As filed with the Securities and Exchange Commission on January 28, 2011

Registration No. 333-171270

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

AMENDMENT NO. 1
TO
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

CVR PARTNERS, LP

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**2873**	**56-2677689**
(State or Other Jurisdiction of Incorporation or Organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification Number)*

2277 Plaza Drive, Suite 500
Sugar Land, Texas 77479
(281) 207-3200
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

John J. Lipinski
2277 Plaza Drive, Suite 500
Sugar Land, Texas 77479
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(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

With a copy to:

Stuart H. Gelfond **Michael A. Levitt** **Fried, Frank, Harris,** **Shriver & Jacobson LLP** **One New York Plaza** **New York, New York 10004** **(212) 859-8000**	**Michael Rosenwasser** **E. Ramey Layne** **Vinson & Elkins L.L.P.** **666 Fifth Avenue, 26th Floor** **New York, New York 10103** **(212) 237-0000**	**Peter J. Loughran** **Debevoise & Plimpton LLP** **919 Third Avenue** **New York, New York 10022** **(212) 909-6000**	**G. Michael O'Leary** **Gislar R. Donnenberg** **Andrews Kurth LLP** **600 Travis, Suite 4200** **Houston, Texas 77002** **(713) 220-4200**

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 (the "Securities Act"), check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. 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. (Check One):

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

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Proposed Maximum Aggregate Offering Price(1)(2)**	**Amount of Registration Fee**
Common units representing limited partner interests	$200,000,000	$14,260(3)

(1) Includes offering price of common units which the underwriters have the option to purchase.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) of the Securities Act.

(3) Previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

PROSPECTUS (Subject to Completion)
Dated January 28, 2011

Common Units
Representing Limited Partner Interests

CVR Partners, LP

This is the initial public offering of our common units representing limited partner interests.

Prior to this offering, there has been no public market for our common units. We anticipate that the initial public offering price for our common units will be between $ and $ per unit. We intend to apply to list our common units on the New York Stock Exchange under the symbol "UAN."

We have granted the underwriters an option to purchase up to an additional common units from us to cover over-allotments, if any, at the initial public offering price, less underwriting discounts and commissions, within 30 days from the date of this prospectus.

Investing in our common units involves risks. Please read "Risk Factors" beginning on page 19. These risks include the following:

- We may not have sufficient available cash to pay any quarterly distribution on our common units.
- The nitrogen fertilizer business is, and nitrogen fertilizer prices are, cyclical and highly volatile and have experienced substantial downturns in the past. Cycles in demand and pricing could potentially expose us to substantial fluctuations in our operating and financial results, and expose you to substantial volatility in our quarterly cash distributions and potential material reductions in the trading price of our common units.
- The amount of our quarterly cash distributions will be directly dependent on the performance of our business and will vary significantly both quarterly and annually. Unlike most publicly traded partnerships, we will not have a minimum quarterly distribution or employ structures intended to consistently maintain or increase distributions over time.
- We depend on CVR Energy, Inc., or CVR Energy, for the majority of our supply of petroleum coke, or pet coke, an essential raw material used in our operations. Any significant disruption in the supply of pet coke from CVR Energy could negatively impact our results of operations to the extent third-party pet coke is unavailable or available only at higher prices.
- We depend to a significant extent on CVR Energy and its senior management team to manage our business.
- Our general partner, an indirect wholly-owned subsidiary of CVR Energy, has fiduciary duties to its owner, CVR Energy, and the interests of CVR Energy may differ significantly from, or conflict with, the interests of our public common unitholders.
- Our unitholders have limited voting rights, are not entitled to elect our general partner or its directors, and cannot, at initial ownership levels, remove our general partner without the consent of CVR Energy.
- You will experience immediate and substantial dilution of $ per common unit in the net tangible book value of your common units.
- If we were treated as a corporation for U.S. federal income tax purposes, or if we were to become subject to entity-level taxation for state tax purposes, cash available for distribution to you would be substantially reduced.
- You will be required to pay taxes on your share of our income even if you do not receive any cash distributions from us.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Common Unit	Total
Initial Public Offering Price	$	$
Underwriting Discounts and Commissions	$	$
Proceeds Before Expenses to Us	$	$

The underwriters expect to deliver the common units to purchasers on or about , 2011.

Morgan Stanley **Barclays Capital**

The date of this prospectus is , 2011.

[pictures of nitrogen
fertilizer plant]

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You should rely only on the information contained in this prospectus. We have not, and the underwriters have not, authorized anyone to provide you with additional or different information. If anyone provides you with additional, different or inconsistent information you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where an offer or sale is not permitted. You should assume the information appearing in this prospectus is accurate as of the date on the front cover page of this prospectus only. Our business, financial condition, results of operations and prospects may have changed since that date.

For investors outside the United States: We have not, and the underwriters have not, done anything that would permit this offering, or possession or distribution of this prospectus, in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the common units and the distribution of this prospectus outside of the United States.

Industry and Market Data

The data included in this prospectus regarding the nitrogen fertilizer industry, including trends in the market and our position and the position of our competitors within the nitrogen fertilizer industry, is based on a variety of sources, including independent industry publications, government publications and other published independent sources, information obtained from customers, distributors, suppliers, trade and business organizations and publicly available information (including the reports and other information our competitors file with the SEC, which we did not participate in preparing and as to which we make no representation), as well as our good faith estimates, which have been derived from management's knowledge and experience in the areas in which our business operates. Estimates of market size and relative positions in a market are difficult to develop and inherently uncertain. Accordingly, investors should not place undue weight on the industry and market share data presented in this prospectus. Any data sourced from Pike & Fischer's ''Green Markets'' newsletter has been approved by BNA Subsidiaries, LLC and is re-used here with the express written permission of BNA Subsidiaries, LLC.

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus. You should carefully read the entire prospectus, including "Risk Factors" and the consolidated historical and unaudited pro forma financial statements and related notes included elsewhere in this prospectus, before making an investment decision. Unless otherwise indicated, the information in this prospectus assumes (i) an initial public offering price of $ per common unit (the mid-point of the price range set forth on the cover page of this prospectus) and (ii) that the underwriters do not exercise their option to purchase additional common units. References in this prospectus to "CVR Partners," "we," "our," "us" or like terms refer to CVR Partners, LP and its consolidated subsidiary unless the context otherwise requires or where otherwise indicated. References in this prospectus to "CVR Energy" refer to CVR Energy, Inc. and its consolidated subsidiaries other than CVR Partners unless the context otherwise requires or where otherwise indicated, and references to "CVR GP" or "our general partner" refer to CVR GP, LLC, which, following the closing of this offering, will be an indirect wholly-owned subsidiary of CVR Energy. The transactions being entered into in connection with this offering are referred to herein as the "Transactions" and are described on page 50 of this prospectus. You should also see the "Glossary of Selected Terms" contained in Appendix B for definitions of some of the terms we use to describe our business and industry and other terms used in this prospectus.

CVR Partners, LP

Overview

We are a Delaware limited partnership formed by CVR Energy to own, operate and grow our nitrogen fertilizer business. Strategically located adjacent to CVR Energy's refinery in Coffeyville, Kansas, our nitrogen fertilizer manufacturing facility is the only operation in North America that utilizes a petroleum coke, or pet coke, gasification process to produce nitrogen fertilizer (based on data provided by Blue, Johnson & Associates, Inc., or Blue Johnson). Our facility includes a 1,225 ton-per-day ammonia unit, a 2,025 ton-per-day urea ammonium nitrate, or UAN, unit, and a gasifier complex with built-in redundancy having a capacity of 84 million standard cubic feet per day. We upgrade a majority of the ammonia we produce to higher margin UAN fertilizer, an aqueous solution of urea and ammonium nitrate which has historically commanded a premium price over ammonia. In 2009, we produced 435,184 tons of ammonia, of which approximately 64% was upgraded into 677,739 tons of UAN.

We intend to expand our existing asset base and utilize the experience of CVR Energy's management team to execute our growth strategy. Following completion of this offering, we intend to move forward with a significant two-year plant expansion designed to increase our UAN production capacity by 400,000 tons, or approximately 50%, per year. CVR Energy, a New York Stock Exchange listed company, will indirectly own our general partner and approximately % of our outstanding common units following this offering.

The primary raw material feedstock utilized in our nitrogen fertilizer production process is pet coke, which is produced during the crude oil refining process. In contrast, substantially all of our nitrogen fertilizer competitors use natural gas as their primary raw material feedstock. Historically, pet coke has been significantly less expensive than natural gas on a per ton of fertilizer produced basis and pet coke prices have been more stable when compared to natural gas prices. As a result, our nitrogen fertilizer business has historically been the lowest cost producer and marketer of ammonia and UAN fertilizers in North America. During the past five years, over 70% of the pet coke utilized by our plant was produced and supplied by CVR Energy's crude oil refinery pursuant to a renewable long-term agreement.

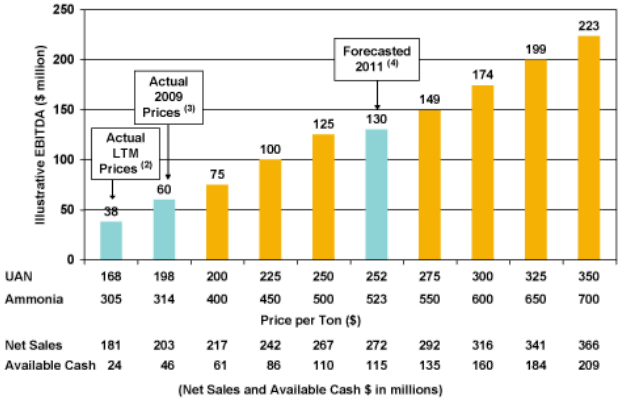
We generated net sales of $141.1 million, net income of $39.5 million and EBITDA of $43.8 million for the nine months ended September 30, 2010. We generated net sales of $187.4 million, $263.0 million and $208.4 million, net income of $24.1 million, $118.9 million and $57.9 million and EBITDA of $65.0 million, $134.9 million and $67.6 million, for the years ended December 31, 2007, 2008 and 2009, respectively. For a reconciliation of EBITDA to net income, see footnote 6 under "— Summary Historical and Pro Forma Consolidated Financial Information."

Our Competitive Strengths

Pure-Play Nitrogen Fertilizer Company. We believe that as a pure-play nitrogen fertilizer company we are well positioned to benefit from positive trends in the nitrogen fertilizer market in general and the UAN market in particular. We derive substantially all of our revenue from the production and sale of nitrogen fertilizers, primarily in the agricultural market, whereas most of our competitors are meaningfully diversified into other crop nutrients, such as phosphate and potassium, and make significant sales into the lower-margin industrial market. For example, our largest public competitors, Agrium, Potash Corporation, Yara (excluding blended fertilizers) and CF Industries (after giving effect to its acquisition of Terra Industries) derived 90%, 88%, 46% and 30% of their sales in 2009, respectively, from the sale of products other than nitrogen fertilizer used in the agricultural market. Nitrogen is an essential element for plant growth because it is the primary determinant of crop yield. Nitrogen fertilizer production is a higher margin, growing business with more stable demand compared to the production of the two other essential crop nutrients, potassium and phosphate, because nitrogen must be reapplied annually. During the last five years, ammonia and UAN prices averaged $457 and $284 per ton, respectively, which is a substantial increase from the average prices of $273 and $157 per ton, respectively, during the prior five-year period.

The following chart shows the consolidated impact of a $25 per ton change in UAN pricing and a $50 per ton change in ammonia pricing on our EBITDA based on the assumptions described herein:

Illustrative EBITDA Sensitivity to UAN and Ammonia Prices(1)



(1) The price sensitivity analysis in this table is based on the assumptions described in our forecast of EBITDA for the year ended December 31, 2011, including 158,024 ammonia tons sold, 671,400 UAN tons sold, cost of product sold of $45.5 million, direct operating expenses of $84.0 million and selling, general and administrative expenses of $12.8 million. This table is presented to show the sensitivity of our 2011 EBITDA forecast of $129.7 million to specified changes in ammonia and UAN prices. Spot ammonia and UAN prices were $625 and $333, respectively, per ton as of December 9, 2010. There can be no assurance that we will achieve our 2011 EBITDA forecast or any of the specified levels of EBITDA indicated above, or that UAN and ammonia pricing will achieve any of the levels specified above. See "Our Cash Distribution Policy and Restrictions on Distribution — Forecasted Available Cash" for a reconciliation of our 2011 EBITDA forecast to our 2011 net income forecast and a discussion of the assumptions underlying our forecast.

(2) Actual pricing for the last twelve months ended September 30, 2010.

(3) Actual pricing for the year ended December 31, 2009.

(4) Forecasted pricing for the year ended December 31, 2011.

High Margin Nitrogen Fertilizer Producer. Our unique combination of pet coke raw material usage, premium product focus and transportation cost advantage has helped to keep our costs low and has enabled us to generate high margins. In 2008, 2009 and the first nine months of 2010, our operating margins were 44%, 23% and 21%, respectively. Over the last five years, U.S. natural gas prices at the Henry Hub pricing point have averaged $6.30 per MMbtu. The following chart shows our cost advantage for the year ended December 31, 2009 as compared to an illustrative natural gas-based competitor in the U.S. Gulf Coast:

CVR Partners Cost Advantage over an Illustrative U.S. Gulf Coast Natural Gas-Based Competitor

($ per ton, unless otherwise noted)

	CVR Partners' Ammonia Cost Advantage				CVR Partners' UAN Cost Advantage			
	Illustrative Competitor		CVR Partners		Illustrative Competitor		CVR Partners	
Illustrative Natural Gas Delivered Price ($/MMbtu)	Gas Cost[a]	Total Competitor Ammonia Costs[b][c][e]	Ammonia Costs[d][e]	Ammonia Cost Advantage	Competitor Ammonia cost per ton UAN[f]	Total Competitor UAN Costs[c][e][g]	UAN Costs[e][f][h]	UAN Cost Advantage
$4.00	$132	$193	$189	$ 4	$ 65	$ 98	$ 87	$ 11
4.50	149	210	189	21	72	105	87	18
5.50	182	243	189	54	85	118	87	31
6.50	215	276	189	87	99	132	87	45
7.50	248	309	189	120	113	146	87	58

(a) Assumes 33 MMbtu of natural gas to produce a ton of ammonia, based on Blue Johnson.
(b) Assumes $27 per ton operating cost for ammonia, based on Blue Johnson.
(c) Assumes incremental $34 per ton transportation cost from the U.S. Gulf Coast to the mid-continent for ammonia and $15 per ton for UAN, based on recently published rail and pipeline tariffs.
(d) CVR Partners' ammonia cost consists of $30 per ton of ammonia in pet coke costs and $159 per ton of ammonia in operating costs for the year ended December 31, 2009.
(e) The cost data included in this chart for an illustrative competitor assumes property taxes, whereas the cost data included for CVR Partners includes the cost of our property taxes other than property taxes currently in dispute. CVR Partners is currently disputing the amount of property taxes which it has been required to pay in recent years. For information on the effect of disputed property taxes on our actual production costs, see product production cost data and footnote 8 under "— Summary Historical and Pro Forma Consolidated Financial Information." See also "Management's Discussion and Analysis of Financial Condition and Results of Operations — Factors Affecting Comparability — Fertilizer Plant Property Taxes."
(f) Each ton of UAN contains approximately 0.41 tons of ammonia. Illustrative competitor UAN cost per ton data removes $34 per ton in transportation costs for ammonia.
(g) Assumes $18 per ton cash conversion cost to UAN, based on Blue Johnson.
(h) CVR Partners' UAN conversion cost was $13 per ton for the year ended December 31, 2009. $7.80 per ton of ammonia production costs are not transferable to UAN costs.

- *Cost Advantage.* We operate the only nitrogen fertilizer production facility in North America that uses pet coke gasification to produce nitrogen fertilizer, which has historically given us a cost advantage over competitors that use natural gas-based production methods. Our costs are approximately 72% fixed and relatively stable, which allows us to benefit directly from increases in nitrogen fertilizer prices. Our variable costs consist primarily of pet coke. Our pet coke costs have historically remained relatively stable, averaging $26 per ton since we began operating under our current structure in October 2007, with a high of $31 per ton for 2008 and a low of $19 per ton for the nine months ended September 30, 2010. Third-party pet coke is readily available to us, and we have paid an average cost of $41 per ton over the last five years. Substantially all of our nitrogen fertilizer competitors use natural gas as their primary raw material feedstock (with natural gas constituting approximately 85-90% of their production costs based on historical data) and are therefore heavily impacted by changes in natural gas prices.

- *Premium Product Focus.* We focus on producing higher margin, higher growth UAN nitrogen fertilizer. Historically, UAN has accounted for over 80% of our product tons sold. UAN commands a price premium over ammonia and urea on a nutrient ton basis. Unlike ammonia and urea, UAN is easier to apply and can be applied throughout the growing season to crops directly or mixed with crop protection products, which reduces energy and labor costs for farmers. In addition, UAN is safer to handle than ammonia. The convenience of UAN fertilizer has led to an 8.5% increase in its consumption from 2000 through 2010

(estimated) on a nitrogen content basis, whereas ammonia fertilizer consumption decreased by 2.4% for the same period, according to data supplied by Blue Johnson. We plan to expand our UAN upgrading capacity so that we have the flexibility to upgrade all of our ammonia production into UAN.

- *Strategically Located Asset.* We and other competitors located in the U.S. farm belt share a transportation cost advantage when compared to our out-of-region competitors in serving the U.S. farm belt agricultural market. We are therefore able to cost-effectively sell substantially all of our products in the higher margin agricultural market, whereas, according to publicly available information prepared by our competitors, a significant portion of our competitors' revenues are derived from the lower margin industrial market. Because the U.S. farm belt consumes more nitrogen fertilizer than is produced in the region, it must import nitrogen fertilizer from the U.S. Gulf Coast as well as from international producers. Accordingly, U.S. farm belt producers may offer nitrogen fertilizers at prices that factor in the transportation costs of out-of-region producers without having incurred such costs. We estimate that our plant enjoys a transportation cost advantage of approximately $25 per ton over competitors located in the U.S. Gulf Coast, based on a comparison of our actual transportation costs and recently published rail and pipeline tariffs. Our location on Union Pacific's main line increases our transportation cost advantage. Our products leave the plant either in trucks for direct shipment to customers (in which case we incur no transportation cost) or in railcars for destinations located principally on the Union Pacific Railroad. We do not incur any intermediate transfer, storage, barge freight or pipeline freight charges.

Highly Reliable Pet Coke Gasification Fertilizer Plant with Low Capital Requirements. Our nitrogen fertilizer plant was completed in 2000 and, based on data supplied by Blue Johnson, is the newest nitrogen fertilizer plant built in North America. Our nitrogen fertilizer facility was built with the dual objectives of being low cost and reliable. Our facility has low maintenance costs, with maintenance capital expenditures ranging between approximately $4 million and $7 million per year from 2006 through 2009. We have configured the plant to have a dual-train gasifier complex to provide redundancy and improve our reliability. In 2009, our gasifier had an on-stream factor, which is defined as the total number of hours operated divided by the total number of hours in the reporting period, in excess of 97%. Prior to our plant's construction in 2000, the last ammonia plant built in the United States was constructed in 1977.

Experienced Management Team. We are managed by CVR Energy's management pursuant to a services agreement. Mr. John J. Lipinski, Chief Executive Officer, has over 38 years of experience in the refining and chemicals industries. Mr. Stanley A. Riemann, Chief Operating Officer, has over 37 years of experience in the fertilizer and energy industries. Mr. Edward A. Morgan, Chief Financial Officer, has over 18 years of finance experience. Mr. Kevan Vick, Executive Vice President and Fertilizer General Manager, has over 34 years of experience in the nitrogen fertilizer industry. Mr. Vick leads a senior operations team whose members have an average of 22 years of experience in the fertilizer industry. Most of the members of our senior operations team were on-site during the construction and startup of our nitrogen fertilizer plant in 2000. CVR Energy's management team will spend a portion of its time managing CVR Energy and a portion of its time managing our business. See "Management — Executive Officers and Directors."

Our Business Strategy

Our objective is to maximize quarterly distributions to our unitholders by operating our nitrogen fertilizer facility in an efficient manner, maximizing production time and growing profitably within the nitrogen fertilizer industry. We intend to accomplish this objective through the following strategies:

- *Pay Out All of the Available Cash We Generate Each Quarter.* Our strategy is to pay out all of the available cash we generate each quarter. We expect that holders of our common units will receive a greater percentage of our operating cash flow when compared to our publicly traded corporate competitors across the broader fertilizer sector, such as Agrium, CF Industries, Potash Corporation and Yara. These companies have provided an average dividend yield of 0.1%, 0.3%, 0.3% and 1.6%, respectively, as of November 30, 2010, compared to our expected distribution yield of % (calculated by dividing our forecasted distribution for the year ending December 31, 2011 of $ per common unit by the mid-point of the price range on the cover page of this prospectus). The board of directors of our general partner will adopt a policy under which

we will distribute all of the available cash we generate each quarter, as described in "Our Cash Distribution Policy and Restrictions On Distributions" on page 56. We do not intend to maintain excess distribution coverage for the purpose of maintaining stability or growth in our quarterly distributions or otherwise to reserve cash for future distributions. Unlike many publicly traded partnerships that have economic general partner interests and incentive distribution rights that entitle the general partner to receive disproportionate percentages of cash distributions as distributions increase (often up to 50%), our general partner will have a non-economic interest and no incentive distribution rights, and will therefore not be entitled to receive cash distributions. Our common unitholders will receive 100% of our cash distributions.

- *Pursue Growth Opportunities.* We are well positioned to grow organically, through acquisitions, or both.
  - *Expand UAN Capacity.* We intend to move forward with an expansion of our nitrogen fertilizer plant that is designed to increase our UAN production capacity by 400,000 tons, or approximately 50%, per year. This approximately $135 million expansion, for which approximately $31 million had been spent as of December 31, 2010, will allow us the flexibility to upgrade all of our ammonia production when market conditions favor UAN. We expect that this additional UAN production capacity will improve our margins, as UAN has historically been a higher margin product than ammonia. We expect that the UAN expansion will take 18 to 24 months to complete and will be funded with approximately $ million of the net proceeds from this offering and $ million of term loan borrowings.
  - *Selectively Pursue Accretive Acquisitions.* We intend to evaluate strategic acquisitions within the nitrogen fertilizer industry and to focus on disciplined and accretive investments that leverage our core strengths. We have no agreements, understandings or financings with respect to any acquisitions at the present time.
- *Continue to Focus on Safety and Training.* We intend to continue our focus on safety and training in order to increase our facility's reliability and maintain our facility's high on-stream availability. In 2009, our nitrogen fertilizer plant had a recordable incident rate of 1.76, which was our lowest recordable incident rate in over five years. The recordable incident rate reflects the number of recordable incidents per 200,000 hours worked.
- *Continue to Enhance Efficiency and Reduce Operating Costs.* We are currently engaged in certain projects that will reduce overall operating costs, increase efficiency and utilize byproducts to generate incremental revenue. For example, we have built a low btu gas recovery pipeline between our nitrogen fertilizer plant and CVR Energy's crude oil refinery, which will allow us to sell off-gas, a byproduct produced by our fertilizer plant, to the refinery. We expect to start up this pipeline no later than the first quarter of 2011. In addition, we have formulated a plan and signed a letter of intent to sell up to 850,000 tons per year of high purity carbon dioxide, or CO_2, produced by our nitrogen fertilizer plant to oil and gas exploration and production companies or pursue an economic means of geologically sequestering such CO_2.
- *Provide High Level of Customer Service.* We focus on providing our customers with the highest level of service. The nitrogen fertilizer plant has demonstrated consistent levels of production while operating at close to full capacity. Substantially all of our product shipments are targeted to freight advantaged destinations located in the U.S. farm belt, allowing us to quickly and reliably service customer demand. Furthermore, we maintain our own fleet of railcars, which helps us ensure prompt delivery. As a result of these efforts, many of our largest customers have been our customers since the plant came online in 2000. We believe a continued focus on customer service will allow us to maintain relationships with existing customers and grow our business.

Industry Overview

Nitrogen, phosphate and potassium are the three essential nutrients plants need to grow for which there are no substitutes. Nitrogen is the primary determinant of crop yield. Nutrients are depleted in soil over time and therefore must be replenished through fertilizer use. Nitrogen is the most quickly depleted nutrient and so must be replenished every year, whereas phosphate and potassium can be retained in soil for up to three years.

Global demand for fertilizers is driven primarily by population growth, dietary changes in the developing world and increased consumption of bio-fuels. According to the International Fertilizer Industry Association, or

IFA, from 1972 to 2010, global fertilizer demand grew 2.1% annually. Fertilizer use is projected to increase by 45% between 2005 and 2030 to meet global food demand, according to a study funded by the Food and Agriculture Organization of the United Nations. Currently, the developed world uses fertilizer more intensively than the developing world, but sustained economic growth in emerging markets is increasing food demand and fertilizer use. As an example, China's grain production increased 31% between September 2001 and September 2009, but still failed to keep pace with increases in demand, prompting China to double its grain imports over the same period, according to the United States Department of Agriculture, or USDA.

World grain demand has increased 11% over the last five years leading to a tight grain supply environment and significant increases in grain prices, which is highly supportive of fertilizer prices. During the last five years, corn prices in Illinois have averaged $3.63 per bushel, an increase of 72% above the average price of $2.11 per bushel during the preceding five years. Recently, this trend has continued as U.S. 30-day corn and wheat futures increased 48% and 49%, respectively, from June 1, 2010 to December 9, 2010. During this same time period, Southern Plains ammonia prices increased 74% from $360 per ton to $625 per ton and corn belt UAN prices increased 32% from $252 per ton to $333 per ton. At existing grain prices and prices implied by futures markets, farmers are expected to generate substantial profits, leading to relatively inelastic demand for fertilizers. Nitrogen fertilizer prices have decoupled from their historical correlation with natural gas prices and are now driven primarily by demand dynamics. Nitrogen fertilizer prices in the U.S. farm belt are typically higher than U.S. Gulf Coast prices because it is costly to transport nitrogen fertilizer.

The United States is the world's largest exporter of coarse grains, accounting for 46% of world exports and 31% of total world production, according to the USDA. The United States is also the world's third largest consumer of nitrogen fertilizer and historically the world's largest importer of nitrogen fertilizer, importing approximately 46% of its nitrogen fertilizer needs. North American producers have a significant and sustainable cost advantage over European producers that export to the U.S. market. Over the last decade, the North American nitrogen fertilizer market has experienced significant consolidation through plant closures and corporate consolidation.

The convenience of UAN fertilizer has led to an 8.5% increase in its consumption from 2000 through 2010 (estimated) on a nitrogen content basis, whereas ammonia fertilizer consumption decreased by 2.4% for the same period, according to data supplied by Blue Johnson. Unlike ammonia and urea, UAN can be applied throughout the growing season and can be applied in tandem with pesticides and fungicides, providing farmers with flexibility and cost savings. UAN is not widely traded globally because it is costly to transport (it is approximately 65% water), therefore there is little risk to U.S. UAN producers of an influx of UAN from foreign imports. As a result of these factors, UAN commands a premium price to urea and ammonia, on a nitrogen equivalent basis.

For more information about the nitrogen fertilizer industry, see "Industry Overview."

About Us

CVR Partners, LP was formed in Delaware in June 2007. Our principal executive offices are located at 2277 Plaza Drive, Suite 500, Sugar Land, Texas 77479, and our telephone number is (281) 207-3200. Upon completion of this offering, our website address will be www.cvrpartners.com. Information contained on our website or CVR Energy's website is not incorporated by reference into this prospectus and does not constitute a part of this prospectus. We expect to make our periodic reports and other information filed with or furnished to the Securities and Exchange Commission, or SEC, available, free of charge, through our website, as soon as reasonably practicable after those reports and other information are electronically filed with or furnished to the SEC.

Risk Factors

An investment in our common units involves risks associated with our business, our partnership structure and the tax characteristics of our common units. These risks are described under "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements." You should carefully consider these risk factors together with all other information included in this prospectus.

In particular, due to our relationship with CVR Energy, adverse developments or announcements concerning CVR Energy could materially adversely affect our business. The ratings assigned to CVR Energy's senior secured indebtedness are below investment grade.

THE OFFERING

Issuer	CVR Partners, LP, a Delaware limited partnership.
Common units offered to the public	common units.
Option to purchase additional common units from us	If the underwriters exercise their option to purchase additional common units in full, we will issue common units to the public.
Units outstanding after this offering	common units (excluding common units which are subject to issuance under our long-term incentive plan). If the underwriters do not exercise their option to purchase additional common units, we will issue common units to Coffeyville Resources upon the option's expiration. If and to the extent the underwriters exercise their option to purchase additional common units, the number of common units purchased by the underwriters pursuant to such exercise will be issued to the public and the remainder, if any, will be issued to Coffeyville Resources. Accordingly, the exercise of the underwriters' option will not affect the total number of common units outstanding. In addition, our general partner will own a non-economic general partner interest in us which will not entitle it to receive distributions.
Use of Proceeds	We estimate that the net proceeds to us in this offering, after deducting underwriting discounts and commissions and the estimated expenses of this offering, will be approximately $ million (based on an assumed initial public offering price of $ per common unit, the mid-point of the price range set forth on the cover page of this prospectus). We intend to use: • approximately $ million to make a special distribution to Coffeyville Resources in order to, among other things, fund the offer to purchase Coffeyville Resources' senior secured notes required upon consummation of this offering; • approximately $26.0 million to purchase (and subsequently extinguish) the incentive distribution rights, or IDRs, currently owned by our general partner; • approximately $ million to pay financing fees resulting from our new credit facility; and • the balance for general partnership purposes, including approximately $ million to fund the intended UAN expansion. If the underwriters exercise their option to purchase additional common units in full, the additional net proceeds would be approximately $ million (based upon the mid-point of the price range set forth on the cover page of this prospectus). The net proceeds from any exercise of such option will be paid as a special distribution to Coffeyville Resources. See "Use of Proceeds."
Cash Distributions	Within 45 days after the end of each quarter, beginning with the first full quarter following the closing date of this offering, we expect to make cash distributions to unitholders of record on the applicable record date.

The board of directors of our general partner will adopt a policy pursuant to which we will distribute all of the available cash we generate each quarter. Available cash for each quarter will be determined by the board of directors of our general partner following the end of such quarter. We expect that available cash for each quarter will generally equal our cash flow from operations for the quarter, less cash needed for maintenance capital expenditures, debt service and other contractual obligations, and reserves for future operating or capital needs that the board of directors of our general partner deems necessary or appropriate. We do not intend to maintain excess distribution coverage for the purpose of maintaining stability or growth in our quarterly distribution or otherwise to reserve cash for distributions, and we do not intend to incur debt to pay quarterly distributions. We expect to finance substantially all of our growth externally, either by debt issuances or additional issuances of equity.

Because our policy will be to distribute all the available cash we generate each quarter, without reserving cash for future distributions or borrowing to pay distributions during periods of low cash flow from operations, our unitholders will have direct exposure to fluctuations in the amount of cash generated by our business. We expect that the amount of our quarterly distributions, if any, will vary based on our operating cash flow during such quarter. Our quarterly cash distributions, if any, will not be stable and will vary from quarter to quarter as a direct result of variations in our operating performance and cash flow caused by fluctuations in the price of nitrogen fertilizers and in the amount of forward and prepaid sales we have in any given quarter. Such variations in the amount of our quarterly distributions may be significant. Unlike most publicly traded partnerships, we will not have a minimum quarterly distribution or employ structures intended to consistently maintain or increase distributions over time. The board of directors of our general partner may change our distribution policy at any time and from time to time. Our partnership agreement does not require us to pay cash distributions on a quarterly or other basis.

Based upon our forecast for the year ending December 31, 2011, and assuming the board of directors of our general partner declares distributions in accordance with our cash distribution policy, we expect that our aggregate distributions for the year ending December 31, 2011 will be approximately $115.5 million. See “Our Cash Distribution Policy and Restrictions on Distributions — Forecasted Available Cash.” Unanticipated events may occur which could materially adversely affect the actual results we achieve during the forecast period. Consequently, our actual results of operations, cash flows, need for reserves and financial condition during the forecast period may vary from the forecast, and such variations may be material. Prospective investors are cautioned not to place undue reliance on our forecast and should make their own independent assessment of our future results of operations, cash flows and financial condition. In addition, the board of directors of our general partner may be required to or elect to eliminate our distributions at any time during periods of reduced prices or demand for our nitrogen fertilizer products, among other reasons. Please see “Risk Factors.”

