term if no Severance Payments or Supplemental Disability Payments are payable (the "Restriction Period"), directly or indirectly, own, manage, operate, join, control, be employed by, or participate in the ownership, management, operation or control of, or be connected in any manner with, including, without limitation, holding any position as a stockholder, director, officer, consultant, independent contractor, employee, partner, or investor in, any Restricted Enterprise (as defined below); provided, that in no event shall ownership of one percent (1%) or less of the outstanding securities of any class of any issuer whose securities are registered under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), standing alone, be prohibited by this Section 4.2, so long as the Executive does not have, or exercise, any rights to manage or operate the business of such issuer other than rights as a stockholder thereof. For purposes of this paragraph, "Restricted Enterprise" shall mean any Person that is actively engaged in any business which is either (i) in competition with the business of the Company or any of its Affiliates conducted during the preceding twelve (12) months (or following the Term, the twelve (12) months preceding the last day of the Term), or (ii) proposed to be conducted by the Company or any of its Affiliates in the Company's or Affiliate's business plan as in effect at that time (or following the Term, the business plan as in effect as of the last day of the Term); provided, that (x) with respect to any Person that is actively engaged in the refinery business, a Restricted Enterprise shall only include such a Person that operates or markets in any geographic area in which the Company or any of its Affiliates operates or markets with respect to its refinery business and (y) with respect to any Person that is actively engaged in the fertilizer business, a Restricted Enterprise shall only include such a Person that operates or markets in any geographic area in which the Company or any of its Affiliates operates or markets with respect to its fertilizer business. During the Restriction Period, upon request of the Company, the Executive shall notify the Company of the Executive's then-current employment status. For the avoidance of doubt, (A) the foregoing shall not prohibit the Executive from working in the State of Texas; provided, that the Executive's so working does not involve any Restricted Enterprise that is operating in the State of Texas if the Company or any of its Affiliates is then operating in the State of Texas and (B) a Restricted Enterprise shall not include any Person or division thereof that is engaged in the business of supplying (but not refining) crude oil or natural gas.

4.3. Non-Solicitation of Employees. During the Restriction Period, the Executive shall not directly or indirectly solicit (or assist any Person to solicit) for employment any person who is, or within twelve (12) months prior to the date of such solicitation was, an employee of the Company or any of its Affiliates, provided, however, that this Section 4.3 shall not prohibit the hiring of any individual as a result of the individual's response to an advertisement in a publication of general circulation.

4.4. Non-Solicitation of Customers/Suppliers. During the Restriction Period, the Executive shall not (i) solicit (or assist any Person to solicit) any Person which has a business relationship with the Company or of any of its Affiliates in order to terminate, curtail or otherwise interfere with such business relationship or (ii) solicit, other than on behalf of the Company and its Affiliates, any Person that the Executive knows or should have known (x) is a current customer of the Company or any of its Affiliates in any geographic area in which the Company or any of its Affiliates operates or markets or (y) is a Person in any geographic area in which the Company or any of its Affiliates operates or markets with respect to which the Company or any of its Affiliates has, within the twelve (12) months prior to the date of such solicitation, devoted more than de minimis resources in an effort to cause such Person to become a customer of the Company or any of its Affiliates in that geographic area. For the avoidance of doubt, the foregoing does not preclude the Executive from soliciting, outside of the geographic areas in which the Company or any of its Affiliates operates or markets, any Person that is a customer or potential customer of the Company or any of its Affiliates in the geographic areas in which it operates or markets.

4.5. Extension of Restriction Period. The Restriction Period shall be extended for a period of time equal to any period during which the Executive is in breach of any of Sections 4.2, 4.3 or 4.4 hereof.

4.6. Proprietary Rights. The Executive shall disclose promptly to the Company any and all inventions, discoveries, and improvements (whether or not patentable or registrable under copyright or similar statutes), and all patentable or copyrightable works, initiated, conceived, discovered, reduced to practice, or made by Executive, either alone or in conjunction with others, during the Executive's employment with the Company and related to the business or activities of the Company and its Affiliates (the "Developments"). Except to the extent any rights in any Developments constitute a work made for hire under the U.S. Copyright Act, 17 U.S.C. § 101 et seq. that are owned ab initio by the Company and/or its applicable Affiliates, the Executive assigns all of Executive's right, title and interest in all Developments (including all intellectual property rights therein) to the Company or its nominee without further compensation, including all rights or benefits therefor, including without limitation the right to sue and recover for past and future infringement. The Executive acknowledges that any rights in any developments constituting a work made for hire under the U.S. Copyright Act, 17 U.S.C § 101 et seq. are owned upon creation by the Company and/or its applicable Affiliates as the Executive's employer. Whenever requested to do so by the Company, the Executive shall execute any and all applications, assignments or other instruments which the Company shall deem necessary to apply for and obtain trademarks, patents or copyrights of the United States or any foreign country or otherwise protect the interests of the Company and its Affiliates therein. These obligations shall continue beyond the end of the Executive's employment with the Company with respect to inventions, discoveries, improvements or copyrightable works initiated, conceived or made by the Executive while employed by the Company, and shall be binding upon the Executive's employers, assigns, executors, administrators and other legal representatives. In connection with Executive's execution of this Employment Agreement, the Executive has informed the Company in writing of any interest in any inventions or intellectual property rights that Executive holds as of the date hereof. If the Company is unable for any reason, after reasonable effort, to obtain the Executive's signature on any document needed in connection with the actions described in this Section 4.6, the Executive hereby irrevocably designates and appoints the Company, its Affiliates, and their duly authorized officers and agents as the Executive's agent and attorney in fact to act for and in the Executive's behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of this Section with the same legal force and effect as if executed by the Executive.

4.7. Confidentiality of Agreement. Other than with respect to information required to be disclosed by applicable law, the parties hereto agree not to disclose the terms of this Employment Agreement to any Person; provided the Executive may disclose this Employment Agreement and/or any of its terms to the Executive's immediate family, financial advisors and attorneys. Notwithstanding anything in this Section 4.7 to the contrary, the parties hereto (and each of their respective employees, representatives, or other agents) may disclose to any and all Persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by this Employment Agreement, and all materials of any kind (including opinions or other tax analyses) related to such tax treatment and tax structure; provided that this sentence shall not permit any Person to disclose the name of, or other information that would identify, any party to such transactions or to disclose confidential commercial information regarding such transactions.

4.8. Remedies. The Executive agrees that any breach of the terms of this Section 4 would result in irreparable injury and damage to the Company and its Affiliates for which the Company and its Affiliates would have no adequate remedy at law; the Executive therefore also agrees that in the event of said breach or any threat of breach, the Company and its Affiliates shall be entitled to an immediate injunction and restraining order to prevent such breach and/or threatened breach and/or continued breach by the Executive and/or any and all Persons acting for and/or with the Executive, without having to prove damages, in addition to any other remedies to which the Company and its Affiliates may be entitled at law or in equity, including, without limitation, the obligation of the Executive to return any Severance Payments or Supplemental Disability Payments made by the Company to the Company. The terms of this paragraph shall not prevent the Company or its Affiliates from pursuing any other available remedies for any breach or threatened breach hereof, including, without limitation, the recovery of damages from the Executive. The Executive and the Company further agree that the provisions of the covenants contained in this Section 4 are reasonable and necessary to protect the businesses of the Company and its Affiliates because of the Executive's access to Confidential Information and Executive's material participation in the operation of such businesses.

Section 5. Representation.

The Executive represents and warrants that (i) Executive is not subject to any contract, arrangement, policy or understanding, or to any statute, governmental rule or regulation, that in any way limits Executive's ability to enter into and fully perform Executive's obligations under this Employment Agreement and (ii) Executive is not otherwise unable to enter into and fully perform Executive's obligations under this Employment Agreement.

Section 6. Withholding.

All amounts paid to the Executive under this Employment Agreement during or following the Term shall be subject to withholding and other employment taxes imposed by applicable law.

Section 7. Effect of Section 280G of the Code.

7.1. Payment Reduction. Notwithstanding anything contained in this Employment Agreement to the contrary, (i) to the extent that any payment or distribution of any type to or for the Executive by the Company, any affiliate of the Company, any Person who acquires ownership or effective control of the Company or ownership of a substantial portion of the Company's assets (within the meaning of Section 280G of the Code and the regulations thereunder), or any affiliate of such Person, whether paid or payable or distributed or distributable pursuant to the terms of this Employment Agreement or otherwise (the "Payments") constitute “parachute payments” (within the meaning of Section 280G of the Code), and if (ii) such aggregate would, if reduced by all federal, state and local taxes applicable thereto, including the excise tax imposed under Section 4999 of the Code (the “Excise Tax”), be less than the amount the Executive would receive, after all taxes, if the Executive received aggregate Payments equal (as valued under Section 280G of the Code) to only three times the Executive’s “base amount” (within the meaning of Section 280G of the Code), less $1.00, then (iii) such Payments shall be reduced (but not below zero) if and to the extent necessary so that no Payments to be made or benefit to be provided to the Executive shall be subject to the Excise Tax; provided, however, that the Company shall use its reasonable best efforts to obtain shareholder approval of the Payments provided for in this Employment Agreement in a manner intended to satisfy requirements of the “shareholder approval” exception to Section 280G of the Code and the regulations promulgated thereunder, such that payment may be made to the Executive of such Payments without the application of an Excise Tax. If the Payments are so reduced, the Company shall reduce or eliminate the Payments (x) by first reducing or eliminating the portion of the Payments which are not payable in cash (other than that portion of the Payments subject to clause (z) hereof), (y) then by reducing or eliminating cash payments (other than that portion of the Payments subject to clause (z) hereof) and (z) then by reducing or eliminating the portion of the Payments (whether payable in cash or not payable in cash) to which Treasury Regulation § 1.280G-1 Q/A 24(c) (or successor thereto) applies, in each case in reverse order beginning with payments or benefits which are to be paid the farthest in time.

7.2. Determination of Amount of Reduction (if any). The determination of whether the Payments shall be reduced as provided in Section 7.1 and the amount of such reduction shall be made at the Company’s expense by an accounting firm selected by the Company from among the four (4) largest accounting firms in the United States (the “Accounting Firm”). The Accounting Firm shall provide its determination (the “Determination”), together with detailed supporting calculations and documentation, to the Company and the Executive within ten (10) days after the Executive’s final day of employment. If the Accounting Firm determines that no Excise Tax is payable by the Executive with respect to the Payments, it shall furnish the Executive with an opinion reasonably acceptable to the Executive that no Excise Tax will be imposed with respect to any such payments and, absent manifest error, such Determination shall be binding, final and conclusive upon the Company and the Executive.

Section 8. Miscellaneous.

8.1. Indemnification. To the extent permitted by applicable law and subject to any separate agreement (if any) between the Company and the Executive regarding indemnification, the Company shall indemnify the Executive for losses or damages incurred by the Executive as a result of all causes of action arising from the Executive’s performance of duties for the benefit of the Company, whether or not the claim is asserted during the Term. This indemnity shall not apply to the Executive’s acts of willful misconduct or gross negligence. The Executive shall be covered under any directors’ and officers’ insurance that the Company maintains for its directors and other officers in the same manner and on the same basis as the Company’s directors and other officers.

8.2. Fees and Expenses. The Company shall pay all legal fees and related expenses (including the costs of experts, evidence and counsel) incurred by the Executive as a result of (i) the termination of the Executive's employment by the Company or the resignation by the Executive for Good Reason (including all such fees and expenses, if any, incurred in contesting, defending or disputing the basis for any such termination or resignation of employment) or (b) the Executive seeking to obtain or enforce any right or benefit provided by this Employment Agreement; provided, that, if it is determined that the Executive's termination of employment was for Cause, the Executive shall not be entitled to any payment or reimbursement pursuant to this Section 8.2.

8.3. Amendments and Waivers. This Employment Agreement and any of the provisions hereof may be amended, waived (either generally or in a particular instance and either retroactively or prospectively), modified or supplemented, in whole or in part, only by written agreement signed by the parties hereto; provided, that, the observance of any provision of this Employment Agreement may be waived in writing by the party that will lose the benefit of such provision as a result of such waiver. The waiver by any party hereto of a breach of any provision of this Employment Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach, except as otherwise explicitly provided for in such waiver. Except as otherwise expressly provided herein, no failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder, or otherwise available in respect hereof at law or in equity, shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

8.4. Assignment. This Employment Agreement, and the Executive's rights and obligations hereunder, may not be assigned by the Executive, and any purported assignment by the Executive in violation hereof shall be null and void.

8.5. Notices. Unless otherwise provided herein, all notices, requests, demands, claims and other communications provided for under the terms of this Employment Agreement shall be in writing. Any notice, request, demand, claim or other communication hereunder shall be sent by (i) personal delivery (including receipted courier service) or overnight delivery service, (ii) facsimile during normal business hours, with confirmation of receipt, to the number indicated, (iii) reputable commercial overnight delivery service courier or (iv) registered or certified mail, return receipt requested, postage prepaid and addressed to the intended recipient as set forth below:

If to the Company:	CVR Energy, Inc. 10 E. Cambridge Circle, Suite 250 Kansas City, KS 66103 Attention: General Counsel Facsimile: (913) 982-5651
with a copy to:	Fried, Frank, Harris, Shriver & Jacobson LLP One New York Plaza New York, NY 10004

Attention: Donald P. Carleen, Esq.
Facsimile: (212) 859-4000

If to the Executive: John J. Lipinski
2277 Plaza Drive, Suite 500
Sugar Land, TX 77479
Facsimile: (281) 207-3505

All such notices, requests, consents and other communications shall be deemed to have been given when received. Any party may change its facsimile number or its address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other parties hereto notice in the manner then set forth.

8.6. Governing Law. This Employment Agreement shall be construed and enforced in accordance with, and the rights and obligations of the parties hereto shall be governed by, the laws of the State of Texas, without giving effect to the conflicts of law principles thereof. Each of the parties hereto irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of Texas (collectively, the "Selected Courts") for any action or proceeding relating to this Employment Agreement, agrees not to commence any action or proceeding relating thereto except in the Selected Courts, and waives any forum or venue objections to the Selected Courts.

8.7. Severability. Whenever possible, each provision or portion of any provision of this Employment Agreement, including those contained in Section 4 hereof, will be interpreted in such manner as to be effective and valid under applicable law but the invalidity or unenforceability of any provision or portion of any provision of this Employment Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Employment Agreement in that jurisdiction or the validity or enforceability of this Employment Agreement, including that provision or portion of any provision, in any other jurisdiction. In addition, should a court or arbitrator determine that any provision or portion of any provision of this Employment Agreement, including those contained in Section 4 hereof, is not reasonable or valid, either in period of time, geographical area, or otherwise, the parties hereto agree that such provision should be interpreted and enforced to the maximum extent which such court or arbitrator deems reasonable or valid.

8.8. Entire Agreement. From and after the Commencement Date, this Employment Agreement constitutes the entire agreement between the parties hereto, and supersedes all prior representations, agreements and understandings (including any prior course of dealings), both written and oral, relating to any employment of the Executive by the Company or any of its Affiliates including, without limitation, the First Amended and Restated Agreement.

8.9. Counterparts. This Employment Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

8.10. Binding Effect. This Employment Agreement shall inure to the benefit of, and be binding on, the successors and assigns of each of the parties, including, without limitation, the Executive's heirs and the personal representatives of the Executive's estate and any successor to all or substantially all of the business and/or assets of the Company.

8.11. General Interpretive Principles. The name assigned this Employment Agreement and headings of the sections, paragraphs, subparagraphs, clauses and subclauses of this Employment Agreement are for convenience of reference only and shall not in any way affect the meaning or interpretation of any of the provisions hereof. Words of inclusion shall not be construed as terms of limitation herein, so that references to "include", "includes" and "including" shall not be limiting and shall be regarded as references to non-exclusive and non-characterizing illustrations.

8.12. Mitigation. Notwithstanding any other provision of this Employment Agreement, (a) the Executive will have no obligation to mitigate damages for any breach or termination of this Employment Agreement by the Company, whether by seeking employment or otherwise and (b) except for Welfare Benefits provided pursuant to Section 3.2(a) or 3.2(d), the amount of any payment or benefit due the Executive after the date of such breach or termination will not be reduced or offset by any payment or benefit that the Executive may receive from any other source.

8.13. Company Actions. Any actions, approvals, decisions, or determinations to be made by the Company under this Employment Agreement shall be made by the Company's Board, except as otherwise expressly provided herein.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Employment Agreement as of the date first written above.

	CVR ENERGY, INC.
/s/ John J. Lipinski	By: /s/ Stanley A. Riemann
JOHN J. LIPINSKI	Name: Stanley A. Riemann
	Title: Chief Operating Officer

[Signature Page to Second Amended and Restated Employment Agreement]

APPENDIX A

"Change in Control" means the occurrence of any of the following:

(a) An acquisition (other than directly from the Company) of any voting securities of the Company (the "Voting Securities") by any "Person" (as the term "person" is used for purposes of Section 13(d) or 14(d) of the Exchange Act), immediately after which such Person has "Beneficial Ownership" (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than thirty percent (30%) of (i) the then-outstanding Shares or (ii) the combined voting power of the Company's then-outstanding Voting Securities; provided, however, that in determining whether a Change in Control has occurred pursuant to this paragraph (a), the acquisition of Shares or Voting Securities in a Non-Control Acquisition (as hereinafter defined) shall not constitute a Change in Control. A "Non-Control Acquisition" shall mean an acquisition by (i) an employee benefit plan (or a trust forming a part thereof) maintained by (A) the Company or (B) any corporation or other Person the majority of the voting power, voting equity securities or equity interest of which is owned, directly or indirectly, by the Company (for purposes of this definition, a "Related Entity"), (ii) the Company, any Principal Stockholder or any Related Entity, or (iii) any Person in connection with a Non-Control Transaction (as hereinafter defined);

(b) The consummation of:

(i) A merger, consolidation or reorganization (x) with or into the Company or (y) in which securities of the Company are issued (a "Merger"), unless such Merger is a "Non-Control Transaction." A "Non-Control Transaction" shall mean a Merger in which:

(A) the shareholders of the Company immediately before such Merger own directly or indirectly immediately following such Merger at least a majority of the combined voting power of the outstanding voting securities of (1) the corporation resulting from such Merger (the "Surviving Corporation"), if fifty percent (50%) or more of the combined voting power of the then outstanding voting securities by the Surviving Corporation is not Beneficially Owned, directly or indirectly, by another Person (a "Parent Corporation") or (2) if there is one or more than one Parent Corporation, the ultimate Parent Corporation;

(B) the individuals who were members of the Board immediately prior to the execution of the agreement providing for such Merger constitute at least a majority of the members of the board of directors of (1) the Surviving Corporation, if there is no Parent Corporation, or (2) if there is one or more than one Parent Corporation, the ultimate Parent Corporation; and

(C) no Person other than (1) the Company or another corporation that is a party to the agreement of Merger, (2) any Related Entity, (3) any employee benefit plan (or any trust forming a part thereof) that, immediately prior to the Merger, was maintained by the Company or any Related Entity, or (4) any Person who, immediately prior to the Merger, had Beneficial Ownership of thirty percent (30%) or more of the then outstanding Shares or Voting Securities, has Beneficial Ownership, directly or indirectly, of thirty percent (30%) or more of

the combined voting power of the outstanding voting securities or common stock of (x) the Surviving Corporation, if there is no Parent Corporation, or (y) if there is one or more than one Parent Corporation, the ultimate Parent Corporation.

(ii) A complete liquidation or dissolution of the Company; or

(iii) The sale or other disposition of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole to any Person (other than (x) a transfer to a Related Entity or (y) the distribution to the Company's shareholders of the stock of a Related Entity or any other assets).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the then outstanding Shares or Voting Securities as a result of the acquisition of Shares or Voting Securities by the Company which, by reducing the number of Shares or Voting Securities then outstanding, increases the proportional number of shares Beneficially Owned by the Subject Persons; provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Shares or Voting Securities by the Company and, after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Shares or Voting Securities and such Beneficial Ownership increases the percentage of the then outstanding Shares or Voting Securities Beneficially Owned by the Subject Person, then a Change in Control shall occur.

For purposes of this definition: (i) "Shares" means the common stock, par value $.01 per share, of the Company and any other securities into which such shares are changed or for which such shares are exchanged and (ii) "Principal Stockholder" means each of Kelso Investment Associates VII, L.P., a Delaware limited partnership, KEP VI, LLC, a Delaware limited liability company, GS Capital Partners V Fund, L.P., a Delaware limited partnership, GS Capital Partners V Offshore Fund, L.P., a Cayman Islands exempted limited partnership, GS Capital Partners V Institutional, L.P., a Delaware limited partnership and GS Capital Partners V GmbH & Co. KG, a German limited partnership.

Execution Version

SECOND AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT, dated as of January 1, 2010 (the "Employment Agreement"), by and between **CVR ENERGY, INC.**, a Delaware corporation (the "Company"), and **STANLEY A. RIEMANN** (the "Executive").

WHEREAS, the Company and the Executive entered into an amended and restated employment agreement dated December 29, 2007 (the "First Amended and Restated Agreement").

WHEREAS, the Company and the Executive desire to further amend and restate the First Amended and Restated Agreement in its entirety as provided for herein;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other valid consideration the sufficiency of which is acknowledged, the parties hereto agree as follows:

Section 1. Employment.

1.1. Term. The Company agrees to employ the Executive, and the Executive agrees to be employed by the Company, in each case pursuant to this Employment Agreement, for a period commencing on January 1, 2010 (the "Commencement Date") and ending on the earlier of (i) the third (3rd) anniversary of the Commencement Date and (ii) the termination or resignation of the Executive's employment in accordance with Section 3 hereof (the "Term").

1.2. Duties. During the Term, the Executive shall serve as Chief Operating Officer of the Company and such other or additional positions as an officer or director of the Company, and of such direct or indirect affiliates of the Company ("Affiliates"), as the Executive and the board of directors of the Company (the "Board") or its designee shall mutually agree from time to time. In such positions, the Executive shall perform such duties, functions and responsibilities during the Term commensurate with the Executive's positions as reasonably directed by the Board.

1.3. Exclusivity. During the Term, the Executive shall devote substantially all of Executive's working time and attention to the business and affairs of the Company and its Affiliates, shall faithfully serve the Company and its Affiliates, and shall in all material respects conform to and comply with the lawful and reasonable directions and instructions given to Executive by the Board, or its designee, consistent with Section 1.2 hereof. During the Term, the Executive shall use Executive's best efforts during Executive's working time to promote and serve the interests of the Company and its Affiliates and shall not engage in any other business activity, whether or not such activity shall be engaged in for pecuniary profit. The provisions of this Section 1.3 shall not be construed to prevent the Executive from investing Executive's personal, private assets as a passive investor in such form or manner as will not require any active services on the part of the Executive in the management or operation of the

affairs of the companies, partnerships, or other business entities in which any such passive investments are made.

Section 2. Compensation.

2.1. Salary. As compensation for the performance of the Executive's services hereunder, during the Term, the Company shall pay to the Executive a salary at an annual rate of $415,000 which annual salary shall be prorated for any partial year at the beginning or end of the Term and shall accrue and be payable in accordance with the Company's standard payroll policies, as such salary may be adjusted upward by the Compensation Committee of the Board in its discretion (as adjusted, the "Base Salary").

2.2. Annual Bonus. For each completed fiscal year occurring during the Term, the Executive shall be eligible to receive an annual cash bonus (the "Annual Bonus"). Commencing with fiscal year 2010, the target Annual Bonus shall be 200% of the Executive's Base Salary as in effect at the beginning of the Term in fiscal year 2010 and at the beginning of each such fiscal year thereafter during the Term, the actual Annual Bonus to be based upon such individual and/or Company performance criteria established for each such fiscal year by the Compensation Committee of the Board. The Annual Bonus, if any, payable to Executive for a fiscal year will be paid by the Company to the Executive on the last scheduled payroll payment date during such fiscal year.

2.3. Employee Benefits. During the Term, the Executive shall be eligible to participate in such health, insurance, retirement, and other employee benefit plans and programs of the Company as in effect from time to time on the same basis as other senior executives of the Company.

2.4. Paid Time Off. During the Term, the Executive shall be entitled to twenty-five (25) days of paid time off ("PTO") each year.

2.5. Business Expenses. The Company shall pay or reimburse the Executive for all commercially reasonable business out-of-pocket expenses that the Executive incurs during the Term in performing Executive's duties under this Employment Agreement upon presentation of documentation and in accordance with the expense reimbursement policy of the Company as approved by the Board and in effect from time to time. Notwithstanding anything herein to the contrary or otherwise, except to the extent any expense or reimbursement described in this Employment Agreement does not constitute a "deferral of compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury regulations and other guidance issued thereunder, any expense or reimbursement described in this Employment Agreement shall meet the following requirements: (i) the amount of expenses eligible for reimbursement provided to the Executive during any calendar year will not affect the amount of expenses eligible for reimbursement to the Executive in any other calendar year; (ii) the reimbursements for expenses for which the Executive is entitled to be reimbursed shall be made on or before the last day of the calendar year following the calendar year in which the applicable expense is incurred; (iii) the right to payment or reimbursement or in-kind benefits hereunder may not be liquidated or exchanged for any other

benefit; and (iv) the reimbursements shall be made pursuant to objectively determinable and nondiscretionary Company policies and procedures regarding such reimbursement of expenses.

Section 3. Employment Termination.

3.1. Termination of Employment. The Company may terminate the Executive's employment for any reason during the Term, and the Executive may voluntarily resign Executive's employment for any reason during the Term, in each case (other than a termination by the Company for Cause) at any time upon not less than thirty (30) days' notice to the other party. Upon the termination or resignation of the Executive's employment with the Company for any reason (whether during the Term or thereafter), the Executive shall be entitled to any Base Salary earned but unpaid through the date of termination or resignation, any earned but unpaid Annual Bonus for completed fiscal years, any unused accrued PTO and any unreimbursed expenses in accordance with Section 2.5 hereof (collectively, the "Accrued Amounts").

3.2. Certain Terminations.

(a) Termination by the Company Other Than For Cause or Disability; Resignation by the Executive for Good Reason. If during the Term (i) the Executive's employment is terminated by the Company other than for Cause or Disability or (ii) the Executive resigns for Good Reason, then in addition to the Accrued Amounts the Executive shall be entitled to the following payments and benefits: (x) the continuation of Executive's Base Salary at the rate in effect immediately prior to the date of termination or resignation for a period of eighteen (18) months (or, if earlier, until and including the month in which the Executive attains age 70) and (y) to the extent permitted pursuant to the applicable plans, the continuation on the same terms as an active employee (including, where applicable, coverage for the Executive and the Executive's dependents) of medical, dental, vision and life insurance benefits ("Welfare Benefits") the Executive would otherwise be eligible to receive as an active employee of the Company for eighteen (18) months or, if earlier, until such time as the Executive becomes eligible for Welfare Benefits from a subsequent employer (the "Welfare Benefit Continuation Period"); provided, that, if (A) such termination or resignation occurs pursuant to clause (i) or (ii) directly above within the one (1) year period following a Change in Control or (B) the Executive's termination or resignation is a Change in Control Related Termination, then the Executive shall also be entitled to (i) the continuation of Executive's Base Salary at the rate in effect immediately prior to the date of termination or resignation for the twelve (12) month period commencing on the one (1) year anniversary of the date of termination or resignation**,** (ii) a payment each month during the twenty-four (24) month period following the date of termination or resignation equal to one-twelfth (1/12th) of the target Annual Bonus for the year in which the Executive's termination or resignation occurs and (iii) the continuation of the Welfare Benefits for the twelve (12) month period commencing on the one (1) year anniversary of the date of termination or resignation or, if earlier, until such time as the Executive becomes eligible for Welfare Benefits from a subsequent employer (the "Additional Welfare Benefit Continuation Period") (such payments, collectively, the "Severance Payments"). If the Executive is not permitted to continue participation in the Company's Welfare Benefit plans pursuant to the terms of such plans or pursuant to a determination by the Company's insurance providers, the Company shall use reasonable efforts to obtain individual insurance policies providing the Welfare

Benefits to the Executive during the Welfare Benefit Continuation Period and, if applicable, the Additional Welfare Benefit Continuation Period, but shall only be required to pay for such policies an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans; provided, that, if such coverage cannot be obtained, the Company shall pay to the Executive monthly during the Welfare Benefit Continuation Period and, if applicable, the Additional Welfare Benefit Continuation Period, an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans. The Company's obligations to make the Severance Payments shall be conditioned upon: (i) the Executive's continued compliance with Executive's obligations under Section 4 of this Employment Agreement and (ii) the Executive's execution, delivery and non-revocation of a valid and enforceable release of claims arising in connection with the Executive's employment and termination or resignation of employment with the Company (the "Release") in a form reasonably acceptable to the Company and the Executive that becomes effective not later than forty-five (45) days after the date of such termination or resignation of employment. In the event that the Executive breaches any of the covenants set forth in Section 4 of this Employment Agreement, the Executive will immediately return to the Company any portion of the Severance Payments that have been paid to the Executive pursuant to this Section 3.2(a). Subject to Section 3.2(d), the Severance Payments will commence to be paid to the Executive within ten (10) days following the effectiveness of the Release.

(b) Retirement. Upon Retirement, the Executive, whether or not Section 3.2(a) also applies but without duplication of benefits, shall be entitled to (i) to the extent permitted pursuant to the applicable plans, the continuation on the same terms as an active employee of Welfare Benefits the Executive would otherwise be eligible to receive as an active employee of the Company for twenty-four (24) months following the date of the Executive's Retirement or, if earlier, until such time as the Executive becomes eligible for Welfare Benefits from a subsequent employer and, thereafter, shall be eligible to continue participation in the Company's Welfare Benefits plans, provided that such continued participation shall be entirely at the Executive's expense and shall cease when the Executive becomes eligible for Welfare Benefits from a subsequent employer and (ii) use of Company facilities at the Executive's expense, but only to the extent that such use does not interfere with the Company's use thereof. Notwithstanding the foregoing, (x) if the Executive is not permitted to continue participation in the Company's Welfare Benefit plans pursuant to the terms of such plans or pursuant to a determination by the Company's insurance providers, the Company shall use reasonable efforts to obtain individual insurance policies providing the Welfare Benefits to the Executive for such twenty-four (24) months, but shall only be required to pay for such policies an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefit plans; provided, that, if such coverage cannot be obtained, the Company shall pay to the Executive monthly for such twenty-four (24) months an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans and (y) any Welfare Benefits coverage provided pursuant to this Section 3.2(b), whether through the Company's Welfare Benefit plans or through individual insurance policies, shall be supplemental to any benefits for which the Executive becomes eligible under Medicare, whether or not the Executive actually obtains such Medicare coverage.

(c) Definitions. For purposes of this Section 3.2, the following terms shall have the following meanings:

(1) A resignation for "Good Reason" shall mean a resignation by the Executive within thirty (30) days following the date on which the Company has engaged in any of the following: (i) the assignment of duties or responsibilities to the Executive that reflect a material diminution of the Executive's position with the Company; (ii) a relocation of the Executive's principal place of employment that increases the Executive's commute by more than fifty (50) miles; or (iii) a reduction in the Executive's Base Salary, other than across-the-board reductions applicable to similarly situated employees of the Company; provided, however, that the Executive must provide the Company with notice promptly following the occurrence of any of the foregoing and at least thirty (30) days to cure.

(2) "Cause" shall mean that the Executive has engaged in any of the following: (i) willful misconduct or breach of fiduciary duty; (ii) intentional failure or refusal to perform reasonably assigned duties after written notice of such willful failure or refusal and the failure or refusal is not corrected within ten (10) business days; (iii) the indictment for, conviction of or entering a plea of guilty or nolo contendere to a crime constituting a felony (other than a traffic violation or other offense or violation outside of the course of employment which does not adversely affect the Company and its Affiliates or their reputation or the ability of the Executive to perform Executive's employment-related duties or to represent the Company and its Affiliates); provided, however, that (A) if the Executive is terminated for Cause by reason of Executive's indictment pursuant to this clause (iii) and the indictment is subsequently dismissed or withdrawn or the Executive is found to be not guilty in a court of law in connection with such indictment, then the Executive's termination shall be treated for purposes of this Employment Agreement as a termination by the Company other than for Cause, and the Executive will be entitled to receive (without duplication of benefits and to the extent permitted by law and the terms of the then-applicable Welfare Benefits plans) the payments and benefits set forth in Section 3.2(a) and, to the extent applicable, Section 3.2(b), following such dismissal, withdrawal or finding, payable in the manner and subject to the conditions set forth in such Sections and (B) if such indictment relates to environmental matters and does not allege that the Executive was directly involved in or directly supervised the action(s) forming the basis of the indictment, Cause shall not be deemed to exist under this Employment Agreement by reason of such indictment until the Executive is convicted or enters a plea of guilty or nolo contendere in connection with such indictment; or (iv) material breach of the Executive's covenants in Section 4 of this Employment Agreement or any material written policy of the Company or any Affiliate after written notice of such breach and failure by the Executive to correct such breach within ten (10) business days, provided that no notice of, nor opportunity to correct, such breach shall be required hereunder if such breach cannot be cured by the Executive.

(3) "Change in Control" shall have the meaning set forth on Appendix A.

(4) "Change in Control Related Termination" shall mean a termination of the Executive's employment by the Company other than for Cause or Executive's resignation for Good Reason, in each case at any time prior to the date of a Change

in Control and (A) the Executive reasonably demonstrates that such termination or the basis for resignation for Good Reason occurred in anticipation of a transaction that, if consummated, would constitute a Change in Control, (B) such termination or the basis for resignation for Good Reason occurred after the Company entered into a definitive agreement, the consummation of which would constitute a Change in Control or (C) the Executive reasonably demonstrates that such termination or the basis for resignation for Good Reason was implemented at the request of a third party who has indicated an intention or has taken steps reasonably calculated to effect a Change in Control.

(5) "Disability" shall mean the Executive's inability, due to physical or mental ill health, to perform the essential functions of the Executive's job, with or without a reasonable accommodation, for 180 days during any 365 day period irrespective of whether such days are consecutive.

(6) "Retirement" shall mean the Executive's termination or resignation of employment for any reason (other than by the Company for Cause or by reason of the Executive's death) following the date the Executive attains age 62.

(d) Section 409A. To the extent applicable, this Employment Agreement shall be interpreted, construed and operated in accordance with Section 409A of the Code and the Treasury regulations and other guidance issued thereunder. If on the date of the Executive's separation from service (as defined in Treasury Regulation §1.409A-1(h)) with the Company the Executive is a specified employee (as defined in Code Section 409A and Treasury Regulation §1.409A-1(i)), no payment constituting the "deferral of compensation" within the meaning of Treasury Regulation §1.409A-1(b) and after application of the exemptions provided in Treasury Regulation §§1.409A-1(b)(4) and 1.409A-1(b)(9)(iii) shall be made to Executive at any time during the six (6) month period following the Executive's separation from service, and any such amounts deferred such six (6) months shall instead be paid in a lump sum on the first payroll payment date following expiration of such six (6) month period. For purposes of conforming this Employment Agreement to Section 409A of the Code, the parties agree that any reference to termination of employment, severance from employment, resignation from employment or similar terms shall mean and be interpreted as a "separation from service" as defined in Treasury Regulation §1.409A-1(h).

3.3. Exclusive Remedy. The foregoing payments upon termination or resignation of the Executive's employment shall constitute the exclusive severance payments due the Executive upon a termination or resignation of Executive's employment under this Employment Agreement.

3.4. Resignation from All Positions. Upon the termination or resignation of the Executive's employment with the Company for any reason, the Executive shall be deemed to have resigned, as of the date of such termination or resignation, from and with respect to all positions the Executive then holds as an officer, director, employee and member of the Board of Directors (and any committee thereof) of the Company and any of its Affiliates.

3.5. Cooperation. For one (1) year following the termination or resignation of the Executive's employment with the Company for any reason, the Executive agrees to reasonably cooperate with the Company upon reasonable request of the Board and to be reasonably available to the Company with respect to matters arising out of the Executive's services to the Company and its Affiliates, provided, however, such period of cooperation shall be for three (3) years, following any such termination or resignation of Executive's employment for any reason, with respect to tax matters involving the Company or any of its Affiliates. The Company shall reimburse the Executive for expenses reasonably incurred in connection with such matters as agreed by the Executive and the Board and the Company shall compensate the Executive for such cooperation at an hourly rate based on the Executive's most recent base salary rate assuming two thousand (2,000) working hours per year; provided, that if the Executive is required to spend more than forty (40) hours in any month on Company matters pursuant to this Section 3.5, the Executive and the Board shall mutually agree to an appropriate rate of compensation for the Executive's time over such forty (40) hour threshold.

Section 4. Unauthorized Disclosure; Non-Competition; Non-Solicitation; Proprietary Rights.

4.1. Unauthorized Disclosure. The Executive agrees and understands that in the Executive's position with the Company and any Affiliates, the Executive has been and will be exposed to and has and will receive information relating to the confidential affairs of the Company and its Affiliates, including, without limitation, technical information, intellectual property, business and marketing plans, strategies, customer information, software, other information concerning the products, promotions, development, financing, expansion plans, business policies and practices of the Company and its Affiliates and other forms of information considered by the Company and its Affiliates to be confidential and in the nature of trade secrets (including, without limitation, ideas, research and development, know-how, formulas, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information and business and marketing plans and proposals) (collectively, the "Confidential Information"); provided, however, that Confidential Information shall not include information which (i) is or becomes generally available to the public not in violation of this Employment Agreement or any written policy of the Company; or (ii) was in the Executive's possession or knowledge on a non-confidential basis prior to such disclosure. The Executive agrees that at all times during the Executive's employment with the Company and thereafter, the Executive shall not disclose such Confidential Information, either directly or indirectly, to any individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof (each, for purposes of this Section 4, a "Person") without the prior written consent of the Company and shall not use or attempt to use any such information in any manner other than in connection with Executive's employment with the Company, unless required by law to disclose such information, in which case the Executive shall provide the Company with written notice of such requirement as far in advance of such anticipated disclosure as possible. Executive's confidentiality covenant has no temporal, geographical or territorial restriction. Upon termination or resignation of the Executive's employment with the Company, the Executive shall promptly supply to the Company all property, keys, notes, memoranda, writings, lists, files, reports, customer lists, correspondence, tapes, disks, cards, surveys, maps, logs, machines, technical data and any other tangible product or document which has been produced by, received by or otherwise submitted to the Executive during or prior to the Executive's employment with the Company, and any copies thereof in Executive's (or capable of being reduced to Executive's) possession.

4.2. Non-Competition. By and in consideration of the Company's entering into this Employment Agreement and the payments to be made and benefits to be provided by the Company hereunder, and in further consideration of the Executive's exposure to the Confidential Information of the Company and its Affiliates, the Executive agrees that the Executive shall not, during the Term and for a period of twelve (12) months thereafter (the "Restriction Period"), directly or indirectly, own, manage, operate, join, control, be employed by, or participate in the ownership, management, operation or control of, or be connected in any manner with, including, without limitation, holding any position as a stockholder, director, officer, consultant, independent contractor, employee, partner, or investor in, any Restricted Enterprise (as defined below); provided, that in no event shall ownership of one percent (1%) or less of the outstanding securities of any class of any issuer whose securities are registered under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), standing alone, be prohibited by this Section 4.2, so long as the Executive does not have, or exercise, any rights to manage or operate the business of such issuer other than rights as a stockholder thereof. For purposes of this paragraph, "Restricted Enterprise" shall mean any Person that is actively engaged in any business which is either (i) in competition with the business of the Company or any of its Affiliates conducted during the preceding twelve (12) months (or following the Term, the twelve (12) months preceding the last day of the Term), or (ii) proposed to be conducted by the Company or any of its Affiliates in the Company's or Affiliate's business plan as in effect at that time (or following the Term, the business plan as in effect as of the last day of the Term); provided, that (x) with respect to any Person that is actively engaged in the refinery business, a Restricted Enterprise shall only include such a Person that operates or markets in any geographic area in which the Company or any of its Affiliates operates or markets with respect to its refinery business and (y) with respect to any Person that is actively engaged in the fertilizer business, a Restricted Enterprise shall only include such a Person that operates or markets in any geographic area in which the Company or any of its Affiliates operates or markets with respect to its fertilizer business. During the Restriction Period, upon request of the Company, the Executive shall notify the Company of the Executive's then-current employment status. For the avoidance of doubt, a Restricted Enterprise shall not include any Person or division thereof that is engaged in the business of supplying (but not refining) crude oil or natural gas.

4.3. Non-Solicitation of Employees. During the Restriction Period, the Executive shall not directly or indirectly contact, induce or solicit (or assist any Person to contact, induce or solicit) for employment any person who is, or within twelve (12) months prior to the date of such solicitation was, an employee of the Company or any of its Affiliates.

4.4. Non-Solicitation of Customers/Suppliers. During the Restriction Period, the Executive shall not (i) contact, induce or solicit (or assist any Person to contact, induce or solicit) any Person which has a business relationship with the Company or of any of its Affiliates in order to terminate, curtail or otherwise interfere with such business relationship or (ii) solicit, other than on behalf of the Company and its Affiliates, any Person that the Executive knows or should have known (x) is a current customer of the Company or any of its Affiliates in any geographic area in which the Company or any of its Affiliates operates or markets or (y) is a Person in any geographic area in which the Company or any of its Affiliates operates or markets with respect to which the Company or any of its Affiliates has, within the twelve (12) months prior to the date of such solicitation, devoted more than de minimis resources in an effort to cause such Person to become a customer of the Company or any of its Affiliates in that geographic area. For the avoidance of doubt, the foregoing does not preclude the Executive from soliciting, outside of the geographic areas in which the Company or any of its Affiliates operates or markets, any Person that is a customer or potential customer of the Company or any of its Affiliates in the geographic areas in which it operates or markets.

4.5. Extension of Restriction Period. The Restriction Period shall be extended for a period of time equal to any period during which the Executive is in breach of any of Sections 4.2, 4.3 or 4.4 hereof.

4.6. Proprietary Rights. The Executive shall disclose promptly to the Company any and all inventions, discoveries, and improvements (whether or not patentable or registrable under copyright or similar statutes), and all patentable or copyrightable works, initiated, conceived, discovered, reduced to practice, or made by Executive, either alone or in conjunction with others, during the Executive's employment with the Company and related to the business or activities of the Company and its Affiliates (the "Developments"). Except to the extent any rights in any Developments constitute a work made for hire under the U.S. Copyright Act, 17 U.S.C. § 101 et seq. that are owned ab initio by the Company and/or its applicable Affiliates, the Executive assigns all of Executive's right, title and interest in all Developments (including all intellectual property rights therein) to the Company or its nominee without further compensation, including all rights or benefits therefor, including without limitation the right to sue and recover for past and future infringement. The Executive acknowledges that any rights in any developments constituting a work made for hire under the U.S. Copyright Act, 17 U.S.C § 101 et seq. are owned upon creation by the Company and/or its applicable Affiliates as the Executive's employer. Whenever requested to do so by the Company, the Executive shall execute any and all applications, assignments or other instruments which the Company shall deem necessary to apply for and obtain trademarks, patents or copyrights of the United States or any foreign country or otherwise protect the interests of the Company and its Affiliates therein. These obligations shall continue beyond the end of the Executive's employment with the Company with respect to inventions, discoveries, improvements or copyrightable works initiated, conceived or made by the Executive while employed by the Company, and shall be binding upon the Executive's employers, assigns, executors, administrators and other legal representatives. In connection with Executive's execution of this Employment Agreement, the Executive has informed the Company in writing of any interest in any inventions or intellectual property rights that Executive holds as of the date hereof. If the Company is unable for any reason, after reasonable effort, to obtain the Executive's signature on any document needed in connection with the actions described in this Section 4.6, the Executive hereby irrevocably designates and appoints the Company, its Affiliates, and their duly authorized officers and agents as the Executive's agent and attorney in fact to act for and in the Executive's behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of this Section with the same legal force and effect as if executed by the Executive.

4.7. Confidentiality of Agreement. Other than with respect to information required to be disclosed by applicable law, the parties hereto agree not to disclose the terms of this Employment Agreement to any Person; provided the Executive may disclose this Employment Agreement and/or any of its terms to the Executive's immediate family, financial advisors and attorneys. Notwithstanding anything in this Section 4.7 to the contrary, the parties hereto (and each of their respective employees, representatives, or other agents) may disclose to any and all Persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by this Employment Agreement, and all materials of any kind (including opinions or other tax analyses) related to such tax treatment and tax structure; provided that this sentence shall not permit any Person to disclose the name of, or other information that would identify, any party to such transactions or to disclose confidential commercial information regarding such transactions.

4.8. Remedies. The Executive agrees that any breach of the terms of this Section 4 would result in irreparable injury and damage to the Company and its Affiliates for which the Company and its Affiliates would have no adequate remedy at law; the Executive therefore also agrees that in the event of said breach or any threat of breach, the Company and its Affiliates shall be entitled to an immediate injunction and restraining order to prevent such breach and/or threatened breach and/or continued breach by the Executive and/or any and all Persons acting for and/or with the Executive, without having to prove damages, in addition to any other remedies to which the Company and its Affiliates may be entitled at law or in equity, including, without limitation, the obligation of the Executive to return any Severance Payments made by the Company to the Company. The terms of this paragraph shall not prevent the Company or its Affiliates from pursuing any other available remedies for any breach or threatened breach hereof, including, without limitation, the recovery of damages from the Executive. The Executive and the Company further agree that the provisions of the covenants contained in this Section 4 are reasonable and necessary to protect the businesses of the Company and its Affiliates because of the Executive's access to Confidential Information and Executive's material participation in the operation of such businesses.

Section 5. Representation.

The Executive represents and warrants that (i) Executive is not subject to any contract, arrangement, policy or understanding, or to any statute, governmental rule or regulation, that in any way limits Executive's ability to enter into and fully perform Executive's obligations under this Employment Agreement and (ii) Executive is not otherwise unable to enter into and fully perform Executive's obligations under this Employment Agreement.

Section 6. Withholding.

All amounts paid to the Executive under this Employment Agreement during or following the Term shall be subject to withholding and other employment taxes imposed by applicable law.

Section 7. Effect of Section 280G of the Code.

7.1. Payment Reduction. Notwithstanding anything contained in this Employment Agreement to the contrary, (i) to the extent that any payment or distribution of any type to or for the Executive by the Company, any affiliate of the Company, any Person who acquires ownership or effective control of the Company or ownership of a substantial portion of the Company's assets (within the meaning of Section 280G of the Code and the regulations thereunder), or any affiliate of such Person, whether paid or payable or distributed or distributable pursuant to the terms of this Employment Agreement or otherwise (the "Payments") constitute "parachute payments" (within the meaning of Section 280G of the Code), and if (ii) such aggregate would, if reduced by all federal, state and local taxes applicable thereto, including the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), be less than the amount the Executive would receive, after all taxes, if the Executive received aggregate Payments equal (as valued under Section 280G of the Code) to only three times the Executive's "base amount" (within the meaning of Section 280G of the Code), less $1.00, then (iii) such Payments shall be reduced (but not below zero) if and to the extent necessary so that no Payments to be made or benefit to be provided to the Executive shall be subject to the Excise Tax; provided, however, that the Company shall use its reasonable best efforts to obtain shareholder approval of the Payments provided for in this Employment Agreement in a manner intended to satisfy requirements of the "shareholder approval" exception to Section 280G of the Code and the regulations promulgated thereunder, such that payment may be made to the Executive of such Payments without the application of an Excise Tax. If the Payments are so reduced, the Company shall reduce or eliminate the Payments (x) by first reducing or eliminating the portion of the Payments which are not payable in cash (other than that portion of the Payments subject to clause (z) hereof), (y) then by reducing or eliminating cash payments (other than that portion of the Payments subject to clause (z) hereof) and (z) then by reducing or eliminating the portion of the Payments (whether payable in cash or not payable in cash) to which Treasury Regulation § 1.280G-1 Q/A 24(c) (or successor thereto) applies, in each case in reverse order beginning with payments or benefits which are to be paid the farthest in time.

7.2. Determination of Amount of Reduction (if any). The determination of whether the Payments shall be reduced as provided in Section 7.1 and the amount of such reduction shall be made at the Company's expense by an accounting firm selected by the Company from among the four (4) largest accounting firms in the United States (the "Accounting Firm"). The Accounting Firm shall provide its determination (the "Determination"), together with detailed supporting calculations and documentation, to the Company and the Executive within ten (10) days after the Executive's final day of employment. If the Accounting Firm determines that no Excise Tax is payable by the Executive with respect to the Payments, it shall furnish the Executive with an opinion reasonably acceptable to the Executive that no Excise Tax will be imposed with respect to any such payments and, absent manifest error, such Determination shall be binding, final and conclusive upon the Company and the Executive.

Section 8. Miscellaneous.