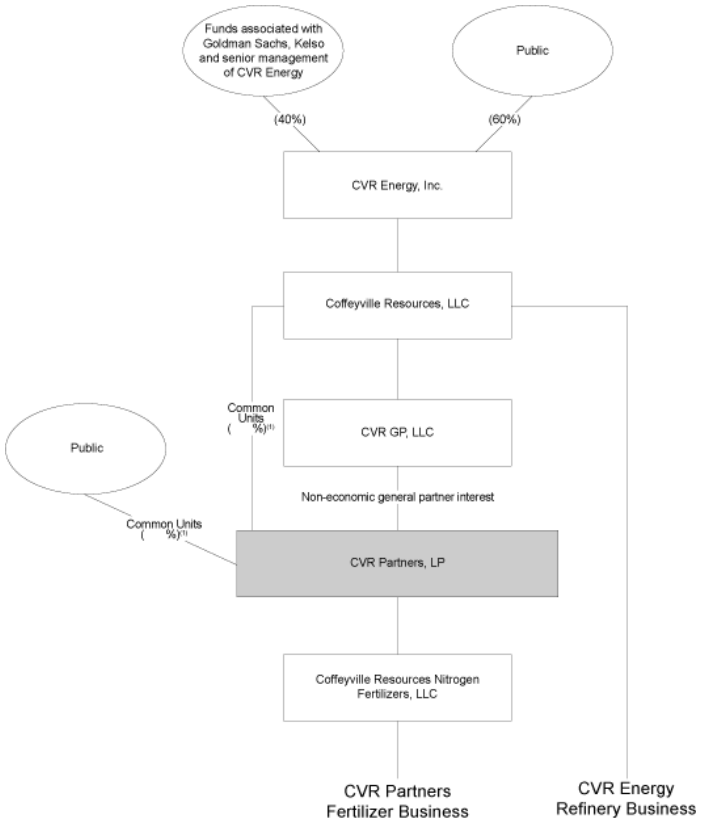
	From time to time we make prepaid sales, whereby we receive cash during one quarter in respect of product to be produced and sold in a future quarter but we do not record revenue in respect of the related product sales until the quarter when product is delivered. All cash on our balance sheet in respect of prepaid sales on the date of the closing of this offering will not be distributed to Coffeyville Resources at the closing of this offering but will be reserved for distribution to holders of common units. For a calculation of our ability to make distributions to unitholders based on our pro forma results of operations for the twelve months ended September 30, 2010, please read "Our Cash Distribution Policy and Restrictions on Distributions" on page 56. Our pro forma available cash generated during the four quarter period ended September 30, 2010 would have been $39.3 million. See "Our Cash Distribution Policy and Restrictions on Distributions — Pro Forma Available Cash."
Incentive Distribution Rights	None.
Subordination Period	None.
Issuance of additional units	Our partnership agreement authorizes us to issue an unlimited number of additional units and rights to buy units for the consideration and on the terms and conditions determined by the board of directors of our general partner without the approval of our unitholders. See "Common Units Eligible for Future Sale" and "The Partnership Agreement — Issuance of Additional Partnership Interests."
Limited voting rights	Our general partner manages and operates us. Unlike the holders of common stock in a corporation, you will have only limited voting rights on matters affecting our business. You will have no right to elect our general partner or our general partner's directors on an annual or other continuing basis. Our general partner may be removed by a vote of the holders of at least 66$^{2}/_{3}$% of the outstanding common units, including any common units owned by our general partner and its affiliates (including Coffeyville Resources, a wholly-owned subsidiary of CVR Energy), voting together as a single class. Upon completion of this offering, our general partner and its affiliates, through Coffeyville Resources, will own an aggregate of approximately % of our outstanding common units (approximately % if the underwriters exercise their option to purchase additional common units in full). This will give Coffeyville Resources the ability to prevent removal of our general partner. See "The Partnership Agreement — Voting Rights."
Call right	If at any time our general partner and its affiliates (including Coffeyville Resources) own more than % of the common units, our general partner will have the right, but not the obligation, to purchase all, but not less than all, of the common units held by public unitholders at a price not less than their then-current market price, as calculated pursuant to the terms of our Partnership Agreement. See "The Partnership Agreement — Call Right."
Estimated ratio of taxable income to distributions	We estimate that if you own the common units you purchase in this offering through the record date for distributions for the period

	ending , you will be allocated, on a cumulative basis, an amount of U.S. federal taxable income for that period that will be % or less of the cash distributed to you with respect to that period. For example, if you receive an annual distribution of $ per common unit, we estimate that your average allocable U.S. federal taxable income per year will be no more than $ per common unit. See "Material U.S. Federal Income Tax Consequences — Tax Consequences of Common Unit Ownership — Ratio of Taxable Income to Distributions."
Material U.S. Federal Income Tax Consequences	For a discussion of material U.S. federal income tax consequences that may be relevant to prospective unitholders, see "Material U.S. Federal Income Tax Consequences."
Exchange Listing	We intend to apply to list our common units on the New York Stock Exchange under the symbol "UAN."
Risk Factors	See "Risk Factors" beginning on page 19 of this prospectus for a discussion of factors that you should carefully consider before deciding to invest in our common units.

Depending on market conditions at the time of pricing of this offering and other considerations, we may sell fewer or more common units than the number set forth on the cover page of this prospectus.

Organizational Structure

The following chart provides a simplified overview of our organizational structure after giving effect to the completion of the Transactions, as defined under "The Transactions and Our Structure and Organization" on page 50:



(1) Assumes the underwriters do not exercise their option to purchase additional common units, which would instead be issued to Coffeyville Resources upon the option's expiration. If and to the extent the underwriters exercise their option to purchase additional common units, the units purchased pursuant to such exercise will be issued to the public and the remainder, if any, will be issued to Coffeyville Resources. Accordingly, the exercise of the underwriters' option will not affect the total number of units outstanding.

Summary Historical and Pro Forma Consolidated Financial Information

The summary consolidated financial information presented below under the caption Statement of Operations Data for the years ended December 31, 2007, 2008 and 2009, and the summary consolidated financial information presented below under the caption Balance Sheet Data as of December 31, 2008 and 2009, have been derived from our audited consolidated financial statements included elsewhere in this prospectus, which consolidated financial statements have been audited by KPMG LLP, independent registered public accounting firm. The summary consolidated financial information presented below under the caption Statement of Operations Data for the nine months ended September 30, 2009 and 2010 and the summary consolidated financial information presented below under the caption Balance Sheet Data as of September 30, 2010 are derived from our unaudited consolidated financial statements included elsewhere in this prospectus which, in the opinion of management, include all adjustments consisting only of normal, recurring adjustments necessary for a fair presentation of the results for the unaudited interim period.

Our consolidated financial statements included elsewhere in this prospectus include certain costs of CVR Energy that were incurred on our behalf. These costs, which are reflected in selling, general and administrative expenses (exclusive of depreciation and amortization) and direct operating expenses (exclusive of depreciation and amortization), are billed to us pursuant to a services agreement entered into in October 2007 that is a related party transaction. For the period of time prior to the services agreement, the consolidated financial statements include an allocation of costs and certain other amounts in order to account for a reasonable share of expenses, so that the accompanying consolidated financial statements reflect substantially all of our costs of doing business. The amounts charged or allocated to us are not necessarily indicative of the costs that we would have incurred had we operated as a stand-alone company for all periods presented.

The summary unaudited pro forma consolidated financial information presented below under the caption Statement of Operations Data for the year ended December 31, 2009 and for the nine months ended September 30, 2010 and the summary unaudited pro forma consolidated financial information presented below under the caption Balance Sheet Data as of September 30, 2010 have been derived from our unaudited pro forma condensed consolidated financial statements included elsewhere in this prospectus. The pro forma consolidated statement of operations data for the year ended December 31, 2009 and the nine months ended September 30, 2010 assumes that we were in existence as a separate entity throughout this period and that the Transactions (as defined on page 50) occurred on January 1, 2009 and that the due from affiliate balance was distributed to Coffeyville Resources on January 1, 2009. The unaudited pro forma balance sheet data for the nine months ended September 30, 2010 assumes that the Transactions occurred on September 30, 2010 and that the due from affiliate balance was distributed to Coffeyville Resources on January 1, 2009. The pro forma financial data is not comparable to our historical financial data. A more complete explanation of the pro forma data can be found in our unaudited pro forma condensed consolidated financial statements and accompanying notes included elsewhere in this prospectus.

The historical data presented below has been derived from financial statements that have been prepared using accounting principles generally accepted in the United States, or GAAP, and the pro forma data presented below has been derived from the “Unaudited Pro Forma Condensed Consolidated Financial Statements” included elsewhere in this prospectus. This data should be read in conjunction with, and is qualified in its entirety by reference to, the financial statements and related notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included elsewhere in this prospectus.

	Historical		Pro Forma
	Nine Months Ended September 30,		Nine Months Ended September 30,
	2009	2010	2010
	(unaudited)		(unaudited)
	(dollars in millions, except per unit data and as otherwise indicated)		
Statement of Operations Data:			
Net sales	$ 169.0	$ 141.1	$ 141.1
Cost of product sold[1]	34.6	27.7	27.7
Direct operating expenses[1][2]	64.4	60.7	60.7
Selling, general and administrative expenses[1][2]	14.1	8.8	8.8
Depreciation and amortization[4]	14.0	13.9	13.9
Operating income	$ 41.9	$ 30.0	$ 30.0
Other income (expense)[5]	6.2	9.5	(0.1)
Interest (expense) and other financing costs	—	—	(5.3)
Income before income taxes	$ 48.1	$ 39.5	$ 24.6
Income tax expense	—	—	—
Net income	$ 48.1	$ 39.5	$ 24.6
Pro forma net income per common unit, basic and diluted			
Pro forma number of common units, basic and diluted			
Financial and Other Data:			
Cash flows provided by operating activities	75.1	56.6	
Cash flows (used in) investing activities	(11.7)	(3.8)	
Cash flows (used in) financing activities	(60.8)	(29.5)	
EBITDA[6]	55.9	43.8	43.8
Capital expenditures for property, plant and equipment	11.7	3.8	3.8
Key Operating Data:			
Product pricing (plant gate) (dollars per ton)[7]:			
Ammonia	$ 318	$ 305	$ 305
UAN	221	180	180
Product production cost (exclusive of depreciation expense) (dollars per ton)[8]:			
Ammonia	$ 214.45	$ 196.80	
UAN	97.76	96.03	
Pet coke cost (dollars per ton)[9]:			
Third party	$ 37	$ 40	$ 40
CVR Energy	28	12	12
Production (thousand tons):			
Ammonia (gross produced)[10]	323.4	322.9	322.9
Ammonia (net available for sale)[10]	117.3	117.9	117.9
UAN	501.2	500.5	500.5
On-stream factors[11]:			
Gasifier	96.8%	95.8%	95.8%
Ammonia	95.9%	94.6%	94.6%
UAN	93.3%	92.2%	92.2%

	Historical			Pro Forma
	Year Ended December 31, 2007	Year Ended December 31, 2008	Year Ended December 31, 2009	Year Ended December 31, 2009 (unaudited)
	(dollars in millions, except per unit data and as otherwise indicated)			
Statement of Operations Data:				
Net sales	$ 187.4	$ 263.0	$ 208.4	$ 208.4
Cost of product sold[1]	33.1	32.6	42.2	42.2
Direct operating expenses (exclusive of depreciation and amortization)[1][2]	66.7	86.1	84.5	84.5
Selling, general and administrative expenses (exclusive of depreciation and amortization)[1][2]	20.4	9.5	14.1	14.1
Net costs associated with flood[3]	2.4	—	—	—
Depreciation and amortization[4]	16.8	18.0	18.7	18.7
Operating income	$ 48.0	$ 116.8	$ 48.9	$ 48.9
Other income (expense)[5]	0.2	2.1	9.0	—
Interest (expense) and other financing costs	(23.6)	—	—	(7.1)
Gain (loss) on derivatives	(0.5)	—	—	—
Income before income taxes	$ 24.1	$ 118.9	$ 57.9	$ 41.8
Income tax expense	—	—	—	—
Net income	$ 24.1	$ 118.9	$ 57.9	$ 41.8
Pro forma net income per common unit, basic and diluted				
Pro forma number of common units, basic and diluted				
Financial and Other Data:				
Cash flows provided by operating activities	46.5	123.5	85.5	
Cash flows (used in) investing activities	(6.5)	(23.5)	(13.4)	
Cash flows (used in) financing activities	(25.5)	(105.3)	(75.8)	
EBITDA[6]	65.0	134.9	67.6	67.6
Capital expenditures for property, plant and equipment	6.5	23.5	13.4	13.4
Key Operating Data:				
Product pricing (plant gate) (dollars per ton)[7]:				
Ammonia	$ 376	$ 557	$ 314	$ 314
UAN	209	303	198	198
Product production cost (exclusive of depreciation expense) (dollars per ton)[8]:				
Ammonia	$ 170.74	$ 246.39	$ 206.92	
UAN	76.97	96.78	94.92	
Pet coke cost (dollars per ton)[9]:				
Third party	49	39	37	37
CVR Energy	17	30	22	22
Production (thousand tons):				
Ammonia (gross produced)[10]	326.7	359.1	435.2	435.2
Ammonia (net available for sale)[10]	91.8	112.5	156.6	156.6
UAN	576.9	599.2	677.7	677.7
On-stream factors[11]:				
Gasifier	90.0%	87.8%	97.4%	97.4%
Ammonia	87.7%	86.2%	96.5%	96.5%
UAN	78.7%	83.4%	94.1%	94.1%

	Historical			Pro Forma
	Year Ended December 31, 2008	Year Ended December 31, 2009	Nine Months Ended September 30, 2010 (unaudited)	Nine Months Ended September 30, 2010 (unaudited)
	(in millions)			
Balance Sheet Data:				
Cash and cash equivalents	$ 9.1	$ 5.4	$ 28.8	$ 132.9
Working capital	60.4	135.5	187.2	130.3
Total assets	499.9	551.5	595.7	541.8
Total debt including current portion	—	—	—	125.0
Partners' capital	458.8	519.9	560.7	381.7

(1) Amounts shown are exclusive of depreciation and amortization

(2) Our direct operating expenses (exclusive of depreciation and amortization) and selling, general and administrative expenses (exclusive of depreciation and amortization) for the nine months ended September 30, 2009 and 2010 and for the years ended December 31, 2007, 2008 and 2009 include a charge related to CVR Energy's share-based compensation expense allocated to us by CVR Energy for financial reporting purposes in accordance with Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or ASC, 718 *Compensation — Stock Compensation*, or ASC 718. These charges will continue to be attributed to us following the closing of this offering. We are not responsible for the payment of cash related to any share-based compensation allocated to us by CVR Energy. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies — Share-Based Compensation." The charges were:

	Historical					Pro Forma	
	Year Ended December 31, 2007	Year Ended December 31, 2008	Year Ended December 31, 2009	Nine Months Ended September 30, 2009 (unaudited)	2010	Year Ended December 31, 2009	Nine Months Ended September 30, 2010 (unaudited)
	(in millions)						
Direct operating expenses (exclusive of depreciation and amortization)	$ 1.2	$ (1.6)	$ 0.2	$ 0.6	$ 0.2	$ 0.2	$ 0.2
Selling, general and administrative expenses (exclusive of depreciation and amortization)	9.7	(9.0)	3.0	5.2	1.1	3.0	1.1
Total	$ 10.9	$ (10.6)	$ 3.2	$ 5.8	$ 1.3	$ 3.2	$ 1.3

(3) Total gross costs recorded as a result of the flood damage to our nitrogen fertilizer plant for the year ended December 31, 2007 were approximately $5.8 million, including approximately $0.8 million recorded for depreciation for temporarily idle facilities, $0.7 million for internal salaries and $4.3 million for other repairs and related costs. An insurance receivable of approximately $3.3 million was also recorded for the year ended December 31, 2007 for the probable recovery of such costs under CVR Energy's insurance policies.

(4) Depreciation and amortization is comprised of the following components as excluded from direct operating expenses and selling, general and administrative expenses and as included in net costs associated with flood:

	Historical					Pro Forma	
	Year Ended December 31, 2007	Year Ended December 31, 2008	Year Ended December 31, 2009	Nine Months Ended September 30, 2009	2010	Year Ended December 31, 2009	Nine Months Ended September 30, 2010
	(in millions)			(unaudited)		(unaudited)	
Depreciation and amortization excluded from direct operating expenses	$ 16.8	$ 18.0	$ 18.7	$ 14.0	$ 13.9	$ 18.7	$ 13.9
Depreciation and amortization excluded from selling, general and administrative expenses	—	—	—	—	—	—	—
Depreciation included in net costs associated with flood	0.8	—	—	—	—	—	—
Total depreciation and amortization	$ 17.6	$ 18.0	$ 18.7	$ 14.0	$ 13.9	$ 18.7	$ 13.9

(5) Other income (expense) is comprised of the following components included in our consolidated statement of operations:

	Historical					Pro Forma	
	Year Ended December 31, 2007	Year Ended December 31, 2008	Year Ended December 31, 2009	Nine Months Ended September 30, 2009	2010	Year Ended December 31, 2009	Nine Months Ended September 30, 2010
	(in millions)			(unaudited)		(unaudited)	
Interest income[a]	$ 0.3	$ 2.0	$ 9.0	$ 6.2	$ 9.6	$ —	$ —
Loss on extinguishment of debt	(0.2)	—	—	—	—	—	—
Other income (expense)	0.1	0.1	—	—	(0.1)	—	(0.1)
Other income (expense)	$ 0.2	$ 2.1	$ 9.0	$ 6.2	$ 9.5	$ —	$ (0.1)

(a) Interest income for the years ended December 31, 2008 and 2009 and the nine months ended September 30, 2009 and 2010 is primarily attributable to a due from affiliate balance owed to us by Coffeyville Resources as a result of affiliate loans. Prior to the closing of this offering, the due from affiliate balance will be distributed to Coffeyville Resources. Accordingly, such amounts will no longer be owed to us.

(6) EBITDA is defined as net income plus interest expense and other financing costs, income tax expense and depreciation and amortization, net of interest income.

We present EBITDA because it is a material component in our calculation of available cash. In addition, EBITDA is used as a supplemental financial measure by management and by external users of our financial statements, such as investors and commercial banks, to assess:

- the financial performance of our assets without regard to financing methods, capital structure or historical cost basis; and
- our operating performance and return on invested capital compared to those of other publicly traded limited partnerships, without regard to financing methods and capital structure.

EBITDA should not be considered an alternative to net income, operating income, net cash provided by operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP. EBITDA may have material limitations as a performance measure because it excludes items that are necessary elements of our costs and operations. In addition, EBITDA presented by other companies may not be comparable to our presentation, since each company may define these terms differently.

A reconciliation of our net income to EBITDA is as follows:

	Historical					Pro Forma	
	Year Ended December 31, 2007	Year Ended December 31, 2008	Year Ended December 31, 2009	Nine Months Ended September 30, 2009 (unaudited)	Nine Months Ended September 30, 2010 (unaudited)	Year Ended December 31, 2009	Nine Months Ended September 30, 2010 (unaudited)
	(in millions)						
Net income	$ 24.1	$ 118.9	$ 57.9	$ 48.1	$ 39.5	$ 41.8	$ 24.6
Add:							
Interest expense and other financing costs	23.6	—	—	—	—	7.1	5.3
Interest income	(0.3)	(2.0)	(9.0)	(6.2)	(9.6)	—	—
Income tax expense	—	—	—	—	—	—	—
Depreciation and amortization	17.6	18.0	18.7	14.0	13.9	18.7	13.9
EBITDA	$ 65.0	$ 134.9	$ 67.6	$ 55.9	$ 43.8	$ 67.6	$ 43.8

(7) Plant gate price per ton represents net sales less freight costs and hydrogen revenue (from hydrogen sales to CVR Energy's refinery) divided by product sales volume in tons in the reporting period. Plant gate price per ton is shown in order to provide a pricing measure that is comparable across the fertilizer industry.

(8) Product production cost per ton (exclusive of depreciation expense) includes the total amount of operating expenses incurred during the production process (including raw material costs) in dollars per product ton divided by the total number of tons produced. This amount includes the full amount of property taxes paid in each period. CVR Partners is currently disputing the amount of property taxes which it has been required to pay in recent years. Excluding the amount of property tax which CVR Partners is disputing, (i) for the nine months ended September 30, 2009 and 2010, the product production cost per ton (exclusive of depreciation expense) for ammonia would have been $194.82 and $170.88, respectively, and for UAN would have been $89.69 and $85.42, respectively, (ii) for the year ended December 31, 2009, the product production cost per ton (exclusive of depreciation expense) for ammonia would have been $188.70 and for UAN would have been $87.44, and (iii) for the year ended December 31, 2008, the product production cost per ton (exclusive of depreciation expense) for ammonia would have been $222.37 and for UAN would have been $86.89. For a discussion of the property tax dispute, see "Management's Discussion and Analysis of Financial Condition and Results of Operations — Factors Affecting Comparability — Fertilizer Plant Property Taxes." We have not included product production costs for the year ended December 31, 2007, as the costs are not comparable and therefore we do not believe the information is meaningful to an investor.

(9) We use 1.1 tons of pet coke to produce 1.0 ton of ammonia.

(10) 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.

(11) On-stream factor is the total number of hours operated divided by the total number of hours in the reporting period. Excluding the impact of the Linde, Inc., or Linde, air separation unit outage in 2009, the on-stream factors for the nine months ended September 30, 2009 would have been 99.4% for gasifier, 98.5% for ammonia and 95.8% for UAN. Excluding the impact of the Linde air separation unit outage in 2010, the on-stream factors for the nine months ended September 30, 2010 would have been 97.7% for gasifier, 96.7% for ammonia and 94.3% for UAN. Excluding the Linde air separation unit outage in 2009, the on-stream factors would have been 99.3% for gasifier, 98.4% for ammonia and 96.1% for UAN for the year ended December 31, 2009. Excluding the turnaround performed in 2008 the on-stream factors would have been 91.7% for gasifier, 90.2% for ammonia and 87.4% for UAN for the year ended December 31, 2008. Excluding the impact of the flood in 2007 the on-stream factors would have been 94.6% for gasifier, 92.4% for ammonia and 83.9% for UAN for the year ended December 31, 2007.

RISK FACTORS

You should carefully consider each of the following risks and all of the information set forth in this prospectus before deciding to invest in our common units. If any of the following risks and uncertainties develops into an actual event, our business, financial condition, cash flows or results of operations could be materially adversely affected. In that case, we might not be able to pay distributions on our common units, the trading price of our common units could decline, and you could lose all or part of your investment. Although many of our business risks are comparable to those faced by a corporation engaged in a similar business, limited partner interests are inherently different from the capital stock of a corporation and involve additional risks described below.

Risks Related to Our Business

We may not have sufficient available cash to pay any quarterly distribution on our common units. For the twelve months ended September 30, 2010, on a pro forma basis, our annual distribution would have been $ per unit, significantly less than the $ per unit distribution we project that we will be able to pay for the year ended December 31, 2011.

We may not have sufficient available cash each quarter to enable us to pay any distributions to our common unitholders. Furthermore, our partnership agreement does not require us to pay distributions on a quarterly basis or otherwise. For the twelve months ended September 30, 2010, on a pro forma basis, our annual distribution would have been $ per unit, significantly less than the $ per unit distribution we project that we will to be able to pay for the year ended December 31, 2011. Our expected aggregate annual distribution amount for the year 2011 is based on an assumed increase in the average sales prices of ammonia and UAN for the year 2011 over September 2010 prices of 72% and 50%, respectively. If our price assumptions prove to be inaccurate, our actual annual distribution for 2011 will be significantly lower than our expected 2011 annual distribution, or we may not be able to pay a distribution at all. The amount of cash we will be able to distribute on our common units principally depends on the amount of cash we generate from our operations, which is directly dependent upon the operating margins we generate, which have been volatile historically. Our operating margins are significantly affected by the market-driven UAN and ammonia prices we are able to charge our customers and our pet coke-based gasification production costs, as well as seasonality, weather conditions, governmental regulation, unscheduled maintenance or downtime at our facilities and global and domestic demand for nitrogen fertilizer products, among other factors. In addition:

- Our partnership agreement will not provide for any minimum quarterly distribution and our quarterly distributions, if any, will be subject to significant fluctuations directly related to the cash we generate after payment of our fixed and variable expenses due to the nature of our business.
- The amount of distributions we make, if any, and the decision to make any distribution at all will be determined by the board of directors of our general partner, whose interests may differ from those of our common unitholders. Our general partner has limited fiduciary and contractual duties, which may permit it to favor its own interests or the interests of CVR Energy to the detriment of our common unitholders.
- The new credit facility that we expect to enter into upon the closing of this offering, and any credit facility or other debt instruments we enter into in the future, may limit the distributions that we can make. In addition, we expect that our new credit facility will, and any future credit facility may, contain financial tests and covenants that we must satisfy. Any failure to comply with these tests and covenants could result in the lenders prohibiting distributions by us.
- The amount of available cash for distribution to our unitholders depends primarily on our cash flow, and not solely on our profitability, which is affected by non-cash items. As a result, we may make distributions during periods when we record losses and may not make distributions during periods when we record net income.
- The actual amount of available cash will depend on numerous factors, some of which are beyond our control, including UAN and ammonia prices, our operating costs, global and domestic demand for nitrogen fertilizer products, fluctuations in our working capital needs, and the amount of fees and expenses incurred by us.

- Under Section 17-607 of the Delaware Revised Uniform Limited Partnership Act, or Delaware Act, we may not make a distribution to our limited partners if the distribution would cause our liabilities to exceed the fair value of our assets.

For a description of additional restrictions and factors that may affect our ability to make cash distributions, see "Our Cash Distribution Policy and Restrictions on Distributions."

The amount of our quarterly cash distributions, if any, will vary significantly both quarterly and annually and will be directly dependent on the performance of our business. Unlike most publicly traded partnerships, we will not have a minimum quarterly distribution or employ structures intended to consistently maintain or increase distributions over time.

Investors who are looking for an investment that will pay regular and predictable quarterly distributions should not invest in our common units. We expect our business performance will be more seasonal and volatile, and our cash flows will be less stable, than the business performance and cash flows of most publicly traded partnerships. As a result, our quarterly cash distributions will be volatile and are expected to vary quarterly and annually. Unlike most publicly traded partnerships, we will not have a minimum quarterly distribution or employ structures intended to consistently maintain or increase distributions over time. The amount of our quarterly cash distributions will be directly dependent on the performance of our business, which has been volatile historically as a result of volatile nitrogen fertilizer and natural gas prices, and seasonal and global fluctuations in demand for nitrogen fertilizer products. Because our quarterly distributions will be subject to significant fluctuations directly related to the cash we generate after payment of our fixed and variable expenses, future quarterly distributions paid to our unitholders will vary significantly from quarter to quarter and may be zero. Given the seasonal nature of our business, we expect that our unitholders will have direct exposure to fluctuations in the price of nitrogen fertilizers. In addition, from time to time we make prepaid sales, whereby we receive cash in respect of product to be delivered in a future quarter but do not record revenue in respect of such sales until product is delivered. The cash from prepaid sales increases our operating cash flow in the quarter when the cash is received.

The board of directors of our general partner may modify or revoke our cash distribution policy at any time at its discretion.

The board of directors of our general partner will adopt a cash distribution policy pursuant to which we will distribute all of the available cash we generate each quarter to unitholders of record on a pro rata basis. However, the board may change such policy at any time at its discretion and could elect not to make distributions for one or more quarters. Our partnership agreement does not require us to make any distributions at all. Accordingly, investors are cautioned not to place undue reliance on the permanence of such a policy in making an investment decision. Any modification or revocation of our cash distribution policy could substantially reduce or eliminate the amounts of distributions to our unitholders.

None of the proceeds of this offering will be available to pay distributions.

We will pay a substantial portion of the proceeds from this offering, including all proceeds from the exercise of the underwriters' over-allotment option, after deducting underwriting discounts and commissions, to our direct parent, Coffeyville Resources. In addition, we intend to use net proceeds from this offering that we retain to fund our planned UAN expansion. Consequently, none of the proceeds from this offering will be available to pay distributions to the public unitholders. See "Use of Proceeds."

The assumptions underlying the forecast of available cash that we include in "Our Cash Distribution Policy and Restrictions on Distributions — Forecasted Available Cash" are inherently uncertain and are subject to significant business, economic, regulatory and competitive risks and uncertainties that could cause actual results to differ materially from those forecasted.

Our forecast of available cash set forth in "Our Cash Distribution Policy and Restrictions on Distributions — Forecasted Available Cash" includes our forecast of results of operations and available cash for the year ending December 31, 2011. The forecast has been prepared by the management of CVR Energy on our behalf. Neither our

independent registered public accounting firm nor any other independent accountants have examined, compiled or performed any procedures with respect to the forecast, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and they assume no responsibility for the forecast. The assumptions underlying the forecast are inherently uncertain and are subject to significant business, economic, regulatory and competitive risks and uncertainties, including those discussed in this section, that could cause actual results to differ materially from those forecasted. If the forecasted results are not achieved, we would not be able to pay the forecasted annual distribution, in which event the market price of the common units may decline materially. Our actual results may differ materially from the forecasted results presented in this prospectus. In addition, based on our historical results of operations, which have been volatile, our annual distribution for the twelve months ended September 30, 2010, on a pro forma basis, would have been significantly less than the annual distribution we project that we will be able to pay for the year ended December 31, 2011. Investors should review the 2011 forecast of our results of operations together with the other information included elsewhere in this prospectus, including "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The pro forma available cash information for the twelve months ended September 30, 2010 which we include in this prospectus does not necessarily reflect the actual cash that would have been available.

We have included in this prospectus pro forma available cash information for the twelve months ended September 30, 2010, which indicates the amount of cash that we would have had available for distribution during that period on a pro forma basis. This pro forma information is based on numerous estimates and assumptions, but our financial performance, had the Transactions (as defined on page 50 of this prospectus) occurred at the beginning of such twelve-month period, could have been materially different from the pro forma results. Accordingly, investors should review the unaudited pro forma information, including the related footnotes, together with the other information included elsewhere in this prospectus, including "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." Our actual results may differ, possibly materially, from those presented in the pro forma available cash information.

The nitrogen fertilizer business is, and nitrogen fertilizer prices are, cyclical and highly volatile and have experienced substantial downturns in the past. Cycles in demand and pricing could potentially expose us to significant fluctuations in our operating and financial results, and expose you to substantial volatility in our quarterly cash distributions and potential material reductions in the trading price of our common units.

We are exposed to fluctuations in nitrogen fertilizer demand in the agricultural industry. These fluctuations historically have had and could in the future have significant effects on prices across all nitrogen fertilizer products and, in turn, our financial condition, cash flows and results of operations, which could result in significant volatility or material reductions in the price of our common units or an inability to make quarterly cash distributions on our common units.

Nitrogen fertilizer products are commodities, the price of which can be highly volatile. The prices of nitrogen fertilizer products depend on a number of factors, including general economic conditions, cyclical trends in end-user markets, supply and demand imbalances, and weather conditions, which have a greater relevance because of the seasonal nature of fertilizer application. If seasonal demand exceeds our projections, our customers may acquire nitrogen fertilizer products from our competitors, and our profitability will be negatively impacted. If seasonal demand is less than we expect, we will be left with excess inventory that will have to be stored or liquidated.

Demand for nitrogen fertilizer products is dependent on demand for crop nutrients by the global agricultural industry. Nitrogen-based fertilizers are currently in high demand, driven by a growing world population, changes in dietary habits and an expanded use of corn for the production of ethanol. Supply is affected by available capacity and operating rates, raw material costs, government policies and global trade. A decrease in nitrogen fertilizer prices would have a material adverse effect on our business, cash flow and ability to make distributions.

The costs associated with operating our nitrogen fertilizer plant are largely fixed. If nitrogen fertilizer prices fall below a certain level, we may not generate sufficient revenue to operate profitably or cover our costs and our ability to make distributions will be adversely impacted.