8.1. Amendments and Waivers. This Employment Agreement and any of the provisions hereof may be amended, waived (either generally or in a particular instance and either retroactively or prospectively), modified or supplemented, in whole or in part, only by written agreement signed by the parties hereto; provided, that, the observance of any provision of this Employment Agreement may be waived in writing by the party that will lose the benefit of such provision as a result of such waiver. The waiver by any party hereto of a breach of any provision of this Employment Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach, except as otherwise explicitly provided for in such waiver. Except as otherwise expressly provided herein, no failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder, or otherwise available in respect hereof at law or in equity, shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

8.2. Fees and Expenses. The Company shall pay all legal fees and related expenses (including the costs of experts, evidence and counsel) incurred by the Executive as a result of (i) the termination of the Executive's employment by the Company or the resignation by the Executive for Good Reason (including all such fees and expenses, if any, incurred in contesting, defending or disputing the basis for any such termination or resignation of employment) or (b) the Executive seeking to obtain or enforce any right or benefit provided by this Employment Agreement; provided, that, if it is determined that the Executive's termination of employment was for Cause, the Executive shall not be entitled to any payment or reimbursement pursuant to this Section 8.2.

8.3. Indemnification. To the extent provided in the Company's Certificate of Incorporation or Bylaws, as in effect from time to time, and subject to any separate agreement (if any) between the Company and the Executive regarding indemnification, the Company shall indemnify the Executive for losses or damages incurred by the Executive as a result of causes of action arising from the Executive's performance of duties for the benefit of the Company, whether or not the claim is asserted during the Term.

8.4. Assignment. This Employment Agreement, and the Executive's rights and obligations hereunder, may not be assigned by the Executive, and any purported assignment by the Executive in violation hereof shall be null and void.

8.5. Notices. Unless otherwise provided herein, all notices, requests, demands, claims and other communications provided for under the terms of this Employment Agreement shall be in writing. Any notice, request, demand, claim or other communication hereunder shall be sent by (i) personal delivery (including receipted courier service) or overnight delivery service, (ii) facsimile during normal business hours, with confirmation of receipt, to the number indicated, (iii) reputable commercial overnight delivery service courier or (iv) registered or certified mail, return receipt requested, postage prepaid and addressed to the intended recipient as set forth below:

If to the Company:	CVR Energy, Inc. 10 E. Cambridge Circle, Suite 250 Kansas City, KS 66103 Attention: General Counsel Facsimile: (913) 982-5651
with a copy to:	Fried, Frank, Harris, Shriver & Jacobson LLP One New York Plaza New York, NY 10004 Attention: Donald P. Carleen, Esq. Facsimile: (212) 859-4000

If to the Executive:	Stanley A. Riemann 2277 Plaza Drive, Suite 500 Sugar Land, TX 77479 Facsimile: (281) 207-3251

All such notices, requests, consents and other communications shall be deemed to have been given when received. Any party may change its facsimile number or its address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other parties hereto notice in the manner then set forth.

8.6. Governing Law. This Employment Agreement shall be construed and enforced in accordance with, and the rights and obligations of the parties hereto shall be governed by, the laws of the State of Texas, without giving effect to the conflicts of law principles thereof. Each of the parties hereto irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of Texas (collectively, the "Selected Courts") for any action or proceeding relating to this Employment Agreement, agrees not to commence any action or proceeding relating thereto except in the Selected Courts, and waives any forum or venue objections to the Selected Courts.

8.7. Severability. Whenever possible, each provision or portion of any provision of this Employment Agreement, including those contained in Section 4 hereof, will be interpreted in such manner as to be effective and valid under applicable law but the invalidity or unenforceability of any provision or portion of any provision of this Employment Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Employment Agreement in that jurisdiction or the validity or enforceability of this Employment Agreement, including that provision or portion of any provision, in any other jurisdiction. In addition, should a court or arbitrator determine that any provision or portion of any provision of this Employment Agreement, including those contained in Section 4 hereof, is not reasonable or valid, either in period of time, geographical area, or otherwise, the parties hereto agree that such provision should be interpreted and enforced to the maximum extent which such court or arbitrator deems reasonable or valid.

8.8. Entire Agreement. From and after the Commencement Date, this Employment Agreement constitutes the entire agreement between the parties hereto, and supersedes all prior representations, agreements and understandings (including any prior course of dealings), both written and oral, relating to any employment of the Executive by the Company or any of its Affiliates including, without limitation, the First Amended and Restated Agreement.

8.9. Counterparts. This Employment Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

8.10. Binding Effect. This Employment Agreement shall inure to the benefit of, and be binding on, the successors and assigns of each of the parties, including, without limitation, the Executive's heirs and the personal representatives of the Executive's estate and any successor to all or substantially all of the business and/or assets of the Company.

8.11. General Interpretive Principles. The name assigned this Employment Agreement and headings of the sections, paragraphs, subparagraphs, clauses and subclauses of this Employment Agreement are for convenience of reference only and shall not in any way affect the meaning or interpretation of any of the provisions hereof. Words of inclusion shall not be construed as terms of limitation herein, so that references to "include", "includes" and "including" shall not be limiting and shall be regarded as references to non-exclusive and non-characterizing illustrations.

8.12. Mitigation. Notwithstanding any other provision of this Employment Agreement, (a) the Executive will have no obligation to mitigate damages for any breach or termination of this Employment Agreement by the Company, whether by seeking employment or otherwise and (b) except for Welfare Benefits provided pursuant to Section 3.2(a) or Section 3.2(b), the amount of any payment or benefit due the Executive after the date of such breach or termination will not be reduced or offset by any payment or benefit that the Executive may receive from any other source.

8.13. Company Actions. Any actions, approvals, decisions, or determinations to be made by the Company under this Employment Agreement shall be made by the Company's Board, except as otherwise expressly provided herein. For purposes of any references herein to the Board's designee, any such reference shall be deemed to include the Chief Executive Officer of the Company and such other or additional officers, or committees of the Board, as the Board may expressly designate from time to time for such purpose.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Employment Agreement as of the date first written above.

	CVR ENERGY, INC.
/s/ Stanley A. Riemann	By: /s/ John J. Lipinski
STANLEY A. RIEMANN	Name: John J. Lipinski
	Title: Chief Executive Officer and President

[Signature Page to Second Amended and Restated Employment Agreement]

APPENDIX A

"Change in Control" means the occurrence of any of the following:

(a) An acquisition (other than directly from the Company) of any voting securities of the Company (the "Voting Securities") by any "Person" (as the term "person" is used for purposes of Section 13(d) or 14(d) of the Exchange Act), immediately after which such Person has "Beneficial Ownership" (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than thirty percent (30%) of (i) the then-outstanding Shares or (ii) the combined voting power of the Company's then-outstanding Voting Securities; provided, however, that in determining whether a Change in Control has occurred pursuant to this paragraph (a), the acquisition of Shares or Voting Securities in a Non-Control Acquisition (as hereinafter defined) shall not constitute a Change in Control. A "Non-Control Acquisition" shall mean an acquisition by (i) an employee benefit plan (or a trust forming a part thereof) maintained by (A) the Company or (B) any corporation or other Person the majority of the voting power, voting equity securities or equity interest of which is owned, directly or indirectly, by the Company (for purposes of this definition, a "Related Entity"), (ii) the Company, any Principal Stockholder or any Related Entity, or (iii) any Person in connection with a Non-Control Transaction (as hereinafter defined);

(b) The consummation of:

(i) A merger, consolidation or reorganization (x) with or into the Company or (y) in which securities of the Company are issued (a "Merger"), unless such Merger is a "Non-Control Transaction." A "Non-Control Transaction" shall mean a Merger in which:

(A) the shareholders of the Company immediately before such Merger own directly or indirectly immediately following such Merger at least a majority of the combined voting power of the outstanding voting securities of (1) the corporation resulting from such Merger (the "Surviving Corporation"), if fifty percent (50%) or more of the combined voting power of the then outstanding voting securities by the Surviving Corporation is not Beneficially Owned, directly or indirectly, by another Person (a "Parent Corporation") or (2) if there is one or more than one Parent Corporation, the ultimate Parent Corporation;

(B) the individuals who were members of the Board immediately prior to the execution of the agreement providing for such Merger constitute at least a majority of the members of the board of directors of (1) the Surviving Corporation, if there is no Parent Corporation, or (2) if there is one or more than one Parent Corporation, the ultimate Parent Corporation; and

(C) no Person other than (1) the Company or another corporation that is a party to the agreement of Merger, (2) any Related Entity, (3) any employee benefit plan (or any trust forming a part thereof) that, immediately prior to the Merger, was maintained by the Company or any Related Entity, or (4) any Person who, immediately prior to the Merger, had Beneficial Ownership of thirty percent (30%) or more of the then outstanding Shares or Voting Securities, has Beneficial Ownership, directly or indirectly, of thirty percent (30%) or more of

the combined voting power of the outstanding voting securities or common stock of (x) the Surviving Corporation, if there is no Parent Corporation, or (y) if there is one or more than one Parent Corporation, the ultimate Parent Corporation.

(ii) A complete liquidation or dissolution of the Company; or

(iii) The sale or other disposition of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole to any Person (other than (x) a transfer to a Related Entity or (y) the distribution to the Company's shareholders of the stock of a Related Entity or any other assets).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the then outstanding Shares or Voting Securities as a result of the acquisition of Shares or Voting Securities by the Company which, by reducing the number of Shares or Voting Securities then outstanding, increases the proportional number of shares Beneficially Owned by the Subject Persons; provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Shares or Voting Securities by the Company and, after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Shares or Voting Securities and such Beneficial Ownership increases the percentage of the then outstanding Shares or Voting Securities Beneficially Owned by the Subject Person, then a Change in Control shall occur.

For purposes of this definition: (i) "Shares" means the common stock, par value $.01 per share, of the Company and any other securities into which such shares are changed or for which such shares are exchanged and (ii) "Principal Stockholder" means each of Kelso Investment Associates VII, L.P., a Delaware limited partnership, KEP VI, LLC, a Delaware limited liability company, GS Capital Partners V Fund, L.P., a Delaware limited partnership, GS Capital Partners V Offshore Fund, L.P., a Cayman Islands exempted limited partnership, GS Capital Partners V Institutional, L.P., a Delaware limited partnership and GS Capital Partners V GmbH & Co. KG, a German limited partnership.

Exhibit 10.3

Execution Version

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

AMENDED AND RESTATED EMPLOYMENT AGREEMENT, dated as of January 1, 2010 (the "Employment Agreement"), by and between **CVR ENERGY, INC.**, a Delaware corporation (the "Company"), and **EDWARD MORGAN** (the "Executive").

WHEREAS, the Company and the Executive entered into an employment agreement dated April 1, 2009, as amended by an amendment to such employment agreement dated August 17, 2009 (as amended, the "Original Agreement").

WHEREAS, the Company and the Executive desire to amend and restate the Original Agreement in its entirety as provided for herein;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other valid consideration the sufficiency of which is acknowledged, the parties hereto agree as follows:

Section 1. Employment.

1.1. Term. The Company agrees to employ the Executive, and the Executive agrees to be employed by the Company, in each case pursuant to this Employment Agreement, for a period commencing on January 1, 2010 (the "Commencement Date") and ending on the earlier of (i) the third (3rd) anniversary of the Commencement Date and (ii) the termination or resignation of the Executive's employment in accordance with Section 3 hereof (the "Term").

1.2. Duties. During the Term, the Executive shall serve as Chief Financial Officer and Treasurer of the Company and such other or additional positions as an officer or director of the Company, and of such direct or indirect affiliates of the Company ("Affiliates"), as the Executive and the board of directors of the Company (the "Board") or its designee shall mutually agree from time to time. In such positions, the Executive shall perform such duties, functions and responsibilities during the Term commensurate with the Executive's positions as reasonably directed by the Board.

1.3. Exclusivity. During the Term, the Executive shall devote substantially all of Executive's working time and attention to the business and affairs of the Company and its Affiliates, shall faithfully serve the Company and its Affiliates, and shall in all material respects conform to and comply with the lawful and reasonable directions and instructions given to Executive by the Board, or its designee, consistent with Section 1.2 hereof. During the Term, the Executive shall use Executive's best efforts during Executive's working time to promote and serve the interests of the Company and its Affiliates and shall not engage in any other business activity, whether or not such activity shall be engaged in for pecuniary profit. The provisions of this Section 1.3 shall not be construed to prevent the Executive from investing Executive's personal, private assets as a passive investor in such form or manner as will not require any active services on the part of the Executive in the management or operation of the

affairs of the companies, partnerships, or other business entities in which any such passive investments are made.

Section 2. Compensation.

2.1. Salary. As compensation for the performance of the Executive's services hereunder, during the Term, the Company shall pay to the Executive a salary at an annual rate of $315,000 which annual salary shall be prorated for any partial year at the beginning or end of the Term and shall accrue and be payable in accordance with the Company's standard payroll policies, as such salary may be adjusted upward by the Compensation Committee of the Board in its discretion (as adjusted, the "Base Salary").

2.2. Annual Bonus. For each completed fiscal year occurring during the Term, the Executive shall be eligible to receive an annual cash bonus (the "Annual Bonus"). Commencing with fiscal year 2010, the target Annual Bonus shall be 120% of the Executive's Base Salary as in effect at the beginning of the Term in fiscal year 2010 and at the beginning of each such fiscal year thereafter during the Term, the actual Annual Bonus to be based upon such individual and/or Company performance criteria established for each such fiscal year by the Compensation Committee of the Board. The Annual Bonus, if any, payable to Executive for a fiscal year will be paid by the Company to the Executive on the last scheduled payroll payment date during such fiscal year.

2.3. Employee Benefits. During the Term, the Executive shall be eligible to participate in such health, insurance, retirement, and other employee benefit plans and programs of the Company as in effect from time to time on the same basis as other senior executives of the Company.

2.4. Paid Time Off. During the Term, the Executive shall be entitled to twenty-five (25) days of paid time off ("PTO") each year.

2.5. Business Expenses. The Company shall pay or reimburse the Executive for all commercially reasonable business out-of-pocket expenses that the Executive incurs during the Term in performing Executive's duties under this Employment Agreement upon presentation of documentation and in accordance with the expense reimbursement policy of the Company as approved by the Board and in effect from time to time. Notwithstanding anything herein to the contrary or otherwise, except to the extent any expense or reimbursement described in this Employment Agreement does not constitute a "deferral of compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury regulations and other guidance issued thereunder, any expense or reimbursement described in this Employment Agreement shall meet the following requirements: (i) the amount of expenses eligible for reimbursement provided to the Executive during any calendar year will not affect the amount of expenses eligible for reimbursement to the Executive in any other calendar year; (ii) the reimbursements for expenses for which the Executive is entitled to be reimbursed shall be made on or before the last day of the calendar year following the calendar year in which the applicable expense is incurred; (iii) the right to payment or reimbursement or in-kind benefits hereunder may not be liquidated or exchanged for any other

benefit; and (iv) the reimbursements shall be made pursuant to objectively determinable and nondiscretionary Company policies and procedures regarding such reimbursement of expenses.

Section 3. Employment Termination.

3.1. Termination of Employment. The Company may terminate the Executive's employment for any reason during the Term, and the Executive may voluntarily resign Executive's employment for any reason during the Term, in each case (other than a termination by the Company for Cause) at any time upon not less than thirty (30) days' notice to the other party. Upon the termination or resignation of the Executive's employment with the Company for any reason (whether during the Term or thereafter), the Executive shall be entitled to any Base Salary earned but unpaid through the date of termination or resignation, any earned but unpaid Annual Bonus for completed fiscal years, any unused accrued PTO and any unreimbursed expenses in accordance with Section 2.5 hereof (collectively, the "Accrued Amounts").

3.2. Certain Terminations.

(a) Termination by the Company Other Than For Cause or Disability; Resignation by the Executive for Good Reason. If during the Term (i) the Executive's employment is terminated by the Company other than for Cause or Disability or (ii) the Executive resigns for Good Reason, then in addition to the Accrued Amounts the Executive shall be entitled to the following payments and benefits: (x) the continuation of Executive's Base Salary at the rate in effect immediately prior to the date of termination or resignation for a period of twelve (12) months (or, if earlier, until and including the month in which the Executive attains age 70) and (y) to the extent permitted pursuant to the applicable plans, the continuation on the same terms as an active employee (including, where applicable, coverage for the Executive and the Executive's dependents) of medical, dental, vision and life insurance benefits ("Welfare Benefits") the Executive would otherwise be eligible to receive as an active employee of the Company for twelve (12) months or, if earlier, until such time as the Executive becomes eligible for Welfare Benefits from a subsequent employer (the "Welfare Benefit Continuation Period"); provided, that, if (A) such termination or resignation occurs pursuant to clause (i) or (ii) directly above within the one (1) year period following a Change in Control or (B) the Executive's termination or resignation is a Change in Control Related Termination, then the Executive shall also be entitled to (i) the continuation of Executive's Base Salary at the rate in effect immediately prior to the date of termination or resignation for the twelve (12) month period commencing on the one (1) year anniversary of the date of termination or resignation**,** (ii) a payment each month during the twenty-four (24) month period following the date of termination or resignation equal to one-twelfth (1/12th) of the target Annual Bonus for the year in which the Executive's termination or resignation occurs and (iii) the continuation of the Welfare Benefits for the twelve (12) month period commencing on the one (1) year anniversary of the date of termination or resignation or, if earlier, until such time as the Executive becomes eligible for Welfare Benefits from a subsequent employer (the "Additional Welfare Benefit Continuation Period") (such payments, collectively, the "Severance Payments"). If the Executive is not permitted to continue participation in the Company's Welfare Benefit plans pursuant to the terms of such plans or pursuant to a determination by the Company's insurance providers, the Company shall use reasonable efforts to obtain individual insurance policies providing the Welfare Benefits to the

Executive during the Welfare Benefit Continuation Period and, if applicable, the Additional Welfare Benefit Continuation Period, but shall only be required to pay for such policies an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans; provided, that, if such coverage cannot be obtained, the Company shall pay to the Executive monthly during the Welfare Benefit Continuation Period and, if applicable, the Additional Welfare Benefit Continuation Period, an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans. The Company's obligations to make the Severance Payments shall be conditioned upon: (i) the Executive's continued compliance with Executive's obligations under Section 4 of this Employment Agreement and (ii) the Executive's execution, delivery and non-revocation of a valid and enforceable release of claims arising in connection with the Executive's employment and termination or resignation of employment with the Company (the "Release") in a form reasonably acceptable to the Company and the Executive that becomes effective not later than forty-five (45) days after the date of such termination or resignation of employment. In the event that the Executive breaches any of the covenants set forth in Section 4 of this Employment Agreement, the Executive will immediately return to the Company any portion of the Severance Payments that have been paid to the Executive pursuant to this Section 3.2(a). Subject to Section 3.2(d), the Severance Payments will commence to be paid to the Executive within ten (10) days following the effectiveness of the Release.

(b) Retirement. Upon Retirement, the Executive, whether or not Section 3.2(a) also applies but without duplication of benefits, to the extent permitted pursuant to the applicable plans, shall be entitled to the continuation on the same terms as an active employee of Welfare Benefits the Executive would otherwise be eligible to receive as an active employee of the Company for twenty-four (24) months following the date of the Executive's Retirement or, if earlier, until such time as the Executive becomes eligible for Welfare Benefits from a subsequent employer and, thereafter, shall be eligible to continue participation in the Company's Welfare Benefits plans, provided that such continued participation shall be entirely at the Executive's expense and shall cease when the Executive becomes eligible for Welfare Benefits from a subsequent employer. Notwithstanding the foregoing, (x) if the Executive is not permitted to continue participation in the Company's Welfare Benefit plans pursuant to the terms of such plans or pursuant to a determination by the Company's insurance providers, the Company shall use reasonable efforts to obtain individual insurance policies providing the Welfare Benefits to the Executive for such twenty-four (24) months, but shall only be required to pay for such policies an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefit plans; provided, that, if such coverage cannot be obtained, the Company shall pay to the Executive monthly for such twenty-four (24) months an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans and (y) any Welfare Benefits coverage provided pursuant to this Section 3.2(b), whether through the Company's Welfare Benefit plans or through individual insurance policies, shall be supplemental to any benefits for which the Executive becomes eligible under Medicare, whether or not the Executive actually obtains such Medicare coverage.

(c) Definitions. For purposes of this Section 3.2, the following terms shall have the following meanings:

(1) A resignation for "Good Reason" shall mean a resignation by the Executive within thirty (30) days following the date on which the Company has engaged in any of the following: (i) the assignment of duties or responsibilities to the Executive that reflect a material diminution of the Executive's position with the Company; (ii) a relocation of the Executive's principal place of employment that increases the Executive's commute by more than fifty (50) miles; or (iii) a reduction in the Executive's Base Salary, other than across-the-board reductions applicable to similarly situated employees of the Company; provided, however, that the Executive must provide the Company with notice promptly following the occurrence of any of the foregoing and at least thirty (30) days to cure.

(2) "Cause" shall mean that the Executive has engaged in any of the following: (i) willful misconduct or breach of fiduciary duty; (ii) intentional failure or refusal to perform reasonably assigned duties after written notice of such willful failure or refusal and the failure or refusal is not corrected within ten (10) business days; (iii) the indictment for, conviction of or entering a plea of guilty or nolo contendere to a crime constituting a felony (other than a traffic violation or other offense or violation outside of the course of employment which does not adversely affect the Company and its Affiliates or their reputation or the ability of the Executive to perform Executive's employment-related duties or to represent the Company and its Affiliates); provided, however, that (A) if the Executive is terminated for Cause by reason of Executive's indictment pursuant to this clause (iii) and the indictment is subsequently dismissed or withdrawn or the Executive is found to be not guilty in a court of law in connection with such indictment, then the Executive's termination shall be treated for purposes of this Employment Agreement as a termination by the Company other than for Cause, and the Executive will be entitled to receive (without duplication of benefits and to the extent permitted by law and the terms of the then-applicable Welfare Benefits plans) the payments and benefits set forth in Section 3.2(a) and, to the extent applicable, Section 3.2(b), following such dismissal, withdrawal or finding, payable in the manner and subject to the conditions set forth in such Sections and (B) if such indictment relates to environmental matters and does not allege that the Executive was directly involved in or directly supervised the action(s) forming the basis of the indictment, Cause shall not be deemed to exist under this Employment Agreement by reason of such indictment until the Executive is convicted or enters a plea of guilty or nolo contendere in connection with such indictment; or (iv) material breach of the Executive's covenants in Section 4 of this Employment Agreement or any material written policy of the Company or any Affiliate after written notice of such breach and failure by the Executive to correct such breach within ten (10) business days, provided that no notice of, nor opportunity to correct, such breach shall be required hereunder if such breach cannot be cured by the Executive.

(3) "Change in Control" shall have the meaning set forth on Appendix A.

(4) "Change in Control Related Termination" shall mean a termination of the Executive's employment by the Company other than for Cause or Executive's resignation for Good Reason, in each case at any time prior to the date of a Change in Control and (A) the Executive reasonably demonstrates that such termination or the basis for resignation for Good Reason occurred in anticipation of a transaction that, if consummated, would constitute a Change in Control, (B) such termination or the basis for resignation for Good

Reason occurred after the Company entered into a definitive agreement, the consummation of which would constitute a Change in Control or (C) the Executive reasonably demonstrates that such termination or the basis for resignation for Good Reason was implemented at the request of a third party who has indicated an intention or has taken steps reasonably calculated to effect a Change in Control.

(5) "Disability" shall mean the Executive's inability, due to physical or mental ill health, to perform the essential functions of the Executive's job, with or without a reasonable accommodation, for 180 days during any 365 day period irrespective of whether such days are consecutive.

(6) "Retirement" shall mean the Executive's termination or resignation of employment for any reason (other than by the Company for Cause or by reason of the Executive's death) following the date the Executive attains age 62.

(d) Section 409A. To the extent applicable, this Employment Agreement shall be interpreted, construed and operated in accordance with Section 409A of the Code and the Treasury regulations and other guidance issued thereunder. If on the date of the Executive's separation from service (as defined in Treasury Regulation §1.409A-1(h)) with the Company the Executive is a specified employee (as defined in Code Section 409A and Treasury Regulation §1.409A-1(i)), no payment constituting the "deferral of compensation" within the meaning of Treasury Regulation §1.409A-1(b) and after application of the exemptions provided in Treasury Regulation §§1.409A-1(b)(4) and 1.409A-1(b)(9)(iii) shall be made to Executive at any time during the six (6) month period following the Executive's separation from service, and any such amounts deferred such six (6) months shall instead be paid in a lump sum on the first payroll payment date following expiration of such six (6) month period. For purposes of conforming this Employment Agreement to Section 409A of the Code, the parties agree that any reference to termination of employment, severance from employment, resignation from employment or similar terms shall mean and be interpreted as a "separation from service" as defined in Treasury Regulation §1.409A-1(h).

3.3. Exclusive Remedy. The foregoing payments upon termination or resignation of the Executive's employment shall constitute the exclusive severance payments due the Executive upon a termination or resignation of Executive's employment under this Employment Agreement.

3.4. Resignation from All Positions. Upon the termination or resignation of the Executive's employment with the Company for any reason, the Executive shall be deemed to have resigned, as of the date of such termination or resignation, from and with respect to all positions the Executive then holds as an officer, director, employee and member of the Board of Directors (and any committee thereof) of the Company and any of its Affiliates.

3.5. Cooperation. For one (1) year following the termination or resignation of the Executive's employment with the Company for any reason, the Executive agrees to reasonably cooperate with the Company upon reasonable request of the Board and to be reasonably available to the Company with respect to matters arising out of the Executive's services to the Company and its Affiliates, provided, however, such period of cooperation shall be for three (3) years, following any such termination or resignation of Executive's employment for any reason, with respect to tax matters involving the Company or any of its Affiliates. The Company shall reimburse the Executive for expenses reasonably incurred in connection with such matters as agreed by the Executive and the Board and the Company shall compensate the Executive for such cooperation at an hourly rate based on the Executive's most recent base salary rate assuming two thousand (2,000) working hours per year; provided, that if the Executive is required to spend more than forty (40) hours in any month on Company matters pursuant to this Section 3.5, the Executive and the Board shall mutually agree to an appropriate rate of compensation for the Executive's time over such forty (40) hour threshold.

Section 4. Unauthorized Disclosure; Non-Competition; Non-Solicitation; Proprietary Rights.

4.1. Unauthorized Disclosure. The Executive agrees and understands that in the Executive's position with the Company and any Affiliates, the Executive has been and will be exposed to and has and will receive information relating to the confidential affairs of the Company and its Affiliates, including, without limitation, technical information, intellectual property, business and marketing plans, strategies, customer information, software, other information concerning the products, promotions, development, financing, expansion plans, business policies and practices of the Company and its Affiliates and other forms of information considered by the Company and its Affiliates to be confidential and in the nature of trade secrets (including, without limitation, ideas, research and development, know-how, formulas, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information and business and marketing plans and proposals) (collectively, the "Confidential Information"); provided, however, that Confidential Information shall not include information which (i) is or becomes generally available to the public not in violation of this Employment Agreement or any written policy of the Company; or (ii) was in the Executive's possession or knowledge on a non-confidential basis prior to such disclosure. The Executive agrees that at all times during the Executive's employment with the Company and thereafter, the Executive shall not disclose such Confidential Information, either directly or indirectly, to any individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof (each, for purposes of this Section 4, a "Person") without the prior written consent of the Company and shall not use or attempt to use any such information in any manner other than in connection with Executive's employment with the Company, unless required by law to disclose such information, in which case the Executive shall provide the Company with written notice of such requirement as far in advance of such anticipated disclosure as possible. Executive's confidentiality covenant has no temporal, geographical or territorial restriction. Upon termination or resignation of the Executive's employment with the Company, the Executive shall promptly supply to the Company all property, keys, notes, memoranda, writings, lists, files, reports, customer lists, correspondence, tapes, disks, cards, surveys, maps, logs, machines, technical data and any other tangible product or document which has been produced by, received by or otherwise submitted to the Executive during or prior to the Executive's employment with the Company, and any copies thereof in Executive's (or capable of being reduced to Executive's) possession.

4.2. Non-Competition. By and in consideration of the Company's entering into this Employment Agreement and the payments to be made and benefits to be provided by the Company hereunder, and in further consideration of the Executive's exposure to the Confidential Information of the Company and its Affiliates, the Executive agrees that the Executive shall not, during the Term and for a period of twelve (12) months thereafter (the "Restriction Period"), directly or indirectly, own, manage, operate, join, control, be employed by, or participate in the ownership, management, operation or control of, or be connected in any manner with, including, without limitation, holding any position as a stockholder, director, officer, consultant, independent contractor, employee, partner, or investor in, any Restricted Enterprise (as defined below); provided, that in no event shall ownership of one percent (1%) or less of the outstanding securities of any class of any issuer whose securities are registered under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), standing alone, be prohibited by this Section 4.2, so long as the Executive does not have, or exercise, any rights to manage or operate the business of such issuer other than rights as a stockholder thereof. For purposes of this paragraph, "Restricted Enterprise" shall mean any Person that is actively engaged in any business which is either (i) in competition with the business of the Company or any of its Affiliates conducted during the preceding twelve (12) months (or following the Term, the twelve (12) months preceding the last day of the Term), or (ii) proposed to be conducted by the Company or any of its Affiliates in the Company's or Affiliate's business plan as in effect at that time (or following the Term, the business plan as in effect as of the last day of the Term); provided, that (x) with respect to any Person that is actively engaged in the refinery business, a Restricted Enterprise shall only include such a Person that operates or markets in any geographic area in which the Company or any of its Affiliates operates or markets with respect to its refinery business and (y) with respect to any Person that is actively engaged in the fertilizer business, a Restricted Enterprise shall only include such a Person that operates or markets in any geographic area in which the Company or any of its Affiliates operates or markets with respect to its fertilizer business. During the Restriction Period, upon request of the Company, the Executive shall notify the Company of the Executive's then-current employment status. For the avoidance of doubt, a Restricted Enterprise shall not include any Person or division thereof that is engaged in the business of supplying (but not refining) crude oil or natural gas.

4.3. Non-Solicitation of Employees. During the Restriction Period, the Executive shall not directly or indirectly contact, induce or solicit (or assist any Person to contact, induce or solicit) for employment any person who is, or within twelve (12) months prior to the date of such solicitation was, an employee of the Company or any of its Affiliates.

4.4. Non-Solicitation of Customers/Suppliers. During the Restriction Period, the Executive shall not (i) contact, induce or solicit (or assist any Person to contact, induce or solicit) any Person which has a business relationship with the Company or of any of its Affiliates in order to terminate, curtail or otherwise interfere with such business relationship or (ii) solicit, other than on behalf of the Company and its Affiliates, any Person that the Executive knows or should have known (x) is a current customer of the Company or any of its Affiliates in any geographic area in which the Company or any of its Affiliates operates or markets or (y) is a Person in any geographic area in which the Company or any of its Affiliates operates or markets with respect to which the Company or any of its Affiliates has, within the twelve (12) months prior to the date of such solicitation, devoted more than de minimis resources in an effort to cause such Person to become a customer of the Company or any of its Affiliates in that geographic area. For the avoidance of doubt, the foregoing does not preclude the Executive from soliciting, outside of the geographic areas in which the Company or any of its Affiliates operates or markets, any Person that is a customer or potential customer of the Company or any of its Affiliates in the geographic areas in which it operates or markets.

4.5. Extension of Restriction Period. The Restriction Period shall be extended for a period of time equal to any period during which the Executive is in breach of any of Sections 4.2, 4.3 or 4.4 hereof.

4.6. Proprietary Rights. The Executive shall disclose promptly to the Company any and all inventions, discoveries, and improvements (whether or not patentable or registrable under copyright or similar statutes), and all patentable or copyrightable works, initiated, conceived, discovered, reduced to practice, or made by Executive, either alone or in conjunction with others, during the Executive's employment with the Company and related to the business or activities of the Company and its Affiliates (the "Developments"). Except to the extent any rights in any Developments constitute a work made for hire under the U.S. Copyright Act, 17 U.S.C. § 101 et seq. that are owned ab initio by the Company and/or its applicable Affiliates, the Executive assigns all of Executive's right, title and interest in all Developments (including all intellectual property rights therein) to the Company or its nominee without further compensation, including all rights or benefits therefor, including without limitation the right to sue and recover for past and future infringement. The Executive acknowledges that any rights in any developments constituting a work made for hire under the U.S. Copyright Act, 17 U.S.C § 101 et seq. are owned upon creation by the Company and/or its applicable Affiliates as the Executive's employer. Whenever requested to do so by the Company, the Executive shall execute any and all applications, assignments or other instruments which the Company shall deem necessary to apply for and obtain trademarks, patents or copyrights of the United States or any foreign country or otherwise protect the interests of the Company and its Affiliates therein. These obligations shall continue beyond the end of the Executive's employment with the Company with respect to inventions, discoveries, improvements or copyrightable works initiated, conceived or made by the Executive while employed by the Company, and shall be binding upon the Executive's employers, assigns, executors, administrators and other legal representatives. In connection with Executive's execution of this Employment Agreement, the Executive has informed the Company in writing of any interest in any inventions or intellectual property rights that Executive holds as of the date hereof. If the Company is unable for any reason, after reasonable effort, to obtain the Executive's signature on any document needed in connection with the actions described in this Section 4.6, the Executive hereby irrevocably designates and appoints the Company, its Affiliates, and their duly authorized officers and agents as the Executive's agent and attorney in fact to act for and in the Executive's behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of this Section with the same legal force and effect as if executed by the Executive.

4.7. Confidentiality of Agreement. Other than with respect to information required to be disclosed by applicable law, the parties hereto agree not to disclose the terms of this Employment Agreement to any Person; provided the Executive may disclose this Employment Agreement and/or any of its terms to the Executive's immediate family, financial advisors and attorneys. Notwithstanding anything in this Section 4.7 to the contrary, the parties hereto (and each of their respective employees, representatives, or other agents) may disclose to any and all Persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by this Employment Agreement, and all materials of any kind (including opinions or other tax analyses) related to such tax treatment and tax structure; provided that this sentence shall not permit any Person to disclose the name of, or other information that would identify, any party to such transactions or to disclose confidential commercial information regarding such transactions.

4.8. Remedies. The Executive agrees that any breach of the terms of this Section 4 would result in irreparable injury and damage to the Company and its Affiliates for which the Company and its Affiliates would have no adequate remedy at law; the Executive therefore also agrees that in the event of said breach or any threat of breach, the Company and its Affiliates shall be entitled to an immediate injunction and restraining order to prevent such breach and/or threatened breach and/or continued breach by the Executive and/or any and all Persons acting for and/or with the Executive, without having to prove damages, in addition to any other remedies to which the Company and its Affiliates may be entitled at law or in equity, including, without limitation, the obligation of the Executive to return any Severance Payments made by the Company to the Company. The terms of this paragraph shall not prevent the Company or its Affiliates from pursuing any other available remedies for any breach or threatened breach hereof, including, without limitation, the recovery of damages from the Executive. The Executive and the Company further agree that the provisions of the covenants contained in this Section 4 are reasonable and necessary to protect the businesses of the Company and its Affiliates because of the Executive's access to Confidential Information and Executive's material participation in the operation of such businesses.

Section 5. Representation.

The Executive represents and warrants that (i) Executive is not subject to any contract, arrangement, policy or understanding, or to any statute, governmental rule or regulation, that in any way limits Executive's ability to enter into and fully perform Executive's obligations under this Employment Agreement and (ii) Executive is not otherwise unable to enter into and fully perform Executive's obligations under this Employment Agreement.

Section 6. Withholding.

All amounts paid to the Executive under this Employment Agreement during or following the Term shall be subject to withholding and other employment taxes imposed by applicable law.

Section 7. Effect of Section 280G of the Code.

7.1. Payment Reduction. Notwithstanding anything contained in this Employment Agreement to the contrary, (i) to the extent that any payment or distribution of any type to or for the Executive by the Company, any affiliate of the Company, any Person who acquires ownership or effective control of the Company or ownership of a substantial portion of the Company's assets (within the meaning of Section 280G of the Code and the regulations thereunder), or any affiliate of such Person, whether paid or payable or distributed or distributable pursuant to the terms of this Employment Agreement or otherwise (the "Payments") constitute "parachute payments" (within the meaning of Section 280G of the Code), and if (ii) such aggregate would, if reduced by all federal, state and local taxes applicable thereto, including the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), be less than the amount the Executive would receive, after all taxes, if the Executive received aggregate Payments equal (as valued under Section 280G of the Code) to only three times the Executive's "base amount" (within the meaning of Section 280G of the Code), less $1.00, then (iii) such Payments shall be reduced (but not below zero) if and to the extent necessary so that no Payments to be made or benefit to be provided to the Executive shall be subject to the Excise Tax; provided, however, that the Company shall use its reasonable best efforts to obtain shareholder approval of the Payments provided for in this Employment Agreement in a manner intended to satisfy requirements of the "shareholder approval" exception to Section 280G of the Code and the regulations promulgated thereunder, such that payment may be made to the Executive of such Payments without the application of an Excise Tax. If the Payments are so reduced, the Company shall reduce or eliminate the Payments (x) by first reducing or eliminating the portion of the Payments which are not payable in cash (other than that portion of the Payments subject to clause (z) hereof), (y) then by reducing or eliminating cash payments (other than that portion of the Payments subject to clause (z) hereof) and (z) then by reducing or eliminating the portion of the Payments (whether payable in cash or not payable in cash) to which Treasury Regulation § 1.280G-1 Q/A 24(c) (or successor thereto) applies, in each case in reverse order beginning with payments or benefits which are to be paid the farthest in time.

7.2. Determination of Amount of Reduction (if any). The determination of whether the Payments shall be reduced as provided in Section 7.1 and the amount of such reduction shall be made at the Company's expense by an accounting firm selected by the Company from among the four (4) largest accounting firms in the United States (the "Accounting Firm"). The Accounting Firm shall provide its determination (the "Determination"), together with detailed supporting calculations and documentation, to the Company and the Executive within ten (10) days after the Executive's final day of employment. If the Accounting Firm determines that no Excise Tax is payable by the Executive with respect to the Payments, it shall furnish the Executive with an opinion reasonably acceptable to the Executive that no Excise Tax will be imposed with respect to any such payments and, absent manifest error, such Determination shall be binding, final and conclusive upon the Company and the Executive.

Section 8. Miscellaneous.

8.1. Amendments and Waivers. This Employment Agreement and any of the provisions hereof may be amended, waived (either generally or in a particular instance and either retroactively or prospectively), modified or supplemented, in whole or in part, only by written agreement signed by the parties hereto; provided, that, the observance of any provision of this Employment Agreement may be waived in writing by the party that will lose the benefit of such provision as a result of such waiver. The waiver by any party hereto of a breach of any provision of this Employment Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach, except as otherwise explicitly provided for in such waiver. Except as otherwise expressly provided herein, no failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder, or otherwise available in respect hereof at law or in equity, shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

8.2. Fees and Expenses. The Company shall pay all legal fees and related expenses (including the costs of experts, evidence and counsel) incurred by the Executive as a result of (i) the termination of the Executive's employment by the Company or the resignation by the Executive for Good Reason (including all such fees and expenses, if any, incurred in contesting, defending or disputing the basis for any such termination or resignation of employment) or (b) the Executive seeking to obtain or enforce any right or benefit provided by this Employment Agreement; provided, that, if it is determined that the Executive's termination of employment was for Cause, the Executive shall not be entitled to any payment or reimbursement pursuant to this Section 8.2.

8.3. Indemnification. To the extent provided in the Company's Certificate of Incorporation or Bylaws, as in effect from time to time, and subject to any separate agreement (if any) between the Company and the Executive regarding indemnification, the Company shall indemnify the Executive for losses or damages incurred by the Executive as a result of causes of action arising from the Executive's performance of duties for the benefit of the Company, whether or not the claim is asserted during the Term.

8.4. Assignment. This Employment Agreement, and the Executive's rights and obligations hereunder, may not be assigned by the Executive, and any purported assignment by the Executive in violation hereof shall be null and void.

8.5. Notices. Unless otherwise provided herein, all notices, requests, demands, claims and other communications provided for under the terms of this Employment Agreement shall be in writing. Any notice, request, demand, claim or other communication hereunder shall be sent by (i) personal delivery (including receipted courier service) or overnight delivery service, (ii) facsimile during normal business hours, with confirmation of receipt, to the number indicated, (iii) reputable commercial overnight delivery service courier or (iv) registered or certified mail, return receipt requested, postage prepaid and addressed to the intended recipient as set forth below:

If to the Company:	CVR Energy, Inc. 10 E. Cambridge Circle, Suite 250 Kansas City, KS 66103 Attention: General Counsel Facsimile: (913) 982-5651
with a copy to:	Fried, Frank, Harris, Shriver & Jacobson LLP One New York Plaza New York, NY 10004 Attention: Donald P. Carleen, Esq. Facsimile: (212) 859-4000
If to the Executive:	Edward Morgan 2277 Plaza Drive, Suite 500

Sugar Land, TX 77479
Facsimile: (281) 207-3389

All such notices, requests, consents and other communications shall be deemed to have been given when received. Any party may change its facsimile number or its address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other parties hereto notice in the manner then set forth.

8.6. Governing Law. This Employment Agreement shall be construed and enforced in accordance with, and the rights and obligations of the parties hereto shall be governed by, the laws of the State of Texas, without giving effect to the conflicts of law principles thereof. Each of the parties hereto irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of Texas (collectively, the "Selected Courts") for any action or proceeding relating to this Employment Agreement, agrees not to commence any action or proceeding relating thereto except in the Selected Courts, and waives any forum or venue objections to the Selected Courts.

8.7. Severability. Whenever possible, each provision or portion of any provision of this Employment Agreement, including those contained in Section 4 hereof, will be interpreted in such manner as to be effective and valid under applicable law but the invalidity or unenforceability of any provision or portion of any provision of this Employment Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Employment Agreement in that jurisdiction or the validity or enforceability of this Employment Agreement, including that provision or portion of any provision, in any other jurisdiction. In addition, should a court or arbitrator determine that any provision or portion of any provision of this Employment Agreement, including those contained in Section 4 hereof, is not reasonable or valid, either in period of time, geographical area, or otherwise, the parties hereto agree that such provision should be interpreted and enforced to the maximum extent which such court or arbitrator deems reasonable or valid.

8.8. Entire Agreement. From and after the Commencement Date, this Employment Agreement constitutes the entire agreement between the parties hereto, and supersedes all prior representations, agreements and understandings (including any prior course of dealings), both written and oral, relating to any employment of the Executive by the Company or any of its Affiliates including, without limitation, the Original Agreement.

8.9. Counterparts. This Employment Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

8.10. Binding Effect. This Employment Agreement shall inure to the benefit of, and be binding on, the successors and assigns of each of the parties, including, without limitation, the Executive's heirs and the personal representatives of the Executive's estate and any successor to all or substantially all of the business and/or assets of the Company.

8.11. General Interpretive Principles. The name assigned this Employment Agreement and headings of the sections, paragraphs, subparagraphs, clauses and subclauses of this Employment Agreement are for convenience of reference only and shall not in any way affect the meaning or interpretation of any of the provisions hereof. Words of inclusion shall not be construed as terms of limitation herein, so that references to "include", "includes" and "including" shall not be limiting and shall be regarded as references to non-exclusive and non-characterizing illustrations.

8.12. Mitigation. Notwithstanding any other provision of this Employment Agreement, (a) the Executive will have no obligation to mitigate damages for any breach or termination of this Employment Agreement by the Company, whether by seeking employment or otherwise and (b) except for Welfare Benefits provided pursuant to Section 3.2(a) or Section 3.2(b), the amount of any payment or benefit due the Executive after the date of such breach or termination will not be reduced or offset by any payment or benefit that the Executive may receive from any other source.

8.13. Company Actions. Any actions, approvals, decisions, or determinations to be made by the Company under this Employment Agreement shall be made by the Company's Board, except as otherwise expressly provided herein. For purposes of any references herein to the Board's designee, any such reference shall be deemed to include the Chief Executive Officer of the Company and such other or additional officers, or committees of the Board, as the Board may expressly designate from time to time for such purpose.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Employment Agreement as of the date first written above.

	CVR ENERGY, INC.
/s/ Edward Morgan	By: /s/ John J. Lipinski
EDWARD MORGAN	Name: John J. Lipinski
	Title: Chief Executive Officer and President

[Signature Page to Amended and Restated Employment Agreement]

APPENDIX A

"Change in Control" means the occurrence of any of the following:

(a) An acquisition (other than directly from the Company) of any voting securities of the Company (the "Voting Securities") by any "Person" (as the term "person" is used for purposes of Section 13(d) or 14(d) of the Exchange Act), immediately after which such Person has "Beneficial Ownership" (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than thirty percent (30%) of (i) the then-outstanding Shares or (ii) the combined voting power of the Company's then-outstanding Voting Securities; provided, however, that in determining whether a Change in Control has occurred pursuant to this paragraph (a), the acquisition of Shares or Voting Securities in a Non-Control Acquisition (as hereinafter defined) shall not constitute a Change in Control. A "Non-Control Acquisition" shall mean an acquisition by (i) an employee benefit plan (or a trust forming a part thereof) maintained by (A) the Company or (B) any corporation or other Person the majority of the voting power, voting equity securities or equity interest of which is owned, directly or indirectly, by the Company (for purposes of this definition, a "Related Entity"), (ii) the Company, any Principal Stockholder or any Related Entity, or (iii) any Person in connection with a Non-Control Transaction (as hereinafter defined);

(b) The consummation of:

(i) A merger, consolidation or reorganization (x) with or into the Company or (y) in which securities of the Company are issued (a "Merger"), unless such Merger is a "Non-Control Transaction." A "Non-Control Transaction" shall mean a Merger in which:

(A) the shareholders of the Company immediately before such Merger own directly or indirectly immediately following such Merger at least a majority of the combined voting power of the outstanding voting securities of (1) the corporation resulting from such Merger (the "Surviving Corporation"), if fifty percent (50%) or more of the combined voting power of the then outstanding voting securities by the Surviving Corporation is not Beneficially Owned, directly or indirectly, by another Person (a "Parent Corporation") or (2) if there is one or more than one Parent Corporation, the ultimate Parent Corporation;

(B) the individuals who were members of the Board immediately prior to the execution of the agreement providing for such Merger constitute at least a majority of the members of the board of directors of (1) the Surviving Corporation, if there is no Parent Corporation, or (2) if there is one or more than one Parent Corporation, the ultimate Parent Corporation; and

(C) no Person other than (1) the Company or another corporation that is a party to the agreement of Merger, (2) any Related Entity, (3) any employee benefit plan (or any trust forming a part thereof) that, immediately prior to the Merger, was maintained by the Company or any Related Entity, or (4) any Person who, immediately prior to the Merger, had Beneficial Ownership of thirty percent (30%) or more of the then outstanding Shares or Voting Securities, has Beneficial Ownership, directly or indirectly, of thirty percent (30%) or more of

the combined voting power of the outstanding voting securities or common stock of (x) the Surviving Corporation, if there is no Parent Corporation, or (y) if there is one or more than one Parent Corporation, the ultimate Parent Corporation.

(ii) A complete liquidation or dissolution of the Company; or

(iii) The sale or other disposition of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole to any Person (other than (x) a transfer to a Related Entity or (y) the distribution to the Company's shareholders of the stock of a Related Entity or any other assets).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the then outstanding Shares or Voting Securities as a result of the acquisition of Shares or Voting Securities by the Company which, by reducing the number of Shares or Voting Securities then outstanding, increases the proportional number of shares Beneficially Owned by the Subject Persons; provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Shares or Voting Securities by the Company and, after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Shares or Voting Securities and such Beneficial Ownership increases the percentage of the then outstanding Shares or Voting Securities Beneficially Owned by the Subject Person, then a Change in Control shall occur.

For purposes of this definition: (i) "Shares" means the common stock, par value $.01 per share, of the Company and any other securities into which such shares are changed or for which such shares are exchanged and (ii) "Principal Stockholder" means each of Kelso Investment Associates VII, L.P., a Delaware limited partnership, KEP VI, LLC, a Delaware limited liability company, GS Capital Partners V Fund, L.P., a Delaware limited partnership, GS Capital Partners V Offshore Fund, L.P., a Cayman Islands exempted limited partnership, GS Capital Partners V Institutional, L.P., a Delaware limited partnership and GS Capital Partners V GmbH & Co. KG, a German limited partnership.

Exhibit 10.4

Execution Version

SECOND AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT, dated as of January 1, 2010 (the "Employment Agreement"), by and between **CVR ENERGY, INC.**, a Delaware corporation (the "Company"), and **EDMUND S. GROSS** (the "Executive").

WHEREAS, the Company and the Executive entered into an amended and restated employment agreement dated December 29, 2007 (the "First Amended and Restated Agreement").

WHEREAS, the Company and the Executive desire to further amend and restate the First Amended and Restated Agreement in its entirety as provided for herein;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other valid consideration the sufficiency of which is acknowledged, the parties hereto agree as follows:

Section 1. Employment.

1.1. Term. The Company agrees to employ the Executive, and the Executive agrees to be employed by the Company, in each case pursuant to this Employment Agreement, for a period commencing on January 1, 2010 (the "Commencement Date") and ending on the earlier of (i) the third (3rd) anniversary of the Commencement Date and (ii) the termination or resignation of the Executive's employment in accordance with Section 3 hereof (the "Term").

1.2. Duties. During the Term, the Executive shall serve as Senior Vice President, General Counsel and Secretary of the Company and such other or additional positions as an officer or director of the Company, and of such direct or indirect affiliates of the Company ("Affiliates"), as the Executive and the board of directors of the Company (the "Board") or its designee shall mutually agree from time to time. In such positions, the Executive shall perform such duties, functions and responsibilities during the Term commensurate with the Executive's positions as reasonably directed by the Board.