Our nitrogen fertilizer plant has largely fixed costs compared to natural gas-based nitrogen fertilizer plants. As a result, downtime, interruptions or low productivity due to reduced demand, adverse weather conditions, equipment failure, a decrease in nitrogen fertilizer prices or other causes can result in significant operating losses. Declines in the price of nitrogen fertilizer products could have a material adverse effect on our results of operation and financial condition. Declines in the price of nitrogen fertilizer products could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions. Unlike our competitors, whose primary costs are related to the purchase of natural gas and whose costs are therefore largely variable, we have largely fixed costs that are not dependent on the price of natural gas because we use pet coke as the primary feedstock in our nitrogen fertilizer plant.

A decline in natural gas prices could impact our relative competitive position when compared to other nitrogen fertilizer producers.

Most nitrogen fertilizer manufacturers rely on natural gas as their primary feedstock, and the cost of natural gas is a large component of the total production cost for natural gas-based nitrogen fertilizer manufacturers. The dramatic increase in nitrogen fertilizer prices in recent years was not the direct result of an increase in natural gas prices, but rather the result of increased demand for nitrogen-based fertilizers due to historically low stocks of global grains and a surge in the prices of corn and wheat, the primary crops in our region. This increase in demand for nitrogen-based fertilizers has created an environment in which nitrogen fertilizer prices have disconnected from their traditional correlation with natural gas prices. A decrease in natural gas prices would benefit our competitors and could disproportionately impact our operations by making us less competitive with natural gas-based nitrogen fertilizer manufacturers. A decline in natural gas prices could impair our ability to compete with other nitrogen fertilizer producers who utilize natural gas as their primary feedstock, and therefore have a material adverse impact on the trading price of our common units. In addition, if natural gas prices in the United States were to decline to a level that prompts those U.S. producers who have permanently or temporarily closed production facilities to resume fertilizer production, this would likely contribute to a global supply/demand imbalance that could negatively affect nitrogen fertilizer prices and therefore have a material adverse effect on our results of operations, financial condition, cash flows, and ability to make cash distributions.

Any decline in U.S. agricultural production or limitations on the use of nitrogen fertilizer for agricultural purposes could have a material adverse effect on the market for nitrogen fertilizer, and on our results of operations, financial condition and ability to make cash distributions.

Conditions in the U.S. agricultural industry significantly impact our operating results. The U.S. agricultural industry can be affected by a number of factors, including weather patterns and field conditions, current and projected grain inventories and prices, domestic and international demand for U.S. agricultural products and U.S. and foreign policies regarding trade in agricultural products.

State and federal governmental policies, including farm and biofuel subsidies and commodity support programs, as well as the prices of fertilizer products, may also directly or indirectly influence the number of acres planted, the mix of crops planted and the use of fertilizers for particular agricultural applications. Developments in crop technology, such as nitrogen fixation, the conversion of atmospheric nitrogen into compounds that plants can assimilate, could also reduce the use of chemical fertilizers and adversely affect the demand for nitrogen fertilizer. In addition, from time to time various state legislatures have considered limitations on the use and application of chemical fertilizers due to concerns about the impact of these products on the environment.

A major factor underlying the current high level of demand for our nitrogen-based fertilizer products is the expanding production of ethanol. A decrease in ethanol production, an increase in ethanol imports or a shift away from corn as a principal raw material used to produce ethanol could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

A major factor underlying the current high level of demand for our nitrogen-based fertilizer products is the expanding production of ethanol in the United States and the expanded use of corn in ethanol production. Ethanol production in the United States is highly dependent upon a myriad of federal and state legislation and regulations, and is made significantly more competitive by various federal and state incentives. Such incentive programs may not be renewed, or if renewed, they may be renewed on terms significantly less favorable to ethanol producers than current incentive programs. Studies showing that expanded ethanol production may increase the level of greenhouse gases in the environment may reduce political support for ethanol production. The elimination or significant reduction in ethanol incentive programs, such as the 45 cents per gallon ethanol tax credit and the 54 cents per gallon ethanol import tariff, could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

Further, most ethanol is currently produced from corn and other raw grains, such as milo or sorghum — especially in the Midwest. The current trend in ethanol production research is to develop an efficient method of producing ethanol from cellulose-based biomass, such as agricultural waste, forest residue, municipal solid waste and energy crops (plants grown for use to make biofuels or directly exploited for their energy content). This trend is driven by the fact that cellulose-based biomass is generally cheaper than corn, and producing ethanol from cellulose-based biomass would create opportunities to produce ethanol in areas that are unable to grow corn. Although current technology is not sufficiently efficient to be competitive, new conversion technologies may be developed in the future. If an efficient method of producing ethanol from cellulose-based biomass is developed, the demand for corn may decrease significantly, which could reduce demand for our nitrogen fertilizer products and have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

Nitrogen fertilizer products are global commodities, and we face intense competition from other nitrogen fertilizer producers.

Our business is subject to intense price competition from both U.S. and foreign sources, including competitors operating in the Persian Gulf, the Asia-Pacific region, the Caribbean, Russia and the Ukraine. Fertilizers are global commodities, with little or no product differentiation, and customers make their purchasing decisions principally on the basis of delivered price and availability of the product. Furthermore, in recent years the price of nitrogen fertilizer in the United States has been substantially driven by pricing in the global fertilizer market. We compete with a number of U.S. producers and producers in other countries, including state-owned and government-subsidized entities. Some competitors have greater total resources and are less dependent on earnings from fertilizer sales, which makes them less vulnerable to industry downturns and better positioned to pursue new expansion and development opportunities. Competitors utilizing different corporate structures may be better able to withstand lower cash flows than we can as a limited partnership. Our competitive position could suffer to the extent we are not able to expand our own resources either through investments in new or existing operations or through acquisitions, joint ventures or partnerships. An inability to compete successfully could result in the loss of customers, which could adversely affect our sales and profitability, and our ability to make cash distributions.

Adverse weather conditions during peak fertilizer application periods may have a material adverse effect on our results of operations, financial condition and ability to make cash distributions, because our agricultural customers are geographically concentrated.

Our sales of nitrogen fertilizer products to agricultural customers are concentrated in the Great Plains and Midwest states and are seasonal in nature. For example, we generate greater net sales and operating income in the first half of the year, which we refer to as the planting season, compared to the second half of the year. Accordingly, an adverse weather pattern affecting agriculture in these regions or during the planting season could have a negative effect on fertilizer demand, which could, in turn, result in a material decline in our net sales and margins and otherwise have a material adverse effect on our results of operations, financial condition and ability to make cash

distributions. Our quarterly results may vary significantly from one year to the next due largely to weather-related shifts in planting schedules and purchase patterns. In addition, given the seasonal nature of our business, we expect that our distributions will be volatile and will vary quarterly and annually.

Our business is seasonal, which may result in our carrying significant amounts of inventory and seasonal variations in working capital. Our inability to predict future seasonal nitrogen fertilizer demand accurately may result in excess inventory or product shortages.

Our business is seasonal. Farmers tend to apply nitrogen fertilizer during two short application periods, one in the spring and the other in the fall. The strongest demand for our products typically occurs during the planting season. In contrast, we and other nitrogen fertilizer producers generally produce our products throughout the year. As a result, we and our customers generally build inventories during the low demand periods of the year in order to ensure timely product availability during the peak sales seasons. The seasonality of nitrogen fertilizer demand results in our sales volumes and net sales being highest during the North American spring season and our working capital requirements typically being highest just prior to the start of the spring season.

If seasonal demand exceeds our projections, we will not have enough product and our customers may acquire products from our competitors, which would negatively impact our profitability. If seasonal demand is less than we expect, we will be left with excess inventory and higher working capital and liquidity requirements.

The degree of seasonality of our business can change significantly from year to year due to conditions in the agricultural industry and other factors. As a consequence of our seasonality, we expect that our distributions will be volatile and will vary quarterly and annually.

Our operations are dependent on third-party suppliers, including Linde, which owns an air separation plant that provides oxygen, nitrogen and compressed dry air to our gasifiers, and the City of Coffeyville, which supplies us with electricity. A deterioration in the financial condition of a third-party supplier, a mechanical problem with the air separation plant, or the inability of a third-party supplier to perform in accordance with its contractual obligations could have a material adverse effect on our results of operations, financial condition and our ability to make cash distributions.

Our operations depend in large part on the performance of third-party suppliers, including Linde for the supply of oxygen, nitrogen and compressed dry air, and the City of Coffeyville for the supply of electricity. With respect to Linde, our operations could be adversely affected if there were a deterioration in Linde's financial condition such that the operation of the air separation plant located adjacent to our nitrogen fertilizer plant was disrupted. Additionally, this air separation plant in the past has experienced numerous short-term interruptions, causing interruptions in our gasifier operations. With respect to electricity, we recently settled litigation with the City of Coffeyville regarding the price they sought to charge us for electricity and entered into an amended and restated electric services agreement which gives us an option to extend the term of such agreement through June 30, 2024. Should Linde, the City of Coffeyville or any of our other third-party suppliers fail to perform in accordance with existing contractual arrangements, our operation could be forced to halt. Alternative sources of supply could be difficult to obtain. Any shutdown of our operations, even for a limited period, could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

Our results of operations, financial condition and ability to make cash distributions may be adversely affected by the supply and price levels of pet coke. Failure by CVR Energy to continue to supply us with pet coke (to the extent third-party pet coke is unavailable or available only at higher prices), or CVR Energy's imposition of an obligation to provide it with security for our payment obligations, could negatively impact our results of operations.

Our profitability is directly affected by the price and availability of pet coke obtained from CVR Energy's crude oil refinery pursuant to a long-term agreement and pet coke purchased from third parties, both of which vary based on market prices. Pet coke is a key raw material used by us in the manufacture of nitrogen fertilizer products. If pet coke costs increase, we may not be able to increase our prices to recover these increased costs, because market prices for our nitrogen fertilizer products are not correlated with pet coke prices.

Based on our current output, we obtain most (over 70% on average during the last five years) of the pet coke we need from CVR Energy's adjacent crude oil refinery, and procure the remainder on the open market. The price that we pay CVR Energy for pet coke is based on the lesser of a pet coke price derived from the price we receive for UAN (subject to a UAN-based price ceiling and floor) and a pet coke index price. In most cases, the price we pay CVR Energy will be lower than the price which we would otherwise pay to third parties. Pet coke prices could significantly increase in the future. Should CVR Energy fail to perform in accordance with our existing agreement, we would need to purchase pet coke from third parties on the open market, which could negatively impact our results of operations to the extent third-party pet coke is unavailable or available only at higher prices. For the year ended December 31, 2009, if we had been forced to obtain 100% of our pet coke supply from third parties, our pet coke expense would have increased by approximately $5.3 million.

We may not be able to maintain an adequate supply of pet coke. In addition, we could experience production delays or cost increases if alternative sources of supply prove to be more expensive or difficult to obtain. We currently purchase 100% of the pet coke CVR Energy produces. Accordingly, if we increase our production, we will be more dependent on pet coke purchases from third-party suppliers at open market prices. There is no assurance that we would be able to purchase pet coke on comparable terms from third parties or at all.

Under our pet coke agreement with CVR Energy, we may become obligated to provide security for our payment obligations if, in CVR Energy's sole judgment, there is a material adverse change in our financial condition or liquidity position or in our ability to pay for our pet coke purchases. See "Certain Relationships and Related Party Transactions — Agreements with CVR Energy — Coke Supply Agreement."

We rely on third-party providers of transportation services and equipment, which subjects us to risks and uncertainties beyond our control that may have a material adverse effect on our results of operations, financial condition and ability to make distributions.

We rely on railroad and trucking companies to ship finished products to our customers. We also lease railcars from railcar owners in order to ship our finished products. These transportation operations, equipment and services are subject to various hazards, including extreme weather conditions, work stoppages, delays, spills, derailments and other accidents and other operating hazards.

These transportation operations, equipment and services are also subject to environmental, safety and other regulatory oversight. Due to concerns related to terrorism or accidents, local, state and federal governments could implement new regulations affecting the transportation of our finished products. In addition, new regulations could be implemented affecting the equipment used to ship our finished products.

Any delay in our ability to ship our finished products as a result of these transportation companies' failure to operate properly, the implementation of new and more stringent regulatory requirements affecting transportation operations or equipment, or significant increases in the cost of these services or equipment could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

Our facility faces operating hazards and interruptions, including unscheduled maintenance or downtime. We could face potentially significant costs to the extent these hazards or interruptions cause a material decline in production and are not fully covered by our existing insurance coverage. Insurance companies that currently insure companies in our industry may cease to do so, may change the coverage provided or may substantially increase premiums in the future.

Our operations, located at a single location, are subject to significant operating hazards and interruptions. Any significant curtailing of production at our nitrogen fertilizer plant or individual units within our plant could result in materially lower levels of revenues and cash flow for the duration of any shutdown and materially adversely impact our ability to make cash distributions. Operations at our nitrogen fertilizer plant could be curtailed or partially or completely shut down, temporarily or permanently, as the result of a number of circumstances, most of which are not within our control, such as:

- unscheduled maintenance or catastrophic events such as a major accident or fire, damage by severe weather, flooding or other natural disaster;

- labor difficulties that result in a work stoppage or slowdown;
- environmental proceedings or other litigation that compel the cessation of all or a portion of the operations at our nitrogen fertilizer plant;
- increasingly stringent environmental regulations;
- a disruption in the supply of pet coke to our nitrogen fertilizer plant; and
- a governmental ban or other limitation on the use of nitrogen fertilizer products, either generally or specifically those manufactured at our plant.

The magnitude of the effect on us of any shutdown will depend on the length of the shutdown and the extent of the plant operations affected by the shutdown. Our plant requires a scheduled maintenance turnaround every two years, which generally lasts up to three weeks and may have a material impact on our cash flows and ability to make cash distributions in the quarter or quarters in which it occurs. A major accident, fire, flood, or other event could damage our facility or the environment and the surrounding community or result in injuries or loss of life. For example, the flood that occurred during the weekend of June 30, 2007 shut down our facility for approximately two weeks and required significant expenditures to repair damaged equipment, and our UAN plant was out of service for approximately six weeks after the rupture of a high pressure vessel in September 2010, which is expected to have a significant impact on our revenues and cash flows for the fourth quarter of 2010. Based upon an internal review and investigation, we currently estimate that the costs to repair the damage caused by the incident are expected to be in the range of $8.0 million to $11.0 million and repairs are expected to be substantially complete prior to the end of December 2010. To the extent additional damage is discovered during the completion of repairs, the costs of repairs could increase or repairs could take longer to complete. Moreover, our facility is located adjacent to CVR Energy's refining operations and a major accident or disaster at CVR Energy's operations could adversely affect our operations. Scheduled and unscheduled maintenance could reduce our net income, cash flow and ability to make cash distributions during the period of time that any of our units is not operating. Any unscheduled future downtime could have a material adverse effect on our ability to make cash distributions to our unitholders.

If we experience significant property damage, business interruption, environmental claims or other liabilities, our business could be materially adversely affected to the extent the damages or claims exceed the amount of valid and collectible insurance available to us. We are currently insured under CVR Energy's casualty, environmental, property and business interruption insurance policies. The property and business interruption insurance policies have a $1.0 billion limit, with a $2.5 million deductible for physical damage and a 45-day waiting period before losses resulting from business interruptions are recoverable. The policies also contain exclusions and conditions that could have a materially adverse impact on our ability to receive indemnification thereunder, as well as customary sub-limits for particular types of losses. For example, the current property policy contains a specific sub-limit of $150.0 million for damage caused by flooding. We are fully exposed to all losses in excess of the applicable limits and sub-limits and for losses due to business interruptions of fewer than 45 days.

Our management believes that we will continue to be covered under CVR Energy's insurance policies following this offering. CVR Energy's casualty insurance policy, which includes our environmental insurance coverage for sudden and accidental pollution events, expires on July 1, 2011, and its current property and business interruption insurance policies expire on November 1, 2011. We do not know whether we will be able to continue to be covered under CVR Energy's insurance policies when these policies come up for renewal in 2011 or whether we will need to obtain separate insurance policies, or the terms or cost of insurance that CVR Energy or we will be able to obtain at such time. Market factors, including but not limited to catastrophic perils that impact our industry, significant changes in the investment returns of insurance companies, insurance company solvency trends and industry loss ratios and loss trends, can negatively impact the future cost and availability of insurance. There can be no assurance that CVR Energy or we will be able to buy and maintain insurance with adequate limits, reasonable pricing terms and conditions.

Our results of operations are highly dependent upon and fluctuate based upon business and economic conditions and governmental policies affecting the agricultural industry. These factors are outside of our control and may significantly affect our profitability.

Our results of operations are highly dependent upon business and economic conditions and governmental policies affecting the agricultural industry, which we cannot control. The agricultural products business can be affected by a number of factors. The most important of these factors, for U.S. markets, are:

- weather patterns and field conditions (particularly during periods of traditionally high nitrogen fertilizer consumption);
- quantities of nitrogen fertilizers imported to and exported from North America;
- current and projected grain inventories and prices, which are heavily influenced by U.S. exports and world-wide grain markets; and
- U.S. governmental policies, including farm and biofuel policies, which may directly or indirectly influence the number of acres planted, the level of grain inventories, the mix of crops planted or crop prices.

International market conditions, which are also outside of our control, may also significantly influence our operating results. The international market for nitrogen fertilizers is influenced by such factors as the relative value of the U.S. dollar and its impact upon the cost of importing nitrogen fertilizers, foreign agricultural policies, the existence of, or changes in, import or foreign currency exchange barriers in certain foreign markets, changes in the hard currency demands of certain countries and other regulatory policies of foreign governments, as well as the laws and policies of the United States affecting foreign trade and investment.

Ammonia can be very volatile and extremely hazardous. Any liability for accidents involving ammonia that cause severe damage to property or injury to the environment and human health could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions. In addition, the costs of transporting ammonia could increase significantly in the future.

We manufacture, process, store, handle, distribute and transport ammonia, which can be very volatile and extremely hazardous. Major accidents or releases involving ammonia could cause severe damage or injury to property, the environment and human health, as well as a possible disruption of supplies and markets. Such an event could result in civil lawsuits, fines, penalties and regulatory enforcement proceedings, all of which could lead to significant liabilities. Any damage to persons, equipment or property or other disruption of our ability to produce or distribute our products could result in a significant decrease in operating revenues and significant additional cost to replace or repair and insure our assets, which could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions. We periodically experience minor releases of ammonia related to leaks from heat exchangers and other equipment. We experienced more significant ammonia releases in August 2007 due to the failure of a high-pressure pump and in September 2010 due to a UAN vessel rupture. Similar events may occur in the future.

In addition, we may incur significant losses or costs relating to the operation of our railcars used for the purpose of carrying various products, including ammonia. Due to the dangerous and potentially toxic nature of the cargo, in particular ammonia, on board railcars, a railcar accident may result in fires, explosions and pollution. These circumstances may result in sudden, severe damage or injury to property, the environment and human health. In the event of pollution, we may be held responsible even if we are not at fault and we complied with the laws and regulations in effect at the time of the accident. Litigation arising from accidents involving ammonia may result in our being named as a defendant in lawsuits asserting claims for large amounts of damages, which could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

Given the risks inherent in transporting ammonia, the costs of transporting ammonia could increase significantly in the future. Ammonia is most typically transported by railcar. A number of initiatives are underway in the railroad and chemical industries that may result in changes to railcar design in order to minimize railway accidents involving hazardous materials. If any such design changes are implemented, or if accidents involving hazardous freight increase the insurance and other costs of railcars, our freight costs could significantly increase.

Environmental laws and regulations could require us to make substantial capital expenditures to remain in compliance or to remediate current or future contamination that could give rise to material liabilities.

Our operations are subject to a variety of federal, state and local environmental laws and regulations relating to the protection of the environment, including those governing the emission or discharge of pollutants into the environment, product specifications and the generation, treatment, storage, transportation, disposal and remediation of solid and hazardous waste and materials. Violations of these laws and regulations or permit conditions can result in substantial penalties, injunctive orders compelling installation of additional controls, civil and criminal sanctions, permit revocations or facility shutdowns.

In addition, new environmental laws and regulations, new interpretations of existing laws and regulations, increased governmental enforcement of laws and regulations or other developments could require us to make additional unforeseen expenditures. Many of these laws and regulations are becoming increasingly stringent, and the cost of compliance with these requirements can be expected to increase over time. The requirements to be met, as well as the technology and length of time available to meet those requirements, continue to develop and change. These expenditures or costs for environmental compliance could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

Our facility operates under a number of federal and state permits, licenses and approvals with terms and conditions containing a significant number of prescriptive limits and performance standards in order to operate. Our facility is also required to comply with prescriptive limits and meet performance standards specific to chemical facilities as well as to general manufacturing facilities. All of these permits, licenses, approvals and standards require a significant amount of monitoring, record keeping and reporting in order to demonstrate compliance with the underlying permit, license, approval or standard. Incomplete documentation of compliance status may result in the imposition of fines, penalties and injunctive relief. Additionally, due to the nature of our manufacturing processes, there may be times when we are unable to meet the standards and terms and conditions of these permits and licenses due to operational upsets or malfunctions, which may lead to the imposition of fines and penalties or operating restrictions that may have a material adverse effect on our ability to operate our facilities and accordingly our financial performance.

Our business is subject to accidental spills, discharges or other releases of hazardous substances into the environment. Past or future spills related to our nitrogen fertilizer plant or transportation of products or hazardous substances from our facility may give rise to liability (including strict liability, or liability without fault, and potential cleanup responsibility) to governmental entities or private parties under federal, state or local environmental laws, as well as under common law. For example, we could be held strictly liable under the Comprehensive Environmental Response, Compensation and Liability Act, or CERCLA, for past or future spills without regard to fault or whether our actions were in compliance with the law at the time of the spills. Pursuant to CERCLA and similar state statutes, we could be held liable for contamination associated with the facility we currently own and operate, facilities we formerly owned or operated (if any) and facilities to which we transported or arranged for the transportation of wastes or by-products containing hazardous substances for treatment, storage, or disposal. The potential penalties and cleanup costs for past or future releases or spills, liability to third parties for damage to their property or exposure to hazardous substances, or the need to address newly discovered information or conditions that may require response actions could be significant and could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

In addition, we may incur liability for alleged personal injury or property damage due to exposure to chemicals or other hazardous substances located at or released from our facility. We may also face liability for personal injury, property damage, natural resource damage or for cleanup costs for the alleged migration of contamination or other hazardous substances from our facility to adjacent and other nearby properties.

We may incur future costs relating to the off-site disposal of hazardous wastes. Companies that dispose of, or arrange for the transportation or disposal of, hazardous substances at off-site locations may be held jointly and severally liable for the costs of investigation and remediation of contamination at those off-site locations, regardless of fault. We could become involved in litigation or other proceedings involving off-site waste disposal and the damages or costs in any such proceedings could be material.

We may be unable to obtain or renew permits necessary for our operations, which could inhibit our ability to do business.

We hold numerous environmental and other governmental permits and approvals authorizing operations at our nitrogen fertilizer facility. Expansion of our operations is also predicated upon securing the necessary environmental or other permits or approvals. A decision by a government agency to deny or delay issuing a new or renewed material permit or approval, or to revoke or substantially modify an existing permit or approval, could have a material adverse effect on our ability to continue operations and on our business, financial condition, results of operations and ability to make cash distributions.

Environmental laws and regulations on fertilizer end-use and application and numeric nutrient water quality criteria could have a material adverse impact on fertilizer demand in the future.

Future environmental laws and regulations on the end-use and application of fertilizers could cause changes in demand for our products. In addition, future environmental laws and regulations, or new interpretations of existing laws or regulations, could limit our ability to market and sell our products to end users. From time to time, various state legislatures have proposed bans or other limitations on fertilizer products. In addition, a number of states have adopted or proposed numeric nutrient water quality criteria that could result in decreased demand for our fertilizer products in those states. Similarly, a new final Environmental Protection Agency, or EPA, rule establishing numeric nutrient criteria for certain Florida water bodies may require farmers to implement best management practices, including the reduction of fertilizer use, to reduce the impact of fertilizer on water quality. Any such laws, regulations or interpretations could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

Climate change laws and regulations could have a material adverse effect on our results of operations, financial condition, and ability to make cash distributions.

Currently, various legislative and regulatory measures to address greenhouse gas emissions (including CO_2, methane and nitrous oxides) are in various phases of discussion or implementation. At the federal legislative level, Congress could adopt some form of federal mandatory greenhouse gas emission reduction laws, although the specific requirements and timing of any such laws are uncertain at this time. In June 2009, the U.S. House of Representatives passed a bill that would create a nationwide cap-and-trade program designed to regulate emissions of CO_2, methane and other greenhouse gases. A similar bill was introduced in the U.S. Senate, but was not voted upon. Congressional passage of such legislation does not appear likely at this time, though it could be adopted at a future date. It is also possible that Congress may pass alternative climate change bills that do not mandate a nationwide cap-and-trade program and instead focus on promoting renewable energy and energy efficiency.

In the absence of congressional legislation curbing greenhouse gas emissions, the EPA is moving ahead administratively under its federal Clean Air Act authority. In October 2009, the EPA finalized a rule requiring certain large emitters of greenhouse gases to inventory and report their greenhouse gas emissions to the EPA. In accordance with the rule, we have begun monitoring our greenhouse gas emissions from our nitrogen fertilizer plant and will report the emissions to the EPA beginning in 2011. On December 7, 2009, the EPA finalized its "endangerment finding" that greenhouse gas emissions, including CO_2, pose a threat to human health and welfare. The finding allows the EPA to regulate greenhouse gas emissions as air pollutants under the federal Clean Air Act. In May 2010, the EPA finalized the "Greenhouse Gas Tailoring Rule," which establishes new greenhouse gas emissions thresholds that determine when stationary sources, such as our nitrogen fertilizer plant, must obtain permits under the Prevention of Significant Deterioration, or PSD, and Title V programs of the federal Clean Air Act. The significance of the permitting requirement is that, in cases where a new source is constructed or an existing source undergoes a major modification, the facility would need to evaluate and install best available control technology, or BACT, for its greenhouse gas emissions. Phase-in permit requirements will begin for the largest stationary sources in 2011. We do not currently anticipate that our UAN expansion project will result in a significant increase in greenhouse gas emissions triggering the need to install BACT. However, beginning in July 2011, a major modification resulting in a significant expansion of production at our nitrogen fertilizer plant resulting in a

significant increase in greenhouse gas emissions may require us to install BACT for our greenhouse gas emissions. The EPA's endangerment finding, the Greenhouse Gas Tailoring Rule and certain other greenhouse gas emission rules have been challenged and will likely be subject to extensive litigation. In addition, a number of Congressional bills to overturn the endangerment finding and bar the EPA from regulating greenhouse gas emissions, or at least to defer such action by the EPA under the federal Clean Air Act, have been proposed in the past, although President Obama has announced his intention to veto any such bills if passed.

In addition to federal regulations, a number of states have adopted regional greenhouse gas initiatives to reduce CO_2 and other greenhouse gas emissions. In 2007, a group of Midwest states, including Kansas (where our nitrogen fertilizer facility is located), formed the Midwestern Greenhouse Gas Reduction Accord, which calls for the development of a cap-and-trade system to control greenhouse gas emissions and for the inventory of such emissions. However, the individual states that have signed on to the accord must adopt laws or regulations implementing the trading scheme before it becomes effective, and the timing and specific requirements of any such laws or regulations in Kansas are uncertain at this time.

The implementation of EPA regulations and/or the passage of federal or state climate change legislation will likely result in increased costs to (i) operate and maintain our facilities, (ii) install new emission controls on our facilities and (iii) administer and manage any greenhouse gas emissions program. Increased costs associated with compliance with any future legislation or regulation of greenhouse gas emissions, if it occurs, may have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

In addition, climate change legislation and regulations may result in increased costs not only for our business but also for agricultural producers that utilize our fertilizer products, thereby potentially decreasing demand for our fertilizer products. Decreased demand for our fertilizer products may have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

New regulations concerning the transportation of hazardous chemicals, risks of terrorism and the security of chemical manufacturing facilities could result in higher operating costs.

The costs of complying with regulations relating to the transportation of hazardous chemicals and security associated with our nitrogen fertilizer facility may have a material adverse effect on our results of operations, financial condition and ability to make cash distributions. Targets such as chemical manufacturing facilities may be at greater risk of future terrorist attacks than other targets in the United States. The chemical industry has responded to the issues that arose in response to the terrorist attacks on September 11, 2001 by starting new initiatives relating to the security of chemical industry facilities and the transportation of hazardous chemicals in the United States. Future terrorist attacks could lead to even stronger, more costly initiatives. Simultaneously, local, state and federal governments have begun a regulatory process that could lead to new regulations impacting the security of chemical plant locations and the transportation of hazardous chemicals. Our business could be materially adversely affected by the cost of complying with new regulations.

Our plans to address our CO_2 production may not be successful.

We have signed a letter of intent with a third party with expertise in CO_2 capture and storage systems to develop plans whereby we may, in the future, either sell up to 850,000 tons per year of high purity CO_2 produced by our nitrogen fertilizer plant to oil and gas exploration and production companies to enhance oil recovery or pursue an economic means of geologically sequestering such CO_2. We cannot guarantee that this proposed CO_2 capture and storage system will be constructed successfully or at all or, if constructed, that it will provide an economic benefit and will not result in economic losses or additional costs that may have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

Due to our lack of asset diversification, adverse developments in the nitrogen fertilizer industry could adversely affect our results of operations and our ability to make distributions to our unitholders.

We rely exclusively on the revenues generated from our nitrogen fertilizer business. An adverse development in the nitrogen fertilizer industry would have a significantly greater impact on our operations and cash available for distribution to holders of common units than it will on other companies with a more diverse asset and product base. The largest publicly traded companies with which we compete sell a more varied range of fertilizer products.

Our business depends on significant customers, and the loss of one or several significant customers may have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

Our business has a high concentration of customers. In the aggregate, our top five ammonia customers represented 62.1%, 54.7%, and 43.9%, respectively, of our ammonia sales, and our top five UAN customers represented 38.7%, 37.2%, and 44.2%, respectively, of our UAN sales, for the years ended December 31, 2007, 2008 and 2009. Given the nature of our business, and consistent with industry practice, we do not have long-term minimum purchase contracts with any of our customers. The loss of one or several of these significant customers, or a significant reduction in purchase volume by any of them, could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

There is no assurance that the transportation costs of our competitors will not decline.

Our nitrogen fertilizer plant is located within the U.S. farm belt, where the majority of the end users of our nitrogen fertilizers grow their crops. Many of our competitors produce fertilizer outside this region and incur greater costs in transporting their products over longer distances via rail, ships and pipelines. There can be no assurance that our competitors' transportation costs will not decline or that additional pipelines will not be built, lowering the price at which our competitors can sell their products, which could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

We are subject to strict laws and regulations regarding employee and process safety, and failure to comply with these laws and regulations could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

Our facility is subject to the requirements of the federal Occupational Safety and Health Act, or OSHA, and comparable state statutes that regulate the protection of the health and safety of workers. In addition, OSHA requires that we maintain information about hazardous materials used or produced in our operations and that we provide this information to employees, state and local governmental authorities, and local residents. Failure to comply with OSHA requirements, including general industry standards, record keeping requirements and monitoring and control of occupational exposure to regulated substances, could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions if we are subjected to significant fines or compliance costs.

Instability and volatility in the global capital and credit markets could negatively impact our business, financial condition, results of operations and cash flows.

The global capital and credit markets have experienced extreme volatility and disruption over the past two years. Our results of operations, financial condition and ability to make cash distributions could be negatively impacted by the difficult conditions and extreme volatility in the capital, credit and commodities markets and in the global economy. These factors, combined with declining business and consumer confidence and increased unemployment, precipitated an economic recession in the United States and globally during 2009 and 2010. The difficult conditions in these markets and the overall economy affect us in a number of ways. For example:

- Although we believe we will have sufficient liquidity under our new credit facility to run our business, under extreme market conditions there can be no assurance that such funds would be available or sufficient, and in such a case, we may not be able to successfully obtain additional financing on favorable terms, or at all.

- Market volatility could exert downward pressure on the price of our common units, which may make it more difficult for us to raise additional capital and thereby limit our ability to grow.
- Market conditions could result in our significant customers experiencing financial difficulties. We are exposed to the credit risk of our customers, and their failure to meet their financial obligations when due because of bankruptcy, lack of liquidity, operational failure or other reasons could result in decreased sales and earnings for us.

Our acquisition and expansion strategy involves significant risks.