1.3. Exclusivity. During the Term, the Executive shall devote substantially all of Executive's working time and attention to the business and affairs of the Company and its Affiliates, shall faithfully serve the Company and its Affiliates, and shall in all material respects conform to and comply with the lawful and reasonable directions and instructions given to Executive by the Board, or its designee, consistent with Section 1.2 hereof. During the Term, the Executive shall use Executive's best efforts during Executive's working time to promote and serve the interests of the Company and its Affiliates and shall not engage in any other business activity, whether or not such activity shall be engaged in for pecuniary profit. The provisions of this Section 1.3 shall not be construed to prevent the Executive from investing Executive's personal, private assets as a passive investor in such form or manner as will not require any active services on the part of the Executive in the management or operation of the

affairs of the companies, partnerships, or other business entities in which any such passive investments are made.

Section 2. Compensation.

2.1. Salary. As compensation for the performance of the Executive's services hereunder, during the Term, the Company shall pay to the Executive a salary at an annual rate of $347,000 which annual salary shall be prorated for any partial year at the beginning or end of the Term and shall accrue and be payable in accordance with the Company's standard payroll policies, as such salary may be adjusted upward by the Compensation Committee of the Board in its discretion (as adjusted, the "Base Salary").

2.2. Annual Bonus. For each completed fiscal year occurring during the Term, the Executive shall be eligible to receive an annual cash bonus (the "Annual Bonus"). Commencing with fiscal year 2010, the target Annual Bonus shall be 90% of the Executive's Base Salary as in effect at the beginning of the Term in fiscal year 2010 and at the beginning of each such fiscal year thereafter during the Term, the actual Annual Bonus to be based upon such individual and/or Company performance criteria established for each such fiscal year by the Compensation Committee of the Board. The Annual Bonus, if any, payable to Executive for a fiscal year will be paid by the Company to the Executive on the last scheduled payroll payment date during such fiscal year.

2.3. Employee Benefits. During the Term, the Executive shall be eligible to participate in such health, insurance, retirement, and other employee benefit plans and programs of the Company as in effect from time to time on the same basis as other senior executives of the Company.

2.4. Paid Time Off. During the Term, the Executive shall be entitled to twenty-five (25) days of paid time off ("PTO") each year.

2.5. Business Expenses. The Company shall pay or reimburse the Executive for all commercially reasonable business out-of-pocket expenses that the Executive incurs during the Term in performing Executive's duties under this Employment Agreement upon presentation of documentation and in accordance with the expense reimbursement policy of the Company as approved by the Board and in effect from time to time. Notwithstanding anything herein to the contrary or otherwise, except to the extent any expense or reimbursement described in this Employment Agreement does not constitute a "deferral of compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury regulations and other guidance issued thereunder, any expense or reimbursement described in this Employment Agreement shall meet the following requirements: (i) the amount of expenses eligible for reimbursement provided to the Executive during any calendar year will not affect the amount of expenses eligible for reimbursement to the Executive in any other calendar year; (ii) the reimbursements for expenses for which the Executive is entitled to be reimbursed shall be made on or before the last day of the calendar year following the calendar year in which the applicable expense is incurred; (iii) the right to payment or reimbursement or in-kind benefits hereunder may not be liquidated or exchanged for any other

benefit; and (iv) the reimbursements shall be made pursuant to objectively determinable and nondiscretionary Company policies and procedures regarding such reimbursement of expenses.

Section 3. Employment Termination.

3.1. Termination of Employment. The Company may terminate the Executive's employment for any reason during the Term, and the Executive may voluntarily resign Executive's employment for any reason during the Term, in each case (other than a termination by the Company for Cause) at any time upon not less than thirty (30) days' notice to the other party. Upon the termination or resignation of the Executive's employment with the Company for any reason (whether during the Term or thereafter), the Executive shall be entitled to any Base Salary earned but unpaid through the date of termination or resignation, any earned but unpaid Annual Bonus for completed fiscal years, any unused accrued PTO and any unreimbursed expenses in accordance with Section 2.5 hereof (collectively, the "Accrued Amounts").

3.2. Certain Terminations.

(a) Termination by the Company Other Than For Cause or Disability; Resignation by the Executive for Good Reason. If during the Term (i) the Executive's employment is terminated by the Company other than for Cause or Disability or (ii) the Executive resigns for Good Reason, then in addition to the Accrued Amounts the Executive shall be entitled to the following payments and benefits: (x) the continuation of Executive's Base Salary at the rate in effect immediately prior to the date of termination or resignation for a period of twelve (12) months (or, if earlier, until and including the month in which the Executive attains age 70) and (y) to the extent permitted pursuant to the applicable plans, the continuation on the same terms as an active employee (including, where applicable, coverage for the Executive and the Executive's dependents) of medical, dental, vision and life insurance benefits ("Welfare Benefits") the Executive would otherwise be eligible to receive as an active employee of the Company for twelve (12) months or, if earlier, until such time as the Executive becomes eligible for Welfare Benefits from a subsequent employer (the "Welfare Benefit Continuation Period"); provided, that, if (A) such termination or resignation occurs pursuant to clause (i) or (ii) directly above within the one (1) year period following a Change in Control or (B) the Executive's termination or resignation is a Change in Control Related Termination, then the Executive shall also be entitled to (i) the continuation of Executive's Base Salary at the rate in effect immediately prior to the date of termination or resignation for the twelve (12) month period commencing on the one (1) year anniversary of the date of termination or resignation**,** (ii) a payment each month during the twenty-four (24) month period following the date of termination or resignation equal to one-twelfth (1/12th) of the target Annual Bonus for the year in which the Executive's termination or resignation occurs and (iii) the continuation of the Welfare Benefits for the twelve (12) month period commencing on the one (1) year anniversary of the date of termination or resignation or, if earlier, until such time as the Executive becomes eligible for Welfare Benefits from a subsequent employer (the "Additional Welfare Benefit Continuation Period") (such payments, collectively, the "Severance Payments"). If the Executive is not permitted to continue participation in the Company's Welfare Benefit plans pursuant to the terms of such plans or pursuant to a determination by the Company's insurance providers, the Company shall use reasonable efforts to obtain individual insurance policies providing the Welfare Benefits to the

Executive during the Welfare Benefit Continuation Period and, if applicable, the Additional Welfare Benefit Continuation Period, but shall only be required to pay for such policies an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans; provided, that, if such coverage cannot be obtained, the Company shall pay to the Executive monthly during the Welfare Benefit Continuation Period and, if applicable, the Additional Welfare Benefit Continuation Period, an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans. The Company's obligations to make the Severance Payments shall be conditioned upon: (i) the Executive's continued compliance with Executive's obligations under Section 4 of this Employment Agreement and (ii) the Executive's execution, delivery and non-revocation of a valid and enforceable release of claims arising in connection with the Executive's employment and termination or resignation of employment with the Company (the "Release") in a form reasonably acceptable to the Company and the Executive that becomes effective not later than forty-five (45) days after the date of such termination or resignation of employment. In the event that the Executive breaches any of the covenants set forth in Section 4 of this Employment Agreement, the Executive will immediately return to the Company any portion of the Severance Payments that have been paid to the Executive pursuant to this Section 3.2(a). Subject to Section 3.2(d), the Severance Payments will commence to be paid to the Executive within ten (10) days following the effectiveness of the Release.

(b) Retirement. Upon Retirement, the Executive, whether or not Section 3.2(a) also applies but without duplication of benefits, to the extent permitted pursuant to the applicable plans, shall be entitled to the continuation on the same terms as an active employee of Welfare Benefits the Executive would otherwise be eligible to receive as an active employee of the Company for twenty-four (24) months following the date of the Executive's Retirement or, if earlier, until such time as the Executive becomes eligible for Welfare Benefits from a subsequent employer and, thereafter, shall be eligible to continue participation in the Company's Welfare Benefits plans, provided that such continued participation shall be entirely at the Executive's expense and shall cease when the Executive becomes eligible for Welfare Benefits from a subsequent employer. Notwithstanding the foregoing, (x) if the Executive is not permitted to continue participation in the Company's Welfare Benefit plans pursuant to the terms of such plans or pursuant to a determination by the Company's insurance providers, the Company shall use reasonable efforts to obtain individual insurance policies providing the Welfare Benefits to the Executive for such twenty-four (24) months, but shall only be required to pay for such policies an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefit plans; provided, that, if such coverage cannot be obtained, the Company shall pay to the Executive monthly for such twenty-four (24) months an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans and (y) any Welfare Benefits coverage provided pursuant to this Section 3.2(b), whether through the Company's Welfare Benefit plans or through individual insurance policies, shall be supplemental to any benefits for which the Executive becomes eligible under Medicare, whether or not the Executive actually obtains such Medicare coverage.

(c) Definitions. For purposes of this Section 3.2, the following terms shall have the following meanings:

(1) A resignation for "Good Reason" shall mean a resignation by the Executive within thirty (30) days following the date on which the Company has engaged in any of the following: (i) the assignment of duties or responsibilities to the Executive that reflect a material diminution of the Executive's position with the Company; (ii) a relocation of the Executive's principal place of employment that increases the Executive's commute by more than fifty (50) miles; or (iii) a reduction in the Executive's Base Salary, other than across-the-board reductions applicable to similarly situated employees of the Company; provided, however, that the Executive must provide the Company with notice promptly following the occurrence of any of the foregoing and at least thirty (30) days to cure.

(2) "Cause" shall mean that the Executive has engaged in any of the following: (i) willful misconduct or breach of fiduciary duty; (ii) intentional failure or refusal to perform reasonably assigned duties after written notice of such willful failure or refusal and the failure or refusal is not corrected within ten (10) business days; (iii) the indictment for, conviction of or entering a plea of guilty or nolo contendere to a crime constituting a felony (other than a traffic violation or other offense or violation outside of the course of employment which does not adversely affect the Company and its Affiliates or their reputation or the ability of the Executive to perform Executive's employment-related duties or to represent the Company and its Affiliates); provided, however, that (A) if the Executive is terminated for Cause by reason of Executive's indictment pursuant to this clause (iii) and the indictment is subsequently dismissed or withdrawn or the Executive is found to be not guilty in a court of law in connection with such indictment, then the Executive's termination shall be treated for purposes of this Employment Agreement as a termination by the Company other than for Cause, and the Executive will be entitled to receive (without duplication of benefits and to the extent permitted by law and the terms of the then-applicable Welfare Benefits plans) the payments and benefits set forth in Section 3.2(a) and, to the extent applicable, Section 3.2(b), following such dismissal, withdrawal or finding, payable in the manner and subject to the conditions set forth in such Sections and (B) if such indictment relates to environmental matters and does not allege that the Executive was directly involved in or directly supervised the action(s) forming the basis of the indictment, Cause shall not be deemed to exist under this Employment Agreement by reason of such indictment until the Executive is convicted or enters a plea of guilty or nolo contendere in connection with such indictment; or (iv) material breach of the Executive's covenants in Section 4 of this Employment Agreement or any material written policy of the Company or any Affiliate after written notice of such breach and failure by the Executive to correct such breach within ten (10) business days, provided that no notice of, nor opportunity to correct, such breach shall be required hereunder if such breach cannot be cured by the Executive.

(3) "Change in Control" shall have the meaning set forth on Appendix A.

(4) "Change in Control Related Termination" shall mean a termination of the Executive's employment by the Company other than for Cause or Executive's resignation for Good Reason, in each case at any time prior to the date of a Change in Control and (A) the Executive reasonably demonstrates that such termination or the basis for resignation for Good Reason occurred in anticipation of a transaction that, if consummated, would constitute a Change in Control, (B) such termination or the basis for resignation for Good

Reason occurred after the Company entered into a definitive agreement, the consummation of which would constitute a Change in Control or (C) the Executive reasonably demonstrates that such termination or the basis for resignation for Good Reason was implemented at the request of a third party who has indicated an intention or has taken steps reasonably calculated to effect a Change in Control.

(5) "Disability" shall mean the Executive's inability, due to physical or mental ill health, to perform the essential functions of the Executive's job, with or without a reasonable accommodation, for 180 days during any 365 day period irrespective of whether such days are consecutive.

(6) "Retirement" shall mean the Executive's termination or resignation of employment for any reason (other than by the Company for Cause or by reason of the Executive's death) following the date the Executive attains age 62.

(d) Section 409A. To the extent applicable, this Employment Agreement shall be interpreted, construed and operated in accordance with Section 409A of the Code and the Treasury regulations and other guidance issued thereunder. If on the date of the Executive's separation from service (as defined in Treasury Regulation §1.409A-1(h)) with the Company the Executive is a specified employee (as defined in Code Section 409A and Treasury Regulation §1.409A-1(i)), no payment constituting the "deferral of compensation" within the meaning of Treasury Regulation §1.409A-1(b) and after application of the exemptions provided in Treasury Regulation §§1.409A-1(b)(4) and 1.409A-1(b)(9)(iii) shall be made to Executive at any time during the six (6) month period following the Executive's separation from service, and any such amounts deferred such six (6) months shall instead be paid in a lump sum on the first payroll payment date following expiration of such six (6) month period. For purposes of conforming this Employment Agreement to Section 409A of the Code, the parties agree that any reference to termination of employment, severance from employment, resignation from employment or similar terms shall mean and be interpreted as a "separation from service" as defined in Treasury Regulation §1.409A-1(h).

3.3. Exclusive Remedy. The foregoing payments upon termination or resignation of the Executive's employment shall constitute the exclusive severance payments due the Executive upon a termination or resignation of Executive's employment under this Employment Agreement.

3.4. Resignation from All Positions. Upon the termination or resignation of the Executive's employment with the Company for any reason, the Executive shall be deemed to have resigned, as of the date of such termination or resignation, from and with respect to all positions the Executive then holds as an officer, director, employee and member of the Board of Directors (and any committee thereof) of the Company and any of its Affiliates.

3.5. Cooperation. For one (1) year following the termination or resignation of the Executive's employment with the Company for any reason, the Executive agrees to reasonably cooperate with the Company upon reasonable request of the Board and to be reasonably available to the Company with respect to matters arising out of the Executive's services to the Company and its Affiliates, provided, however, such period of cooperation shall be for three (3) years, following any such termination or resignation of Executive's employment for any reason, with respect to tax matters involving the Company or any of its Affiliates. The Company shall reimburse the Executive for expenses reasonably incurred in connection with such matters as agreed by the Executive and the Board and the Company shall compensate the Executive for such cooperation at an hourly rate based on the Executive's most recent base salary rate assuming two thousand (2,000) working hours per year; provided, that if the Executive is required to spend more than forty (40) hours in any month on Company matters pursuant to this Section 3.5, the Executive and the Board shall mutually agree to an appropriate rate of compensation for the Executive's time over such forty (40) hour threshold.

Section 4. Unauthorized Disclosure; Non-Solicitation; Proprietary Rights.

4.1. Unauthorized Disclosure. The Executive agrees and understands that in the Executive's position with the Company and any Affiliates, the Executive has been and will be exposed to and has and will receive information relating to the confidential affairs of the Company and its Affiliates, including, without limitation, technical information, intellectual property, business and marketing plans, strategies, customer information, software, other information concerning the products, promotions, development, financing, expansion plans, business policies and practices of the Company and its Affiliates and other forms of information considered by the Company and its Affiliates to be confidential and in the nature of trade secrets (including, without limitation, ideas, research and development, know-how, formulas, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information and business and marketing plans and proposals) (collectively, the "Confidential Information"); provided, however, that Confidential Information shall not include information which (i) is or becomes generally available to the public not in violation of this Employment Agreement or any written policy of the Company; or (ii) was in the Executive's possession or knowledge on a non-confidential basis prior to such disclosure. The Executive agrees that at all times during the Executive's employment with the Company and thereafter, the Executive shall not disclose such Confidential Information, either directly or indirectly, to any individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof (each, for purposes of this Section 4, a "Person") without the prior written consent of the Company and shall not use or attempt to use any such information in any manner other than in connection with Executive's employment with the Company, unless required by law to disclose such information, in which case the Executive shall provide the Company with written notice of such requirement as far in advance of such anticipated disclosure as possible. Executive's confidentiality covenant has no temporal, geographical or territorial restriction. Upon termination or resignation of the Executive's employment with the Company, the Executive shall promptly supply to the Company all property, keys, notes, memoranda, writings, lists, files, reports, customer lists, correspondence, tapes, disks, cards, surveys, maps, logs, machines, technical data and any other tangible product or document which has been produced by, received by or otherwise submitted to the Executive during or prior to the Executive's employment with the Company, and any copies thereof in Executive's (or capable of being reduced to Executive's) possession.

4.2. Non-Solicitation of Employees. During the Term and for a period of twelve (12) months thereafter (the "Restriction Period"), the Executive shall not directly or indirectly contact, induce or solicit (or assist any Person to contact, induce or solicit) for employment any person who is, or within twelve (12) months prior to the date of such solicitation was, an employee of the Company or any of its Affiliates.

4.3. Non-Solicitation of Customers/Suppliers. During the Restriction Period, the Executive shall not (i) contact, induce or solicit (or assist any Person to contact, induce or solicit) any Person which has a business relationship with the Company or of any of its Affiliates in order to terminate, curtail or otherwise interfere with such business relationship or (ii) solicit, other than on behalf of the Company and its Affiliates, any Person that the Executive knows or should have known (x) is a current customer of the Company or any of its Affiliates in any geographic area in which the Company or any of its Affiliates operates or markets or (y) is a Person in any geographic area in which the Company or any of its Affiliates operates or markets with respect to which the Company or any of its Affiliates has, within the twelve (12) months prior to the date of such solicitation, devoted more than de minimis resources in an effort to cause such Person to become a customer of the Company or any of its Affiliates in that geographic area. For the avoidance of doubt, the foregoing does not preclude the Executive from soliciting, outside of the geographic areas in which the Company or any of its Affiliates operates or markets, any Person that is a customer or potential customer of the Company or any of its Affiliates in the geographic areas in which it operates or markets.

4.4. Extension of Restriction Period. The Restriction Period shall be extended for a period of time equal to any period during which the Executive is in breach of any of Sections 4.2 or 4.3 hereof.

4.5. Proprietary Rights. The Executive shall disclose promptly to the Company any and all inventions, discoveries, and improvements (whether or not patentable or registrable under copyright or similar statutes), and all patentable or copyrightable works, initiated, conceived, discovered, reduced to practice, or made by Executive, either alone or in conjunction with others, during the Executive's employment with the Company and related to the business or activities of the Company and its Affiliates (the "Developments"). Except to the extent any rights in any Developments constitute a work made for hire under the U.S. Copyright Act, 17 U.S.C. § 101 et seq. that are owned ab initio by the Company and/or its applicable Affiliates, the Executive assigns all of Executive's right, title and interest in all Developments (including all intellectual property rights therein) to the Company or its nominee without further compensation, including all rights or benefits therefor, including without limitation the right to sue and recover for past and future infringement. The Executive acknowledges that any rights in any developments constituting a work made for hire under the U.S. Copyright Act, 17 U.S.C § 101 et seq. are owned upon creation by the Company and/or its applicable Affiliates as the Executive's employer. Whenever requested to do so by the Company, the Executive shall execute any and all applications, assignments or other instruments which the Company shall deem necessary to apply for and obtain trademarks, patents or copyrights of the United States or any foreign country or otherwise protect the interests of the Company and its Affiliates therein. These obligations shall continue beyond the end of the Executive's employment with the Company with respect to inventions, discoveries, improvements or copyrightable works initiated, conceived or made by the Executive while employed by the Company, and shall be binding upon the Executive's employers, assigns, executors, administrators and other legal representatives. In connection with Executive's execution of this Employment Agreement, the Executive has informed the Company in writing of any interest in any inventions or intellectual property rights that Executive holds as of the date hereof. If the Company is unable for any reason, after reasonable effort, to obtain the Executive's signature on any document needed in connection with the actions described in this Section 4.5, the Executive hereby irrevocably designates and appoints the Company, its Affiliates, and their duly authorized officers and agents as the Executive's agent and attorney in fact to act for and in the Executive's behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of this Section with the same legal force and effect as if executed by the Executive.

4.6. Confidentiality of Agreement. Other than with respect to information required to be disclosed by applicable law, the parties hereto agree not to disclose the terms of this Employment Agreement to any Person; provided the Executive may disclose this Employment Agreement and/or any of its terms to the Executive's immediate family, financial advisors and attorneys. Notwithstanding anything in this Section 4.6 to the contrary, the parties hereto (and each of their respective employees, representatives, or other agents) may disclose to any and all Persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by this Employment Agreement, and all materials of any kind (including opinions or other tax analyses) related to such tax treatment and tax structure; provided that this sentence shall not permit any Person to disclose the name of, or other information that would identify, any party to such transactions or to disclose confidential commercial information regarding such transactions.

4.7. Remedies. The Executive agrees that any breach of the terms of this Section 4 would result in irreparable injury and damage to the Company and its Affiliates for which the Company and its Affiliates would have no adequate remedy at law; the Executive therefore also agrees that in the event of said breach or any threat of breach, the Company and its Affiliates shall be entitled to an immediate injunction and restraining order to prevent such breach and/or threatened breach and/or continued breach by the Executive and/or any and all Persons acting for and/or with the Executive, without having to prove damages, in addition to any other remedies to which the Company and its Affiliates may be entitled at law or in equity, including, without limitation, the obligation of the Executive to return any Severance Payments made by the Company to the Company. The terms of this paragraph shall not prevent the Company or its Affiliates from pursuing any other available remedies for any breach or threatened breach hereof, including, without limitation, the recovery of damages from the Executive. The Executive and the Company further agree that the provisions of the covenants contained in this Section 4 are reasonable and necessary to protect the businesses of the Company and its Affiliates because of the Executive's access to Confidential Information and Executive's material participation in the operation of such businesses.

Section 5. Representation.

The Executive represents and warrants that (i) Executive is not subject to any contract, arrangement, policy or understanding, or to any statute, governmental rule or regulation, that in any way limits Executive's ability to enter into and fully perform Executive's obligations under this Employment Agreement and (ii) Executive is not otherwise unable to enter into and fully perform Executive's obligations under this Employment Agreement.

Section 6. Withholding.

All amounts paid to the Executive under this Employment Agreement during or following the Term shall be subject to withholding and other employment taxes imposed by applicable law.

Section 7. Effect of Section 280G of the Code.

7.1. Payment Reduction. Notwithstanding anything contained in this Employment Agreement to the contrary, (i) to the extent that any payment or distribution of any type to or for the Executive by the Company, any affiliate of the Company, any Person who acquires ownership or effective control of the Company or ownership of a substantial portion of the Company's assets (within the meaning of Section 280G of the Code and the regulations thereunder), or any affiliate of such Person, whether paid or payable or distributed or distributable pursuant to the terms of this Employment Agreement or otherwise (the "Payments") constitute "parachute payments" (within the meaning of Section 280G of the Code), and if (ii) such aggregate would, if reduced by all federal, state and local taxes applicable thereto, including the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), be less than the amount the Executive would receive, after all taxes, if the Executive received aggregate Payments equal (as valued under Section 280G of the Code) to only three times the Executive's "base amount" (within the meaning of Section 280G of the Code), less $1.00, then (iii) such Payments shall be reduced (but not below zero) if and to the extent necessary so that no Payments to be made or benefit to be provided to the Executive shall be subject to the Excise Tax; provided, however, that the Company shall use its reasonable best efforts to obtain shareholder approval of the Payments provided for in this Employment Agreement in a manner intended to satisfy requirements of the "shareholder approval" exception to Section 280G of the Code and the regulations promulgated thereunder, such that payment may be made to the Executive of such Payments without the application of an Excise Tax. If the Payments are so reduced, the Company shall reduce or eliminate the Payments (x) by first reducing or eliminating the portion of the Payments which are not payable in cash (other than that portion of the Payments subject to clause (z) hereof), (y) then by reducing or eliminating cash payments (other than that portion of the Payments subject to clause (z) hereof) and (z) then by reducing or eliminating the portion of the Payments (whether payable in cash or not payable in cash) to which Treasury Regulation § 1.280G-1 Q/A 24(c) (or successor thereto) applies, in each case in reverse order beginning with payments or benefits which are to be paid the farthest in time.

7.2. Determination of Amount of Reduction (if any). The determination of whether the Payments shall be reduced as provided in Section 7.1 and the amount of such reduction shall be made at the Company's expense by an accounting firm selected by the Company from among the four (4) largest accounting firms in the United States (the "Accounting Firm"). The Accounting Firm shall provide its determination (the "Determination"), together with detailed supporting calculations and documentation, to the Company and the Executive within ten (10) days after the Executive's final day of employment. If the Accounting Firm determines that no Excise Tax is payable by the Executive with respect to the Payments, it shall furnish the Executive with an opinion reasonably acceptable to the Executive that no Excise Tax will be imposed with respect to any such payments and, absent manifest error, such Determination shall be binding, final and conclusive upon the Company and the Executive.

Section 8. Miscellaneous.

8.1. Amendments and Waivers. This Employment Agreement and any of the provisions hereof may be amended, waived (either generally or in a particular instance and either retroactively or prospectively), modified or supplemented, in whole or in part, only by written agreement signed by the parties hereto; provided, that, the observance of any provision of this Employment Agreement may be waived in writing by the party that will lose the benefit of such provision as a result of such waiver. The waiver by any party hereto of a breach of any provision of this Employment Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach, except as otherwise explicitly provided for in such waiver. Except as otherwise expressly provided herein, no failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder, or otherwise available in respect hereof at law or in equity, shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

8.2. Fees and Expenses. The Company shall pay all legal fees and related expenses (including the costs of experts, evidence and counsel) incurred by the Executive as a result of (i) the termination of the Executive's employment by the Company or the resignation by the Executive for Good Reason (including all such fees and expenses, if any, incurred in contesting, defending or disputing the basis for any such termination or resignation of employment) or (b) the Executive seeking to obtain or enforce any right or benefit provided by this Employment Agreement; provided, that, if it is determined that the Executive's termination of employment was for Cause, the Executive shall not be entitled to any payment or reimbursement pursuant to this Section 8.2.

8.3. Indemnification. To the extent provided in the Company's Certificate of Incorporation or Bylaws, as in effect from time to time, and subject to any separate agreement (if any) between the Company and the Executive regarding indemnification, the Company shall indemnify the Executive for losses or damages incurred by the Executive as a result of causes of action arising from the Executive's performance of duties for the benefit of the Company, whether or not the claim is asserted during the Term.

8.4. Assignment. This Employment Agreement, and the Executive's rights and obligations hereunder, may not be assigned by the Executive, and any purported assignment by the Executive in violation hereof shall be null and void.

8.5. Notices. Unless otherwise provided herein, all notices, requests, demands, claims and other communications provided for under the terms of this Employment Agreement shall be in writing. Any notice, request, demand, claim or other communication hereunder shall be sent by (i) personal delivery (including receipted courier service) or overnight delivery service, (ii) facsimile during normal business hours, with confirmation of receipt, to the number indicated, (iii) reputable commercial overnight delivery service courier or (iv) registered or certified mail, return receipt requested, postage prepaid and addressed to the intended recipient as set forth below:

If to the Company:	CVR Energy, Inc. 2277 Plaza Drive, Suite 500 Sugar Land, TX 77479 Attention: Chief Executive Officer Facsimile: (281) 207-3505
with a copy to:	Fried, Frank, Harris, Shriver & Jacobson LLP One New York Plaza New York, NY 10004 Attention: Donald P. Carleen, Esq. Facsimile: (212) 859-4000
If to the Executive:	Edmund S. Gross 10 E. Cambridge Circle, Suite 250 Kansas City, KS 66103 Facsimile: (913) 982-5651

All such notices, requests, consents and other communications shall be deemed to have been given when received. Any party may change its facsimile number or its address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other parties hereto notice in the manner then set forth.

8.6. Governing Law. This Employment Agreement shall be construed and enforced in accordance with, and the rights and obligations of the parties hereto shall be governed by, the laws of the State of Kansas, without giving effect to the conflicts of law principles thereof. Each of the parties hereto irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of Kansas (collectively, the "Selected Courts") for any action or proceeding relating to this Employment Agreement, agrees not to commence any action or proceeding relating thereto except in the Selected Courts, and waives any forum or venue objections to the Selected Courts.

8.7. Severability. Whenever possible, each provision or portion of any provision of this Employment Agreement, including those contained in Section 4 hereof, will be interpreted in such manner as to be effective and valid under applicable law but the invalidity or unenforceability of any provision or portion of any provision of this Employment Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Employment Agreement in that jurisdiction or the validity or enforceability of this Employment Agreement, including that provision or portion of any provision, in any other jurisdiction. In addition, should a court or arbitrator determine that any provision or portion of any provision of this Employment Agreement, including those contained in Section 4 hereof, is not reasonable or valid, either in period of time, geographical area, or otherwise, the parties hereto agree that such provision should be interpreted and enforced to the maximum extent which such court or arbitrator deems reasonable or valid.

8.8. Entire Agreement. From and after the Commencement Date, this Employment Agreement constitutes the entire agreement between the parties hereto, and supersedes all prior representations, agreements and understandings (including any prior course of dealings), both written and oral, relating to any employment of the Executive by the Company or any of its Affiliates including, without limitation, the First Amended and Restated Agreement.

8.9. Counterparts. This Employment Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

8.10. Binding Effect. This Employment Agreement shall inure to the benefit of, and be binding on, the successors and assigns of each of the parties, including, without limitation, the Executive's heirs and the personal representatives of the Executive's estate and any successor to all or substantially all of the business and/or assets of the Company.

8.11. General Interpretive Principles. The name assigned this Employment Agreement and headings of the sections, paragraphs, subparagraphs, clauses and subclauses of this Employment Agreement are for convenience of reference only and shall not in any way affect the meaning or interpretation of any of the provisions hereof. Words of inclusion shall not be construed as terms of limitation herein, so that references to "include", "includes" and "including" shall not be limiting and shall be regarded as references to non-exclusive and non-characterizing illustrations.

8.12. Mitigation. Notwithstanding any other provision of this Employment Agreement, (a) the Executive will have no obligation to mitigate damages for any breach or termination of this Employment Agreement by the Company, whether by seeking employment or otherwise and (b) except for Welfare Benefits provided pursuant to Section 3.2(a) or Section 3.2(b), the amount of any payment or benefit due the Executive after the date of such breach or termination will not be reduced or offset by any payment or benefit that the Executive may receive from any other source.

8.13. Company Actions. Any actions, approvals, decisions, or determinations to be made by the Company under this Employment Agreement shall be made by the Company's Board, except as otherwise expressly provided herein. For purposes of any references herein to the Board's designee, any such reference shall be deemed to include the Chief Executive Officer of the Company and such other or additional officers, or committees of the Board, as the Board may expressly designate from time to time for such purpose.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Employment Agreement as of the date first written above.

CVR ENERGY, INC.

/s/ Edmund S. Gross **EDMUND S. GROSS**	By: /s/ John J. Lipinski Name: John J. Lipinski Title: Chief Executive Officer and President

[Signature Page to Second Amended and Restated Employment Agreement]

APPENDIX A

"Change in Control" means the occurrence of any of the following:

(a) An acquisition (other than directly from the Company) of any voting securities of the Company (the "Voting Securities") by any "Person" (as the term "person" is used for purposes of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), immediately after which such Person has "Beneficial Ownership" (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than thirty percent (30%) of (i) the then-outstanding Shares or (ii) the combined voting power of the Company's then-outstanding Voting Securities; provided, however, that in determining whether a Change in Control has occurred pursuant to this paragraph (a), the acquisition of Shares or Voting Securities in a Non-Control Acquisition (as hereinafter defined) shall not constitute a Change in Control. A "Non-Control Acquisition" shall mean an acquisition by (i) an employee benefit plan (or a trust forming a part thereof) maintained by (A) the Company or (B) any corporation or other Person the majority of the voting power, voting equity securities or equity interest of which is owned, directly or indirectly, by the Company (for purposes of this definition, a "Related Entity"), (ii) the Company, any Principal Stockholder or any Related Entity, or (iii) any Person in connection with a Non-Control Transaction (as hereinafter defined);

(b) The consummation of:

(i) A merger, consolidation or reorganization (x) with or into the Company or (y) in which securities of the Company are issued (a "Merger"), unless such Merger is a "Non-Control Transaction." A "Non-Control Transaction" shall mean a Merger in which:

(A) the shareholders of the Company immediately before such Merger own directly or indirectly immediately following such Merger at least a majority of the combined voting power of the outstanding voting securities of (1) the corporation resulting from such Merger (the "Surviving Corporation"), if fifty percent (50%) or more of the combined voting power of the then outstanding voting securities by the Surviving Corporation is not Beneficially Owned, directly or indirectly, by another Person (a "Parent Corporation") or (2) if there is one or more than one Parent Corporation, the ultimate Parent Corporation;

(B) the individuals who were members of the Board immediately prior to the execution of the agreement providing for such Merger constitute at least a majority of the members of the board of directors of (1) the Surviving Corporation, if there is no Parent Corporation, or (2) if there is one or more than one Parent Corporation, the ultimate Parent Corporation; and

(C) no Person other than (1) the Company or another corporation that is a party to the agreement of Merger, (2) any Related Entity, (3) any employee benefit plan (or any trust forming a part thereof) that, immediately prior to the Merger, was maintained by the Company or any Related Entity, or (4) any Person who, immediately prior to the Merger, had Beneficial Ownership of thirty percent (30%) or more of the then outstanding Shares or Voting Securities, has Beneficial Ownership, directly or indirectly, of thirty percent (30%) or more of

the combined voting power of the outstanding voting securities or common stock of (x) the Surviving Corporation, if there is no Parent Corporation, or (y) if there is one or more than one Parent Corporation, the ultimate Parent Corporation.

(ii) A complete liquidation or dissolution of the Company; or

(iii) The sale or other disposition of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole to any Person (other than (x) a transfer to a Related Entity or (y) the distribution to the Company's shareholders of the stock of a Related Entity or any other assets).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the then outstanding Shares or Voting Securities as a result of the acquisition of Shares or Voting Securities by the Company which, by reducing the number of Shares or Voting Securities then outstanding, increases the proportional number of shares Beneficially Owned by the Subject Persons; provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Shares or Voting Securities by the Company and, after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Shares or Voting Securities and such Beneficial Ownership increases the percentage of the then outstanding Shares or Voting Securities Beneficially Owned by the Subject Person, then a Change in Control shall occur.

For purposes of this definition: (i) "Shares" means the common stock, par value $.01 per share, of the Company and any other securities into which such shares are changed or for which such shares are exchanged and (ii) "Principal Stockholder" means each of Kelso Investment Associates VII, L.P., a Delaware limited partnership, KEP VI, LLC, a Delaware limited liability company, GS Capital Partners V Fund, L.P., a Delaware limited partnership, GS Capital Partners V Offshore Fund, L.P., a Cayman Islands exempted limited partnership, GS Capital Partners V Institutional, L.P., a Delaware limited partnership and GS Capital Partners V GmbH & Co. KG, a German limited partnership.

Exhibit 10.5

Execution Version

SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT

SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT, dated as of January 1, 2010 (the "Employment Agreement"), by and between **CVR ENERGY, INC.**, a Delaware corporation (the "Company"), and **ROBERT W. HAUGEN** (the "Executive").

WHEREAS, the Company and the Executive entered into an amended and restated employment agreement dated December 29, 2007 (the "First Amended and Restated Agreement").

WHEREAS, the Company and the Executive desire to further amend and restate the First Amended and Restated Agreement in its entirety as provided for herein;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other valid consideration the sufficiency of which is acknowledged, the parties hereto agree as follows:

Section 1. Employment.

1.1. Term. The Company agrees to employ the Executive, and the Executive agrees to be employed by the Company, in each case pursuant to this Employment Agreement, for a period commencing on January 1, 2010 (the "Commencement Date") and ending on the earlier of (i) the third (3rd) anniversary of the Commencement Date and (ii) the termination or resignation of the Executive's employment in accordance with Section 3 hereof (the "Term").

1.2. Duties. During the Term, the Executive shall serve as Executive Vice President, Refining Operations of the Company and such other or additional positions as an officer or director of the Company, and of such direct or indirect affiliates of the Company ("Affiliates"), as the Executive and the board of directors of the Company (the "Board") or its designee shall mutually agree from time to time. In such positions, the Executive shall perform such duties, functions and responsibilities during the Term commensurate with the Executive's positions as reasonably directed by the Board.

1.3. Exclusivity. During the Term, the Executive shall devote substantially all of Executive's working time and attention to the business and affairs of the Company and its Affiliates, shall faithfully serve the Company and its Affiliates, and shall in all material respects conform to and comply with the lawful and reasonable directions and instructions given to Executive by the Board, or its designee, consistent with Section 1.2 hereof. During the Term, the Executive shall use Executive's best efforts during Executive's working time to promote and serve the interests of the Company and its Affiliates and shall not engage in any other business activity, whether or not such activity shall be engaged in for pecuniary profit. The provisions of this Section 1.3 shall not be construed to prevent the Executive from investing Executive's personal, private assets as a passive investor in such form or manner as will not require any active services on the part of the Executive in the management or operation of the

affairs of the companies, partnerships, or other business entities in which any such passive investments are made.

Section 2. Compensation.

2.1. Salary. As compensation for the performance of the Executive's services hereunder, during the Term, the Company shall pay to the Executive a salary at an annual rate of $275,000 which annual salary shall be prorated for any partial year at the beginning or end of the Term and shall accrue and be payable in accordance with the Company's standard payroll policies, as such salary may be adjusted upward by the Compensation Committee of the Board in its discretion (as adjusted, the "Base Salary").

2.2. Annual Bonus. For each completed fiscal year occurring during the Term, the Executive shall be eligible to receive an annual cash bonus (the "Annual Bonus"). Commencing with fiscal year 2010, the target Annual Bonus shall be 120% of the Executive's Base Salary as in effect at the beginning of the Term in fiscal year 2010 and at the beginning of each such fiscal year thereafter during the Term, the actual Annual Bonus to be based upon such individual and/or Company performance criteria established for each such fiscal year by the Compensation Committee of the Board. The Annual Bonus, if any, payable to Executive for a fiscal year will be paid by the Company to the Executive on the last scheduled payroll payment date during such fiscal year.

2.3. Employee Benefits. During the Term, the Executive shall be eligible to participate in such health, insurance, retirement, and other employee benefit plans and programs of the Company as in effect from time to time on the same basis as other senior executives of the Company.

2.4. Paid Time Off. During the Term, the Executive shall be entitled to twenty-five (25) days of paid time off ("PTO") each year.

2.5. Business Expenses. The Company shall pay or reimburse the Executive for all commercially reasonable business out-of-pocket expenses that the Executive incurs during the Term in performing Executive's duties under this Employment Agreement upon presentation of documentation and in accordance with the expense reimbursement policy of the Company as approved by the Board and in effect from time to time. Notwithstanding anything herein to the contrary or otherwise, except to the extent any expense or reimbursement described in this Employment Agreement does not constitute a "deferral of compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury regulations and other guidance issued thereunder, any expense or reimbursement described in this Employment Agreement shall meet the following requirements: (i) the amount of expenses eligible for reimbursement provided to the Executive during any calendar year will not affect the amount of expenses eligible for reimbursement to the Executive in any other calendar year; (ii) the reimbursements for expenses for which the Executive is entitled to be reimbursed shall be made on or before the last day of the calendar year following the calendar year in which the applicable expense is incurred; (iii) the right to payment or reimbursement or in-kind benefits hereunder may not be liquidated or exchanged for any other

benefit; and (iv) the reimbursements shall be made pursuant to objectively determinable and nondiscretionary Company policies and procedures regarding such reimbursement of expenses.

Section 3. Employment Termination.

3.1. Termination of Employment. The Company may terminate the Executive's employment for any reason during the Term, and the Executive may voluntarily resign Executive's employment for any reason during the Term, in each case (other than a termination by the Company for Cause) at any time upon not less than thirty (30) days' notice to the other party. Upon the termination or resignation of the Executive's employment with the Company for any reason (whether during the Term or thereafter), the Executive shall be entitled to any Base Salary earned but unpaid through the date of termination or resignation, any earned but unpaid Annual Bonus for completed fiscal years, any unused accrued PTO and any unreimbursed expenses in accordance with Section 2.5 hereof (collectively, the "Accrued Amounts").

3.2. Certain Terminations.

(a) Termination by the Company Other Than For Cause or Disability; Resignation by the Executive for Good Reason. If during the Term (i) the Executive's employment is terminated by the Company other than for Cause or Disability or (ii) the Executive resigns for Good Reason, then in addition to the Accrued Amounts the Executive shall be entitled to the following payments and benefits: (x) the continuation of Executive's Base Salary at the rate in effect immediately prior to the date of termination or resignation for a period of twelve (12) months (or, if earlier, until and including the month in which the Executive attains age 70) (the "Severance Period") and (y) to the extent permitted pursuant to the applicable plans, the continuation on the same terms as an active employee (including, where applicable, coverage for the Executive and the Executive's dependents) of medical, dental, vision and life insurance benefits ("Welfare Benefits") the Executive would otherwise be eligible to receive as an active employee of the Company for twelve (12) months or, if earlier, until such time as the Executive becomes eligible for Welfare Benefits from a subsequent employer (the "Welfare Benefit Continuation Period"); provided, that, if (A) such termination or resignation occurs pursuant to clause (i) or (ii) directly above within the one (1) year period following a Change in Control or (B) the Executive's termination or resignation is a Change in Control Related Termination, then the Executive shall also be entitled to a payment each month during the Severance Period equal to one-twelfth ($1/12^{th}$) of the target Annual Bonus for the year in which the Executive's termination or resignation occurs (such payments, the "Severance Payments"). If the Executive is not permitted to continue participation in the Company's Welfare Benefit plans pursuant to the terms of such plans or pursuant to a determination by the Company's insurance providers, the Company shall use reasonable efforts to obtain individual insurance policies providing the Welfare Benefits to the Executive during the Welfare Benefit Continuation Period, but shall only be required to pay for such policies an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans; provided, that, if such coverage cannot be obtained, the Company shall pay to the Executive monthly during the Welfare Benefit Continuation Period an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans. The Company's obligations to make the Severance Payments shall be conditioned upon: (i) the Executive's continued compliance with Executive's obligations under Section 4 of this Employment Agreement and (ii) the Executive's execution, delivery and non-revocation of a valid and enforceable release of claims arising in connection with the Executive's employment and termination or resignation of employment with the Company (the "Release") in a form reasonably acceptable to the Company and the Executive that becomes effective not later than forty-five (45) days after the date of such termination or resignation of employment. In the event that the Executive breaches any of the covenants set forth in Section 4 of this Employment Agreement, the Executive will immediately return to the Company any portion of the Severance Payments that have been paid to the Executive pursuant to this Section 3.2(a). Subject to Section 3.2(d), the Severance Payments will commence to be paid to the Executive within ten (10) days following the effectiveness of the Release.

(b) Retirement. Upon Retirement, the Executive, whether or not Section 3.2(a) also applies but without duplication of benefits, to the extent permitted pursuant to the applicable plans, shall be entitled to the continuation on the same terms as an active employee of Welfare Benefits the Executive would otherwise be eligible to receive as an active employee of the Company for twenty-four (24) months following the date of the Executive's Retirement or, if earlier, until such time as the Executive becomes eligible for Welfare Benefits from a subsequent employer and, thereafter, shall be eligible to continue participation in the Company's Welfare Benefits plans, provided that such continued participation shall be entirely at the Executive's expense and shall cease when the Executive becomes eligible for Welfare Benefits from a subsequent employer. Notwithstanding the foregoing, (x) if the Executive is not permitted to continue participation in the Company's Welfare Benefit plans pursuant to the terms of such plans or pursuant to a determination by the Company's insurance providers, the Company shall use reasonable efforts to obtain individual insurance policies providing the Welfare Benefits to the Executive for such twenty-four (24) months, but shall only be required to pay for such policies an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefit plans; provided, that, if such coverage cannot be obtained, the Company shall pay to the Executive monthly for such twenty-four (24) months an amount equal to the amount the Company would have paid had the Executive continued participation in the Company's Welfare Benefits plans and (y) any Welfare Benefits coverage provided pursuant to this Section 3.2(b), whether through the Company's Welfare Benefit plans or through individual insurance policies, shall be supplemental to any benefits for which the Executive becomes eligible under Medicare, whether or not the Executive actually obtains such Medicare coverage.

(c) Definitions. For purposes of this Section 3.2, the following terms shall have the following meanings:

(1) A resignation for "Good Reason" shall mean a resignation by the Executive within thirty (30) days following the date on which the Company has engaged in any of the following: (i) the assignment of duties or responsibilities to the Executive that reflect a material diminution of the Executive's position with the Company; (ii) a relocation of the Executive's principal place of employment that increases the Executive's commute by more than fifty (50) miles; or (iii) a reduction in the Executive's Base Salary, other than across-the-board reductions applicable to similarly situated employees of the Company;

provided, however, that the Executive must provide the Company with notice promptly following the occurrence of any of the foregoing and at least thirty (30) days to cure.

(2) "Cause" shall mean that the Executive has engaged in any of the following: (i) willful misconduct or breach of fiduciary duty; (ii) intentional failure or refusal to perform reasonably assigned duties after written notice of such willful failure or refusal and the failure or refusal is not corrected within ten (10) business days; (iii) the indictment for, conviction of or entering a plea of guilty or nolo contendere to a crime constituting a felony (other than a traffic violation or other offense or violation outside of the course of employment which does not adversely affect the Company and its Affiliates or their reputation or the ability of the Executive to perform Executive's employment-related duties or to represent the Company and its Affiliates); provided, however, that (A) if the Executive is terminated for Cause by reason of Executive's indictment pursuant to this clause (iii) and the indictment is subsequently dismissed or withdrawn or the Executive is found to be not guilty in a court of law in connection with such indictment, then the Executive's termination shall be treated for purposes of this Employment Agreement as a termination by the Company other than for Cause, and the Executive will be entitled to receive (without duplication of benefits and to the extent permitted by law and the terms of the then-applicable Welfare Benefits plans) the payments and benefits set forth in Section 3.2(a) and, to the extent applicable, Section 3.2(b), following such dismissal, withdrawal or finding, payable in the manner and subject to the conditions set forth in such Sections and (B) if such indictment relates to environmental matters and does not allege that the Executive was directly involved in or directly supervised the action(s) forming the basis of the indictment, Cause shall not be deemed to exist under this Employment Agreement by reason of such indictment until the Executive is convicted or enters a plea of guilty or nolo contendere in connection with such indictment; or (iv) material breach of the Executive's covenants in Section 4 of this Employment Agreement or any material written policy of the Company or any Affiliate after written notice of such breach and failure by the Executive to correct such breach within ten (10) business days, provided that no notice of, nor opportunity to correct, such breach shall be required hereunder if such breach cannot be cured by the Executive.

(3) "Change in Control" shall have the meaning set forth on Appendix A.

(4) "Change in Control Related Termination" shall mean a termination of the Executive's employment by the Company other than for Cause or Executive's resignation for Good Reason, in each case at any time prior to the date of a Change in Control and (A) the Executive reasonably demonstrates that such termination or the basis for resignation for Good Reason occurred in anticipation of a transaction that, if consummated, would constitute a Change in Control, (B) such termination or the basis for resignation for Good Reason occurred after the Company entered into a definitive agreement, the consummation of which would constitute a Change in Control or (C) the Executive reasonably demonstrates that such termination or the basis for resignation for Good Reason was implemented at the request of a third party who has indicated an intention or has taken steps reasonably calculated to effect a Change in Control.

(5) "Disability" shall mean the Executive's inability, due to physical or mental ill health, to perform the essential functions of the Executive's job, with or without a reasonable accommodation, for 180 days during any 365 day period irrespective of whether such days are consecutive.

(6) "Retirement" shall mean the Executive's termination or resignation of employment for any reason (other than by the Company for Cause or by reason of the Executive's death) following the date the Executive attains age 62.

(d) Section 409A. To the extent applicable, this Employment Agreement shall be interpreted, construed and operated in accordance with Section 409A of the Code and the Treasury regulations and other guidance issued thereunder. If on the date of the Executive's separation from service (as defined in Treasury Regulation §1.409A-1(h)) with the Company the Executive is a specified employee (as defined in Code Section 409A and Treasury Regulation §1.409A-1(i)), no payment constituting the "deferral of compensation" within the meaning of Treasury Regulation §1.409A-1(b) and after application of the exemptions provided in Treasury Regulation §§1.409A-1(b)(4) and 1.409A-1(b)(9)(iii) shall be made to Executive at any time during the six (6) month period following the Executive's separation from service, and any such amounts deferred such six (6) months shall instead be paid in a lump sum on the first payroll payment date following expiration of such six (6) month period. For purposes of conforming this Employment Agreement to Section 409A of the Code, the parties agree that any reference to termination of employment, severance from employment, resignation from employment or similar terms shall mean and be interpreted as a "separation from service" as defined in Treasury Regulation §1.409A-1(h).

3.3. Exclusive Remedy. The foregoing payments upon termination or resignation of the Executive's employment shall constitute the exclusive severance payments due the Executive upon a termination or resignation of Executive's employment under this Employment Agreement.