One of our business strategies is to pursue acquisitions and expansion projects (including expanding our UAN capacity). However, acquisitions and expansions involve numerous risks and uncertainties, including intense competition for suitable acquisition targets, the potential unavailability of financial resources necessary to consummate acquisitions and expansions, difficulties in identifying suitable acquisition targets and expansion projects or in completing any transactions identified on sufficiently favorable terms; and the need to obtain regulatory or other governmental approvals that may be necessary to complete acquisitions and expansions. In addition, any future acquisitions and expansions may entail significant transaction costs, tax consequences and risks associated with entry into new markets and lines of business.

We intend to move forward with an expansion of our nitrogen fertilizer plant, which will allow us the flexibility to upgrade all of our ammonia production to UAN. This expansion is premised in large part on the historically higher margin that we have received for UAN compared to ammonia. If the premium that UAN currently earns over ammonia decreases, this expansion project may not yield the economic benefits and accretive effects that we currently anticipate.

In addition to the risks involved in identifying and completing acquisitions described above, even when acquisitions are completed, integration of acquired entities can involve significant difficulties, such as:

- unforeseen difficulties in the acquired operations and disruption of the ongoing operations of our business;
- failure to achieve cost savings or other financial or operating objectives with respect to an acquisition;
- strain on the operational and managerial controls and procedures of our business, and the need to modify systems or to add management resources;
- difficulties in the integration and retention of customers or personnel and the integration and effective deployment of operations or technologies;
- assumption of unknown material liabilities or regulatory non-compliance issues;
- amortization of acquired assets, which would reduce future reported earnings;
- possible adverse short-term effects on our cash flows or operating results; and
- diversion of management's attention from the ongoing operations of our business.

In addition, in connection with any potential acquisition or expansion project, we will need to consider whether the business we intend to acquire or expansion project we intend to pursue (including the project relating to CO_2 sequestration or sale) could affect our tax treatment as a partnership for U.S. federal income tax purposes. If we are otherwise unable to conclude that the activities of the business being acquired or the expansion project would not affect our treatment as a partnership for U.S. federal income tax purposes, we could seek a ruling from the Internal Revenue Service, or IRS. Seeking such a ruling could be costly or, in the case of competitive acquisitions, place us in a competitive disadvantage compared to other potential acquirers who do not seek such a ruling. If we are unable to conclude that an activity would not affect our treatment as a partnership for U.S. federal income tax purposes, we could choose to acquire such business or develop such expansion project in a corporate subsidiary, which would subject the income related to such activity to entity-level taxation. See "— Tax Risks — Our tax treatment depends on our status as a partnership for U.S. federal income tax purposes, as well as our not being subject to a material amount of entity-level taxation by individual states. If the IRS were to treat us as a corporation for U.S. federal income tax purposes or if we were to become subject to additional amounts of entity-level taxation for state tax

purposes, then our cash available for distribution to our unitholders would be substantially reduced" and "Material U.S. Federal Income Tax Consequences — Partnership Status."

Failure to manage acquisition and expansion growth risks could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions. There can be no assurance that we will be able to consummate any acquisitions or expansions, successfully integrate acquired entities, or generate positive cash flow at any acquired company or expansion project.

We rely primarily on the executive officers of CVR Energy to manage most aspects of our business and affairs pursuant to a services agreement, which CVR Energy can terminate at any time following the one year anniversary of this offering.

Our future performance depends to a significant degree upon the continued contributions of CVR Energy's senior management team. We have entered into a services agreement with our general partner and CVR Energy whereby CVR Energy has agreed to provide us with the services of its senior management team as well as accounting, business operations, legal, finance and other key back-office and mid-office personnel. Following the one year anniversary of this offering, CVR Energy can terminate this agreement at any time, subject to a 180-day notice period. The loss or unavailability to us of any member of CVR Energy's senior management team could negatively affect our ability to operate our business and pursue our business strategies. We do not have employment agreements with any of CVR Energy's officers and we do not maintain any key person insurance. We can provide no assurance that CVR Energy will continue to provide us the officers that are necessary for the conduct of our business nor that such provision will be on terms that are acceptable. If CVR Energy elected to terminate the agreement on 180 days' notice following the one year anniversary of this offering, we might not be able to find qualified individuals to serve as our executive officers within such 180-day period.

In addition, pursuant to the services agreement we are responsible for a portion of the compensation expense of such executive officers according to the percentage of time such executive officers spent working for us. However, the compensation of such executive officers is set by CVR Energy, and we have no control over the amount paid to such officers. The services agreement does not contain any cap on the amounts we may be required to pay CVR Energy pursuant to this agreement.

A shortage of skilled labor, together with rising labor costs, could adversely affect our results of operations and cash available for distribution to our unitholders.

Efficient production of nitrogen fertilizer using modern techniques and equipment requires skilled employees. Our nitrogen fertilizer facility relies on gasification technology that requires special expertise to operate efficiently and effectively. To the extent that the services of our key technical personnel become unavailable to us for any reason, we would be required to hire other personnel. We may not be able to locate or employ such qualified personnel on acceptable terms or at all. We face competition for these professionals from our competitors, our customers and other companies operating in our industry. If we are unable to find qualified employees, or if the cost to find qualified employees increases materially, our results of operations and cash available for distribution to our unitholders could be adversely affected.

If licensed technology were no longer available, our business may be adversely affected.

We have licensed, and may in the future license, a combination of patent, trade secret and other intellectual property rights of third parties for use in our business. In particular, the gasification process we use to convert pet coke to high purity hydrogen for subsequent conversion to ammonia is licensed from General Electric. The license, which is fully paid, grants us perpetual rights to use the pet coke gasification process on specified terms and conditions and is integral to the operations of our facility. If this, or any other license agreements on which our operations rely were to be terminated, licenses to alternative technology may not be available, or may only be available on terms that are not commercially reasonable or acceptable. In addition, any substitution of new technology for currently-licensed technology may require substantial changes to manufacturing processes or equipment and may have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

We may face third-party claims of intellectual property infringement, which if successful could result in significant costs for our business.

There are currently no claims pending against us relating to the infringement of any third-party intellectual property rights. However, in the future we may face claims of infringement that could interfere with our ability to use technology that is material to our business operations. Any litigation of this type, whether successful or unsuccessful, could result in substantial costs to us and diversions of our resources, either of which could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions. In the event a claim of infringement against us is successful, we may be required to pay royalties or license fees for past or continued use of the infringing technology, or we may be prohibited from using the infringing technology altogether. If we are prohibited from using any technology as a result of such a claim, we may not be able to obtain licenses to alternative technology adequate to substitute for the technology we can no longer use, or licenses for such alternative technology may only be available on terms that are not commercially reasonable or acceptable to us. In addition, any substitution of new technology for currently licensed technology may require us to make substantial changes to our manufacturing processes or equipment or to our products, and could have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

Our new credit facility may contain significant limitations on our business operations, including our ability to make distributions and other payments.

Upon the closing of this offering, we expect to enter into a new credit facility. We anticipate that as of September 30, 2010, on a pro forma basis after giving effect to this offering and the use of the estimated proceeds hereof and the establishment of our new credit facility, we would have had $125.0 million of term loan debt outstanding and incremental borrowing capacity of approximately $25.0 million under the revolving credit facility. We and our subsidiary may be able to incur significant additional indebtedness in the future. We anticipate that both our ability to make distributions to holders of our common units and our ability to borrow under this new credit facility to fund distributions (if we elected to do so) will be subject to covenant restrictions under the agreement governing this new credit facility. If we were unable to comply with any such covenant restrictions in any quarter, our ability to make distributions to unitholders would be curtailed or limited.

In addition, we will be subject to covenants contained in our new credit facility and any agreement governing other future indebtedness. These covenants may include, among others, restrictions on certain payments, the granting of liens, the incurrence of additional indebtedness, dividend restrictions affecting subsidiaries, asset sales, transactions with affiliates and mergers, acquisitions and consolidations. Any failure to comply with these covenants could result in a default under our new credit facility. Upon a default, unless waived, the lenders under our new credit facility would have all remedies available to a secured lender, and could elect to terminate their commitments, cease making further loans, cause their loans to become due and payable in full, institute foreclosure proceedings against our or our subsidiary's assets, and force us and our subsidiary into bankruptcy or liquidation.

Borrowings under our new credit facility will bear interest at variable rates. If market interest rates increase, such variable-rate debt will create higher debt service requirements, which could adversely affect our cash flow and ability to make cash distributions.

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.

If our operating results are not sufficient to service our current or future indebtedness, we will be forced to take actions such as reducing distributions, reducing or delaying our business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing our debt, or seeking additional equity capital or bankruptcy protection.

We are a holding company and depend upon our subsidiary for our cash flow.

We are a holding company. All of our operations are conducted and all of our assets are owned by Coffeyville Resources Nitrogen Fertilizers, LLC, our wholly-owned subsidiary and our sole direct or indirect subsidiary. Consequently, our cash flow and our ability to meet our obligations or to make cash distributions in the future will depend upon the cash flow of our subsidiary and the payment of funds by our subsidiary to us in the form of dividends or otherwise. The ability of our subsidiary to make any payments to us will depend on its earnings, the terms of its indebtedness, including the terms of any credit facilities, and legal restrictions. In particular, future credit facilities incurred at our subsidiary may impose significant limitations on the ability of our subsidiary to make distributions to us and consequently our ability to make distributions to our unitholders. See also "— We may not have sufficient available cash to pay any quarterly distribution on our common units. For the twelve months ended September 30, 2010, on a pro forma basis, our annual distribution would have been $ per unit, significantly less than the $ per unit distribution we project that we will be able to pay for the year ended December 31, 2011."

We have never operated as a stand-alone company.

Because we have never operated as a stand-alone company, it is difficult for you to evaluate our business and results of operations to date and to assess our future prospects and viability. Our nitrogen fertilizer facility commenced operations in 2000 and was operated as one of eight fertilizer facilities within Farmland until March 2004. Since March 2004, we have been operated as part of a larger company together with a petroleum refining company. The financial information reflecting our business contained in this prospectus, including our historical financial information as well as the pro forma financial information included herein, do not necessarily reflect what our operating performance would have been had we been a stand-alone company during the periods presented.

We will incur increased costs as a result of being a publicly traded partnership.

As a publicly traded partnership, we will incur significant legal, accounting and other expenses that we did not incur prior to this offering. In addition, the Sarbanes-Oxley Act of 2002 and the Dodd-Frank Act of 2010, as well as rules implemented by the SEC and the New York Stock Exchange, require, or will require, publicly traded entities to adopt various corporate governance practices that will further increase our costs. Before we are able to make distributions to our unitholders, we must first pay our expenses, including the costs of being a public company and other operating expenses. As a result, the amount of cash we have available for distribution to our unitholders will be affected by our expenses, including the costs associated with being a publicly traded partnership. We estimate that we will incur approximately $3.5 million of estimated incremental costs per year, some of which will be direct charges associated with being a publicly traded partnership, and some of which will be allocated to us by CVR Energy; however, it is possible that our actual incremental costs of being a publicly traded partnership will be higher than we currently estimate.

Prior to this offering, we have not filed reports with the SEC. Following this offering, we will become subject to the public reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act. We expect these requirements will increase our legal and financial compliance costs and to make compliance activities more time-consuming and costly. For example, as a result of becoming a publicly traded partnership, we are required to have at least three independent directors and adopt policies regarding internal controls and disclosure controls and procedures, including the preparation of reports on internal control over financial reporting. In addition, we will incur additional costs associated with our publicly traded company reporting requirements.

As a publicly traded partnership we qualify for, and are relying on, certain exemptions from the New York Stock Exchange's corporate governance requirements.

As a publicly traded partnership, we qualify for, and are relying on, certain exemptions from the New York Stock Exchange's corporate governance requirements, including:

- the requirement that a majority of the board of directors of our general partner consist of independent directors;
- the requirement that the board of directors of our general partner have a nominating/corporate governance committee that is composed entirely of independent directors; and

- the requirement that the board of directors of our general partner have a compensation committee that is composed entirely of independent directors.

As a result of these exemptions, our general partner's board of directors will not be comprised of a majority of independent directors, our general partner's compensation committee may not be comprised entirely of independent directors and our general partner's board of directors may not establish a nominating/corporate governance committee. Accordingly, unitholders will not have the same protections afforded to equityholders of companies that are subject to all of the corporate governance requirements of the New York Stock Exchange. See "Management."

We will be exposed to risks relating to evaluations of controls required by Section 404 of the Sarbanes-Oxley Act.

We are in the process of evaluating our internal controls systems to allow management to report on, and our independent auditors to audit, our internal controls over financial reporting. We will be performing the system and process evaluation and testing (and any necessary remediation) required to comply with the management certification and auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, and under current rules will be required to comply with Section 404 in our annual report for the year ended December 31, 2012 (subject to any change in applicable SEC rules). Furthermore, upon completion of this process, we may identify control deficiencies of varying degrees of severity under applicable SEC and Public Company Accounting Oversight Board, or PCAOB, rules and regulations that remain unremediated. Although we produce our financial statements in accordance with GAAP, our internal accounting controls may not currently meet all standards applicable to companies with publicly traded securities. As a publicly traded partnership, we will be required to report, among other things, control deficiencies that constitute a "material weakness" or changes in internal controls that, or that are reasonably likely to, materially affect internal controls over financial reporting. A "material weakness" is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis.

If we fail to implement the requirements of Section 404 in a timely manner, we might be subject to sanctions or investigation by regulatory authorities such as the SEC. If we do not implement improvements to our disclosure controls and procedures or to our internal controls in a timely manner, our independent registered public accounting firm may not be able to certify as to the effectiveness of our internal controls over financial reporting pursuant to an audit of our internal controls over financial reporting. This may subject us to adverse regulatory consequences or a loss of confidence in the reliability of our financial statements. We could also suffer a loss of confidence in the reliability of our financial statements if our independent registered public accounting firm reports a material weakness in our internal controls, if we do not develop and maintain effective controls and procedures or if we are otherwise unable to deliver timely and reliable financial information. Any loss of confidence in the reliability of our financial statements or other negative reaction to our failure to develop timely or adequate disclosure controls and procedures or internal controls could result in a decline in the price of our common units. In addition, if we fail to remedy any material weakness, our financial statements may be inaccurate, we may face restricted access to the capital markets and the price of our common units may be adversely affected.

Our relationship with CVR Energy and its financial condition subjects us to potential risks that are beyond our control.

Due to our relationship with CVR Energy, adverse developments or announcements concerning CVR Energy could materially adversely affect our financial condition, even if we have not suffered any similar development. The ratings assigned to CVR Energy's senior secured indebtedness are below investment grade. Downgrades of the credit ratings of CVR Energy could increase our cost of capital and collateral requirements, and could impede our access to the capital markets.

The credit and business risk profiles of CVR Energy may be factors considered in credit evaluations of us. This is because we rely on CVR Energy for various services, including management services and the supply of pet coke. Another factor that may be considered is the financial condition of CVR Energy, including the degree of its financial leverage and its dependence on cash flow from us to service its indebtedness. The credit and risk profile of CVR

Energy could adversely affect our credit ratings and risk profile, which could increase our borrowing costs or hinder our ability to raise capital.

If we were to seek a credit rating in the future, our credit rating may be adversely affected by the leverage of CVR Energy, as credit rating agencies may consider the leverage and credit profile of CVR Energy and its affiliates because of their ownership interest in and joint control of us and the strong operational links between CVR Energy's refining business and us. Any adverse effect on our credit rating would increase our cost of borrowing or hinder our ability to raise financing in the capital markets, which would impair our ability to grow our business and make cash distributions to unitholders.

Risks Related to an Investment in Us

The board of directors of our general partner will adopt a policy to distribute all of the available cash we generate each quarter, which could limit our ability to grow and make acquisitions.

The board of directors of our general partner will adopt a policy to distribute all of the available cash we generate each quarter to our unitholders. As a result, our general partner will rely primarily upon external financing sources, including commercial bank borrowings and the issuance of debt and equity securities, to fund our acquisitions and expansion capital expenditures. As a result, to the extent we are unable to finance growth externally, our cash distribution policy will significantly impair our ability to grow.

In addition, because the board of directors of our general partner will adopt a policy to distribute all of the available cash we generate each quarter, our growth may not be as fast as that of businesses that reinvest their available cash to expand ongoing operations. To the extent we issue additional units in connection with any acquisitions or expansion capital expenditures, the payment of distributions on those additional units will decrease the amount we distribute on each outstanding unit. There are no limitations in our partnership agreement on our ability to issue additional units, including units ranking senior to the common units. The incurrence of additional commercial borrowings or other debt to finance our growth strategy would result in increased interest expense, which, in turn, would reduce the available cash that we have to distribute to our unitholders.

Our general partner, an indirect wholly-owned subsidiary of CVR Energy, has fiduciary duties to CVR Energy and its stockholders, and the interests of CVR Energy and its stockholders may differ significantly from, or conflict with, the interests of our public common unitholders.

Our general partner is responsible for managing us. Although our general partner has fiduciary duties to manage us in a manner beneficial to us and the common unitholders, the fiduciary duties are specifically limited by the express terms of our partnership agreement, and the directors and officers of our general partner also have fiduciary duties to manage our general partner in a manner beneficial to CVR Energy and its stockholders. The interests of CVR Energy and its stockholders may differ from, or conflict with, the interests of our common unitholders. In resolving these conflicts, our general partner may favor its own interests, the interests of Coffeyville Resources, its sole member, or the interests of CVR Energy and holders of CVR Energy's common stock over our interests and those of our common unitholders.

The potential conflicts of interest include, among others, the following:

- Affiliates of our general partner, including CVR Energy, funds affiliated with Goldman, Sachs & Co., or the Goldman Sachs Funds, and funds affiliated with Kelso & Company, L.P., or the Kelso Funds, are permitted to compete with us or to own businesses that compete with us. In addition, the affiliates of our general partner are not required to share business opportunities with us.
- Neither our partnership agreement nor any other agreement will require the owners of our general partner, including CVR Energy, to pursue a business strategy that favors us. The affiliates of our general partner, including CVR Energy, have fiduciary duties to make decisions in their own best interests and in the best interest of holders of CVR Energy's common stock, which may be contrary to our interests. In addition, our general partner is allowed to take into account the interests of parties other than us or our unitholders, such as its owners or CVR Energy, in resolving conflicts of interest, which has the effect of limiting its fiduciary duty to our unitholders.

- Our general partner has limited its liability and reduced its fiduciary duties under our partnership agreement and has also restricted the remedies available to our unitholders for actions that, without the limitations, might constitute breaches of fiduciary duty. As a result of purchasing common units, unitholders consent to some actions and conflicts of interest that might otherwise constitute a breach of fiduciary or other duties under applicable state law.
- The board of directors of our general partner will determine the amount and timing of asset purchases and sales, capital expenditures, borrowings, repayment of indebtedness and issuances of additional partnership interests, each of which can affect the amount of cash that is available for distribution to our common unitholders.
- Our partnership agreement does not restrict our general partner from causing us to pay it or its affiliates for any services rendered to us or entering into additional contractual arrangements with any of these entities on our behalf. There is no limitation on the amounts our general partner can cause us to pay it or its affiliates.
- Our general partner may exercise its rights to call and purchase all of our common units if at any time it and its affiliates (including Coffeyville Resources) own more than % of the common units.
- Our general partner will control the enforcement of obligations owed to us by it and its affiliates. In addition, our general partner will decide whether to retain separate counsel or others to perform services for us.
- Our general partner determines which costs incurred by it and its affiliates are reimbursable by us.
- The executive officers of our general partner, and the majority of the directors of our general partner, also serve as directors and/or executive officers of CVR Energy. The executive officers who work for both CVR Energy and our general partner, including our chief executive officer, chief operating officer, chief financial officer and general counsel, divide their time between our business and the business of CVR Energy. These executive officers will face conflicts of interest from time to time in making decisions which may benefit either us or CVR Energy.

See “Conflicts of Interest and Fiduciary Duties.”

Our partnership agreement limits the liability and reduces the fiduciary duties of our general partner and restricts the remedies available to us and our common unitholders for actions taken by our general partner that might otherwise constitute breaches of fiduciary duty.

Our partnership agreement limits the liability and reduces the fiduciary duties of our general partner, while also restricting the remedies available to our common unitholders, for actions that, without these limitations and reductions, might constitute breaches of fiduciary duty. Delaware partnership law permits such contractual reductions of fiduciary duty. By purchasing common units, common unitholders consent to some actions that might otherwise constitute a breach of fiduciary or other duties applicable under state law. Our partnership agreement contains provisions that reduce the standards to which our general partner would otherwise be held by state fiduciary duty law. For example:

- Our partnership agreement permits our general partner to make a number of decisions in its individual capacity, as opposed to its capacity as general partner. This entitles our general partner to consider only the interests and factors that it desires, and it has no duty or obligation to give any consideration to any interest of, or factors affecting, our common unitholders. Decisions made by our general partner in its individual capacity will be made by Coffeyville Resources as the sole member of our general partner, and not by the board of directors of our general partner. Examples include the exercise of the general partner’s call right, its voting rights with respect to any common units it may own, its registration rights and its determination whether or not to consent to any merger or consolidation or amendment to our partnership agreement.
- Our partnership agreement provides that our general partner will not have any liability to us or our unitholders for decisions made in its capacity as general partner so long as it acted in good faith, meaning it believed that the decisions were in our best interests.

- Our partnership agreement provides that our general partner and the officers and directors of our general partner will not be liable for monetary damages to us for any acts or omissions unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that our general partner or those persons acted in bad faith or engaged in fraud or willful misconduct or, in the case of a criminal matter, acted with knowledge that such person's conduct was criminal.
- Our partnership agreement generally provides that affiliate transactions and resolutions of conflicts of interest not approved by the conflicts committee of the board of directors of our general partner and not involving a vote of unitholders must be on terms no less favorable to us than those generally provided to or available from unrelated third parties or be "fair and reasonable." In determining whether a transaction or resolution is "fair and reasonable," our general partner may consider the totality of the relationship between the parties involved, including other transactions that may be particularly advantageous or beneficial to us.

By purchasing a common unit, a unitholder will become bound by the provisions of our partnership agreement, including the provisions described above. See "Description of Our Common Units — Transfer of Common Units."

CVR Energy has the power to appoint and remove our general partner's directors.

Upon the consummation of this offering, CVR Energy, through its ownership of 100% of Coffeyville Resources, will have the power to elect all of the members of the board of directors of our general partner. Our general partner has control over all decisions related to our operations. See "Management — Management of CVR Partners, LP." Our public unitholders do not have an ability to influence any operating decisions and will not be able to prevent us from entering into any transactions. Furthermore, the goals and objectives of CVR Energy, as the indirect owner of our general partner, may not be consistent with those of our public unitholders.

The Goldman Sachs Funds and the Kelso Funds, which own a substantial amount of CVR Energy's common stock, may have conflicts of interest with the interests of our common unitholders.

The Goldman Sachs Funds and the Kelso Funds own approximately 40% of the common stock of CVR Energy, which indirectly owns our general partner and % of our common units. Each has two directors currently serving on CVR Energy's nine-member board of directors. Accordingly, the Goldman Sachs Funds and the Kelso Funds will have influence over the conduct of our business, including the selection of the members of the board of directors of our general partner (through their ownership of CVR Energy common stock) and our senior management team and determination of our business strategies, as well as potential mergers or acquisitions, assets sales and other significant corporate transactions. In addition, two nominees from each of the Goldman Sachs Funds and the Kelso Funds currently serve on the board of directors of our general partner. In general, the Goldman Sachs Funds and the Kelso Funds or their affiliates could pursue business interests, or exercise their rights through their board representation or as stockholders of CVR Energy, in ways that are detrimental to us, but beneficial to themselves or to other companies in which they invest or with whom they have a material relationship.

Common units are subject to our general partner's call right.

If at any time our general partner and its affiliates own more than % of the common units, our general partner will have the right, which it may assign to any of its affiliates or to us, but not the obligation, to acquire all, but not less than all, of the common units held by public unitholders at a price not less than their then-current market price, as calculated pursuant to the terms of our partnership agreement. As a result, you may be required to sell your common units at an undesirable time or price and may not receive any return on your investment. You may also incur a tax liability upon a sale of your common units. Our general partner is not obligated to obtain a fairness opinion regarding the value of the common units to be repurchased by it upon exercise of the call right. There is no restriction in our partnership agreement that prevents our general partner from issuing additional common units and then exercising its call right. Our general partner may use its own discretion, free of fiduciary duty restrictions, in determining whether to exercise this right. As a result, a common unitholder may have his common units purchased from him at an undesirable time or price. See "The Partnership Agreement — Call Right."

Our unitholders have limited voting rights and are not entitled to elect our general partner or our general partner's directors.

Unlike the holders of common stock in a corporation, our unitholders have only limited voting rights on matters affecting our business and, therefore, limited ability to influence management's decisions regarding our business. Unitholders will have no right to elect our general partner or our general partner's board of directors on an annual or other continuing basis. The board of directors of our general partner, including the independent directors, will be chosen entirely by CVR Energy as the indirect owner of the general partner and not by the common unitholders. Unlike publicly traded corporations, we will not hold annual meetings of our unitholders to elect directors or conduct other matters routinely conducted at such annual meetings of stockholders. Furthermore, even if our unitholders are dissatisfied with the performance of our general partner, they will have no practical ability to remove our general partner. As a result of these limitations, the price at which the common units will trade could be diminished.

Our public unitholders will not have sufficient voting power to remove our general partner without CVR Energy's consent.

Following the closing of this offering, CVR Energy will indirectly own approximately % of our common units (approximately % if the underwriters exercise their option to purchase additional common units in full), which means holders of common units purchased in this offering will not be able to remove the general partner, under any circumstances, unless CVR Energy sells some of the common units that it owns or we sell additional units to the public.

Our partnership agreement restricts the voting rights of unitholders owning 20% or more of our common units (other than our general partner and its affiliates and permitted transferees).

Our partnership agreement restricts unitholders' voting rights by providing that any units held by a person that owns 20% or more of any class of units then outstanding, other than our general partner, its affiliates, their transferees and persons who acquired such units with the prior approval of the board of directors of our general partner, may not vote on any matter. Our partnership agreement also contains provisions limiting the ability of common unitholders to call meetings or to acquire information about our operations, as well as other provisions limiting the ability of our common unitholders to influence the manner or direction of management.

Cost reimbursements due to our general partner and its affiliates will reduce cash available for distribution to you.

Prior to making any distribution on our outstanding units, we will reimburse our general partner for all expenses it incurs on our behalf including, without limitation, our pro rata portion of management compensation and overhead charged by CVR Energy in accordance with our services agreement. The services agreement does not contain any cap on the amount we may be required to pay pursuant to this agreement. The payment of these amounts, including allocated overhead, to our general partner and its affiliates could adversely affect our ability to make distributions to you. See "Our Cash Distribution Policy and Restrictions on Distributions," "Certain Relationships and Related Party Transactions" and "Conflicts of Interest and Fiduciary Duties — Conflicts of Interest."

Limited partners may not have limited liability if a court finds that unitholder action constitutes control of our business.

A general partner of a partnership generally has unlimited liability for the obligations of the partnership, except for those contractual obligations of the partnership that are expressly made without recourse to the general partner. Our partnership is organized under Delaware law and we conduct business in a number of other states, including Kansas, Nebraska and Texas. Limited partners could be liable for our obligations as if such limited partners were general partners if a court or government agency determined that:

- we were conducting business in a state but had not complied with that particular state's partnership statute; or

- limited partners' right to act with other unitholders to remove or replace our general partner, to approve some amendments to our partnership agreement or to take other actions under our partnership agreement constituted "control" of our business.

See "The Partnership Agreement — Limited Liability" for a discussion of the implications of the limitations of liability on a limited partner.

Unitholders may have liability to repay distributions.

In the event that: (i) we make distributions to our unitholders when our nonrecourse liabilities exceed the sum of (a) the fair market value of our assets not subject to recourse liability and (b) the excess of the fair market value of our assets subject to recourse liability over such liability, or a distribution causes such a result, and (ii) a unitholder knows at the time of the distribution of such circumstances, such unitholder will be liable for a period of three years from the time of the impermissible distribution to repay the distribution under Section 17-607 of the Delaware Act.

Likewise, upon the winding up of the partnership, in the event that (a) we do not distribute assets in the following order: (i) to creditors in satisfaction of their liabilities; (ii) to partners and former partners in satisfaction of liabilities for distributions owed under our partnership agreement; (iii) to partners for the return of their contribution; and finally (iv) to the partners in the proportions in which the partners share in distributions and (b) such unitholder knows at the time of such circumstances, then such unitholder will be liable for a period of three years from the impermissible distribution to repay the distribution under Section 17-807 of the Delaware Act.

A purchaser of common units who becomes a limited partner is liable for the obligations of the transferring limited partner to make contributions to the partnership that are known by the purchaser at the time it became a limited partner, and for unknown obligations if the liabilities could be determined from our partnership agreement.

Our general partner's interest in us and the control of our general partner may be transferred to a third party without unitholder consent.

Our general partner may transfer its general partner interest in us to a third party in a merger or in a sale of all or substantially all of its assets without the consent of the unitholders. Furthermore, there is no restriction in our partnership agreement on the ability of CVR Energy to transfer its equity interest in our general partner to a third party. The new equity owner of our general partner would then be in a position to replace the board of directors and the officers of our general partner with its own choices and to influence the decisions taken by the board of directors and officers of our general partner.

If control of our general partner were transferred to an unrelated third party, the new owner of the general partner would have no interest in CVR Energy. We rely substantially on the senior management team of CVR Energy and have entered into a number of significant agreements with CVR Energy, including a services agreement pursuant to which CVR Energy provides us with the services of its senior management team and a long-term agreement for the provision of pet coke. If our general partner were no longer controlled by CVR Energy, CVR Energy could be more likely to terminate the services agreement which, following the one-year anniversary of the closing date of this offering, it may do upon 180 days' notice, or elect not to renew the pet coke agreement, which expires in 2027.

Increases in interest rates could adversely impact our unit price and our ability to issue additional equity to make acquisitions, incur debt or for other purposes.

We cannot predict how interest rates will react to changing market conditions. Interest rates on our new credit facility, future credit facilities and debt offerings could be higher than current levels, causing our financing costs to increase accordingly. Additionally, as with other yield-oriented securities, we expect that our unit price will be impacted by the level of our quarterly cash distributions and implied distribution yield. The distribution yield is often used by investors to compare and rank related yield-oriented securities for investment decision-making purposes. Therefore, changes in interest rates may affect the yield requirements of investors who invest in our common units, and a rising interest rate environment could have a material adverse impact on our unit price and our ability to issue additional equity to make acquisitions or to incur debt as well as increasing our interest costs.

There is no existing market for our common units, and we do not know if one will develop to provide you with adequate liquidity. If our unit price fluctuates after this offering, you could lose a significant part of your investment.

Prior to this offering, there has not been a public market for our common units. If an active trading market does not develop, you may have difficulty selling any of our common units that you buy. The initial public offering price for the common units will be determined by negotiations between us and the underwriters and may not be indicative of prices that will prevail in the open market following this offering. Consequently, you may not be able to sell our common units at prices equal to or greater than the price paid by you in this offering. The market price of our common units may be influenced by many factors including:

- the level of our distributions and our earnings or those of other companies in our industry;
- the failure of securities analysts to cover our common units after this offering or changes in financial estimates by analysts;
- announcements by us or our competitors of significant contracts or acquisitions;
- variations in quarterly results of operations;
- loss of a large customer or supplier;
- market price of nitrogen fertilizers;
- general economic conditions;
- terrorist acts;
- changes in the applicable environmental regulations;
- changes in accounting standards, policies, guidance, interpretations or principles;
- future sales of our common units; and
- investor perceptions of us and the industries in which our products are used.

As a result of these factors, investors in our common units may not be able to resell their common units at or above the initial offering price. In addition, the stock market in general has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of companies like us. These broad market and industry factors may materially reduce the market price of our common units, regardless of our operating performance.

You will incur immediate and substantial dilution in net tangible book value per common unit.

The assumed initial public offering price of our common units is substantially higher than the pro forma net tangible book value of our outstanding units. As a result, if you purchase common units in this offering, you will incur immediate and substantial dilution in the amount of $ per common unit. This dilution results primarily because the assets contributed by CVR Energy and its affiliates are recorded at their historical costs, and not their fair value, in accordance with GAAP. See “Dilution.”

We may issue additional common units and other equity interests without your approval, which would dilute your existing ownership interests.

Under our partnership agreement, we are authorized to issue an unlimited number of additional interests without a vote of the unitholders. The issuance by us of additional common units or other equity interests of equal or senior rank will have the following effects:

- the proportionate ownership interest of unitholders immediately prior to the issuance will decrease;
- the amount of cash distributions on each unit will decrease;
- the ratio of our taxable income to distributions may increase;

- the relative voting strength of each previously outstanding unit will be diminished; and
- the market price of the common units may decline.

In addition, our partnership agreement does not prohibit the issuance by our subsidiaries of equity interests, which may effectively rank senior to the common units.

Units eligible for future sale may cause the price of our common units to decline.

Sales of substantial amounts of our common units in the public market, or the perception that these sales may occur, could cause the market price of our common units to decline. This could also impair our ability to raise additional capital through the sale of our equity interests.

There will be common units outstanding following this offering. common units are being sold to the public in this offering (common units if the underwriters exercise their option to purchase additional common units in full) and common units will be owned by Coffeyville Resources following this offering (common units if the underwriters exercise their option to purchase additional common units in full). The common units sold in this offering will be freely transferable without restriction or further registration under the Securities Act of 1933, or the Securities Act, by persons other than "affiliates," as that term is defined in Rule 144 under the Securities Act.

In addition, under our partnership agreement, our general partner and its affiliates have the right to cause us to register their units under the Securities Act and applicable state securities laws. In connection with this offering, we will enter into an amended and restated registration rights agreement with Coffeyville Resources pursuant to which we may be required to register the sale of the common units it holds under the Securities Act and applicable state securities laws.

In connection with this offering, we, Coffeyville Resources, our general partner and our general partner's directors and executive officers will enter into lock-up agreements, pursuant to which they will agree, subject to certain exceptions, not to sell or transfer, directly or indirectly, any of our common units until 180 days from the date of this prospectus, subject to extension in certain circumstances. Following termination of these lockup agreements, all units held by Coffeyville Resources, our general partner and their affiliates will be freely tradable under Rule 144, subject to the volume and other limitations of Rule 144. See "Common Units Eligible for Future Sale."

Tax Risks

In addition to reading the following risk factors, please read "Material U.S. Federal Income Tax Consequences" for a more complete discussion of the expected material U.S. federal income tax consequences of owning and disposing of our common units.

Our tax treatment depends on our status as a partnership for U.S. federal income tax purposes, as well as our not being subject to a material amount of entity-level taxation by individual states. If the IRS were to treat us as a corporation for U.S. federal income tax purposes or if we were to become subject to additional amounts of entity-level taxation for state tax purposes, then our cash available for distribution to our unitholders would be substantially reduced.

The anticipated after-tax economic benefit of an investment in our common units depends largely on our being treated as a partnership for U.S. federal income tax purposes. Despite the fact that we are a limited partnership under Delaware law, it is possible in certain circumstances for a partnership such as ours to be treated as a corporation for U.S. federal income tax purposes. During 2011, and in each taxable year thereafter, current law requires us to derive at least 90% of our annual gross income from specific activities to continue to be treated as a partnership for U.S. federal income tax purposes. We may not find it possible to meet this qualifying income requirement, or may inadvertently fail to meet this qualifying income requirement.

Although we do not believe based upon our current operations that we are treated as a corporation for U.S. federal income tax purposes, a change in our business or a change in current law could cause us to be treated as a corporation for U.S. federal income tax purposes or otherwise subject us to taxation as an entity. We may in the

future enter into new activities or businesses. If our legal counsel were to be unable to opine that gross income from any such activity or business will count toward satisfaction of the 90% gross income, or qualifying income, requirement to be treated as a partnership for U.S. federal income tax purposes, we could seek a ruling from the IRS that gross income we earn from any such activity or business will be qualifying income. There can be no assurance, however, that the IRS would issue a favorable ruling under such circumstances. If we did not receive a favorable ruling, we could choose to engage in the activity or business through a corporate subsidiary, which would subject the income related to such activity or business to entity-level taxation. We have not requested and, except to the extent that we in the future request a ruling regarding the qualifying nature of our income, we do not intend to request a ruling from the IRS with respect to our treatment as a partnership for U.S. federal income tax purposes or any other matter affecting us.

If we were treated as a corporation for U.S. federal income tax purposes, we would pay U.S. federal income tax on all of our taxable income at the corporate tax rate, which is currently a maximum of 35%, and would likely pay additional state and local income tax at varying rates. Distributions to our unitholders would generally be taxed again as corporate distributions, and no income, gains, losses, deductions or credits would flow through to our unitholders. Because a tax would be imposed upon us as a corporation, our cash available for distribution to our unitholders would be substantially reduced. Therefore, treatment of us as a corporation for U.S. federal income tax purposes would result in a material reduction in the anticipated cash flow and after-tax return to our unitholders, likely causing a substantial reduction in the value of our common units.

The tax treatment of publicly traded partnerships or an investment in our common units could be subject to potential legislative, judicial or administrative changes and differing interpretations, possibly on a retroactive basis.

The present U.S. federal income tax treatment of publicly traded partnerships, including us, or an investment in our common units may be modified by administrative, legislative or judicial interpretation at any time. Current law may change to cause us to be treated as a corporation for U.S. federal income tax purposes or otherwise subject us to entity-level taxation. For example, members of Congress have recently considered substantive changes to the existing U.S. federal income tax laws that affect publicly traded partnerships. Any modification to the U.S. federal income tax laws and interpretations thereof may or may not be applied retroactively and could make it more difficult or impossible for certain publicly traded partnerships to be treated as partnerships for U.S. federal income tax purposes. Although the considered legislation would not have appeared to affect our treatment as a partnership for U.S. federal income tax purposes, we are unable to predict whether any of these changes, or other proposals will be reintroduced or will ultimately be enacted. Any such changes could cause a substantial reduction in the value of our common units.

At the state level, several states are evaluating ways to subject partnerships to entity-level taxation through the imposition of state income, franchise or other forms of taxation. Specifically, we are required to pay Texas franchise tax each year at a maximum effective rate of 0.7% of our gross income apportioned to Texas in the prior year. Imposition of this tax by Texas and, if applicable, by any other state in which we do business will reduce our cash available for distribution to our unitholders. We are unable to predict whether any of these changes or other proposals will ultimately be enacted. Any such changes could cause a substantial reduction in the value of our common units.

If the IRS contests the U.S. federal income tax positions we take, the market for our common units may be materially and adversely impacted, and the cost of any IRS contest will reduce our cash available for distribution to our unitholders.

Except to the extent that we, in the future, request a ruling regarding the qualifying nature of our income, we have not and do not intend to request a ruling from the IRS with respect to our treatment as a partnership for U.S. federal income tax purposes or any other matter affecting us. The IRS may adopt positions that differ from the conclusions of our counsel expressed in this prospectus or from the positions we take, and the IRS's positions may ultimately be sustained. It may be necessary to resort to administrative or court proceedings to sustain some or all of our counsel's conclusions or positions we take. A court may not agree with some or all of our counsel's conclusions or positions we take. Any contest with the IRS may materially and adversely impact the market for our common

units and the price at which they trade. In addition, our costs of any contest with the IRS will be borne indirectly by our unitholders because the costs will reduce our cash available for distribution.

Unitholders' share of our income will be taxable for U.S. federal income tax purposes even if they do not receive any cash distributions from us.

Because our unitholders will be treated as partners to whom we will allocate taxable income that could be different in amount than the cash we distribute, a unitholder's allocable share of our taxable income will be taxable to him, which may require the payment of U.S. federal income taxes and, in some cases, state and local income taxes on his share of our taxable income, even if he receives no cash distributions from us. Unitholders may not receive cash distributions from us equal to their share of our taxable income or even equal to the actual tax liability that results from that income.

Tax gain or loss on the disposition of our common units could be more or less than expected.

If our unitholders sell common units, they will recognize a gain or loss for U.S. federal income tax purposes equal to the difference between the amount realized and their tax basis in those common units. Because distributions in excess of their allocable share of our net taxable income decrease their tax basis in their common units, the amount, if any, of such prior excess distributions with respect to the common units our unitholders sell will, in effect, become taxable income to our unitholders if they sell such common units at a price greater than their tax basis in those common units, even if the price they receive is less than their original cost. Furthermore, a substantial portion of the amount realized, whether or not representing gain, may be taxed as ordinary income due to potential recapture items, including depreciation recapture. In addition, because the amount realized includes a unitholder's share of our nonrecourse liabilities, if our unitholders sell common units, they may incur a tax liability in excess of the amount of cash the unitholders receive from the sale. Please read "Material U.S. Federal Income Tax Consequences — Disposition of Common Units — Recognition of Gain or Loss" for a further discussion of the foregoing.

Tax-exempt entities and non-U.S. persons face unique tax issues from owning our common units that may result in adverse tax consequences to them.

Investment in our common units by tax-exempt entities, such as employee benefit plans and individual retirement accounts (known as IRAs), and non-U.S. persons, raises issues unique to them. For example, virtually all of our income allocated to organizations that are exempt from U.S. federal income tax, including IRAs and other retirement plans, will be unrelated business taxable income and will be taxable to them. Distributions to non-U.S. persons will be reduced by withholding taxes at the highest applicable effective tax rate, and non-U.S. persons will be required to file U.S. federal income tax returns and pay tax on their share of our taxable income. Unitholders that are tax-exempt entities or non-U.S. persons should consult their tax advisor before investing in our common units.

We will treat each purchaser of our common units as having the same tax benefits without regard to the actual common units purchased. The IRS may challenge this treatment, which could adversely affect the value of our common units.

Due to our inability to match transferors and transferees of common units, we will adopt depreciation and amortization positions that may not conform to all aspects of existing Treasury Regulations promulgated under the Internal Revenue Code, referred to as "Treasury Regulations." A successful IRS challenge to those positions could adversely affect the amount of tax benefits available to our unitholders. It also could affect the timing of these tax benefits or the amount of gain from the sale of common units and could cause a substantial reduction in the value of our common units or result in audit adjustments to our unitholders' tax returns. Please read "Material U.S. Federal Income Tax Consequences — Tax Consequences of Common Unit Ownership — Section 754 Election" for a further discussion of the effect of the depreciation and amortization positions we will adopt.

We will prorate our items of income, gain, loss and deduction, for U.S. federal income tax purposes, between transferors and transferees of our common units each month based upon the ownership of our common units on the first day of each month, instead of on the basis of the date a particular common unit is transferred. The IRS may challenge this treatment, which could change the allocation of items of income, gain, loss and deduction among our unitholders.

We will prorate our items of income, gain, loss and deduction between transferors and transferees of our common units each month based upon the ownership of our common units on the first day of each month, instead of on the basis of the date a particular common unit is transferred. The use of this proration method may not be permitted under existing Treasury Regulations. Recently, however, the U.S. Treasury Department issued proposed Treasury Regulations that provide a safe harbor pursuant to which publicly traded partnerships may use a similar monthly simplifying convention to allocate tax items among transferor and transferee unitholders. Nonetheless, the proposed regulations do not specifically authorize the use of the proration method we will adopt. If the IRS were to challenge our proration method or new Treasury Regulations were issued requiring a change, we may be required to change the allocation of items of income, gain, loss and deduction among our unitholders. Vinson & Elkins L.L.P. has not rendered an opinion with respect to whether our monthly convention for allocating taxable income and losses is permitted by existing Treasury Regulations. Please read "Material U.S. Federal Income Tax Consequences — Disposition of Common Units — Allocations Between Transferors and Transferees."

A unitholder whose common units are loaned to a "short seller" to cover a short sale of common units may be considered as having disposed of those common units. If so, the unitholder would no longer be treated for U.S. federal income tax purposes as a partner with respect to those common units during the period of the loan and may recognize gain or loss from the disposition.

Because a unitholder whose common units are loaned to a "short seller" to cover a short sale of common units may be considered as having disposed of the loaned common units, he may no longer be treated for U.S. federal income tax purposes as a partner with respect to those common units during the period of the loan to the short seller and the unitholder may recognize gain or loss from such disposition. Moreover, during the period of the loan to the short seller, any of our income, gain, loss or deduction with respect to those common units may not be reportable by the unitholder and any cash distributions received by the common unitholder as to those common units could be fully taxable as ordinary income. Vinson & Elkins L.L.P. has not rendered an opinion regarding the treatment of a unitholder where common units are loaned to a short seller to cover a short sale of common units due to a lack of controlling authority; therefore, unitholders desiring to assure their status as partners for U.S. federal income tax purposes and avoid the risk of gain recognition from a loan to a short seller are urged to consult a tax advisor to discuss whether it is advisable to modify any applicable brokerage account agreements to prohibit their brokers from borrowing their common units.

The sale or exchange of 50% or more of our capital and profits interests during any twelve-month period will result in the termination of our partnership for U.S. federal income tax purposes.

We will be considered to have technically terminated for U.S. federal income tax purposes if there is a sale or exchange of 50% or more of the total interests in our capital and profits within a twelve-month period. For purposes of determining whether the 50% threshold has been met, multiple sales of the same common unit will be counted only once. While we would continue our existence as a Delaware limited partnership, our technical termination would, among other things, result in the closing of our taxable year for all unitholders, which would result in us filing two tax returns (and our unitholders could receive two Schedules K-1) for one fiscal year and could result in a significant deferral of depreciation deductions allowable in computing our taxable income. In the case of a unitholder reporting on a taxable year other than a fiscal year ending December 31, the closing of our taxable year may also result in more than one year of our taxable income or loss being includable in his taxable income for the year of termination. A technical termination currently would not affect our classification as a partnership for U.S. federal income tax purposes, but instead, we would be treated as a new partnership for such tax purposes. If treated as a new partnership, we must make new tax elections and could be subject to penalties if we are unable to determine that a technical termination occurred. The IRS has recently announced a relief procedure whereby a publicly traded partnership that has technically terminated may request special relief that, if granted, would permit

the partnership to provide only a single Schedule K-1 to unitholders for the tax years in which the termination occurs. Please read "Material U.S. Federal Income Tax Consequences — Disposition of Common Units — Constructive Termination" for a discussion of the consequences of a technical termination for U.S. federal income tax purposes.

Unitholders will likely be subject to state and local taxes and return filing requirements in jurisdictions where they do not live as a result of investing in our common units.

In addition to U.S. federal income taxes, unitholders will likely be subject to other taxes, including state and local taxes, unincorporated business taxes and estate, inheritance or intangible taxes that are imposed by the various jurisdictions in which we do business or control property now or in the future, even if they do not live in any of those jurisdictions. Unitholders will likely be required to file state and local income tax returns and pay state and local income taxes in some or all of these various jurisdictions. Further, unitholders may be subject to penalties for failure to comply with those requirements. We will initially own assets and conduct business in Kansas, Nebraska and Texas. Kansas and Nebraska currently impose a personal income tax on individuals. Kansas and Nebraska also impose an income tax on corporations and other entities. Texas currently imposes a franchise tax on corporations and other entities. As we make acquisitions or expand our business, we may own or control assets or conduct business in additional states that impose a personal income tax. It is the responsibility of each unitholder to file all U.S. federal, state, local and non-U.S. tax returns. Our counsel has not rendered an opinion on the state, local or non-U.S. tax consequences of an investment in our common units.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include the words "will," "believe," "expect," "anticipate," "intend," "estimate" and other expressions that are predictions of or indicate future events and trends and that do not relate to historical matters identify forward-looking statements. Our forward-looking statements include statements about our business strategy, our industry, our future profitability, our expected capital expenditures (including environmental expenditures) and the impact of such expenditures on our performance, the costs of operating as a public company and our capital programs. All statements herein about our forecast of available cash and our forecasted results for 2011 constitute forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, including the factors described under "Risk Factors," that may cause our actual results and performance to be materially different from any future results or performance expressed or implied by these forward-looking statements. Such risks and uncertainties include, among other things:

- our ability to make cash distributions on the units;
- the volatile nature of our business and the variable nature of our distributions;
- the ability of our general partner to modify or revoke our distribution policy at any time;
- our ability to forecast our future financial condition or results of operations and our future revenues and expenses;
- the cyclical nature of our business;
- our largely fixed costs and the potential decline in the price of natural gas, which is the main resource used by our competitors and which will lower our competitors' cost to produce nitrogen fertilizer products without lowering ours;
- the potential decline in the price of natural gas;
- a decrease in ethanol production;
- intense competition from other nitrogen fertilizer producers;
- adverse weather conditions, including potential floods;
- the seasonal nature of our business;
- the dependence of our operations on a few third-party suppliers, including providers of transportation services and equipment;
- our reliance on pet coke that we purchase from CVR Energy;
- the supply and price levels of essential raw materials;
- the risk of a material decline in production at our nitrogen fertilizer plant;
- potential operating hazards from accidents, fire, severe weather, floods or other natural disasters;
- the risk associated with governmental policies affecting the agricultural industry;
- the volatile nature of ammonia, potential liability for accidents involving ammonia that cause interruption to our business, severe damage to property or injury to the environment and human health and potential increased costs relating to transport of ammonia;
- capital expenditures and potential liabilities arising from environmental laws and regulations;
- our potential inability to obtain or renew permits;
- existing and proposed environmental laws and regulations, including those relating to climate change, alternative energy or fuel sources, and on the end-use and application of fertilizers;

- new regulations concerning the transportation of hazardous chemicals, risks of terrorism and the security of chemical manufacturing facilities;
- our lack of asset diversification;
- our dependence on significant customers;
- the potential loss of our transportation cost advantage over our competitors;
- our ability to comply with employee safety laws and regulations;
- potential disruptions in the global or U.S. capital and credit markets;
- the success of our acquisition and expansion strategies;
- our potential inability to successfully implement our business strategies, including the completion of significant capital programs;
- additional risks, compliance costs and liabilities from expansions or acquisitions;
- our reliance on CVR Energy's senior management team;
- the potential shortage of skilled labor or loss of key personnel;
- our ability to continue to license the technology used in our operations;
- successfully defending against third-party claims of intellectual property infringement;
- restrictions in our debt agreements;
- the dependence on our subsidiary for cash to meet our debt obligations;
- our limited operating history as a stand-alone company;
- potential increases in costs and distraction of management resulting from the requirements of being a publicly traded partnership;
- exemptions we will rely on in connection with NYSE corporate governance requirements;
- risks relating to evaluations of internal controls required by Section 404 of the Sarbanes-Oxley Act;
- risks relating to our relationships with CVR Energy;
- control of our general partner by CVR Energy;
- the conflicts of interest faced by our senior management team, which operates both us and CVR Energy, and our general partner;
- limitations on the fiduciary duties owed by our general partner which are included in the partnership agreement; and
- changes in our treatment as a partnership for U.S. income or state tax purposes.

You should not place undue reliance on our forward-looking statements. Although forward-looking statements reflect our good faith beliefs, forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, unless required by law.

THE TRANSACTIONS AND OUR STRUCTURE AND ORGANIZATION

The Transactions

The following transactions will take place in connection with this offering. We refer to these transactions collectively as the "Transactions":

- We will distribute the due from affiliate balance of $160.5 million (as of September 30, 2010) owed to us by Coffeyville Resources;
- Our general partner and Coffeyville Resources, a wholly owned subsidiary of CVR Energy, will enter into a second amended and restated agreement of limited partnership, the form of which is attached hereto as Appendix A;
- We will distribute to Coffeyville Resources all cash on our balance sheet before the closing date of the offering (other than cash in respect of prepaid sales);
- CVR Special GP, LLC, or Special GP, a wholly-owned subsidiary of Coffeyville Resources, will be merged with and into Coffeyville Resources, with Coffeyville Resources continuing as the surviving entity;
- Coffeyville Resources' interests in us will be converted into common units;
- We will offer and sell common units in this offering (common units if the underwriters exercise their option in full), pay related commissions and expenses;
- We will distribute $18.4 million of the offering proceeds to Coffeyville Resources in satisfaction of our obligation to reimburse it for certain capital expenditures it made with respect to the nitrogen fertilizer business prior to October 24, 2007;
- We will make a special distribution of $ million of the proceeds of this offering to Coffeyville Resources in order to, among other things, fund the offer to purchase Coffeyville Resources' senior secured notes required upon consummation of this offering;
- Simultaneously with the closing of this offering, we will be released from our obligations as a guarantor under Coffeyville Resources' existing revolving credit facility, its 9.0% First Lien Senior Secured Notes due 2015 and its 10.875% Second Lien Senior Secured Notes due 2017;
- We expect to enter into a new credit facility, which will include a $125.0 million term loan and a $25.0 million revolving credit facility and pay associated financing costs.
- At the closing of this offering, we will draw the $125.0 million term loan in full and use $ million of the proceeds therefrom to fund a special distribution to Coffeyville Resources in order to, among other things, fund the offer to purchase Coffeyville Resources' senior secured notes required upon consummation of this offering.
- To the extent the underwriters do not exercise their option to purchase additional common units, we will issue those common units to Coffeyville Resources;
- Our general partner will sell to us its incentive distribution rights, or IDRs, for $26.0 million in cash (representing fair market value), which will be paid as a distribution to its current owners, which include affiliates of the Goldman Sachs Funds and the Kelso Funds and members of our senior management, and we will extinguish such IDRs; and
- Coffeyville Acquisition III, the current owner of CVR GP, LLC, our general partner, will sell our general partner, which holds a non-economic general partner interest in us, to Coffeyville Resources for nominal consideration.

Management

Our general partner manages our operations and activities. Following the Transactions, our general partner will be indirectly owned by CVR Energy. For information about the executive officers and directors of our general partner, see "Management — Executive Officers and Directors." Our general partner will not receive any management fee or other compensation in connection with the management of our business but will be entitled to be

reimbursed for all direct and indirect expenses incurred on our behalf, including management compensation and overhead allocated to us by CVR Energy in accordance with our services agreement. Upon the closing of this offering, our general partner will own a non-economic general partner interest and therefore will not be entitled to receive cash distributions. However, it may acquire common units in the future and will be entitled to receive pro rata distributions therefrom.

Unlike shareholders in a corporation, our common unitholders are not entitled to elect our general partner or the board of directors of our general partner. See "Management — Management of CVR Partners, LP."

Conflicts of Interest and Fiduciary Duties

CVR GP, LLC, our general partner, has legal duties to manage us in a manner beneficial to our unitholders. These legal duties are commonly referred to as "fiduciary duties." Because our general partner is indirectly owned by CVR Energy, the officers and directors of our general partner and the officers and directors of CVR Energy, which indirectly owns our general partner, also have fiduciary duties to manage the business of our general partner in a manner beneficial to CVR Energy. As a result of these relationships, conflicts of interest may arise in the future between us and our unitholders, on the one hand, and our general partner and its affiliates, on the other hand. For a more detailed description of the conflicts of interest and fiduciary duties of our general partner, see "Risk Factors — Risks Related to an Investment in Us" and "Conflicts of Interest and Fiduciary Duties."

Our partnership agreement limits the liability and reduces the fiduciary duties of our general partner and its directors and officers to our unitholders. Our partnership agreement also restricts the remedies available to unitholders for actions that might otherwise constitute breaches of our general partner's fiduciary duties. By purchasing a common unit, you are consenting to various limitations on fiduciary duties contemplated in our partnership agreement and conflicts of interest that might otherwise be considered a breach of fiduciary or other duties under applicable law. See "Conflicts of Interest and Fiduciary Duties — Fiduciary Duties" for a description of the fiduciary duties imposed on our general partner by Delaware law, the material modifications of these duties contained in our partnership agreement and certain legal rights and remedies available to unitholders. In addition, our general partner will have rights to call for redemption, under specified circumstances, all of the outstanding common units without considering whether this is in the interest of our common unitholders. For a description of such redemption rights, see "The Partnership Agreement — Call Right."

For a description of our other relationships with our affiliates, see "Certain Relationships and Related Party Transactions."

Trademarks, Trade Names and Service Marks

This prospectus includes trademarks belonging to CVR Energy, including CVR Partners, LP®, COFFEYVILLE RESOURCES® and CVR Energy™. This prospectus also contains trademarks, service marks, copyrights and trade names of other companies.

CVR Energy

CVR Energy, which following this offering will indirectly own our general partner and approximately % of our outstanding units (% of our common units if the underwriters exercise their option to purchase additional common units in full), currently operates a 115,000 bpd sour crude oil refinery and ancillary businesses. CVR Energy's common stock is listed for trading on the New York Stock Exchange under the symbol "CVI." At November 30, 2010, approximately 40% of CVR Energy's outstanding shares were beneficially owned by the Kelso Funds (23%) and the Goldman Sachs Funds (17%).

For the nine months ended September 30, 2010, CVR Energy had consolidated net sales of approximately $2,931.6 million, consolidated net income of $12.0 million and consolidated operating income of approximately $58.3 million. For the years ended December 31, 2007, 2008 and 2009 CVR Energy had consolidated net sales of $3.0 billion, $5.0 billion and $3.1 billion, respectively, consolidated net income of ($67.6) million, $163.9 million and $69.4 million, respectively, and consolidated operating income of $186.6 million, $148.7 million and $208.2 million, respectively. These consolidated results include our results of operations as well as the results of operating CVR Energy's refining business, with intercompany transactions eliminated.

USE OF PROCEEDS

We expect to receive approximately $ million of estimated net proceeds from the sale of common units by us in this offering, after deducting underwriting discounts and commissions and the estimated expenses of this offering, based on an assumed initial public offering price of $ per common unit (the mid-point of the price range set forth on the cover page of the prospectus). We intend to use the estimated net proceeds of this offering as follows:

- approximately $ million will be used to make a special distribution to Coffeyville Resources in order to, among other things, fund the offer to purchase Coffeyville Resources' senior secured notes required upon consummation of this offering;
- approximately $26.0 million will be used to purchase (and subsequently extinguish) the incentive distribution rights currently owned by our general partner;
- approximately $ million will be used by us to pay financing fees in connection with entering into our new credit facility; and
- the balance will be used for general partnership purposes, including approximately $ million to fund the intended approximately $135 million UAN expansion, for which approximately $31 million had been spent as of December 31, 2010.

If the underwriters exercise their option to purchase additional common units in full, the additional net proceeds to us would be approximately $ million (and the total net proceeds to us would be approximately $ million), in each case assuming an initial public offering price per common unit of $ (the mid-point of the price range set forth on the cover page of the prospectus). The net proceeds from any exercise of such option will also be paid as a special distribution to Coffeyville Resources.

A $1.00 increase (or decrease) in the assumed initial public offering price of $ per common unit would increase (decrease) the net proceeds to us from the offering by $ million, assuming the number of common units offered by us, as set forth on the cover page of this prospectus, remains the same and assuming the underwriters do not exercise their option to purchase additional common units, and after deducting the underwriting discounts and commissions. The actual initial public offering price is subject to market conditions and negotiations between us and the underwriters.

Depending on market conditions at the time of pricing of this offering and other considerations, we may sell fewer or more common units than the number set forth on the cover page of this prospectus.

CAPITALIZATION

The following table sets forth our consolidated cash and cash equivalents and capitalization as of September 30, 2010 on (a) an actual basis and (b) a pro forma basis to reflect the Transactions. The table assumes (x) an initial public offering price of $ per unit (the mid-point of the price range set forth on the cover page of the prospectus, and (y) no exercise by the underwriters of their option to purchase additional common units.

You should read this table in conjunction with "Use of Proceeds," "Selected Historical Consolidated Financial Information," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Unaudited Pro Forma Condensed Consolidated Financial Statements," and the consolidated financial statements and related notes included elsewhere in this prospectus.

	As of September 30, 2010	
	Actual	Pro Forma
	(unaudited) (in thousands)	
Cash and cash equivalents	$ 28,775	$
New revolving credit facility(1)	—	—
New term loan facility(2)	—	
Partners' capital:		
Equity held by public:		
Common units: none issued and outstanding actual; issued and outstanding pro forma	—	
Equity held by CVR Energy and its affiliates:		
Special general partner's interest: 30,303,000 units issued and outstanding actual; none issued and outstanding pro forma	556,244	—
Special limited partner's interest: 30,333 units issued and outstanding actual; none issued and outstanding pro forma	559	—
Common units: none issued and outstanding actual; issued and outstanding pro forma(2)	—	
General partner's interest	3,854	
Total partners' capital	560,657	
Total capitalization	$ 560,657	$

(1) We expect to have approximately $25.0 million of available capacity under our new revolving credit facility at the closing of this offering.

(2) We expect to draw $125.0 million under a new term loan facility at the closing of this offering. We will use $ million of the proceeds therefrom to pay a special distribution to Coffeyville Resources in order to, among other things, fund the offer to purchase Coffeyville Resources' senior secured notes required upon consummation of this offering. The pro forma capitalization with respect to the common units held by CVR Energy and its affiliates has been adjusted for the term loan facility distribution as well as the other distributions to Coffeyville Resources which are part of the Transactions.

DILUTION

Purchasers of common units offered by this prospectus will suffer immediate and substantial dilution in net tangible book value per unit. Our pro forma net tangible book value as of December 31, 2010, excluding the net proceeds of this offering, was approximately $ million, or approximately $ per unit. Pro forma net tangible book value per unit represents the amount of tangible assets less total liabilities (excluding the net proceeds of this offering), divided by the pro forma number of units outstanding (excluding the units issued in this offering).

Dilution in net tangible book value per unit represents the difference between the amount per unit paid by purchasers of our common units in this offering and the pro forma net tangible book value per unit immediately after this offering. After giving effect to the sale of common units in this offering at an assumed initial public offering price of $ per common unit (the mid-point of the price range set forth on the cover page of the prospectus), and after deduction of the estimated underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma net tangible book value as of December 31, 2010 would have been approximately $ million, or $ per unit. This represents an immediate increase in net tangible book value of $ per unit to our existing unitholders and an immediate pro forma dilution of $ per unit to purchasers of common units in this offering. The following table illustrates this dilution on a per unit basis:

Assumed initial public offering price per common unit	$	$
Pro forma net tangible book value per unit before this offering(1)	$	$
Increase in net tangible book value per unit attributable to purchasers in this offering and use of proceeds	$	$
Less: Pro forma net tangible book value per unit after this offering(2)	$	$
Immediate dilution in net tangible book value per common unit to purchasers in this offering	$	$

(1) Determined by dividing the net tangible book value of our assets less total liabilities by the number of units outstanding prior to this offering.
(2) Determined by dividing our pro forma net tangible book value, after giving effect to the application of the net proceeds of this offering, by the total number of units to be outstanding after this offering.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per common unit (the mid-point of the price range set forth on the cover page of the prospectus) would increase (decrease) our pro forma net tangible book value by $ million, the pro forma net tangible book value per unit by $ and the dilution per common unit to new investors by $, assuming the number of common units offered by us, as set forth on the cover page of this prospectus, remains the same and the underwriters do not exercise their option to purchase additional common units, and after deducting the underwriting discounts and estimated offering expenses payable by us. Depending on market conditions at the time of pricing of this offering and other considerations, we may sell fewer or more common units than the number set forth on the cover page of this prospectus.

The following table sets forth the total value contributed by CVR Energy and its affiliates in respect of the units held by them and the total amount of consideration contributed to us by the purchasers of common units in this offering upon the completion of the Transactions.

	Units Acquired		Total Consideration	
	Number	Percent	Amount	Percent
Coffeyville Resources(1)(2)		%	$	%
New investors		%	$	%
Total		%	$	%

(1) Upon the completion of the Transactions, Coffeyville Resources will own common units.
(2) The assets contributed by affiliates of CVR Energy were recorded at historical cost in accordance with GAAP.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per common unit would increase (decrease) total consideration paid by new investors and total consideration paid by all unitholders by $ million, assuming the number of common units offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the underwriting discounts and estimated offering expenses payable by us.

If the underwriters exercise their option to purchase common units in full, then the pro forma increase per unit attributable to new investors would be $, the net tangible book value per unit after this offering would be $ and the dilution per unit to new investors would be $. In addition, new investors would purchase common units, or approximately % of units outstanding, and the total consideration contributed to us by new investors would increase to $ million, or % of the total consideration contributed (based on an assumed initial public offering price of $ per common unit).