3.4. Resignation from All Positions. Upon the termination or resignation of the Executive's employment with the Company for any reason, the Executive shall be deemed to have resigned, as of the date of such termination or resignation, from and with respect to all positions the Executive then holds as an officer, director, employee and member of the Board of Directors (and any committee thereof) of the Company and any of its Affiliates.

3.5. Cooperation. For one (1) year following the termination or resignation of the Executive's employment with the Company for any reason, the Executive agrees to reasonably cooperate with the Company upon reasonable request of the Board and to be reasonably available to the Company with respect to matters arising out of the Executive's services to the Company and its Affiliates, provided, however, such period of cooperation shall be for three (3) years, following any such termination or resignation of Executive's employment for any reason, with respect to tax matters involving the Company or any of its Affiliates. The Company shall reimburse the Executive for expenses reasonably incurred in connection with such matters as agreed by the Executive and the Board and the Company shall compensate the Executive for such cooperation at an hourly rate based on the Executive's most recent base salary rate assuming two thousand (2,000) working hours per year; provided, that if the Executive is required to spend more than forty (40) hours in any month on Company matters pursuant to this Section 3.5, the Executive and the Board shall mutually agree to an appropriate rate of compensation for the Executive's time over such forty (40) hour threshold.

Section 4. Unauthorized Disclosure; Non-Competition; Non-Solicitation; Proprietary Rights.

4.1. Unauthorized Disclosure. The Executive agrees and understands that in the Executive's position with the Company and any Affiliates, the Executive has been and will be exposed to and has and will receive information relating to the confidential affairs of the Company and its Affiliates, including, without limitation, technical information, intellectual property, business and marketing plans, strategies, customer information, software, other information concerning the products, promotions, development, financing, expansion plans, business policies and practices of the Company and its Affiliates and other forms of information considered by the Company and its Affiliates to be confidential and in the nature of trade secrets (including, without limitation, ideas, research and development, know-how, formulas, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information and business and marketing plans and proposals) (collectively, the "Confidential Information"); provided, however, that Confidential Information shall not include information which (i) is or becomes generally available to the public not in violation of this Employment Agreement or any written policy of the Company; or (ii) was in the Executive's possession or knowledge on a non-confidential basis prior to such disclosure. The Executive agrees that at all times during the Executive's employment with the Company and thereafter, the Executive shall not disclose such Confidential Information, either directly or indirectly, to any individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof (each, for purposes of this Section 4, a "Person") without the prior written consent of the Company and shall not use or attempt to use any such information in any manner other than in connection with Executive's employment with the Company, unless required by law to disclose such information, in which case the Executive shall provide the Company with written notice of such requirement as far in advance of such anticipated disclosure as possible. Executive's confidentiality covenant has no temporal, geographical or territorial restriction. Upon termination or resignation of the Executive's employment with the Company, the Executive shall promptly supply to the Company all property, keys, notes, memoranda, writings, lists, files, reports, customer lists, correspondence, tapes, disks, cards, surveys, maps, logs, machines, technical data and any other tangible product or document which has been produced by, received by or otherwise submitted to the Executive during or prior to the Executive's employment with the Company, and any copies thereof in Executive's (or capable of being reduced to Executive's) possession.

4.2. Non-Competition. By and in consideration of the Company's entering into this Employment Agreement and the payments to be made and benefits to be provided by the Company hereunder, and in further consideration of the Executive's exposure to the Confidential Information of the Company and its Affiliates, the Executive agrees that the Executive shall not, during the Term and for a period of twelve (12) months thereafter (the "Restriction Period"), directly or indirectly, own, manage, operate, join, control, be employed by, or participate in the ownership, management, operation or control of, or be connected in any manner with, including, without limitation, holding any position as a stockholder, director, officer, consultant, independent contractor, employee, partner, or investor in, any Restricted Enterprise (as defined below); provided, that in no event shall ownership of one percent (1%) or less of the outstanding securities of any class of any issuer whose securities are registered under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), standing alone, be prohibited by this Section 4.2, so long as the Executive does not have, or exercise, any rights to manage or operate the business of such issuer other than rights as a stockholder thereof. For purposes of this paragraph, "Restricted Enterprise" shall mean any Person that is actively engaged in any business which is either (i) in competition with the business of the Company or any of its Affiliates conducted during the preceding twelve (12) months (or following the Term, the twelve (12) months preceding the last day of the Term), or (ii) proposed to be conducted by the Company or any of its Affiliates in the Company's or Affiliate's business plan as in effect at that time (or following the Term, the business plan as in effect as of the last day of the Term); provided, that (x) with respect to any Person that is actively engaged in the refinery business, a Restricted Enterprise shall only include such a Person that operates or markets in any geographic area in which the Company or any of its Affiliates operates or markets with respect to its refinery business and (y) with respect to any Person that is actively engaged in the fertilizer business, a Restricted Enterprise shall only include such a Person that operates or markets in any geographic area in which the Company or any of its Affiliates operates or markets with respect to its fertilizer business. During the Restriction Period, upon request of the Company, the Executive shall notify the Company of the Executive's then-current employment status. For the avoidance of doubt, a Restricted Enterprise shall not include any Person or division thereof that is engaged in the business of supplying (but not refining) crude oil or natural gas.

4.3. Non-Solicitation of Employees. During the Restriction Period, the Executive shall not directly or indirectly contact, induce or solicit (or assist any Person to contact, induce or solicit) for employment any person who is, or within twelve (12) months prior to the date of such solicitation was, an employee of the Company or any of its Affiliates.

4.4. Non-Solicitation of Customers/Suppliers. During the Restriction Period, the Executive shall not (i) contact, induce or solicit (or assist any Person to contact, induce or solicit) any Person which has a business relationship with the Company or of any of its Affiliates in order to terminate, curtail or otherwise interfere with such business relationship or (ii) solicit, other than on behalf of the Company and its Affiliates, any Person that the Executive knows or should have known (x) is a current customer of the Company or any of its Affiliates in any geographic area in which the Company or any of its Affiliates operates or markets or (y) is a Person in any geographic area in which the Company or any of its Affiliates operates or markets with respect to which the Company or any of its Affiliates has, within the twelve (12) months prior to the date of such solicitation, devoted more than de minimis resources in an effort to cause such Person to become a customer of the Company or any of its Affiliates in that geographic area. For the avoidance of doubt, the foregoing does not preclude the Executive from soliciting, outside of the geographic areas in which the Company or any of its Affiliates operates or markets, any Person that is a customer or potential customer of the Company or any of its Affiliates in the geographic areas in which it operates or markets.

4.5. Extension of Restriction Period. The Restriction Period shall be extended for a period of time equal to any period during which the Executive is in breach of any of Sections 4.2, 4.3 or 4.4 hereof.

4.6. Proprietary Rights. The Executive shall disclose promptly to the Company any and all inventions, discoveries, and improvements (whether or not patentable or registrable under copyright or similar statutes), and all patentable or copyrightable works, initiated, conceived, discovered, reduced to practice, or made by Executive, either alone or in conjunction with others, during the Executive's employment with the Company and related to the business or activities of the Company and its Affiliates (the "Developments"). Except to the extent any rights in any Developments constitute a work made for hire under the U.S. Copyright Act, 17 U.S.C. § 101 et seq. that are owned ab initio by the Company and/or its applicable Affiliates, the Executive assigns all of Executive's right, title and interest in all Developments (including all intellectual property rights therein) to the Company or its nominee without further compensation, including all rights or benefits therefor, including without limitation the right to sue and recover for past and future infringement. The Executive acknowledges that any rights in any developments constituting a work made for hire under the U.S. Copyright Act, 17 U.S.C § 101 et seq. are owned upon creation by the Company and/or its applicable Affiliates as the Executive's employer. Whenever requested to do so by the Company, the Executive shall execute any and all applications, assignments or other instruments which the Company shall deem necessary to apply for and obtain trademarks, patents or copyrights of the United States or any foreign country or otherwise protect the interests of the Company and its Affiliates therein. These obligations shall continue beyond the end of the Executive's employment with the Company with respect to inventions, discoveries, improvements or copyrightable works initiated, conceived or made by the Executive while employed by the Company, and shall be binding upon the Executive's employers, assigns, executors, administrators and other legal representatives. In connection with Executive's execution of this Employment Agreement, the Executive has informed the Company in writing of any interest in any inventions or intellectual property rights that Executive holds as of the date hereof. If the Company is unable for any reason, after reasonable effort, to obtain the Executive's signature on any document needed in connection with the actions described in this Section 4.6, the Executive hereby irrevocably designates and appoints the Company, its Affiliates, and their duly authorized officers and agents as the Executive's agent and attorney in fact to act for and in the Executive's behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of this Section with the same legal force and effect as if executed by the Executive.

4.7. Confidentiality of Agreement. Other than with respect to information required to be disclosed by applicable law, the parties hereto agree not to disclose the terms of this Employment Agreement to any Person; provided the Executive may disclose this Employment Agreement and/or any of its terms to the Executive's immediate family, financial advisors and attorneys. Notwithstanding anything in this Section 4.7 to the contrary, the parties hereto (and each of their respective employees, representatives, or other agents) may disclose to any and all Persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated by this Employment Agreement, and all materials of any kind (including opinions or other tax analyses) related to such tax treatment and tax structure; provided that this sentence shall not permit any Person to disclose the name of, or other information that would identify, any party to such transactions or to disclose confidential commercial information regarding such transactions.

4.8. Remedies. The Executive agrees that any breach of the terms of this Section 4 would result in irreparable injury and damage to the Company and its Affiliates for which the Company and its Affiliates would have no adequate remedy at law; the Executive therefore also agrees that in the event of said breach or any threat of breach, the Company and its Affiliates shall be entitled to an immediate injunction and restraining order to prevent such breach and/or threatened breach and/or continued breach by the Executive and/or any and all Persons acting for and/or with the Executive, without having to prove damages, in addition to any other remedies to which the Company and its Affiliates may be entitled at law or in equity, including, without limitation, the obligation of the Executive to return any Severance Payments made by the Company to the Company. The terms of this paragraph shall not prevent the Company or its Affiliates from pursuing any other available remedies for any breach or threatened breach hereof, including, without limitation, the recovery of damages from the Executive. The Executive and the Company further agree that the provisions of the covenants contained in this Section 4 are reasonable and necessary to protect the businesses of the Company and its Affiliates because of the Executive's access to Confidential Information and Executive's material participation in the operation of such businesses.

Section 5. Representation.

The Executive represents and warrants that (i) Executive is not subject to any contract, arrangement, policy or understanding, or to any statute, governmental rule or regulation, that in any way limits Executive's ability to enter into and fully perform Executive's obligations under this Employment Agreement and (ii) Executive is not otherwise unable to enter into and fully perform Executive's obligations under this Employment Agreement.

Section 6. Withholding.

All amounts paid to the Executive under this Employment Agreement during or following the Term shall be subject to withholding and other employment taxes imposed by applicable law.

Section 7. Effect of Section 280G of the Code.

7.1. Payment Reduction. Notwithstanding anything contained in this Employment Agreement to the contrary, (i) to the extent that any payment or distribution of any type to or for the Executive by the Company, any affiliate of the Company, any Person who acquires ownership or effective control of the Company or ownership of a substantial portion of the Company's assets (within the meaning of Section 280G of the Code and the regulations thereunder), or any affiliate of such Person, whether paid or payable or distributed or distributable pursuant to the terms of this Employment Agreement or otherwise (the "Payments") constitute "parachute payments" (within the meaning of Section 280G of the Code), and if (ii) such aggregate would, if reduced by all federal, state and local taxes applicable thereto, including the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), be less than the amount the Executive would receive, after all taxes, if the Executive received aggregate Payments equal (as valued under Section 280G of the Code) to only three times the Executive's "base amount" (within the meaning of Section 280G of the Code), less $1.00, then (iii) such Payments shall be reduced (but not below zero) if and to the extent necessary so that no Payments to be made or benefit to be provided to the Executive shall be subject to the Excise Tax; provided, however, that the Company shall use its reasonable best efforts to obtain shareholder approval of the Payments provided for in this Employment Agreement in a manner intended to satisfy requirements of the “shareholder approval” exception to Section 280G of the Code and the regulations promulgated thereunder, such that payment may be made to the Executive of such Payments without the application of an Excise Tax. If the Payments are so reduced, the Company shall reduce or eliminate the Payments (x) by first reducing or eliminating the portion of the Payments which are not payable in cash (other than that portion of the Payments subject to clause (z) hereof), (y) then by reducing or eliminating cash payments (other than that portion of the Payments subject to clause (z) hereof) and (z) then by reducing or eliminating the portion of the Payments (whether payable in cash or not payable in cash) to which Treasury Regulation § 1.280G-1 Q/A 24(c) (or successor thereto) applies, in each case in reverse order beginning with payments or benefits which are to be paid the farthest in time.

7.2. Determination of Amount of Reduction (if any). The determination of whether the Payments shall be reduced as provided in Section 7.1 and the amount of such reduction shall be made at the Company’s expense by an accounting firm selected by the Company from among the four (4) largest accounting firms in the United States (the “Accounting Firm”). The Accounting Firm shall provide its determination (the “Determination”), together with detailed supporting calculations and documentation, to the Company and the Executive within ten (10) days after the Executive’s final day of employment. If the Accounting Firm determines that no Excise Tax is payable by the Executive with respect to the Payments, it shall furnish the Executive with an opinion reasonably acceptable to the Executive that no Excise Tax will be imposed with respect to any such payments and, absent manifest error, such Determination shall be binding, final and conclusive upon the Company and the Executive.

Section 8. Miscellaneous.

8.1. Amendments and Waivers. This Employment Agreement and any of the provisions hereof may be amended, waived (either generally or in a particular instance and either retroactively or prospectively), modified or supplemented, in whole or in part, only by written agreement signed by the parties hereto; provided, that, the observance of any provision of this Employment Agreement may be waived in writing by the party that will lose the benefit of such provision as a result of such waiver. The waiver by any party hereto of a breach of any provision of this Employment Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach, except as otherwise explicitly provided for in such waiver. Except as otherwise expressly provided herein, no failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder, or otherwise available in respect hereof at law or in equity, shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

8.2. Indemnification. To the extent provided in the Company’s Certificate of Incorporation or Bylaws, as in effect from time to time, and subject to any separate agreement (if any) between the Company and the Executive regarding indemnification, the Company shall indemnify the Executive for losses or damages incurred by the Executive as a result of causes of action arising from the Executive's performance of duties for the benefit of the Company, whether or not the claim is asserted during the Term.

8.3. Assignment. This Employment Agreement, and the Executive's rights and obligations hereunder, may not be assigned by the Executive, and any purported assignment by the Executive in violation hereof shall be null and void.

8.4. Notices. Unless otherwise provided herein, all notices, requests, demands, claims and other communications provided for under the terms of this Employment Agreement shall be in writing. Any notice, request, demand, claim or other communication hereunder shall be sent by (i) personal delivery (including receipted courier service) or overnight delivery service, (ii) facsimile during normal business hours, with confirmation of receipt, to the number indicated, (iii) reputable commercial overnight delivery service courier or (iv) registered or certified mail, return receipt requested, postage prepaid and addressed to the intended recipient as set forth below:

If to the Company:	CVR Energy, Inc. 10 E. Cambridge Circle, Suite 250 Kansas City, KS 66103 Attention: General Counsel Facsimile: (913) 982-5651
with a copy to:	Fried, Frank, Harris, Shriver & Jacobson LLP One New York Plaza New York, NY 10004 Attention: Donald P. Carleen, Esq. Facsimile: (212) 859-4000
If to the Executive:	Robert W. Haugen 2277 Plaza Drive, Suite 500 Sugar Land, TX 77479 Facsimile: (281) 207-3501

All such notices, requests, consents and other communications shall be deemed to have been given when received. Any party may change its facsimile number or its address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other parties hereto notice in the manner then set forth.

8.5. Governing Law. This Employment Agreement shall be construed and enforced in accordance with, and the rights and obligations of the parties hereto shall be governed by, the laws of the State of Texas, without giving effect to the conflicts of law principles thereof. Each of the parties hereto irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of Texas (collectively, the "Selected Courts") for any action or proceeding relating to this Employment Agreement, agrees not to commence any action or proceeding relating thereto except in the Selected Courts, and waives any forum or venue objections to the Selected Courts.

8.6. Severability. Whenever possible, each provision or portion of any provision of this Employment Agreement, including those contained in Section 4 hereof, will be interpreted in such manner as to be effective and valid under applicable law but the invalidity or unenforceability of any provision or portion of any provision of this Employment Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Employment Agreement in that jurisdiction or the validity or enforceability of this Employment Agreement, including that provision or portion of any provision, in any other jurisdiction. In addition, should a court or arbitrator determine that any provision or portion of any provision of this Employment Agreement, including those contained in Section 4 hereof, is not reasonable or valid, either in period of time, geographical area, or otherwise, the parties hereto agree that such provision should be interpreted and enforced to the maximum extent which such court or arbitrator deems reasonable or valid.

8.7. Entire Agreement. From and after the Commencement Date, this Employment Agreement constitutes the entire agreement between the parties hereto, and supersedes all prior representations, agreements and understandings (including any prior course of dealings), both written and oral, relating to any employment of the Executive by the Company or any of its Affiliates including, without limitation, the First Amended and Restated Agreement.

8.8. Counterparts. This Employment Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

8.9. Binding Effect. This Employment Agreement shall inure to the benefit of, and be binding on, the successors and assigns of each of the parties, including, without limitation, the Executive's heirs and the personal representatives of the Executive's estate and any successor to all or substantially all of the business and/or assets of the Company.

8.10. General Interpretive Principles. The name assigned this Employment Agreement and headings of the sections, paragraphs, subparagraphs, clauses and subclauses of this Employment Agreement are for convenience of reference only and shall not in any way affect the meaning or interpretation of any of the provisions hereof. Words of inclusion shall not be construed as terms of limitation herein, so that references to "include", "includes" and "including" shall not be limiting and shall be regarded as references to non-exclusive and non-characterizing illustrations.

8.11. Mitigation. Notwithstanding any other provision of this Employment Agreement, (a) the Executive will have no obligation to mitigate damages for any breach or termination of this Employment Agreement by the Company, whether by seeking employment or otherwise and (b) except for Welfare Benefits provided pursuant to Section 3.2(a) or Section 3.2(b), the amount of any payment or benefit due the Executive after the date of such breach or termination will not be reduced or offset by any payment or benefit that the Executive may receive from any other source.

8.12. Company Actions. Any actions, approvals, decisions, or determinations to be made by the Company under this Employment Agreement shall be made by the Company's Board, except as otherwise expressly provided herein. For purposes of any references herein to the Board's designee, any such reference shall be deemed to include the Chief Executive Officer of the Company and such other or additional officers, or committees of the Board, as the Board may expressly designate from time to time for such purpose.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Employment Agreement as of the date first written above.

CVR ENERGY, INC.

/s/ Robert W. Haugen	By: /s/ John J. Lipinski
ROBERT W. HAUGEN	Name: John J. Lipinski
	Title: Chief Executive Officer and President

[Signature Page to Second Amended and Restated Employment Agreement]

APPENDIX A

"Change in Control" means the occurrence of any of the following:

(a) An acquisition (other than directly from the Company) of any voting securities of the Company (the "Voting Securities") by any "Person" (as the term "person" is used for purposes of Section 13(d) or 14(d) of the Exchange Act), immediately after which such Person has "Beneficial Ownership" (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than thirty percent (30%) of (i) the then-outstanding Shares or (ii) the combined voting power of the Company's then-outstanding Voting Securities; provided, however, that in determining whether a Change in Control has occurred pursuant to this paragraph (a), the acquisition of Shares or Voting Securities in a Non-Control Acquisition (as hereinafter defined) shall not constitute a Change in Control. A "Non-Control Acquisition" shall mean an acquisition by (i) an employee benefit plan (or a trust forming a part thereof) maintained by (A) the Company or (B) any corporation or other Person the majority of the voting power, voting equity securities or equity interest of which is owned, directly or indirectly, by the Company (for purposes of this definition, a "Related Entity"), (ii) the Company, any Principal Stockholder or any Related Entity, or (iii) any Person in connection with a Non-Control Transaction (as hereinafter defined);

(b) The consummation of:

(i) A merger, consolidation or reorganization (x) with or into the Company or (y) in which securities of the Company are issued (a "Merger"), unless such Merger is a "Non-Control Transaction." A "Non-Control Transaction" shall mean a Merger in which:

(A) the shareholders of the Company immediately before such Merger own directly or indirectly immediately following such Merger at least a majority of the combined voting power of the outstanding voting securities of (1) the corporation resulting from such Merger (the "Surviving Corporation"), if fifty percent (50%) or more of the combined voting power of the then outstanding voting securities by the Surviving Corporation is not Beneficially Owned, directly or indirectly, by another Person (a "Parent Corporation") or (2) if there is one or more than one Parent Corporation, the ultimate Parent Corporation;

(B) the individuals who were members of the Board immediately prior to the execution of the agreement providing for such Merger constitute at least a majority of the members of the board of directors of (1) the Surviving Corporation, if there is no Parent Corporation, or (2) if there is one or more than one Parent Corporation, the ultimate Parent Corporation; and

(C) no Person other than (1) the Company or another corporation that is a party to the agreement of Merger, (2) any Related Entity, (3) any employee benefit plan (or any trust forming a part thereof) that, immediately prior to the Merger, was maintained by the Company or any Related Entity, or (4) any Person who, immediately prior to the Merger, had Beneficial Ownership of thirty percent (30%) or more of the then outstanding Shares or Voting Securities, has Beneficial Ownership, directly or indirectly, of thirty percent (30%) or more of

the combined voting power of the outstanding voting securities or common stock of (x) the Surviving Corporation, if there is no Parent Corporation, or (y) if there is one or more than one Parent Corporation, the ultimate Parent Corporation.

(ii) A complete liquidation or dissolution of the Company; or

(iii) The sale or other disposition of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole to any Person (other than (x) a transfer to a Related Entity or (y) the distribution to the Company's shareholders of the stock of a Related Entity or any other assets).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the then outstanding Shares or Voting Securities as a result of the acquisition of Shares or Voting Securities by the Company which, by reducing the number of Shares or Voting Securities then outstanding, increases the proportional number of shares Beneficially Owned by the Subject Persons; provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Shares or Voting Securities by the Company and, after such share acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Shares or Voting Securities and such Beneficial Ownership increases the percentage of the then outstanding Shares or Voting Securities Beneficially Owned by the Subject Person, then a Change in Control shall occur.

For purposes of this definition: (i) "Shares" means the common stock, par value $.01 per share, of the Company and any other securities into which such shares are changed or for which such shares are exchanged and (ii) "Principal Stockholder" means each of Kelso Investment Associates VII, L.P., a Delaware limited partnership, KEP VI, LLC, a Delaware limited liability company, GS Capital Partners V Fund, L.P., a Delaware limited partnership, GS Capital Partners V Offshore Fund, L.P., a Cayman Islands exempted limited partnership, GS Capital Partners V Institutional, L.P., a Delaware limited partnership and GS Capital Partners V GmbH & Co. KG, a German limited partnership.

THIRD AMENDMENT TO CRUDE OIL SUPPLY AGREEMENT

THIS THIRD AMENDMENT TO CRUDE OIL SUPPLY AGREEMENT is entered into effective as of January 1, 2010 (this “**Amendment**”), between Vitol Inc. (“**Vitol**”) and Coffeyville Resources Refining & Marketing, LLC (“**Coffeyville**”).

WHEREAS, Vitol and Coffeyville are parties to a Crude Oil Supply Agreement dated December 2, 2008 (the “**Supply Agreement**”), as amended pursuant to that certain First Amendment dated effective January 1, 2009 (“First Amendment”) and that certain Second Amendment dated effective July 7, 2009 (“Second Amendment”), and clarified pursuant to that certain Memorandum of Clarification dated December 31, 2008; and

WHEREAS, Vitol and Coffeyville have agreed to further amend certain terms and conditions of the Supply Agreement;

NOW, THEREFORE, in consideration of the premises and the respective promises, conditions, terms and agreements contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Vitol and Coffeyville do hereby agree as follows:

1. The First Amendment at Section 2 provided that it would continue for a second term, January 1, 2010 through December 31, 2010, unless either party terminated the First Amendment prior to November 1, 2009. The parties agree that the terms of the First Amendment shall continue through December 31, 2009. The parties further agree to continue the terms of the First Amendment for the period January 1, 2010 through December 31, 2010 on the same terms and conditions as set forth in the First Amendment except that the term “$396,000.00” se forth in Section 3 of the First Amendment is deleted and replaced with the term “$305,200.00”.

2. The definitions contained in the Supply Agreement will have the same meaning in this Amendment unless otherwise stated in this Amendment.