OUR CASH DISTRIBUTION POLICY AND RESTRICTIONS ON DISTRIBUTIONS

You should read the following discussion of our cash distribution policy and restrictions on distributions in conjunction with the specific assumptions upon which our cash distribution policy is based. See "— Assumptions and Considerations" below. For additional information regarding our historical and pro forma operating results, you should refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations," our audited historical consolidated financial statements, our unaudited historical condensed consolidated financial statements and our unaudited pro forma condensed consolidated financial statements included elsewhere in this prospectus. In addition, you should read "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" for information regarding statements that do not relate strictly to historical or current facts and certain risks inherent in our business.

General

Our Cash Distribution Policy

The board of directors of our general partner will adopt a policy pursuant to which we will distribute all of the available cash we generate each quarter. Available cash for each quarter will be determined by the board of directors of our general partner following the end of such quarter. We expect that available cash for each quarter will generally equal our cash flow from operations for the quarter, less cash needed for maintenance capital expenditures, debt service and other contractual obligations, and reserves for future operating or capital needs that the board of directors of our general partner deems necessary or appropriate. We do not intend to maintain excess distribution coverage for the purpose of maintaining stability or growth in our quarterly distribution or otherwise to reserve cash for distributions, nor do we intend to incur debt to pay quarterly distributions. We expect to finance substantially all of our growth externally, either by debt issuances or additional issuances of equity.

Because our policy is to distribute all available cash we generate each quarter, without reserving cash for future distributions or borrowing to pay distributions during periods of low cash flow from operations, our unitholders will have direct exposure to fluctuations in the amount of cash generated by our business. We expect that the amount of our quarterly distributions, if any, will vary based on our operating cash flow during such quarter. Our quarterly cash distributions, if any, will not be stable and will vary from quarter to quarter as a direct result of variations in our operating performance and cash flow caused by fluctuations in the price of nitrogen fertilizers as well as forward and prepaid sales; see "Business — Distribution, Sales and Marketing." Such variations may be significant. The board of directors of our general partner may change the foregoing distribution policy at any time and from time to time. Our partnership agreement does not require us to pay cash distributions on a quarterly or other basis.

From time to time we make prepaid sales, whereby we receive cash during one quarter in respect of product to be produced and sold in a future quarter, but we do not record revenue in respect of the cash received until the quarter when product is delivered. All cash on our balance sheet in respect of prepaid sales on the date of the closing of this offering will not be distributed to Coffeyville Resources at the closing of this offering but will be reserved for distribution to holders of common units.

Limitations on Cash Distributions and Our Ability to Change Our Cash Distribution Policy

There is no guarantee that unitholders will receive quarterly cash distributions from us. Our distribution policy may be changed at any time and is subject to certain restrictions, including:

- Our unitholders have no contractual or other legal right to receive cash distributions from us on a quarterly or other basis. The board of directors of our general partner will adopt a policy pursuant to which we will distribute to our unitholders each quarter all of the available cash we generate each quarter, as determined quarterly by the board of directors, but it may change this policy at any time.
- Our business performance is expected to be more seasonal and volatile, and our cash flows are expected to be less stable, than the business performance and cash flows of most publicly traded partnerships. As a result, our quarterly cash distributions will be volatile and is expected to vary quarterly and annually. Unlike most publicly traded partnerships, we will not have a minimum quarterly distribution or employ structures intended to consistently maintain or increase quarterly distributions over time. Furthermore, none of our

limited partnership interests, including those held by Coffeyville Resources, will be subordinate in right of distribution payment to the common units sold in this offering.

- The amount of distributions we pay under our cash distribution policy and the decision to make any distribution is determined by the board of directors of our general partner. Our partnership agreement will not provide for any minimum quarterly distributions.
- Under Section 17-607 of the Delaware Act, we may not make a distribution to our limited partners if the distribution would cause our liabilities to exceed the fair value of our assets.
- We expect that our distribution policy will be subject to restrictions on distributions under our new credit facility. We anticipate that our new credit facility will contain customary tests that we must satisfy in order to make distributions to unitholders. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — New Credit Facility." Should we be unable to satisfy these restrictions under our new credit facility, we would be prohibited from making cash distributions to you.
- We may lack sufficient cash to make distributions to our unitholders due to a number of factors that would adversely affect us, including but not limited to decreases in net sales or increases in operating expenses, principal and interest payments on debt, working capital requirements, capital expenditures or anticipated cash needs. See "Risk Factors" for information regarding these factors.

We do not have any operating history as an independent company upon which to rely in evaluating whether we will have sufficient cash to allow us to pay distributions on our common units. While we believe, based on our financial forecast and related assumptions, that we should have sufficient cash to enable us to pay the forecasted aggregate distribution on all of our common units for the year ending December 31, 2011, we may be unable to pay the forecasted distribution or any amount on our common units.

We intend to pay our distributions on or about the 15th day of each February, May, August and November to holders of record on or about the 1st day of each such month. Our first distribution will include available cash for the first full quarter ending after the consummation of this offering.

In the sections that follow, we present the following two tables:

- "CVR Partners, LP Unaudited Pro Forma Available Cash for the Year Ending December 31, 2011," in which we present our estimate of the amount of pro forma available cash we would have had for the twelve months ended September 30, 2010, based on our unaudited pro forma condensed consolidated financial statements included elsewhere in this prospectus. See "Unaudited Pro Forma Condensed Consolidated Financial Statements" on page P-1; and
- "CVR Partners, LP Estimated Available Cash for the Year Ending December 31, 2011," in which we present our unaudited forecast of available cash for the year ending December 31, 2011.

We do not as a matter of course make or intend to make projections as to future sales, earnings, or other results. However, our management has prepared the prospective financial information set forth under "— Forecasted Available Cash" below to supplement the historical and pro forma financials included elsewhere in this prospectus. To management's knowledge and belief, the accompanying prospective financial information was prepared on a reasonable basis, reflects currently available estimates and judgments, and presents our expected course of action and our expected future financial performance. However, this information is not fact and should not be relied upon as being indicative of future results, and readers of this prospectus are cautioned not to place undue reliance on the prospective financial information. Neither our independent registered public accounting firm, nor any other registered public accounting firm, has compiled, examined, or performed any procedures with respect to the prospective financial information contained in this section, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information. See "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors."

Pro Forma Available Cash

We believe that our pro forma available cash generated during the twelve months ended September 30, 2010 would have been approximately $39.3 million. Based on the cash distribution policy we expect our board of directors to adopt, this amount would have resulted in an aggregate annual distribution equal to $ per common unit for the twelve months ended September 30, 2010.

Pro forma available cash reflects the payment of incremental general and administrative expenses we expect that we will incur as a publicly traded limited partnership, such as costs associated with SEC reporting requirements, including annual and quarterly reports to unitholders, tax return and Schedule K-1 preparation and distribution, independent auditor fees, investor relations activities and registrar and transfer agent fees. We estimate that these incremental general and administrative expenses will approximate $3.5 million per year. The estimated incremental general and administrative expenses are reflected in our pro forma available cash but are not reflected in our unaudited pro forma condensed consolidated financial statements.

The pro forma financial statements, from which pro forma available cash is derived, do not purport to present our results of operations had the transactions contemplated below actually been completed as of the date indicated. Furthermore, available cash is a cash accounting concept, while our unaudited pro forma condensed consolidated financial statements have been prepared on an accrual basis. We derived the amounts of pro forma available cash stated above in the manner described in the table below. As a result, the amount of pro forma available cash should only be viewed as a general indication of the amount of available cash that we might have generated had we been formed and completed the transactions contemplated below in earlier periods.

The following table illustrates, on a pro forma basis for the twelve months ended September 30, 2010, the amount of cash that would have been available for distributions to our unitholders, assuming that the Transactions (as defined on page 50 of this prospectus) had occurred at the beginning of such period:

CVR Partners, LP
Unaudited Pro Forma Available Cash for the
Twelve Months Ended September 30, 2010

	Pro Forma Twelve Months Ended September 30, 2010 (unaudited) (in millions, except per unit data)
Net income[a][b]	$ 29.9
Add:	
Interest expense and other financing costs	7.0
Income tax expense	—
Depreciation and amortization	18.5
EBITDA[c]	55.4
Subtract:	
Debt service costs[d]	7.7
Estimated incremental general and administrative expenses[e]	3.5
Maintenance capital expenditures[f]	3.6
Add:	
Share-based compensation expense reversal[g]	(1.3)
Available Cash	$ 39.3
Distribution on a per unit basis	$

(a) Interest expense and other financing costs represents the interest expense and fees, net of interest income, related to our borrowings, assuming that our new credit facility had been put in place on October 1, 2009, and also reflects the amortization of deferred financing fees related to our new credit facility. We assume that we will make term loan borrowings of $125.0 million under our new credit facility at the closing of this offering at an assumed interest rate of 5.0%.

(b) Pro forma net income assumes that the due from affiliate balance was distributed to Coffeyville Resources as of October 1, 2009 and the interest income associated with that balance was eliminated.

(c) EBITDA is defined as net income plus interest expense and other financing costs, income tax expense and depreciation and amortization, net of interest income. We calculate available cash as used in this table as EBITDA less interest expense and other financing costs paid, debt amortization payments, estimated incremental general and administrative expenses associated with being a public company and maintenance capital expenditures, plus non-cash share-based compensation expense.

We present EBITDA because it is a material component in our calculation of available cash. In addition, EBITDA and available cash are used as supplemental financial measures by management and by external users of our financial statements, such as investors and commercial banks, to assess:

- the financial performance of our assets without regard to financing methods, capital structure or historical cost basis; and
- our operating performance and return on invested capital compared to those of other publicly traded limited partnerships, without regard to financing methods and capital structure.

EBITDA and available cash should not be considered alternatives to net income, operating income, net cash provided by operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP. EBITDA and available cash may have material limitations as performance measures

because they exclude items that are necessary elements of our costs and operations. In addition, EBITDA and available cash presented by other companies may not be comparable to our presentation, since each company may define these terms differently.

(d) Debt service is defined as interest expense and other financing costs paid and debt amortization payments.

(e) Reflects an adjustment for estimated incremental general and administrative expenses we expect that we will incur as a publicly traded limited partnership, such as costs associated with SEC reporting requirements, including annual and quarterly reports to unitholders, tax return and Schedule K-1 preparation and distribution, independent auditor fees, investor relations activities, and registrar and transfer agent fees.

(f) Reflects actual maintenance capital expenditures during the period.

(g) Reflects an adjustment for share-based expense which is not subject to reimbursement by us. We are allocated non-cash share-based compensation expense from CVR Energy for purposes of financial statement reporting. CVR Energy accounts for share-based compensation in accordance with ASC 718, Compensation — Stock Compensation as well as guidance regarding the accounting for share-based compensation granted to employees of an equity-method investee. In accordance with SAB Topic 1-B, CVR Energy allocates costs between itself and us based upon the percentage of time a CVR Energy employee provides services to us. In accordance with the services agreement, we will not be responsible for the payment of cash related to any share-based compensation which CVR Energy allocates to us.

Forecasted Available Cash

During the year ending December 31, 2011, we estimate that we will generate $115.5 million of available cash. In "— Assumptions and Considerations" below, we discuss the major assumptions underlying this estimate. The available cash discussed in the forecast should not be viewed as management's projection of the actual available cash that we will generate during the year ending December 31, 2011. We can give you no assurance that our assumptions will be realized or that we will generate any available cash, in which event we will not be able to pay quarterly cash distributions on our common units.

When considering our ability to generate available cash and how we calculate forecasted available cash, please keep in mind all the risk factors and other cautionary statements under the headings "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements," which discuss factors that could cause our results of operations and available cash to vary significantly from our estimates.

We do not, as a matter of course, make public projections as to future sales, earnings or other results. However, our management has prepared the prospective financial information set forth below in the table entitled "CVR Partners, LP Estimated Available Cash for the Year Ending December 31, 2011" to present our expectations regarding our ability to generate $115.5 million of available cash for the year ending December 31, 2011. The accompanying prospective financial information was not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of our management, was prepared on a reasonable basis, reflects the best currently available estimates and judgments, and presents, to the best of management's knowledge and belief, the expected course of action and our expected future financial performance. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this prospectus are cautioned not to place undue reliance on this prospective financial information.

The assumptions and estimates underlying the prospective financial information are inherently uncertain and, though considered reasonable by the management team of our general partner, all of whom are employed by CVR Energy, as of the date of its preparation, are subject to a wide variety of significant business, economic, and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information, including, among others, risks and uncertainties. Accordingly, there can be no assurance that the prospective results are indicative of our future performance or that actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this prospectus should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

We do not undertake any obligation to release publicly the results of any future revisions we may make to the financial forecast or to update this financial forecast to reflect events or circumstances after the date of this prospectus. In light of the above, the statement that we believe that we will have sufficient available cash to allow us to pay the forecasted quarterly distributions on all of our outstanding common units for the year ending

December 31, 2011, should not be regarded as a representation by us or the underwriters or any other person that we will make such distributions. Therefore, you are cautioned not to place undue reliance on this information.

The following table shows how we calculate estimated available cash for the year ending December 31, 2011. The assumptions that we believe are relevant to particular line items in the table below are explained in the corresponding footnotes and in "— Assumptions and Considerations."

Neither our independent registered public accounting firm, nor any other independent registered public accounting firm, has compiled, examined or performed any procedures with respect to the forecasted financial information contained herein, nor has it expressed any opinion or given any other form of assurance on such information or its achievability, and it assumes no responsibility for such forecasted financial information. Our independent registered public accounting firm's reports included elsewhere in this prospectus relate to our audited historical consolidated financial information. These reports do not extend to the tables and the related forecasted information contained in this section and should not be read to do so.

CVR Partners, LP
Estimated Available Cash for the
Year Ending December 31, 2011

The following table illustrates how we estimate our business will be able to generate the amount of cash that would be required to pay an aggregate of $ per common unit on all of our outstanding units for the year ending December 31, 2011 (assuming that the board of our general partner acts in accordance with the cash distribution policy it will adopt. See "— General"). All of the amounts for the year ending December 31, 2011 in the table below are estimates.

	Year Ending December 31, 2011 (in millions, except per unit data) (unaudited)
Net sales	$ **272.0**
Cost of product sold (exclusive of depreciation and amortization)	45.5
Direct operating expenses (exclusive of depreciation and amortization)	84.0
Selling, general and administrative expenses (exclusive of depreciation and amortization)	12.8
Interest expense and other financing costs	7.1
Interest income	—
Income tax expense	—
Depreciation and amortization	19.2
Net income	$ **103.4**
Adjustments to reconcile net income to EBITDA:	
Add:	
Interest expense and other financing costs	$ 7.1
Interest income	—
Income tax expense	—
Depreciation and amortization	19.2

	Year Ending December 31, 2011 (in millions, except per unit data) (unaudited)
EBITDA	**$ 129.7**
Adjustments to reconcile EBITDA to available cash	
Subtract:	
Debt service costs	7.7
Maintenance capital expenditures (includes environmental, health and safety expenditures)	6.5
Available cash	**$ 115.5**
Distribution on a per unit basis	$

Assumptions and Considerations

Based upon the specific assumptions outlined below with respect to the year ending December 31, 2011, we expect to generate EBITDA and available cash in an amount sufficient to allow us to pay $ per common unit on all of our outstanding units for the year ending December 31, 2011.

While we believe that these assumptions are reasonable in light of our management's current expectations concerning future events, the estimates underlying these assumptions are inherently uncertain and are subject to significant business, economic, regulatory, environmental and competitive risks and uncertainties that could cause actual results to differ materially from those we anticipate. If our assumptions are not correct, the amount of actual cash available to pay distributions could be substantially less than the amount we currently estimate and could, therefore, be insufficient to allow us to pay the forecasted yearly cash distribution, or any amount, on all of our outstanding common units, in which event the market price of our common units may decline substantially. When reading this section, you should keep in mind the risk factors and other cautionary statements under the headings "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements." Any of the risks discussed in this prospectus could cause our actual results to vary significantly from our estimates.

Basis of Presentation

The accompanying financial forecast and summary of significant forecast assumptions of CVR Partners, LP present the forecasted results of operations of CVR Partners, LP for the year ending December 31, 2011, assuming that the Transactions (as defined on page 50 of this prospectus) had occurred at the beginning of such period.

Summary of Significant Forecast Assumptions

Our nitrogen fertilizer facility is comprised of three major units: a gasifier complex, an ammonia unit and a dual-train UAN unit (together, our operating units). The manufacturing process begins with the production of hydrogen by gasifying the pet coke we purchase from CVR Energy's refinery and on the open market. In a second step, the hydrogen is converted into ammonia with approximately 67,000 standard cubic feet of hydrogen consumed in producing one ton of ammonia. CVR Energy also has rights to purchase hydrogen from us at predetermined prices to the extent it needs hydrogen in connection with the operation of its refinery. We then produce approximately 2.44 tons of UAN from each ton of ammonia we choose to convert. Due to the value added sales price of UAN on a per pound of nitrogen basis, we strive to maximize UAN production. At the present time, we are not able to convert all of the ammonia we produce into UAN, and excess ammonia is sold to third-party purchasers.

Because hydrogen cannot be stored or purchased economically in the volumes we require, if our gasifier complex is not running, we cannot operate our ammonia unit. Therefore, the on-stream factor (total hours operated in a given period divided by total number of hours in the period) for the ammonia unit will necessarily be equal to or lower than that of the gasifier complex. We have the capability to store ammonia and can purchase ammonia from third parties to operate the UAN unit if necessary. As a result, it is possible for the actual on-stream factor of the

UAN unit to exceed the on-stream factor of the ammonia unit. For the purpose of forecasting, however, we assume the UAN unit is idle when the ammonia unit is idle and that the UAN unit may experience incremental downtime. As a result, the projected on-stream factor for the UAN unit is less than the projected on-stream factor for the ammonia unit.

Given the fixed cost nature of our fertilizer operation, we operate our facility at maximum daily rates whenever possible. The on-stream factors for the forecast period provided below are calculated based on historical operating performance and in all cases include allowances for unscheduled downtime.

On-Stream Factors. For the year ending December 31, 2011, we estimate on-stream factors of 96.1%, 95.1% and 92.0% for our gasifier, ammonia and UAN units, respectively, which would result in our gasifier, ammonia and UAN units being in operation for 351 days, 347 days and 336 days, respectively, during the forecast period. These periods assume that our operating units are not offstream during 2011 for any turnaround.

During the twelve months ended September 30, 2010, our gasifier, ammonia and UAN units were in operation for 352.5 days, 348.4 days and 340.7 days, respectively, with on-stream factors of 96.6%, 95.4% and 93.3%, respectively. Our operating units' on-stream factors in 2010 were adversely affected by downtime associated with repairs and maintenance and a Linde air separating unit outage, which resulted in 12.5 down days for our gasifier unit, 16.6 down days for our ammonia units and 24.3 down days for our UAN unit. Excluding the impact of the Linde air separation unit outage in 2010, the on-stream factors for the twelve months ended September 30, 2010 would have been 98.0% for gasifier, 97.0% for ammonia and 94.9% for UAN.

Net Sales. We estimate net sales based on a forecast of future ammonia and UAN prices (assuming that the purchaser will pay shipping costs) multiplied by the number of fertilizer tons we estimate we will produce and sell during the forecast period, assuming no change in finished goods inventory between the beginning and end of the period. In addition, our net sales estimate includes the delivery cost for ammonia and UAN sold on a freight on board, or FOB, delivered basis, with an amount equal to the delivery cost included in cost of product sold (exclusive of depreciation and amortization) assuming that all delivery costs are paid by the customer. Historically, net sales has also included our hydrogen sales to CVR Energy's refinery. Based on these assumptions, we estimate our net sales for the year ending December 31, 2011 will be approximately $272.0 million. Our net sales in the twelve months ended September 30, 2010 were $180.4 million.

We estimate that we will sell 671,400 tons of UAN at an average plant gate price (which excludes delivery charges that are included in net sales) of $252.09 per ton, for total sales of $169.3 million, for the year ending December 31, 2011. We sold 684,000 tons of UAN at an average plant gate price of $167.71 per ton, for total sales of $114.7 million, for the twelve months ended September 30, 2010. The average plant gate price estimate for UAN was determined by management based on our current committed orders, price discovery generated through the selling efforts of our fertilizer marketing group and price projections data received from leading consultants in the fertilizer industry such as Blue Johnson.

We estimate that we will sell 158,024 tons of ammonia at an average plant gate price of $523.13 per ton, for total sales of $82.7 million, for the year ending December 31, 2011. We sold 149,600 tons of ammonia at an average plant gate price of $304.69 per ton, for total sales of $45.6 million, for the twelve months ended September 30, 2010. As in the case of UAN described above, the average plant gate price estimate for ammonia was determined by management based on our current committed orders, price discovery generated through the selling efforts of our fertilizer marketing group and price projections data received from leading consultants in the fertilizer industry such as Blue Johnson.

We estimate that we will sell approximately 52,500 MSCF of hydrogen to CVR Energy at an average price of $3.30 per thousand standard cubic feet, or MSCF, for total sales of $0.2 million, for the year ending December 31, 2011. We sold 46,213 MSCF of hydrogen at an average plant gate price of $3.30 per MSCF, for total sales of approximately $0.2 million for the twelve months ended September 30, 2010.

Holding all other variables constant, we expect that a 10% change in the price per ton of ammonia would change our forecasted available cash by approximately $8.3 million for the year ending December 31, 2011. For the month of September 2010, the average plant gate price of ammonia was $350.13 per ton. In addition, holding all other variables constant, we estimate that a 10% change in the price per ton of UAN would change our forecasted

available cash by approximately $16.9 million for the year ending December 31, 2011. The average plant gate price of UAN for the month of September 2010 was $165.59 per ton.

Cost of Product Sold (Exclusive of Depreciation and Amortization). Cost of product sold includes pet coke expense, freight and distribution expenses and railcar expense. Freight and distribution expenses consist of our outbound freight costs which we pass through to our customers. Railcar expense is our actual expense to acquire, maintain and lease railcars. We estimate that our cost of product sold for the year ending December 31, 2011 will be approximately $45.5 million. Our cost of product sold for the twelve months ended September 30, 2010 was $35.2 million.

Cost of Product Sold (Exclusive of Depreciation and Amortization) — Pet Coke Expense. We estimate that our total pet coke expense for the year ending December 31, 2011 will be approximately $17.7 million and that our average pet coke cost for the year ending December 31, 2011 will be $34.76 per ton. Our total pet coke expense for the twelve months ended September 30, 2010 was $8.5 million and our average pet coke cost for the twelve months ended September 30, 2010 was $17.97 per ton. We estimate that we will purchase approximately 388,000 tons, or 76% of our pet coke needs, from CVR Energy in accordance with the coke supply agreement that we entered into with CVR Energy in October 2007. For the nine months ended September 30, 2010, we purchased approximately 76% of our pet coke from CVR Energy. We use 1.1 tons of pet coke to produce 1.0 ton of ammonia. The coke supply agreement with CVR Energy provides for a price based on the lesser of a pet coke price derived from the price received by us for UAN (subject to a UAN based price ceiling and floor) and a pet coke price index for pet coke. We estimate that we will pay an average of $33.71 per ton for pet coke purchased under the coke supply agreement, and our forecast assumes that we will fulfill our remaining pet coke needs through purchases from third parties at an average price of $40.95 per ton. If we were forced to obtain 100% of our pet coke needs from third parties, this would increase our pet coke expense (and reduce our forecasted net income and available cash) by approximately $2.8 million.

Holding all other variables constant, we estimate that a 10% change per ton in the price of pet coke would change our forecasted available cash by $1.8 million for the year ending December 31, 2011. For the month of September 2010, the average pet coke cost was $28.34 per ton.

Cost of Product Sold (Exclusive of Depreciation and Amortization) — Railcar Expense. We estimate that our railcar expense for the year ending December 31, 2011 will be approximately $5.4 million. Our railcar expense during the twelve months ended September 30, 2010 was $5.2 million.

Direct Operating Expenses (Exclusive of Depreciation and Amortization). Direct operating expenses include direct costs of labor, maintenance and services, energy and utility costs, and other direct operating expenses. We estimate that our direct operating expenses (exclusive of depreciation and amortization), excluding share-based compensation expense for the year ending December 31, 2011 will be approximately $84.0 million. Our direct operating expenses for the twelve months ended September 30, 2010 were $80.8 million.

The largest direct operating expense item is the cost of electricity, which we expect to be $24.8 million for the year ending December 31, 2011, compared to $20.2 million for the twelve months ended September 30, 2010.

Selling, General and Administrative Expenses (Exclusive of Depreciation and Amortization). Selling, general and administrative expenses consist primarily of direct and allocated legal expenses, treasury, accounting, marketing, human resources and maintaining our corporate offices in Texas and Kansas. We estimate that our selling, general and administrative expenses, excluding non-cash share-based compensation expense, will be approximately $12.8 million for the year ending December 31, 2011. Selling, general and administrative expenses for the twelve months ended September 30, 2010 were $8.9 million including the reversal of $1.1 million of non-cash share-based compensation expense. Excluding share-based compensation expense, selling, general and administrative expenses for the twelve months ended September 30, 2010 were $10.0 million. The largest contributor to the forecasted increase of $2.8 million is the additional expense to be incurred as a result of becoming a publicly traded partnership, including costs associated with SEC reporting requirements, including annual and quarterly reports to unitholders, tax return and Schedule K-1 preparation and distribution, independent auditor fees, investor relations activities and registrar and transfer agent fees. We estimate that these incremental general and administrative expenses will approximate $3.5 million per year.

Depreciation and Amortization. We estimate that depreciation and amortization for the year ending December 31, 2011 will be approximately $19.2 million, as compared to $18.5 million during the twelve months ended September 30, 2010.

Debt Service. Debt service is defined as interest expense and other financing costs paid and debt amortization payments. As part of the Transactions, we will incur $125.0 million of term debt at an assumed interest rate of 5.0% and will pay associated interest expense for the year ending December 31, 2011. The estimate does not include the amortization of deferred financing costs related to our new credit facility, which would have no impact on EBITDA. Similarly, our earnings for the twelve months ended September 30, 2010 do not include interest expense or other financing costs.

Interest Income. Although we anticipate that the net proceeds of this offering and our projected cash flows will result in our having cash balances during the forecast period, we have not included an estimate of interest income for the year ending December 31, 2011. Our earnings for the twelve months ended September 30, 2010 include interest income associated with amounts in our bank account.

Income Taxes. We estimate that we will pay no income tax during the forecast period. We believe the only income tax to which our operations will be subject is the State of Texas franchise tax, and the total amount of such tax is immaterial for purposes of this forecast.

Net income. Our net income for 2011 includes income that will be recorded during 2011 in connection with the delivery of prepaid sales made in prior periods, as we receive cash for prepaid sales when the sales are made but do not record revenue in respect of such sales until product is delivered. All cash on our balance sheet in respect of prepaid sales on the date of the closing of this offering will not be distributed to Coffeyville Resources at the closing of this offering but will be reserved for distribution to holders of common units.

Regulatory, Industry and Economic Factors. Our forecast for the year ending December 31, 2011 is based on the following assumptions related to regulatory, industry and economic factors:

- no material nonperformance or credit-related defaults by suppliers, customers or vendors;
- no new regulation or interpretation of existing regulations that, in either case, would be materially adverse to our business;
- no material accidents, weather-related incidents, floods, unscheduled turnarounds or other downtime or similar unanticipated events;
- no material adverse change in the markets in which we operate resulting from substantially lower natural gas prices, reduced demand for nitrogen fertilizer products or significant changes in the market prices and supply levels of pet coke;
- no material decreases in the prices we receive for our nitrogen fertilizer products;
- no material changes to market or overall economic conditions; and
- an annual inflation rate of 2.0% to 3.0%.

Actual conditions may differ materially from those anticipated in this section as a result of a number of factors, including, but not limited to, those set forth under “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements.”

Compliance with Debt Covenants. Our ability to make distributions could be affected if we do not remain in compliance with the financial and other covenants that we expect to be included in our new credit facility. We have assumed we will be in compliance with such covenants.

HOW WE MAKE CASH DISTRIBUTIONS

General

Within 45 days after the end of each quarter, beginning with the first full quarter following the closing date of this offering, we expect to make distributions, as determined by the board of directors of our general partner, to unitholders of record on the applicable record date.

Common Units Eligible for Distribution

Upon the closing of this offering, we will have common units outstanding. Each common unit will be allocated a portion of our income, gain, loss, deduction and credit on a pro-rata basis, and each common unit will be entitled to receive distributions (including upon liquidation) in the same manner as each other unit.

Method of Distributions

We will make distributions pursuant to our general partner's determination of the amount of available cash for the applicable quarter, which we will then distribute to our unitholders, pro rata; provided, however, that our partnership agreement allows us to issue an unlimited number of additional equity interests of equal or senior rank. Our partnership agreement permits us to borrow to make distributions, but we are not required and do not intend to borrow to pay quarterly distributions. Accordingly, there is no guarantee that we will pay any distribution on the units in any quarter. We do not have a legal obligation to pay distributions, and the amount of distributions paid under our policy and the decision to make any distribution is determined by the board of directors of our general partner. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — New Credit Facility" for a discussion of provisions expected to be included in our new credit facility that may restrict our ability to make distributions.

General Partner Interest

Upon the closing of this offering, our general partner will own a non-economic general partner interest and therefore will not be entitled to receive cash distributions. However, it may acquire common units in the future and will be entitled to receive pro rata distributions therefrom.

Adjustments to Capital Accounts Upon Issuance of Additional Common Units

We will make adjustments to capital accounts upon the issuance of additional common units. In doing so, we will generally allocate any unrealized and, for tax purposes, unrecognized gain or loss resulting from the adjustments to our unitholders prior to such issuance on a pro rata basis, so that after such issuance, the capital account balances attributable to all common units are equal.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

The selected consolidated financial information presented below under the caption Statement of Operations Data for the years ended December 31, 2007, 2008 and 2009 and the selected consolidated financial information presented below under the caption Balance Sheet Data as of December 31, 2008 and 2009, have been derived from our audited consolidated financial statements included elsewhere in this prospectus, which consolidated financial statements have been audited by KPMG LLP, independent registered public accounting firm. The selected consolidated financial information presented below under the caption Statement of Operations Data for the 174-day period ended June 23, 2005, for the 191-day period ended December 31, 2005 and the year ended December 31, 2006 and the selected consolidated financial information presented below under the caption Balance Sheet Data as of December 31, 2005, 2006 and 2007 have been derived from our audited consolidated financial statements that are not included in this prospectus. The selected consolidated financial information presented below under the caption Statement of Operations Data for the nine months ended September 30, 2009 and 2010 and the selected consolidated financial information presented below under the caption Balance Sheet Data as of September 30, 2010 are derived from our unaudited consolidated financial statements included elsewhere in this prospectus which, in the opinion of management, include all adjustments consisting only of normal, recurring adjustments necessary for a fair presentation of the results for the unaudited interim period.

Our consolidated financial statements included elsewhere in this prospectus include certain costs of CVR Energy that were incurred on our behalf. These costs, which are reflected in selling, general and administrative expenses (exclusive of depreciation and amortization) and direct operating expenses (exclusive of depreciation and amortization), are billed to us pursuant to a services agreement entered into in October 2007 that is a related party transaction. For the period of time prior to the services agreement, the consolidated financial statements include an allocation of costs and certain other amounts in order to account for a reasonable share of expenses, so that the accompanying consolidated financial statements reflect substantially all of our costs of doing business. The amounts charged or allocated to us are not necessarily indicative of the costs that we would have incurred had we operated as a stand-alone company for all periods presented.

On June 24, 2005, Coffeyville Acquisition LLC, or Coffeyville Acquisition, acquired all of the subsidiaries of Coffeyville Group Holdings, LLC, or Predecessor. See note 1 to our audited consolidated financial statements included elsewhere in this prospectus. We refer to this acquisition as the Acquisition, and we refer to our post-June 24, 2005 operations as Successor. As a result of certain adjustments made in connection with this Acquisition, a new basis of accounting was established on the date of the Acquisition. Included in the selected financial data below is a period of time when our business was operated by the Predecessor for the 174-days ended June 23, 2005. Since the assets and liabilities of Successor were presented on a new basis of accounting, the financial information for Successor is not comparable to the financial information of Predecessor.

Pro forma net income per unit is determined by dividing the pro forma net income that would have been allocated, in accordance with the provisions of our partnership agreement, to the common unitholders, by the number of common units expected to be outstanding at the closing of this offering. For purposes of this calculation, we assumed that pro forma distributions were equal to pro forma net earnings and that the number of units outstanding was common units. All units were assumed to have been outstanding since January 1, 2009. No effect has been given to common units that might be issued in this offering by us pursuant to the exercise by the underwriters of their option to purchase additional common units. Basic and diluted pro forma net income per unit are equivalent as there are no dilutive units at the date of closing of this offering.

We have omitted net income per unit data for Predecessor because we operated under a different capital structure than the one that will be in place at the time of this offering and, therefore, the information is not meaningful.

This data should be read in conjunction with, and is qualified in its entirety by reference to, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the consolidated financial statements and related notes included elsewhere in this prospectus.

	Predecessor	Successor						
	174 Days Ended June 23, 2005	191 Days Ended December 31, 2005(8)	Year Ended December 31, 2006	Year Ended December 31, 2007	Year Ended December 31, 2008	Year Ended December 31, 2009	Nine Months Ended September 30, 2009	Nine Months Ended September 30, 2010
							(unaudited)	
	(dollars in millions, except per unit data and as otherwise indicated)							
Statement of Operations Data:								
Net sales	$ 76.7	$ 96.8	$ 170.0	$ 187.4	$ 263.0	$ 208.4	$ 169.0	$ 141.1
Cost of product sold(1)	9.8	19.2	33.4	33.1	32.6	42.2	34.6	27.7
Direct operating expenses(1)(2)	26.0	29.1	63.6	66.7	86.1	84.5	64.4	60.7
Selling, general and administrative expenses(1)(2)	5.1	4.6	12.9	20.4	9.5	14.1	14.1	8.8
Net costs associated with flood(3)	—	—	—	2.4	—	—	—	—
Depreciation and amortization(4)	0.3	8.4	17.1	16.8	18.0	18.7	14.0	13.9
Operating income	$ 35.5	$ 35.5	$ 43.0	$ 48.0	$ 116.8	$ 48.9	$ 41.9	$ 30.0
Other income (expense), net(5)	(2.0)	0.4	(6.9)	0.2	2.1	9.0	6.2	9.5
Interest expense	(0.8)	(14.8)	(23.5)	(23.6)	—	—	—	—
Gain (loss) on derivatives, net	—	4.9	2.1	(0.5)	—	—	—	—
Income (loss) before income taxes	$ 32.7	$ 26.0	$ 14.7	$ 24.1	$ 118.9	$ 57.9	$ 48.1	$ 39.5
Income tax (expense) benefit	—	—	—	—	—	—	—	—
Net income (loss)	$ 32.7	$ 26.0	$ 14.7	$ 24.1	$ 118.9	$ 57.9	$ 48.1	$ 39.5
Pro forma net income per common unit, basic and diluted(6):								
Pro forma number of common units, basic and diluted:								
Balance Sheet Data:								
Cash and cash equivalents		$ —	$ —	$ 14.5	$ 9.1	$ 5.4	$ 11.7	$ 28.8
Working capital		(2.5)	(0.5)	7.5	60.4	135.5	124.8	187.2
Total assets		423.7	416.1	429.9	499.9	551.5	546.7	595.7
Total debt, including current portion		—	—	—	—	—	—	—
Partners capital/divisional equity		400.5	397.6	400.5	458.8	519.9	512.6	560.7
Financial and Other Data:								
Cash flows provided by operating activities	24.3	45.3	34.1	46.5	123.5	85.5	75.1	56.6
Cash flows (used in) investing activities	(1.4)	(2.0)	(13.3)	(6.5)	(23.5)	(13.4)	(11.7)	(3.8)
Cash flows (used in) financing activities	(22.9)	(43.3)	(20.8)	(25.5)	(105.3)	(75.8)	(60.8)	(29.5)
Capital expenditures for property, plant and equipment	1.4	2.0	13.3	6.5	23.5	13.4	11.7	3.8
Net distribution to parent	$ 22.9	$ 43.3	$ 20.8	$ 31.5	$ 50.0	$ —	$ —	$ —
Key Operating Data:								
Production volume (thousand tons):								
Ammonia (gross produced)	193.2	220.0	369.3	326.7	359.1	435.2	323.4	322.9
Ammonia (net available for sale)	67.6	76.3	111.8	91.8	112.5	156.6	117.3	117.9
UAN (tons in thousands)	309.9	353.4	633.1	576.9	599.2	677.7	501.2	500.5
On-stream factors(7):								
Gasifier	97.4%	98.7%	92.5%	90.0%	87.8%	97.4%	96.8%	95.8%
Ammonia	95.0%	98.3%	89.3%	87.7%	86.2%	96.5%	95.9%	94.6%
UAN	93.9%	94.8%	88.9%	78.7%	83.4%	94.1%	93.3%	92.2%

(1) Amounts are shown exclusive of depreciation and amortization.
(2) Our direct operating expenses (exclusive of depreciation and amortization) and selling, general and administrative expenses (exclusive of depreciation and amortization) for the 174 days ended June 23, 2005, for the 191 days ended December 31, 2005 and the years ended December 31, 2006, 2007, 2008 and 2009 and the nine month periods ended September 30, 2009 and 2010 include a charge related to CVR Energy's share-based compensation expense allocated to us by CVR Energy for financial reporting purposes in accordance with ASC 718.

These charges will continue to be attributed to us following the closing of this offering. We are not responsible for the payment of cash related to any share-based compensation allocated to us by CVR Energy. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies — Share-Based Compensation." The amounts were:

	Predecessor	Successor						
	174 Days Ended June 23, 2005	191 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	Nine Months Ended September 30, 2009	Nine Months Ended September 30, 2010
							(unaudited)	
				(in millions)				
Direct operating expenses (exclusive of depreciation and amortization)	$ —	$ 0.1	$ 0.8	$ 1.2	$ (1.6)	$ 0.2	$ 0.6	$ 0.2
Selling, general and administrative expenses (exclusive of depreciation and amortization)	—	0.2	3.2	9.7	(9.0)	3.0	5.2	1.1
Total	$ —	$ 0.3	$ 4.0	$ 10.9	$ (10.6)	$ 3.2	$ 5.8	$ 1.3

(3) Total gross costs recorded as a result of the flood damage to our nitrogen fertilizer plant for the year ended December 31, 2007 were approximately $5.8 million, including approximately $0.8 million recorded for depreciation for temporarily idle facilities, $0.7 million for internal salaries and $4.3 million for other repairs and related costs. An insurance receivable of approximately $3.3 million was also recorded for the year December 31, 2007 for the probable recovery of such costs under CVR Energy's insurance policies.

(4) Depreciation and amortization is comprised of the following components as excluded from direct operating expenses and selling, general and administrative expenses and as included in net costs associated with flood:

	Predecessor	Successor						
	174 Days Ended June 23, 2005	191 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	Nine Months Ended September 30, 2009	Nine Months Ended September 30, 2010
							(unaudited)	
				(in millions)				
Depreciation and amortization excluded from direct operating expenses	$ 0.3	$ 8.3	$ 17.1	$ 16.8	$ 18.0	$ 18.7	$ 14.0	$ 13.9
Depreciation and amortization excluded from selling, general and administrative expenses	—	0.1	—	—	—	—	—	—
Depreciation included in net costs associated with flood	—	—	—	0.8	—	—	—	—
Total depreciation and amortization	$ 0.3	$ 8.4	$ 17.1	$ 17.6	$ 18.0	$ 18.7	$ 14.0	$ 13.9

(5) Miscellaneous income (expense) is comprised of the following components included in our consolidated statement of operations:

	Predecessor	Successor						
	174 Days Ended June 23, 2005	191 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	Nine Months Ended September 30, 2009	Nine Months Ended September 30, 2010
							(unaudited)	
				(in millions)				
Interest income(a)	$ —	$ 0.5	$ 1.4	$ 0.3	$ 2.0	$ 9.0	$ 6.2	$ 9.6
Loss on extinguishment of debt	(1.2)	—	(8.5)	(0.2)	—	—	—	—
Other income (expense)	(0.8)	(0.1)	0.2	0.1	0.1	—	—	(0.1)
Miscellaneous income (expense)	$ (2.0)	$ 0.4	$ (6.9)	$ 0.2	$ 2.1	$ 9.0	$ 6.2	$ 9.5

(a) Interest income for the years ended December 31, 2008 and 2009 and the nine months ended September 30, 2009 and 2010 is primarily attributable to a due from affiliate balance owed to us by Coffeyville Resources as a result of affiliate loans. Prior to the closing of this offering, the due from affiliate balance will be distributed to Coffeyville Resources. Accordingly, such amounts will no longer be owed to us.

(6) We have omitted earnings per share for Predecessor and for Successor through the date Coffeyville Resources Nitrogen Fertilizers, LLC, our operating subsidiary, was contributed to us because during those periods we operated under a divisional equity structure. We have omitted

net income per unitholder for Successor during the period we operated as a partnership through the closing of this offering because during those periods we operated under a different capital structure than what we will operate under following the closing of this offering, and, therefore, the information is not meaningful.

(7) On-stream factor is the total number of hours operated divided by the total number of hours in the reporting period. Excluding the impact of the Linde air separation unit outage in 2009, the on-stream factors for the nine months ended September 30, 2009 would have been 99.4% for gasifier, 98.5% for ammonia and 95.8% for UAN. Excluding the impact of the Linde air separation unit outage in 2010, the on-stream factors for the nine months ended September 30, 2010 would have been 97.7% for gasifier, 96.7% for ammonia and 94.3% for UAN. Excluding the Linde air separation unit outage in 2009, the on-stream factors would have been 99.3% for gasifier, 98.4% for ammonia and 96.1% for UAN for the year ended December 31, 2009. Excluding the turnaround performed in 2008 the on-stream factors would have been 91.7% for gasifier, 90.2% for ammonia and 87.4% for UAN for the year ended December 31, 2008. Excluding the impact of the flood in 2007 the on-stream factors would have been 94.6% for gasifier, 92.4% for ammonia and 83.9% for UAN for the year ended December 31, 2007.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition, results of operations and cash flows in conjunction with our consolidated financial statements and related notes included elsewhere in this prospectus. This discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of a number of factors, including, but not limited to, those set forth under "Risk Factors," "Cautionary Note Regarding Forward-Looking Statements" and elsewhere in this prospectus.

Overview

We are a Delaware limited partnership formed by CVR Energy to own, operate and grow our nitrogen fertilizer business. Strategically located adjacent to CVR Energy's refinery in Coffeyville, Kansas, our nitrogen fertilizer manufacturing facility is the only operation in North America that utilizes a petroleum coke, or pet coke, gasification process to produce nitrogen fertilizer. Our facility includes a 1,225 ton-per-day ammonia unit, a 2,025 ton-per-day UAN unit, and a gasifier complex having a capacity of 84 million standard cubic feet per day. Our gasifier is a dual-train facility, with each gasifier able to function independently of the other, thereby providing redundancy and improving our reliability. We upgrade a majority of the ammonia we produce to higher margin UAN fertilizer, an aqueous solution of urea and ammonium nitrate which has historically commanded a premium price over ammonia. In 2009, we produced 435,184 tons of ammonia, of which approximately 64% was upgraded into 677,739 tons of UAN.

We intend to expand our existing asset base and utilize the experience of CVR Energy's management team to execute our growth strategy. Our growth strategy includes expanding production of UAN and potentially acquiring additional infrastructure and production assets. Following completion of this offering, we intend to move forward with a significant two-year plant expansion designed to increase our UAN production capacity by 400,000 tons, or approximately 50%, per year. CVR Energy, a New York Stock Exchange listed company, which following this offering will indirectly own our general partner and approximately % of our outstanding common units, currently operates a 115,000 bpd sour crude oil refinery and ancillary businesses.

The primary raw material feedstock utilized in our nitrogen fertilizer production process is pet coke, which is produced during the crude oil refining process. In contrast, substantially all of our nitrogen fertilizer competitors use natural gas as their primary raw material feedstock. Historically, pet coke has been significantly less expensive than natural gas on a per ton of fertilizer produced basis and pet coke prices have been more stable when compared to natural gas prices. By using pet coke as the primary raw material feedstock instead of natural gas, our nitrogen fertilizer business has historically been the lowest cost producer and marketer of ammonia and UAN fertilizers in North America. We currently purchase most of our pet coke from CVR Energy pursuant to a long-term agreement having an initial term that ends in 2027, subject to renewal. During the past five years, over 70% of the pet coke utilized by our plant was produced and supplied by CVR Energy's crude oil refinery.

Factors Affecting Comparability

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.

Corporate Allocations

Our consolidated financial statements included elsewhere in this prospectus include certain costs of CVR Energy that were incurred on our behalf. These costs, which are reflected in selling, general and administrative expenses (exclusive of depreciation and amortization) and direct operating expenses (exclusive of depreciation and amortization), are billed to us pursuant to a services agreement entered into in October 2007 that is a related party transaction. For the period of time prior to the services agreement, the consolidated financial statements include an allocation of costs and certain other amounts in order to account for a reasonable share of expenses, so that the accompanying consolidated financial statements reflect substantially all of our costs of doing business.

Our financial statements reflect all of the expenses that Coffeyville Resources incurred on our behalf. Our financial statements therefore include certain expenses incurred by our parent which may include, but are not necessarily limited to, officer and employee salaries and share-based compensation, rent or depreciation, advertising, accounting, tax, legal and information technology services, other selling, general and administrative expenses, costs for defined contribution plans, medical and other employee benefits, and financing costs, including interest, mark-to-market changes in interest rate swap and losses on extinguishment of debt.

Selling, general and administrative expense allocations were based primarily on a percentage of total fertilizer payroll to the total fertilizer and petroleum segment payrolls. Property insurance costs were allocated based upon specific segment valuations. Interest expense, interest income, bank charges, gain (loss) on derivatives and loss on extinguishment of debt were allocated based upon fertilizer divisional equity as a percentage of total CVR Energy debt and equity. See Note 3, Summary of Significant Accounting Policies — Allocation of Costs, in our historical financial statements included elsewhere in this prospectus. The amounts charged or allocated to us are not necessarily indicative of the costs that we would have incurred had we operated as a stand-alone company for all periods presented.

Publicly Traded Partnership Expenses

We expect that our general and administrative expenses will increase due to the costs of operating as a publicly traded partnership, including costs associated with SEC reporting requirements, including annual and quarterly reports to unitholders, tax return and Schedule K-1 preparation and distribution, independent auditor fees, investor relations activities and registrar and transfer agent fees. We estimate that these incremental general and administrative expenses will approximate $3.5 million per year, excluding the costs associated with this offering and the costs of the initial implementation of our Sarbanes-Oxley Section 404 internal controls review and testing. Our financial statements following this offering will reflect the impact of these expenses, which will affect the comparability of our post-offering results with our financial statements from periods prior to the completion of this offering. Our unaudited pro forma financial statements, however, do not reflect these expenses.

2007 Flood

During the weekend of June 30, 2007, torrential rains in southeast Kansas caused the Verdigris River to overflow its banks and flood the city of Coffeyville. The river crested more than ten feet above flood stage, setting a new record for the river. Our nitrogen fertilizer plant, which is located in close proximity to the Verdigris River, was flooded, sustained damage and required repair.

As a result of the flooding, our nitrogen fertilizer facilities stopped operating on June 30, 2007. Production at the nitrogen fertilizer facility was restarted on July 13, 2007. Due to the downtime, we experienced a significant revenue loss attributable to the property damage during the period when the facilities were not in operation in 2007.

Our results for the year ended December 31, 2007 include net pretax costs, net of anticipated insurance recoveries, of $2.4 million associated with the flood. The 2007 flood had a significant adverse impact on our financial results for the year ended December 31, 2007, a nominal impact for the year ended December 31, 2008 and no impact for the year ended December 31, 2009.

September 2010 UAN Vessel Rupture

On September 30, 2010, our nitrogen fertilizer plant experienced an interruption in operations due to a rupture of a high-pressure UAN vessel. All operations at our nitrogen fertilizer facility were immediately shut down. No one was injured in the incident.

Our nitrogen fertilizer facility had previously scheduled a major turnaround to begin on October 5, 2010. To minimize disruption and impact to the production schedule, the turnaround was accelerated. The turnaround was completed on October 29, 2010 with the gasification and ammonia units in operation. The fertilizer facility restarted production of UAN on November 16, 2010, but repairs continue to be completed on the UAN unit due to the incident.

Based upon an internal review and investigation, we currently estimate that the costs to repair the damage caused by the incident are expected to be in the range of $8.0 million to $11.0 million and repairs are expected to be substantially complete prior to the end of December 2010. To the extent additional damage is discovered during the completion of repairs, the costs to repair could increase or repairs could take longer to complete.

We are covered for property damage under CVR Energy's insurance policies, which have a deductible of $2.5 million. We anticipate that substantially all of the repair costs in excess of the $2.5 million deductible will be covered by insurance. These insurance policies also provide coverage for interruption to the business, including lost profits, and reimbursement for other expenses and costs we have incurred relating to the damage and losses suffered for business interruption. This coverage, however, only applies to losses incurred after a business interruption of 45 days.

Fertilizer Plant Property Taxes

Our nitrogen fertilizer plant received a 10-year tax abatement from Montgomery County, Kansas in connection with its construction that expired on December 31, 2007. In connection with the expiration of the abatement, the county reassessed our nitrogen fertilizer plant and classified the nitrogen fertilizer plant as almost entirely real property instead of almost entirely personal property. The reassessment has resulted in an increase to our annual property tax liability for the plant by an average of approximately $10.7 million per year for the years ended December 31, 2008 and December 31, 2009, and is anticipated to result in an increase of approximately $11.7 million for the year ending December 31, 2010. We do not agree with the county's classification of our nitrogen fertilizer plant and are currently disputing it before the Kansas Court of Tax Appeals, or COTA. However, we have fully accrued and paid for the property tax the county claims we owe for the years ended December 31, 2008 and 2009, and fully accrued such amounts for the nine months ended September 30, 2010. The first payment in respect of our 2010 property taxes will be due in December 2010, all of which is reflected as a direct operating expense in our financial results. An evidentiary hearing before COTA is currently scheduled during the first quarter of 2011 regarding our property tax claims for the year ended December 31, 2008. Assuming the hearing takes place during the first quarter of 2011, we believe COTA is likely to issue a ruling sometime during 2011. However, the timing of a ruling in the case is uncertain, and there can be no assurance we will receive a ruling in 2011. If we are successful in having the nitrogen fertilizer plant reclassified as personal property, in whole or in part, a portion of the accrued and paid expenses would be refunded to us, which could have a material positive effect on our results of operations. If we are not successful in having the nitrogen fertilizer plant reclassified as personal property, in whole or in part, we expect that we will pay taxes at or below the elevated rates described above. Our competitors do not disclose the property taxes they pay on a quarterly or annual basis, and such taxes may be higher or lower than the taxes we pay, depending on the jurisdiction in which such facilities are located and other factors.

Factors Affecting Results

Our earnings and cash flow from operations are primarily affected by the relationship between nitrogen fertilizer product prices and direct operating expenses. Unlike our competitors, we do not use natural gas as a feedstock and we use a minimal amount of natural gas as an energy source in our operations. As a result, volatile swings in natural gas prices have a minimal impact on our results of operations. Instead, CVR Energy's adjacent refinery supplies us with most of the pet coke feedstock we need 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, among other factors, world grain demand and production levels, changes in world population, the cost and availability of fertilizer transportation infrastructure, weather conditions, the availability of imports and the extent of government intervention in agriculture markets.

Nitrogen fertilizer prices are also affected by local factors, including 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 our 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.

We and other competitors located in the U.S. farm belt share a transportation cost advantage when compared to our out-of-region competitors in serving the U.S. farm belt agricultural market. In 2010, approximately 45% of the corn planted in the United States was grown within a $35/UAN ton freight train rate of our nitrogen fertilizer plant. We are therefore able to cost-effectively sell substantially all of our products in the higher margin agricultural market, whereas a significant portion of our competitors' revenues are derived from the lower margin industrial market. Because the U.S. farm belt consumes more nitrogen fertilizer than is produced in the region, it must import nitrogen fertilizer from the U.S. Gulf Coast as well as from international producers. Accordingly, U.S. farm belt producers may offer nitrogen fertilizers at prices that factor in the transportation costs of out-of-region producers without having incurred such costs. We estimate that our plant enjoys a transportation cost advantage of approximately $25 per ton over competitors located in the U.S. Gulf Coast. Selling products to customers within economic rail transportation limits of the nitrogen fertilizer plant and keeping transportation costs low are keys to maintaining profitability. Our location on Union Pacific's main line increases our transportation cost advantage by lowering the costs of bringing our products to customers, assuming freight rates and pipeline tariffs for U.S. Gulf Coast importers as recently in effect. Our products leave the plant either in trucks for direct shipment to customers or in railcars for destinations located principally on the Union Pacific Railroad, and we do not incur any intermediate transfer, storage, barge freight or pipeline freight charges.

The value of nitrogen fertilizer products is also an important consideration in understanding our results. During 2009, we upgraded approximately 64% of our 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 our business also directly affects our profitability. Using a pet coke gasification process, we have a significantly higher percentage of fixed costs than a natural gas-based fertilizer plant. 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. Variable costs associated with the nitrogen fertilizer plant averaged approximately 14% of direct operating expenses over the 24 months ended December 31, 2009. The average annual operating costs over the 24 months ended December 31, 2009 approximated $85 million, of which substantially all are fixed in nature.

Our largest raw material expense is pet coke, which we purchase from CVR Energy and third parties. In 2007, 2008 and 2009, we spent $13.6 million, $14.1 million and $12.8 million, respectively, for pet coke, which equaled an average cost per ton of $30, $31 and $27, respectively. If pet coke prices rise substantially in the future, we may be unable to increase our 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 our competitors, and not pet coke prices.

Consistent, safe, and reliable operations at our nitrogen fertilizer plant are critical to our 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. We generally undergo a facility turnaround every two years. The turnaround typically lasts 13 to 15 days each turnaround year and costs approximately $3 million to $5 million per turnaround. The facility underwent a turnaround in October 2010 at a cost of $3.6 million.

Agreements with CVR Energy

In connection with the initial public offering of CVR Energy and the transfer of the nitrogen fertilizer business to us in October 2007, we entered into a number of agreements with CVR Energy and its affiliates that govern our business relations with CVR Energy. These include the pet coke supply agreement under which we buy the pet coke we use in our nitrogen fertilizer plant; a services agreement, under which CVR Energy and its affiliates provide us with management services including the services of its senior management team; a feedstock and shared services agreement, which governs the provision of feedstocks, including hydrogen, high-pressure steam, nitrogen, instrument air, oxygen and natural gas; a raw water and facilities sharing agreement, which allocates raw water resources between the two businesses; an easement agreement; an environmental agreement; and a lease agreement pursuant to which we lease office space and laboratory space from CVR Energy.

We obtain most (over 70% on average during the last five years) of the pet coke we need from CVR Energy pursuant to the pet coke supply agreement, and procure the remainder on the open market. The price we pay pursuant to the pet coke supply agreement is based on the lesser of a pet coke price derived from the price received by us for UAN, or the UAN-based price, and a pet coke price index. The UAN-based price begins with a pet coke price of $25 per ton based on a price per ton for UAN (exclusive of transportation cost), or netback price, of $205 per ton, and adjusts up or down $0.50 per ton for every $1.00 change in the netback price. The UAN-based price has a ceiling of $40 per ton and a floor of $5 per ton.

The cost of the pet coke supplied by CVR Energy to us in most cases will be lower than the price which we otherwise would pay to third parties. The cost to us will be lower both because the actual price paid will be lower and because we will pay significantly reduced transportation costs (since CVR Energy's refinery is adjacent to our nitrogen fertilizer plant). If CVR Energy fails to perform in accordance with the pet coke supply agreement, then we would need to purchase pet coke from third parties on the open market, which could negatively impact our results of operations to the extent third-party pet coke is unavailable or available only at higher prices. A $10 per ton increase in the cost of additional third-party coke purchases would increase production costs by approximately $3.75 million per year.

Prior to October 2007, when the pet coke supply agreement became effective, the cost of product sold (exclusive of depreciation and amortization) in the nitrogen fertilizer business on our financial statements was based on a pet coke price of $15 per ton. Our pet coke cost per ton purchased from CVR Energy averaged $17, $30 and $22 for the years ended December 31, 2007, 2008 and 2009, respectively, and $28 and $12 for the nine months ended September 30, 2009 and 2010, respectively. Third-party pet coke prices averaged $49, $39 and $37 for the years ended December 31, 2007, 2008 and 2009, respectively, and $37 and $40 for the nine months ended September 30, 2009 and 2010, respectively.

The services agreement, which became effective in October 2007, resulted in charges of approximately $1.8 million, $13.1 million, $12.1 million and $7.3 million for the fiscal years ended December 31, 2007, 2008 and 2009 and the nine months ended September 30, 2010, respectively (excluding share-based compensation), in selling, general and administrative expenses (exclusive of depreciation and amortization) in our statement of operations.

Results of Operations

The period-to-period comparisons of our results of operations have been prepared using the historical periods included in our financial statements. In order to effectively review and assess our historical financial information below, we have also included supplemental operating measures and industry measures that we believe are material to understanding our business.

The tables below provide an overview of our results of operations, relevant market indicators and our key operating statistics during the past three fiscal years ended December 31, 2007, 2008 and 2009 and the nine month periods ending September 30, 2009 and 2010:

Business Financial Results	Year Ended December 31,			Nine Months Ended September 30,	
	2007	2008	2009	2009	2010
			(in millions)	(unaudited)	
Net sales	$ 187.4	$ 263.0	$ 208.4	$ 169.0	$ 141.1
Cost of product sold (exclusive of depreciation and amortization)	33.1	32.6	42.2	34.6	27.7
Direct operating expenses (exclusive of depreciation and amortization)(1)	66.7	86.1	84.5	64.4	60.7
Selling, general and administrative expenses (exclusive of depreciation and amortization)(1)	20.4	9.5	14.1	14.1	8.8
Net costs associated with flood(2)	2.4	—	—	—	—
Depreciation and amortization(3)	16.8	18.0	18.7	14.0	13.9
Operating income	48.0	116.8	48.9	41.9	30.0
Net income	24.1	118.9	57.9	48.1	39.5

(1) Our direct operating expenses (exclusive of depreciation and amortization) and selling, general and administrative expenses (exclusive of depreciation and amortization) for the years ended December 31, 2007, 2008 and 2009 and the nine month periods ended September 30, 2009 and 2010 include a charge related to CVR Energy's share-based compensation expense allocated to us by CVR Energy for financial reporting purposes in accordance with ASC 718. We are not responsible for the payment of cash related to any share-based compensation allocated to us by CVR Energy. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies — Share-Based Compensation." The charges were:

	Year Ended December 31,			Nine Months Ended September 30,	
	2007	2008	2009	2009	2010
			(in millions)	(unaudited)	
Direct operating expenses (exclusive of depreciation and amortization)	$ 1.2	$ (1.6)	0.2	$ 0.6	$ 0.2
Selling, general and administrative expenses (exclusive of depreciation and amortization)	9.7	(9.0)	3.0	5.2	1.1
Total	$ 10.9	$ (10.6)	$ 3.2	$ 5.8	$ 1.3

(2) Total gross costs recorded as a result of the damage to the nitrogen fertilizer plant for the year ended December 31, 2007 were approximately $5.8 million, including approximately $0.8 million recorded for depreciation for temporarily idle facilities, $0.7 million for internal salaries and $4.3 million for other repairs and related costs. An insurance receivable of approximately $3.3 million was also recorded for the year December 31, 2007 for the probable recovery of such costs under CVR Energy's insurance policies.

(3) Depreciation and amortization is comprised of the following components as excluded from direct operating expense and selling, general and administrative expense and as included in net costs associated with flood:

	Year Ended December 31,			Nine Months Ended September 30,	
	2007	2008	2009	2009	2010
			(in millions)	(unaudited)	
Depreciation and amortization excluded from direct operating expenses	$ 16.8	$ 18.0	$ 18.7	$ 14.0	$ 13.9
Depreciation and amortization excluded from selling, general and administrative expenses	—	—	—	—	—
Depreciation included in net costs associated with flood	0.8	—	—	—	—
Total depreciation and amortization	$ 17.6	$ 18.0	$ 18.7	$ 14.0	$ 13.9

The following tables show selected information about key market indicators and certain operating statistics for our business, respectively:

Market Indicators	Annual Average For Year Ended December 31,			Average For the Nine Months Ended September 30,	
	2007	2008	2009	2009	2010
				(unaudited)	
Natural gas (dollars per MMbtu)	$ 7.12	$ 8.91	$ 4.16	$ 3.90	$ 4.52
Ammonia — Southern Plains (dollars per ton)	409	707	306	307	385
UAN — corn belt (dollars per ton)	288	422	218	224	246

Company Operating Statistics	Year Ended December 31,			Nine Months Ended September 30,	
	2007	2008	2009	2009	2010
				(unaudited)	
			(dollars in millions, except per unit data and as otherwise indicated)		
Production (thousand tons):					
Ammonia (gross produced)(1)	326.7	359.1	435.2	323.4	322.9
Ammonia (net available for sale)(1)	91.8	112.5	156.6	117.3	117.9
UAN	576.9	599.2	677.7	501.2	500.5
Pet coke consumed (thousand tons)	449.8	451.9	483.5	360.3	351.8
Pet coke (cost per ton)(2)	$ 30	$ 31	$ 27	$ 30	$ 19
Sales (thousand tons):					
Ammonia	92.8	99.4	159.9	125.5	115.2
UAN	576.4	594.2	686.0	508.9	506.9
Total	669.2	693.6	845.9	634.4	622.1
Product price (plant gate) (dollars per ton)(3):					
Ammonia	$ 376	$ 557	$ 314	$ 318	$ 305
UAN	$ 209	$ 303	$ 198	$ 221	$ 180
On-stream factor(4):					

Company Operating Statistics	Year Ended December 31, 2007	2008	2009	Nine Months Ended September 30, 2009 (unaudited)	2010 (unaudited)
	(dollars in millions, except per unit data and as otherwise indicated)				
Gasifier	90.0%	87.8%	97.4%	96.8%	95.8%
Ammonia	87.7%	86.2%	96.5%	95.9%	94.6%
UAN	78.7%	83.4%	94.1%	93.3%	92.2%
Reconciliation to net sales (dollars in millions):					
Freight in revenue	$ 14.3	$ 18.9	$ 21.3	$ 16.0	$ 14.6
Hydrogen revenue	17.8	9.0	0.8	0.7	—
Sales net plant gate	155.3	235.1	186.3	152.3	126.5
Total net sales	$ 187.4	$ 263.0	$ 208.4	$ 169.0	$ 141.1

(1) 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.

(2) Our pet coke cost per ton purchased from CVR Energy averaged $17, $30 and $22 for the years ended December 31, 2007, 2008 and 2009, respectively, and $28 and $12 for the nine months ended September 30, 2009 and 2010, respectively. Third-party pet coke prices averaged $49, $39 and $37 for the years ended December 31, 2007, 2008 and 2009, respectively, and $37 and $40 for the nine months ended September 30, 2009 and 2010, respectively.

(3) Plant gate price per ton represents net sales less freight revenue and hydrogen revenue divided by product sales volume in tons in the reporting period. Plant gate price 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. Excluding the impact of the Linde air separation unit outage in 2009, the on-stream factors for the nine months ended September 30, 2009 would have been 99.4% for gasifier, 98.5% for ammonia and 95.8% for UAN. Excluding the impact of the Linde air separation unit outage in 2010, the on-stream factors for the nine months ended September 30, 2010 would have been 97.7% for gasifier, 96.7% for ammonia and 94.3% for UAN. Excluding the Linde air separation unit outage in 2009, the on-stream factors would have been 99.3% for gasifier, 98.4% for ammonia and 96.1% for UAN for the year ended December 31, 2009. Excluding the turnaround performed in 2008, the on-stream factors would have been 91.7% for gasifier, 90.2% for ammonia and 87.4% for UAN for the year ended December 31, 2008. Excluding the impact of the flood in 2007, the on-stream factors would have been 94.6% for gasifier, 92.4% for ammonia and 83.9% for UAN for the year ended December 31, 2007.