3. Except as otherwise stated in this Amendment, all terms and conditions of the Supply Agreement will remain in full force and effect.

4. This Amendment may be executed by the Parties in separate counterparts and initially delivered by facsimile transmission or otherwise, with original signature pages to follow, and all such counterparts will together constitute one and the same instruments.

5. This Amendment will be governed by, construed and enforced under the laws of the State of New York without giving effect to its conflicts of laws principles.

[Signature Page to Follow]

IN WITNESS WHEREOF, each Party has caused this Amendment to be executed by its duly authorized representative, effective as of the Effective Date.

Vitol Inc.

By: /s/ James C. Dyer, IV
James C. Dyer, IV
Title: Vice President
Date: 11 January 2010

Coffeyville Resources Refining & Marketing, LLC

By: /s/ John J. Lipinski
Title: CEO
Date: 1/5/10

**FOURTH AMENDMENT TO
CRUDE OIL SUPPLY
AGREEMENT**

THIS FOURTH AMENDMENT TO CRUDE OIL SUPPLY AGREEMENT (this "**Amendment**") is entered into effective as of January 25, 2010 (the "**Effective Date**"), between Vitol Inc. ("**Vitol**") and Coffeyville Resources Refining & Marketing, LLC ("**Coffeyville**").

WHEREAS, Vitol and Coffeyville are parties to a Crude Oil Supply Agreement dated December 2, 2008, as amended pursuant to that certain First Amendment to Crude Oil Supply Agreement dated effective January 1, 2009, that certain Second Amendment to Crude Oil Supply Agreement dated effective July 7, 2009, that certain Third Amendment to Crude Oil Supply Agreement dated effective January 1, 2010, and as clarified pursuant to that certain Memorandum of Clarification dated December 31, 2008 (such agreement, as amended and clarified, the "**Supply Agreement**"); and

WHEREAS, Vitol and Coffeyville have agreed to further amend certain terms and conditions of the Supply Agreement;

NOW, THEREFORE, in consideration of the premises and the respective promises, conditions, terms and agreements contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Vitol and Coffeyville do hereby agree as follows:

1. Definitions. Section 1.1 of the Agreement is amended to add or amend the following definitions:

"Agreed Costs" means, for purposes of calculating the Transfer Price, any transportation or other costs that the Parties mutually deem to apply with respect to the Specified Transaction. It is the intent of the Parties that Agreed Costs shall only be applicable with the consent of both Parties. With regard to Agreed Costs for the Transfer Price of a Special Crude Oil Lot, Agreed Costs shall be evidenced by a Special Crude Oil Lot Confirmation.

"Counterparty" means, with respect to a Third Party Contract, the third party suppliers of Crude Oil to be purchased by Vitol and sold to Coffeyville pursuant to the terms hereof. The Counterparty to a Third Party Contract may include Coffeyville.

"Crude Oil Withdrawal" has the meaning set forth in Section 10.2. Crude Oil Withdrawal may also include the withdrawal of some or all of a Special Crude Oil Lot.

"Day Charge" means the Base Interest Rate plus one percent (1%), calculated on the basis of a 360-day year. With respect to a Special Crude Oil Lot, the Day Charge will be as set forth in the applicable Special Crude Oil Lot Confirmation and will be referred to herein as the **"Special Crude Oil Lot Day Charge"**.

"Delivery Point" means, for Crude Oil, the outlet flange of the meter at the connection between the Plains Pipeline System and the Broome Station storage facility. The Delivery Point for Special Crude Oil Lots being purchased from Coffeyville by Vitol, shall be in tank in the Special Crude Oil Lot Tank in which such Special Crude Oil Lot is being stored. The Delivery Point for Special Crude Oil Lots (or portions thereof) sold by Vitol to Coffeyville shall be, as applicable, in tank in the Special Crude Oil Lot Tank in which such Special Crude Oil Lot is stored if the entirety of the contents of the applicable Special Crude Oil Lot Tank is being purchased by Coffeyville or, if a portion of the contents of a Special Crude Oil Lot Tank is being purchased by Coffeyville, the Delivery Point shall be the outlet flange of the applicable Special Crude Oil Lot Tank.

"Origination Fee" shall mean a fee payable by Coffeyville to Vitol in the amount of $0.22 per Barrel. The Origination Fee shall apply to each Barrel that is the subject of a Third Party Contract, irrespective of whether such Barrels are delivered to Coffeyville, resold or exchanged in a subsequent transaction. The Origination Fee shall not apply, however, to the Initial Inventory or to any Special Crude Oil Lots.

"Special Crude Oil Lot" means a volume of crude oil (measured in Barrels) purchased by Vitol from Coffeyville pursuant to a Special Crude Oil Lot Confirmation, and stored in one or more Special Crude Oil Lot Tanks, and any volume of such crude oil (measured in Barrels) subsequently repurchased by Coffeyville from Vitol pursuant to a Special Crude Oil Lot Confirmation.

"Special Crude Oil Lot Gains and Losses" means any difference (positive or negative) for a stated period between the volume of Special Crude Oil Lots purchased by Vitol from one or more Counterparties and the corresponding volume that is actually delivered to Coffeyville at the Delivery Point, which results from in-transit or in tank gains and losses, excluding any Catastrophic Loss but including small spills occurring in the ordinary course of operations.

"Special Crude Oil Lot Stored Quantity" means the total volume of Special Crude Oil Lot(s) stored in the Special Crude Oil Lot Tank(s) as determined by the Independent Inspector from time to time. The Independent Inspector will include in its inventory report the total quantity and quality of the Special Crude Oil Lot(s) in each of the Special Crude Oil Lot Tank(s).

"Special Crude Oil Lot Tanks" means the storage tanks specified by the Parties pursuant to a Special Crude Oil Lot Confirmation for purposes of storing a Special Crude Oil Lot.

"Transfer Price" has the meaning set forth in Section 12.1. The Transfer Price of a Special Crude Oil Lot shall be as set forth in the applicable Special Crude Oil Lot Confirmation.

"Working Capital Balance" means for each day in the applicable Working Capital Period, the cumulative balance during such Working Capital Period, calculated as the difference between (i) the amount of cash received from Coffeyville for the purchase of Crude Oil and (ii) the amount of cash expended by Vitol to purchase Crude Oil for Coffeyville during such Working Capital Period. It is the intention of the Parties that the Working Capital Balance shall be calculated as a running balance and that a negative balance shall indicate that more money was expended by Vitol during such period than received, and conversely, a positive balance shall indicate that more money was received by Vitol during such period than expended. With regard to a Special Crude Oil Lot, a separate Working Capital Statement shall be maintained. With further regard to a Special Crude Oil Lot, the Working Capital Balance shall include any further components as agreed to by the Parties. The resolution and payment of any amount related to the Working Capital Balance for a Special Crude Oil Lot shall be at a time interval as agreed to by the Parties.

2. Article 7.7. Article 7.7 is deleted and replaced in its entirety as follows:

7.7 Insurance. Coffeyville and Vitol, respectively, shall procure and maintain in full force and effect throughout the term of this Agreement insurance coverages of the following types and amounts and with insurance companies rated not less than A- by A.M. Best, or otherwise as subsequently agreed, in respect of Vitol's purchase of Crude Oil and Special Crude Oil Lots under this Agreement (provided the foregoing shall not limit Coffeyville's obligation to reimburse any insurance costs pursuant to Article 12):

(a) With respect to all Crude Oil (including, but not limited to Crude Oil cargoes) for which Vitol bears the risk of loss pursuant to Section 9.2 herein, Vitol shall have an insurable interest and shall procure and maintain property (cargo) damage coverage on an "all risk" basis in an amount sufficient to cover the market value or potential full replacement cost. In the event that the market value or potential full replacement cost of all Crude Oil exceeds the insurance limits available or the insurance limits available at commercially reasonable rates in the insurance marketplace, Vitol will maintain the highest insurance limit available at commercially reasonable rates; provided, however, that Vitol will promptly notify Coffeyville (and, in any event prior to the transportation of any Crude Oil that would not be fully insured) of Vitol's inability to fully insure any Crude Oil and provide full details of such inability.

(b) With respect to all Crude Oil (including, but not limited to Crude Oil in transit in pipelines) and Special Crude Oil Lots for which Coffeyville bears the risk of loss pursuant to Section 9.2 herein, Coffeyville shall have an insurable interest and shall procure and maintain property (cargo) damage coverage on an "all risk" basis in an amount sufficient to cover the market value or potential full replacement cost. In the event that the market value or potential full replacement cost of all Crude Oil or Special Crude Oil Lots, as applicable, exceeds the insurance limits available or the insurance limits available at commercially reasonable rates in the insurance marketplace, Coffeyville will maintain the highest insurance limit available at commercially reasonable rates. Vitol shall be named a “loss payee” under such required coverage. In the event of Coffeyville’s failure to fully insure any Crude Oil or Special Crude Oil Lots otherwise required to be fully insured hereunder, Coffeyville shall notify Vitol promptly, but no later than the transportation of such underinsured Crude Oil or Special Crude Oil Lots, providing full details of such failure, and Vitol shall have the right to fully insure such underinsured Crude Oil or Special Crude Oil Lots.

(c) Vitol shall procure and maintain liability coverage that includes bodily injury, property damage and contractual liability, marine or charterers’ liability, and “sudden and accidental pollution” liability coverage, with limits no less than $100,000,000 per occurrence and $100,000,000 in the aggregate.

(d) Coffeyville shall procure and maintain liability coverage that includes bodily injury, property damage and contractual liability, and “sudden and accidental pollution” liability coverage, with limits no less than $100,000,000 per occurrence and $100,000,000 in the aggregate.

3. Article 8A. A new Article 8A is added as follows: Vitol shall have the right to sell any or all of the Special Crude Oil Lot Stored Quantity to entities other than Coffeyville. In the event of such a sale, Vitol will provide Coffeyville notice within one Business Day after the sale and the Parties will finally settle (on such Business Day) any and all charges that may be due between them related to such Special Crude Oil Lot Stored Quantity sold by Vitol to a third party. Unless otherwise agreed by Coffeyville in writing, any sale of all or part of a Special Crude Oil Lot Stored Quantity to a third party will require such third party to remove such purchased Special Crude Oil Lot Stored Quantity from the Special Crude Oil Lot Tanks by the end of the calendar month in which such third party sale occurs.

4. Article 9.2. Article 9.2 is deleted and replaced in its entirety as follows:

9.2 Title and Risk of Loss. Risk of loss of the Crude Oil shall pass from Vitol to Coffeyville, as the case may be, (i) for marine transports, as the Crude Oil exits the last permanent flange of the transporting vessel’s delivery arm for land deliveries at an on- shore receiving facility, or (ii) for pipeline transports, as the Crude Oil passes the first applicable custody meter of the delivering Pipeline System. Risk of loss of any Special Crude Oil Lots shall be for the account of Coffeyville. Title to the Crude Oil shall pass from Vitol to Coffeyville at the Delivery Point, and Coffeyville shall assume custody of Crude Oil as it passes the Delivery Point. Title to any Special Crude Oil Lots sold by Coffeyville to Vitol shall pass from Coffeyville to Vitol at the Delivery Point upon Vitol’s payment for such Special Crude Oil Lots. Title to any Special Crude Oil Lot(s) sold by Vitol to Coffeyville shall pass from Vitol to Coffeyville at the Delivery Point upon payment for such Special Crude Oil Lot(s) by Coffeyville. Before custody transfer for Crude Oil at the Delivery Point, Vitol shall be solely responsible for compliance with all Applicable Laws, including all Environmental Laws, pertaining to the possession, handling, use and processing of such Crude Oil. Coffeyville shall be solely responsible for compliance with all Applicable Laws, including all Environmental Laws, pertaining to the possession and handling of Special Crude Oil Lots. At and after custody transfer at the Delivery Point, Coffeyville shall be solely responsible for compliance with all Applicable Laws, including all Environmental Laws, pertaining to the possession, handling, use and processing of such Crude Oil or Special Crude Oil Lots, as applicable.

5. Article 9.3. Article 9.3 is deleted and replaced in its entirety as follows:

9.3 Casualty and Other Losses. If a Catastrophic Loss of Crude Oil or of a Special Crude Oil Lot, as applicable, occurs after the passage of risk of loss, but prior to the passage of title, to Coffeyville, any such Catastrophic Loss shall be for Coffeyville's account, and Coffeyville shall be required to pay Vitol the Transfer Price with respect to such volumes. Upon receipt of such payment from Coffeyville, Vitol shall allocate to Coffeyville's account any insurance proceeds received with respect to such Catastrophic Loss. Conversely, any Catastrophic Loss of Crude Oil occurring prior to the passage of risk of loss shall be for Vitol's account; Vitol shall retain any insurance proceeds received with respect to such loss, and Coffeyville will bear no obligation with respect thereto. Notwithstanding anything to the contrary herein, any Crude Oil Gains and Losses and Special Crude Lot Gains and Loss shall be borne by and for the account of Coffeyville and shall be included in the Transfer Price.

6. Article 27. Article 27 of the Supply Agreement is amended to provide that any notice to Coffeyville will also be provided to:

Coffeyville Resources Refining & Marketing, LLC
2277 Plaza Drive, Suite 500
Sugar Land, Texas 77479
Attn: Patrick Quinn
Fax: 281-207-3361

7. The definitions contained in the Supply Agreement will have the same meaning in this Amendment unless otherwise stated in this Amendment.

8. Except as otherwise stated in this Amendment, all terms and conditions of the Supply Agreement will remain in full force and effect.

9. This Amendment may be executed by the Parties in separate counterparts and initially delivered by facsimile transmission or otherwise, with original signature pages to follow, and all such counterparts will together constitute one and the same instruments.

10. This Amendment will be governed by, construed and enforced under the laws of the State of New York without giving effect to its conflicts of laws principles.

[Signature Page to Follow]

IN WITNESS WHEREOF, each Party has caused this Fourth Amendment to be executed by its duly authorized representative, effective as of the Effective Date.

Vitol Inc.

By: /s/ James C. Dyer, IV
Title: V. P.
Date: 25 Jan 2010

Coffeyville Resources Refining & Marketing, LLC

By: /s/ John J. Lipinski
Title: CEO
Date: 1/25/10

Exhibit 10.8

AMENDMENT TO SERVICES AGREEMENT

THIS AMENDMENT TO SERVICES AGREEMENT (this "***Amendment***") is entered into as of January 1, 2010 (the "***Effective Date***") by and between CVR Partners, LP, a Delaware limited partnership ("***MLP***"), CVR GP, LLC, a Delaware limited liability company ("***Managing GP***"), CVR Special GP, LLC, a Delaware limited liability company ("***Special GP***"), and CVR Energy, Inc., a Delaware corporation ("***CVR***", and collectively with MLP, Managing GP and Special GP, the "***Parties***" and each, a "***Party***").

RECITALS

The Parties entered into a Services Agreement effective as of October 25, 2007 (the "***Agreement***"), pursuant to which the CVR agreed to provide the Services to the Services Recipients. The Parties desire to amend the Agreement in the manner set forth in this Amendment.

The parties agree as follows:

1. Capitalized Terms. Capitalized terms used but not defined herein have the meanings assigned to them in the Agreement.

2. Payment Amount. Section 3.01 of the Agreement is amended and restated to read as follows as of the Effective Date:

"Section 3.01 Payment Amount. Managing GP shall pay or cause MLP or Fertilizer to pay, to CVR (or its Affiliates as CVR may direct) the amount of any direct or indirect expenses incurred by CVR or its Affiliates in connection with the provision of Services by CVR or its Affiliates (the "***Payment Amount***"), in accordance with the following:

(a) Seconded Personnel. The Payment Amount will include all Personnel Costs of Seconded Personnel, to the extent attributable to the periods during which such Seconded Personnel are provided to the Services Recipients.

(b) Shared Personnel and Administrative Personnel. The Payment Amount will include a prorata share of all Personnel Costs of Shared Personnel and Administrative Personnel (including government and public relations), as determined by CVR on a commercially reasonable basis, based on the percent of total working time that such respective personnel are engaged in performing any of the Services.

(c) Administrative Costs. The Payment amount will include the following:

(i) Travel. Travel expenses by Seconded Personnel, Shared Personnel and Administrative Personnel will be direct charged as applicable.

(ii) Office Costs. A prorata share of all office costs (including, without limitation, all costs relating to office leases, equipment leases, supplies, property taxes and utilities) for all locations of Administrative Personnel, based on the Fertilizer Payroll Percentage, will be included in the Payment Amount.

(iii) Insurance. Insurance premiums will be direct charged to the applicable insured, provided, however, all insurance premiums for adequate directors and officers (or equivalent) insurance for any Seconded Personnel or Shared Personnel, with liability coverage of no less than $15 million, will be included in the Payment Amount.

(iv) Outside Services. Services provided by outside vendors (including audit services, legal services, government and public relation services, and other services) will first be direct charged where applicable, and a prorata share of charges for all services that are provided by outside vendors and not direct charged will be included in the Payment Amount based upon the following percentages of such charges: audit services — 25%; legal services — 20%; and all other services — Fertilizer Payroll Percentage.

(v) Other SGA Costs. A prorata share of all other sales, general and administrative costs relating to the Services Recipients, based on the Fertilizer Payroll Percentage, will be included in the Payment Amount.

(vi) Depreciation and Amortization. A prorata share of depreciation and amortization relating to all locations of Administrative Personnel, based on the Fertilizer Payroll Percentage, will be included in the Payment amount following recognition of such depreciation or amortization as an expense on the books and records of CVR or its Affiliates.

(vii) Bank Charges and Interest Expense. Bank charges and interest expense will be direct charged as applicable.

(viii) Other Costs. Other costs as reasonably incurred by CVR or its Affiliates in the provision of Services will be direct charged as applicable.”

3. Ratify Agreement. Except as expressly amended hereby, the Agreement will remain unamended and in full force and effect in accordance with its terms. The amendments provided herein will be limited precisely as drafted and will not constitute an amendment of any other term, condition or provision of the Agreement. References in the Agreement to “Agreement”, “hereof”, “herein”, and words of similar import are deemed to be a reference to the Agreement as amended by this Amendment.

4. Counterparts. This Amendment may be executed in any number of counterparts, each of which will be deemed to be an original and all of which constitute one agreement that is binding upon each of the parties, notwithstanding that all parties are not signatories to the same counterpart.

[signature page follows]

The parties have executed this Amendment January 28, 2010, but effective as of the Effective Date.

CVR Partners, LP

By: CVR GP, LLC,
its Managing General Partner

By: /s/ Kevan A. Vick
Name: Kevan A. Vick
Title: Executive Vice President and
Fertilizer General Manager

CVR Special GP, LLC

By: /s/ Edward Morgan
Name: Edward Morgan
Title: Chief Financial Officer

CVR GP, LLC,

By: /s/ Kevan A. Vick
Name: Kevan A. Vick
Title: Executive Vice President and
Fertilizer General Manager

CVR Energy, Inc.

By: /s/ Edward Morgan
Name: Edward Morgan
Title: Chief Financial Officer

RATIO OF EARNINGS TO FIXED CHARGES

The following table presents our historical ratio of earnings to fixed charges for the three months ended March 31, 2010 and for each accounting period during the five year period ended December 31, 2009. We have not presented a ratio of earnings to combined fixed charges and preferred stock dividends because we did not have preferred stock outstanding during any such period. Therefore, our ratio of earnings to combined fixed charges and preferred dividends for any given period is equivalent to our ratio of earnings to fixed charges.

For purposes of this table, earnings consist of pre-tax income (loss) before adjustments for noncontrolling interest, plus fixed charges (excluding capitalized interest, but including amortization of amounts previously capitalized). Fixed charges consist of interest (including capitalized interest) on all debt, amortization of debt expenses incurred on issuance, loss or extinguishment of debt and an estimate of the interest within rental expense.

	Predecessor(1)	Successor(1)					
	174 Days Ended June 23, 2005	233 Days Ended December 31, 2005	Year Ended December 31, 2006	Year Ended December 31, 2007	Year Ended December 31, 2008	Year Ended December 31, 2009	Three Months Ended March 31, 2010
				(In millions)			
Fixed charges:							
a) Interest expensed and capitalized	7.3	24.1	52.2	70.4	40.7	44.3	10.3
b) Amortized capitalized expenses related to indebtedness(2)	8.9	1.7	26.7	4.1	12.0	4.0	1.0
c) Estimate of interest within rental expense	0.6	0.6	1.3	1.3	1.4	1.7	0.4
Total fixed charges	16.8	26.4	80.2	75.8	54.1	50.0	11.7
Adjusted earnings:							
a) Pre-tax income (loss)(3)	88.5	(182.2)	311.4	(156.3)	227.8	98.6	(20.1)
b) Fixed charges	16.8	26.4	80.2	75.8	54.1	50.0	11.7
c) Amortization of capitalized interest	—	—	0.1	0.5	1.2	1.3	0.3
d) Interest capitalized	(0.3)	(0.8)	(11.6)	(12.0)	(2.4)	(2.0)	0.9
Adjusted earnings	105.0	(156.6)	380.1	(92.0)	280.7	147.9	(7.2)
Ratio of Earnings to Fixed Charges(4)	6.3x	—	4.7x	—	5.2x	3.0x	—

(1) On June 24, 2005, pursuant to a stock purchase agreement dated May 15, 2005, Coffeyville Acquisition LLC ("CALLC"), which was formed in Delaware on May 13, 2005 by certain funds affiliated with Goldman, Sachs & Co. and Kelso & Company, L.P., acquired all of the subsidiaries of Coffeyville Group Holdings, LLC ("Predecessor"). In the five year period presented above, the business was operated by the Predecessor for the 174-days ended June 23, 2005. Post-June 24, 2005 operations are referred to as Successor. CALLC operated the business from June 24, 2005 until CVR Energy's initial public offering in October 2007.

CVR Energy was formed in September 2006 as a subsidiary of CALLC in order to consummate an initial public offering of the businesses previously operated by CALLC. Prior to CVR Energy's initial public offering in October 2007, (1) CALLC transferred all of its businesses to CVR Energy in exchange for all of CVR Energy's common stock, (2) CALLC was effectively split into two entities, with the Kelso Funds controlling CALLC and the Goldman Sachs Funds controlling Coffeyville Acquisition II LLC ("CALLC II") and CVR Energy's senior management receiving an equivalent position in each of the two entities, (3) the nitrogen fertilizer business was transferred to the Partnership in exchange for all of the partnership interests in the Partnership and (4) all of the interests of the managing general partner of the Partnership were sold to an entity owned by the controlling stockholders and senior management at fair market value on the date of the transfer. CVR Energy consummated its initial public offering on October 26, 2007.

(2) Includes the write-off of $8.1 million of deferred financing costs in connection with the refinancing of our senior secured credit facility on June 23, 2005; $23.4 million in connection with the refinancing of our senior secured credit facility on December 28, 2006 and $1.3 million in connection with the repayment and termination of three credit facilities on October 26, 2007; $2.1 million of deferred financing with the reduction, effective June 1, 2009 and eventual termination of our funded letter of credit facility on October 15, 2009; $0.5 million of premiums paid to lenders of our first priority credit facility in connection with voluntary unscheduled prepayments on our tranche D term debt totaling $25.0 million in the first quarter of 2010.

(3) Pre-tax income (loss) for the calculation of ratio of income to fixed charges is defined as pre-tax income (loss) before adjustments for noncontrolling interest.

(4) Earnings were insufficient to cover fixed charges by $183.0 million, $167.8 million and $18.9 million for the 233 days ended December 31, 2005, the year ended December 31, 2007 and the three months ended March 31, 2010, respectively.

Exhibit 31.1

Certification by Chief Executive Officer Pursuant to
Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934,
As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, John J. Lipinski, certify that:

1. I have reviewed this report on Form 10-Q of CVR Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ John J. Lipinski
John J. Lipinski
Chief Executive Officer

Date: May 5, 2010

Exhibit 31.2

Certification of Chief Financial Officer Pursuant to
Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934,
As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Edward Morgan, certify that:

1. I have reviewed this report on Form 10-Q of CVR Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Edward Morgan
Edward Morgan
Chief Financial Officer

Date: May 5, 2010

Exhibit 32.1

Certification of the Company's Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the filing of the Quarterly Report of CVR Energy, Inc., a Delaware corporation (the "Company") on Form 10-Q for the fiscal quarter ended March 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John J. Lipinski, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

By: /s/ John J. Lipinski
John J. Lipinski
Chief Executive Officer

Dated: May 5, 2010

Exhibit 32.2

Certification of the Company's Chief Financial Officer
Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the filing of the Quarterly Report of CVR Energy, Inc., a Delaware corporation (the "Company") on Form 10-Q for the fiscal quarter ended March 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Edward Morgan, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

By: /s/ Edward Morgan
Edward Morgan
Chief Financial Officer

Dated: May 5, 2010