Nine Months Ended September 30, 2010 compared to the Nine Months Ended September 30, 2009

Net Sales. Our net sales were $141.1 million for the nine months ended September 30, 2010, compared to $169.0 million for the nine months ended September 30, 2009. For the nine months ended September 30, 2010, ammonia, UAN and hydrogen made up $38.0 million, $103.1 million and $0 of our net sales, respectively. This compared to ammonia, UAN and hydrogen net sales of $43.2 million, $125.1 million and $0.7 million for the nine months ended September 30, 2009, respectively. The decrease of $27.9 million for the nine months ended September 30, 2010, as compared to the nine months ended September 30, 2009, was the result of lower plant gate prices, coupled with lower product sales volume. The following table demonstrates the impact of changes in sales volume and sales price for ammonia and UAN for the nine months ended September 30, 2010 compared to the nine months ended September 30, 2009.

	Nine Months Ended September 30, 2010			Nine Months Ended September 30, 2009			Total Variance		Price Variance	Volume Variance
	Volume	$ per ton	Sales $ (1)	Volume	$ per ton	Sales $ (1)	Volume	Sales $ (1)	(in millions)	
Ammonia	115,230	$ 330	$ 38.0	125,465	$ 344	$ 43.2	(10,235)	$ (5.2)	$ (1.8)	$ (3.4)
UAN	506,872	$ 203	$ 103.1	508,872	$ 246	$ 125.1	(2,000)	$ (22.0)	$ (21.6)	$ (0.4)

(1) Sales dollars in millions

In regard to product sales volumes for the nine months ended September 30, 2010, we experienced a decrease of approximately 8% in ammonia sales unit volumes (10,235 tons). Sales volumes of UAN remained relatively constant when comparing the nine months ending September 30, 2010, to the same period in 2009, decreasing slightly by 2,000 tons. On-stream factors (total number of hours operated divided by total hours in the reporting period) for the gasification, ammonia and UAN units were slightly lower than the on-stream factors for the comparable period. For the nine months ended September 30, 2010, the on-stream factors for the gasification, ammonia and UAN units were 95.8%, 94.6% and 92.2%, respectively. 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. On September 30, 2010, the nitrogen fertilizer plant experienced an interruption in operations due to a rupture of a high-pressure UAN vessel. This interruption will negatively affect the on-stream time for the nitrogen fertilizer business in the fourth quarter of 2010.

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, or sold plant, and FOB the customer's designated delivery site, or sold delivered, and the percentage of sold plant versus sold delivered can change month to month or nine months to nine months. The plant gate price provides a measure that is consistently comparable period to period. Plant gate prices for the nine months ended September 30, 2010, for ammonia were less than plant gate prices for the comparable period of 2009 by approximately 4%. Similarly, UAN plant gate prices for the nine months ending September 30, 2010, were approximately 19% lower than the prices of the comparable period of 2009. The decrease in prices for the nine months ended September 30, 2010 compared to the same period in 2009 was the result of a significant pricing cycle in which ammonia and UAN prices increased significantly as overall commodity prices increased. These pricing increases began in 2008 and carried into the last half of 2009 before they began to decrease over the last half of 2009 and into the first half of 2010.

Cost of Product Sold (Exclusive of Depreciation and Amortization). Cost of product sold (exclusive of depreciation and amortization) is primarily comprised of pet coke and freight and distribution expenses. Cost of product sold (exclusive of depreciation and amortization) was $27.7 million for the nine months ended September 30, 2010, compared to $34.6 million for the nine months ended September 30, 2009, a decrease of $6.9 million. For the nine months ended September 30, 2010, the decrease in cost of product sold (exclusive of depreciation and amortization) was the result of a decrease in pet coke costs of $4.3 million and the remaining decrease of $3.9 million was primarily attributable to lower sales volumes of ammonia (10,300 tons) and UAN (2,000 tons). These decreases were offset by an increase in costs associated with hydrogen of $0.8 million and distribution costs of $0.5 million.

Direct Operating Expenses (Exclusive of Depreciation and Amortization). Direct operating expenses (exclusive of depreciation and amortization) for our operations include costs associated with the actual operations of our nitrogen fertilizer plant, such as repairs and maintenance, energy and utility costs, catalyst and chemical costs, outside services, property taxes, insurance and labor. Our direct operating expenses (exclusive of depreciation and amortization) for the nine months ended September 30, 2010 were $60.7 million as compared to $64.4 million for the nine months ended September 30, 2009. The decrease of $3.7 million for the nine months ended September 30, 2010, as compared to the nine months ended September 30, 2009, was primarily the result of decreases in expenses associated with energy and utilities ($5.0 million), repairs and maintenance ($0.6 million), insurance ($0.6 million) and catalyst and production chemicals ($0.3 million). Substantially all of the decrease in expenses associated with energy and utilities reflects a $4.8 million settlement of an electric rate case with the City of Coffeyville in the third quarter of 2010. This $4.8 million refund of amounts paid in prior periods is a one-time event. These decreases were partially offset by an increase in property taxes ($2.0 million), refractory brick amortization ($0.4 million) and other outside services and other direct operating expenses ($0.4 million). The increase in property taxes for the nine months ended September 30, 2010 was the result of an increased valuation assessment of the nitrogen fertilizer plant as well as the expiration of a tax abatement for the Linde air separation unit for which we pay taxes in accordance with our agreement with Linde.

Selling, General and Administrative Expenses (Exclusive of Depreciation and Amortization). Selling, general and administrative expenses include the direct selling, general and administrative expenses of our business as well as certain expenses incurred by CVR Energy and Coffeyville Resources on our behalf and billed or allocated to us. Certain of our expenses are subject to the services agreement with CVR Energy and our general partner.

Selling, general and administrative expenses (exclusive of depreciation and amortization) were $8.8 million for the nine months ended September 30, 2010, as compared to $14.1 million for the nine months ended September 30, 2009. This variance was primarily the result of decreases in expenses associated with payroll costs ($4.0 million) and expenses incurred related to the services agreement ($1.7 million). The decrease in payroll costs was primarily attributable to a decrease in share-based compensation expense of $5.2 million for the nine months ended September 30, 2009 compared to $1.1 million for the nine months ended September 30, 2010. These decreases were partially offset by an increase in asset write-offs ($0.5 million).

Interest Income. Interest income for the nine months ended September 30, 2010 and 2009 is the result of interest income derived from the outstanding balance owed to us by Coffeyville Resources as well as interest income earned on cash balances in our business's bank accounts. Interest income was $9.6 million for the nine months ended September 30, 2010, as compared to $6.2 million for the nine months ended September 30, 2009. The amount of interest income earned on our cash balances in our bank accounts was nominal; as such the interest income was primarily attributable to the amounts owed to us by Coffeyville Resources. These amounts owed to us are included in the due from affiliate on our Consolidated Balance Sheets included elsewhere in this prospectus. Prior to the closing of this offering, the due from affiliate balance will be distributed to Coffeyville Resources. Accordingly, such amounts will no longer be owed to us.

Operating Income. Our operating income was $30.0 million for the nine months ended September 30, 2010, or 21% of net sales, as compared to $41.9 million for the nine months ended September 30, 2009, or 25% of net sales. This decrease of $11.9 million for the nine months ended September 30, 2010, as compared to the nine months ended September 30, 2009, was the result of a decrease in profit margin of $21.0 million. The decrease in profit margin was partially offset by a decrease in direct operating expenses ($3.7 million) and a decrease in selling, general and administrative expenses ($5.3 million). The decrease in selling, general and administrative expenses was primarily attributable to a decrease in share-based compensation expense.

Income Tax Expense. Income tax expense for the nine months ended September 30, 2010 and 2009, was immaterial and consisted of amounts payable pursuant to a Texas state franchise tax.

Net Income. For the nine months ended September 30, 2010, net income was $39.5 million as compared to $48.1 million of net income for the nine months ended September 30, 2009, a decrease of $8.6 million. The decrease in net income for the nine months ended September 30, 2010 compared to the nine months ended September 30, 2009, was primarily due to the decrease in our profit margin, coupled with an increase in other expense. These impacts were partially offset by a decrease in direct operating expenses (exclusive of depreciation and amortization), a decrease in selling, general and administrative expenses (exclusive of depreciation and amortization) and an increase in interest income for the nine months ended September 30, 2010, compared to the nine months ended September 30, 2009.

Year Ended December 31, 2009 compared to the Year Ended December 31, 2008

Net Sales. Our net sales were $208.4 million for the year ended December 31, 2009, compared to $263.0 million for the year ended December 31, 2008. For the year ended December 31, 2009, ammonia, UAN and hydrogen made up $54.6 million, $153.0 million and $0.8 million of our net sales, respectively. This compared to ammonia, UAN and hydrogen net sales of $59.2 million, $194.8 million and $9.0 million for the year ended December 31, 2008, respectively. The decrease of $54.6 million from the year ended December 31, 2009, as compared to the year ended December 31, 2008, was the result of increases in overall sales volumes, offset by lower plant gate prices. The following table demonstrates the impact of changes in sales volume and sales price for ammonia and UAN for the year ended December 31, 2009 compared to the year ended December 31, 2008.

	Year Ended December 31, 2009			Year Ended December 31, 2008			Total Variance		Price Variance	Volume Variance
	Volume	$ per ton	Sales $ (1)	Volume	$ per ton	Sales $ (1)	Volume	Sales $ (1)	(in millions)	
Ammonia	159,860	$ 342	$ 54.6	99,374	$ 596	$ 59.2	60,486	$ (4.6)	$ (25.3)	$ 20.7
UAN	686,009	$ 223	$ 153.0	594,203	$ 328	$ 194.8	91,806	$ (41.7)	$ (62.2)	$ 20.5

(1) Sales dollars in millions

In regard to product sales volumes for the year ended December 31, 2009, our operations experienced an increase of 61% in ammonia sales unit volumes and an increase of 15% in UAN sales unit volumes. The downtime associated with the biennial turnaround in 2008 led to reduced sales volumes during that year. On-stream factors (total number of hours operated divided by total hours in the reporting period) for 2009 compared to 2008 were higher for all units of our operations, primarily due to unscheduled downtime and the completion of the biennial scheduled turnaround for the nitrogen fertilizer plant completed in October 2008. It is typical to experience brief outages in complex manufacturing operations such as the 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 at the designated delivery point less any freight cost we absorb to deliver the product. We believe plant gate price is meaningful because we sell products both at our plant gate (sold plant) and delivered to the customer's designated delivery site (sold delivered) and the percentage of sold plant versus sold delivered can change month to month or year to year. The plant gate price provides a measure that is consistently comparable period to period. Plant gate prices for the year ended December 31, 2009, for ammonia and UAN were less than plant gate prices for the comparable period of 2008 by 44% and 34%, respectively. We believe the dramatic decrease in nitrogen fertilizer prices was due primarily to adverse global economic conditions.

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 year ended December 31, 2009 was $42.2 million compared to $32.6 million for the year ended December 31, 2008. The increase of $9.6 million for the year ended December 31, 2009, as compared to the year ended December 31, 2008, was primarily the result of increased sales volumes for both ammonia and UAN, which contributed to $6.1 million of the increase. The increased sales volumes also resulted in additional freight expense of $2.6 million and hydrogen costs of $1.6 million. These increases were partially offset by a decrease in pet coke cost of $1.2 million over the comparable period.

Direct Operating Expenses (Exclusive of Depreciation and Amortization). Direct operating expenses (exclusive of depreciation and amortization) for our operations include costs associated with the actual operations of our plant, such as repairs and maintenance, energy and utility costs, catalyst and chemical costs, outside services, labor and environmental compliance costs. Direct operating expenses (exclusive of depreciation and amortization) for the year ended December 31, 2009, were $84.5 million as compared to $86.1 million for the year ended December 31, 2008. The decrease of $1.6 million for the year ended December 31, 2009, as compared to the year ended December 31, 2008, was primarily the result of net decreases in expenses associated with downtime repairs and maintenance ($6.5 million), turnaround ($3.4 million), outside services and other direct operating expenses ($0.7 million), property taxes ($0.7 million), and insurance ($0.2 million). The decrease in expenses associated with downtime repairs and maintenance expense for the year ended December 31, 2009 was attributable to the fact that the biennial turnaround occurred in 2008 and not 2009. Due to the maintenance that occurred during the 2008 turnaround, repairs and maintenance to the operating units decreased in 2009. These decreases in direct operating expenses were partially offset by increases in expenses associated with utilities ($4.4 million), labor ($2.4 million), catalyst ($1.0 million) and combined with a decrease in the price we receive for sulfur produced as a by-product of our manufacturing process ($2.0 million). The increase in energy and utilities for the year ended December 31, 2009 was partially attributable to our increased on-stream times for our processing units that in turn resulted in higher electrical costs. Additionally, our electrical rates were higher for the year ended December 31, 2009 compared to the year ended December 31, 2008 as a result of the City of Coffeyville charging a higher rate for electricity, starting in August 2008, than what had been agreed to in our electricity contract. Our increased catalyst costs for the year ended December 31, 2009 were primarily attributable to our increased on-stream times on a year-over-year basis. Labor costs for the year ended December 31, 2009 were higher than the year ended December 31, 2008, primarily as a result of share-based compensation expense charged to direct operating expense. See below for further discussion of share-based compensation expense movements.

Selling, General and Administrative Expenses (Exclusive of Depreciation and Amortization). Selling, general and administrative expenses (exclusive of deprecation and amortization) include the direct selling, general and administrative expenses of our business as well as certain expenses incurred by CVR Energy and Coffeyville Resources on our behalf and billed or allocated to us. Certain of our expenses are subject to the services agreement with CVR Energy and our general partner. Selling, general and administrative expenses (exclusive of depreciation and amortization) were $14.1 million for the year ended December 31, 2009, as compared to $9.5 million for the year ended December 31, 2008. This variance was primarily the result of an increase in payroll costs ($12.1 million), partially offset by a decrease in outside services ($2.9 million), asset write-offs ($3.8 million) and amounts incurred related to the services agreement ($0.8 million). The increase in payroll related expenses was primarily attributable to share-based compensation expense of $3.0 million for the year ended December 31, 2009, compared to a reversal of share-based compensation expense of $9.0 million for the year ended December 31, 2008. The increase in share-based compensation was a result of an increase in CVR Energy's stock price from 2008 to 2009. Outside services costs for the year ended December 31, 2009 decreased primarily as a result of the fact that for the year ended December 31, 2008 we wrote-off previously deferred costs associated with our withdrawn initial public offering in 2008. The decrease in asset write-offs for the year ended December 31, 2009 was primarily the result of assets written-off and replaced during the biennial turnaround performed in the fourth quarter of 2008.

Depreciation and Amortization. Our depreciation and amortization increased to $18.7 million for the year ended December 31, 2009, compared to $18.0 million for the year ended December 31, 2008. The increase in depreciation and amortization for the year ended December 31, 2009, as compared to the year ended December 31, 2008, was the result of fixed assets placed into service in 2009 as well as during the second half of 2008. The fixed assets placed into service during the second half of 2008 received a full year of depreciation expense recognition in 2009 compared to a partial year of depreciation expense recognition in 2008.

Operating Income. Our operating income was $48.9 million for the year ended December 31, 2009, or 23% of net sales, as compared to $116.8 million for the year ended December 31, 2008, or 44% of net sales. This decrease of $67.9 million for the year ended December 31, 2009, as compared to the year ended December 31, 2008, was the result of a decline in our profit margin ($64.2 million), increases in selling, general and administrative expenses ($4.7 million), primarily attributable to an increase in share-based compensation expense and an increase in our depreciation and amortization ($0.7 million) partially off set by lower direct operating expenses ($1.6 million).

Interest Income. Interest income for the years ended December 31, 2009 and 2008, is the result of interest income derived from the outstanding balance owed to us by Coffeyville Resources as well as interest income earned on cash balances in our business's bank accounts. Interest income was $9.0 million for the year ended December 31, 2009, as compared to $2.0 million for the year ended December 31, 2008. The amount of interest income earned on our cash balances for our bank accounts was nominal; as such the interest income was primarily attributable to amounts owed to us from Coffeyville Resources. The increase in interest income for 2009 was a result of increased borrowings for the year ended December 31, 2009 by Coffeyville Resources. These amounts owed to us are included in the due from affiliate on our Consolidated Balance Sheets contained elsewhere in this prospectus. Prior to the closing of this offering, the due from affiliate balance will be distributed to Coffeyville Resources. Accordingly, such amounts will no longer be owed to us.

Income Tax Expense. Income tax expense for the years ended December 31, 2009 and 2008, was immaterial and consisted of amounts payable pursuant to a Texas state franchise tax.

Net Income. Net income for the year ended December 31, 2009, was $57.9 million as compared to net income of $118.9 million for the year ended December 31, 2008. Net income decreased $61.0 million for the year ended December 31, 2009, as compared to the year ended December 31, 2008, was primarily due to a decrease in fertilizer profit margins coupled with an increase in selling, general and administrative expenses (exclusive of depreciation and amortization) and depreciation and amortization expense. These impacts were partially offset by a decrease in direct operating expenses (exclusive of depreciation and amortization) and an increase in interest income.

Year Ended December 31, 2008 compared to the Year Ended December 31, 2007

Net Sales. Our net sales were $263.0 million for the year ended December 31, 2008, compared to $187.4 million for the year ended December 31, 2007. For the year ended December 31, 2008, ammonia, UAN and hydrogen made up $59.2 million, $194.8 million and $9.0 million of our net sales, respectively. This compared to ammonia, UAN and hydrogen net sales of $36.6 million, $133.0 million and $17.8 million for the year ended December 31, 2007, respectively. The increase of $75.6 million from the year ended December 31, 2008, as compared to the year ended December 31, 2007, was primarily the result of higher plant gate prices coupled with overall higher sales volumes. The following table demonstrates the impact of changes in sales volume and sales price for ammonia and UAN for the year ended December 31, 2008 compared to the year ended December 31, 2007.

	Year Ended December 31, 2008			Year Ended December 31, 2007			Total Variance		Price Variance	Volume Variance
	Volume	$ per ton	Sales $ (1)	Volume	$ per ton	Sales $ (1)	Volume	Sales $ (1)	(in millions)	
Ammonia	99,374	$ 596	$ 59.2	92,764	$ 395	$ 36.6	6,610	$ 22.6	$ 18.7	$ 3.9
UAN	594,203	$ 328	$ 194.8	576,411	$ 231	$ 133.0	17,792	$ 61.7	$ 55.9	$ 5.8

(1) Sales dollars in millions

In regard to product sales volumes for the year ended December 31, 2008, our operations experienced an increase of 8% in ammonia sales unit volumes and an increase of 3% in UAN sales unit volumes. On-stream factors (total number of hours operated divided by total hours in the reporting period) for 2008 compared to 2007 were slightly lower for all units of our operations, with the exception of the UAN plant, primarily due to unscheduled downtime and the completion of the biennial scheduled turnaround for the nitrogen fertilizer plant completed in October 2008. It is typical to experience brief outages in complex manufacturing operations such as the nitrogen fertilizer plant which result in less than one hundred percent on-stream availability for one or more specific units. After the 2008 turnaround, the gasifier on-stream rate rose to nearly 100% for the remainder of the year.

Sales volume increased in 2008 due to reduced production levels in 2007 of ammonia due to higher sales volume of hydrogen to CVR Energy's refinery in 2007.

Plant gate prices are prices at the designated delivery point less any freight cost we absorb to deliver the product. We believe plant gate price is meaningful because we sell products both at our plant gate (sold plant) and delivered to the customer's designated delivery site (sold delivered) and the percentage of sold plant versus sold delivered can change month to month or year to year. The plant gate price provides a measure that is consistently comparable period to period. Plant gate prices for the year ended December 31, 2008, for ammonia and UAN were greater than plant gate prices for the comparable period of 2007 by 48% and 43%, respectively. This dramatic increase in nitrogen fertilizer prices was the result of increased demand for nitrogen-based fertilizers due to historically low ending stocks of global grains and a surge in the prices of corn and wheat, the primary crops in our region.

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 year ended December 31, 2008 was $32.6 million compared to $33.1 million for the year ended December 31, 2007. The decrease of $0.5 million for the year ended December 31, 2008, as compared to the year ended December 31, 2007, was primarily the result of the timing of production cost incurred for the tons of UAN and ammonia sold resulting in a year-over-year decrease of $5.4 million. This decrease was partially offset by an increase in freight and distribution expenses of $4.4 million and pet coke expense of $0.5 million.

Direct Operating Expenses (Exclusive of Depreciation and Amortization). Direct operating expenses (exclusive of depreciation and amortization) for our operations include costs associated with the actual operations of the nitrogen fertilizer plant, such as repairs and maintenance, energy and utility costs, catalyst and chemical costs, outside services, labor and environmental compliance costs. Our direct operating expenses (exclusive of depreciation and amortization) for the year ended December 31, 2008 were $86.1 million as compared to $66.7 million for the year ended December 31, 2007. The increase of $19.4 million for the year ended December 31, 2008, as compared to the year ended December 31, 2007, was primarily the result of increases in expenses

associated with property taxes ($11.6 million), turnaround ($3.3 million), outside services ($2.8 million), catalysts ($1.7 million), direct labor ($0.8 million), insurance ($0.6 million), slag disposal ($0.5 million), and downtime repairs and maintenance ($0.5 million). The significant increase in property taxes was the result of the expiration of a tax abatement for a majority of our nitrogen fertilizer plant's assets. The increase of turnaround costs for the year ended December 31, 2008 was the result of the biennial turnaround completed in the fourth quarter of 2008 compared to no turnaround during 2007, and the increase in expenses related to outside services was primarily attributable to increased operating costs charged to us by our sour gas processor in accordance with our agreement, as well as higher air separation unit costs incurred in 2008 compared to 2007. For the year ended December 31, 2007, outside services related to the processing of our sour gas and for our air separation unit services were reduced as a result of the June/July 2007 flood. The increase in catalyst expense for the year ended December 31, 2008 compared to the same period in 2007 was the direct result of increased production of UAN as well as an increase in the costs of catalyst (precious metal) on a year-over-year basis. These increases in direct operating expenses were partially offset by reductions in expenses associated with royalties and other expense ($2.0 million), utilities ($0.5 million), environmental ($0.4 million) and equipment rental ($0.3 million). The decrease in expenses associated with royalties and other expenses was primarily the result of the payment in full, as of June 1, 2007, of the royalties associated with the pet coke gasification license, as well as an increase in the price we received for sulfur produced as a by-product of our manufacturing process.

Selling, General and Administrative Expenses (Exclusive of Depreciation and Amortization). Selling, general and administrative expenses (exclusive of depreciation and amortization) include the direct selling, general and administrative expenses of our business as well as certain expenses incurred by CVR Energy and Coffeyville Resources on our behalf and billed to us. For the year-to-date period ending October 24, 2007, such expenses incurred by CVR Energy and Coffeyville Resources on our behalf were allocated to us based upon estimates and assumptions made in order to account for a reasonable share of expenses, so that the consolidated financial statements reflect substantially all costs of doing business. After October 24, 2007, amounts incurred by CVR Energy and Coffeyville Resources on our behalf were billed to us in accordance with the terms of a service agreement. Selling, general and administrative expenses (exclusive of depreciation and amortization) were $9.5 million for the year ended December 31, 2008, as compared to $20.4 million for the year ended December 31, 2007. This variance was primarily the result of decreases in expenses associated with payroll costs ($16.6 million). Additionally, costs associated with management services decreased on a year-over-year basis by $1.0 million. The decrease in payroll costs was primarily attributable to a decrease in share-based compensation expense from $7.7 million for the year ended December 31, 2007 as compared to a reversal of share-based compensation expense of $9.0 million for the year ended December 31, 2008. The decrease in share-based compensation expense was the result of a decrease of CVR Energy's stock price between the periods. The decreases of payroll costs were partially offset by an increase in asset write-offs ($3.8 million), outside services ($2.3 million), insurance ($0.5 million) and a net increase in other selling, general and administrative expenses ($0.2 million). The increase in asset write-offs for the year ended December 31, 2008 was primarily the result of assets replaced during the biennial turnaround performed in the fourth quarter of 2008, and the increase in outside service costs for the year ended December 31, 2008 compared to the same period in 2007 was primarily associated with the fees incurred for outside services related to our withdrawn initial public offering in 2008.

Net Costs Associated with Flood. For the year ended December 31, 2008, we did not record any net costs associated with the flood. This compares to $2.4 million of net costs associated with the flood for the year ended December 31, 2007.

Depreciation and Amortization. Our depreciation and amortization increased to $18.0 million for the year ended December 31, 2008, as compared to $16.8 million for the year ended December 31, 2007. The increase in depreciation and amortization for the year ended December 31, 2008, as compared to the year ended December 31, 2007, was the result of fixed assets placed into service in 2008 as well as during the second half of 2007. The fixed assets placed into service during the second half of 2007 received a full year of depreciation expense recognition in 2008 compared to a partial year of depreciation expense recognition in 2007.

Operating Income. Our operating income was $116.8 million for the year ended December 31, 2008, or 44% of net sales, as compared to $48.0 million for the year ended December 31, 2007, or 26% of net sales. This increase

of $68.8 million for the year ended December 31, 2008, as compared to the year ended December 31, 2007, was the result of an increase in profit margin ($76.1 million), a decrease in selling, general and administrative expenses ($10.9 million) and a decrease in net costs associated with the flood ($2.4 million). Partially offsetting these positive effects was an increase in direct operating expenses ($19.4 million) and an increase in depreciation and amortization ($1.2 million).

Interest Expense and Other Financing Costs. Interest expense and other financing costs for the year ended December 31, 2008 was nominal as compared to interest expense and other financing costs of $23.6 million for the year ended December 31, 2007. Interest expense and other financing costs for the year-to-date period ending October 24, 2007, is the result of an allocation based upon our business's percentage of divisional equity relative to the debt and equity of CVR Energy.

Interest Income. Interest income was $2.0 million for the year ended December 31, 2008, as compared to $0.3 million for the year ended December 31, 2007. Interest income was derived primarily from an outstanding balance owed to us by Coffeyville Resources. The increase in interest income for 2008 was a result of increased borrowings for the year ended December 31, 2008 by Coffeyville Resources.

Income Tax Expense. Income tax expense for the years ended December 31, 2008 and 2007 was immaterial and consisted of amounts payable pursuant to a Texas state franchise tax.

Net Income. Net income for the year ended December 31, 2008 was $118.9 million, as compared to net income of $24.1 million for the year ended December 31, 2007. Net income increased $94.8 million for the year ended December 31, 2008, as compared to the year ended December 31, 2007, primarily due to an increase in our profit margins coupled with a decrease in selling, general and administrative expenses (exclusive of depreciation and amortization), a decrease in interest expense and other financing costs and an increase in interest income. These impacts were partially offset by an increase in direct operating expenses (exclusive of depreciation and amortization) and an increase in depreciation and amortization.

Critical Accounting Policies

We prepare our consolidated financial statements in accordance with GAAP. In order to apply these principles, management must make judgments, assumptions and estimates based on the best available information at the time. Actual results may differ based on the accuracy of the information utilized and subsequent events. Our accounting policies are described in the notes to our audited financial statements included elsewhere in this prospectus. Our critical accounting policies, which are described below, could materially affect the amounts recorded in our financial statements.

Impairment of Long-Lived Assets

We calculate depreciation and amortization on a straight-line basis over the estimated useful lives of the various classes of depreciable assets. When assets are placed in service, we make estimates of what we believe are their reasonable useful lives. We account for impairment of long-lived assets in accordance with ASC 360, *Property, Plant and Equipment — Impairment or Disposal of Long-Lived* Assets, or ASC 360. In accordance with ASC 360, we review long-lived assets (excluding goodwill, intangible assets with indefinite lives, and deferred tax assets) for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future net cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated undiscounted future net cash flows, an impairment charge is recognized for the amount by which the carrying amount of the assets exceeds their fair value. Assets to be disposed of are reported at the lower of their carrying value or fair value less cost to sell.

Goodwill

To comply with ASC 350, *Intangibles — Goodwill and Other*, or ASC 350, we perform a test for goodwill impairment annually or more frequently in the event we determine that a triggering event has occurred. Our annual testing is performed as of November 1. Goodwill and other intangible accounting standards provide that goodwill

and other intangible assets with indefinite lives are not amortized but instead are tested for impairment on an annual basis. In accordance with these standards, we completed our annual test for impairment of goodwill as of November 1, 2009 and 2008, respectively. For 2009 and 2008, the annual test of impairment indicated that goodwill was not impaired.

The annual review of impairment was performed by comparing the carrying value of the partnership to its estimated fair value. The valuation analysis used both income and market approaches as described below:

- *Income Approach:* To determine fair value, we discounted the expected future cash flows for the reporting unit utilizing observable market data to the extent available. The discount rate used for the 2009 and 2008 impairment test was 13.4% and 20.1%, respectively, representing the estimated weighted-average costs of capital, which reflects the overall level of inherent risk involved in the reporting unit and the rate of return an outside investor would expect to earn.
- *Market-Based Approach:* To determine the fair value of the reporting unit, we also utilized a market based approach. We used the guideline company method, which focuses on comparing our risk profile and growth prospects to select reasonably similar publicly traded companies.

We assigned an equal weighting of 50% to the result of both the income approach and market based approach based upon the reliability and relevance of the data used in each analysis. This weighting was deemed reasonable as the guideline public companies have a high-level of comparability with the reporting unit and the projections used in the income approach were prepared using current estimates.

Allocation of Costs

Our consolidated financial statements include an allocation of costs that have been incurred by CVR Energy or Coffeyville Resources on our behalf. The allocation of such costs are governed by the services agreement entered into by CVR Energy and us and affiliated companies in October 2007. The services agreement provides guidance for the treatment of certain general and administrative expenses and certain direct operating expenses incurred on our behalf. Such expenses incurred include, but are not limited to, salaries, benefits, share-based compensation expense, insurance, accounting, tax, legal and technology services. Prior to the services agreement such costs were allocated to us based upon certain assumptions and estimates that were made in order to allocate a reasonable share of such expenses to us, so that the consolidated financial statements reflect substantially all costs of doing business. The authoritative guidance to allocate such costs is set forth in Staff Accounting Bulletin, or SAB Topic 1-B "*Allocations of Expenses and Related Disclosures in Financial Statements of Subsidiaries, Divisions or Lesser Business Components of Another Entity.*"

Additionally, prior to the services agreement, certain expenses such as interest expense, interest income, bank charges, gain (loss) on derivatives and loss on extinguishment of debt were allocated based upon fertilizer divisional equity as a percentage of total CVR Energy debt and equity. Certain selling, general and administrative expense allocations were based primarily on a percentage of total fertilizer payroll to the total fertilizer and petroleum segment payrolls. In addition, allocations were also based upon the nature of the expense incurred. Property insurance costs, included in direct operating expenses (exclusive of depreciation and amortization), were allocated based upon specific segment valuations.

If shared costs rise or the method by which we allocate shared costs changes, additional general and administrative expenses could be allocated to us, which could be material. In addition, the amounts charged or allocated to us are not necessarily indicative of the cost that we will incur in the future operating as a stand-alone company.

Share-Based Compensation

We have been allocated non-cash share-based compensation expense from CVR Energy and from Coffeyville Acquisition III. CVR Energy accounts for share-based compensation in accordance with ASC 718 Compensation — Stock Compensation, or ASC 718, as well as guidance regarding the accounting for share-based compensation granted to employees of an equity method investee. In accordance with ASC 718, CVR Energy and Coffeyville Acquisition III apply a fair-value based measurement method in accounting for share-based

compensation. We recognize the costs of the share-based compensation incurred by CVR Energy and Coffeyville Acquisition III on our behalf primarily in selling, general and administrative expenses (exclusive of depreciation and amortization), and a corresponding increase or decrease to partners' capital, as the costs are incurred on our 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 require remeasurement at each reporting period through the performance commitment period, or in our case, through the vesting period. Costs are allocated by CVR Energy and Coffeyville Acquisition III based upon the percentage of time a CVR Energy employee provides services to us. In the event an individual's roles and responsibilities change with respect to services provided to us, a reassessment is performed to determine if the allocation percentages should be adjusted. In accordance with the services agreement, we will not be responsible for the payment of cash related to any share-based compensation allocated to us by CVR Energy.

There is considerable judgment in the determination of the significant assumptions used in determining the fair value of the share-based compensation allocated to us from CVR Energy and Coffeyville Acquisition III. Changes in the assumptions used to determine the fair value of compensation expense associated with share-based compensation arrangements could result in material changes in the amounts allocated to us from CVR Energy and Coffeyville Acquisition III. Share-based compensation for financial statement purposes allocated to us from CVR Energy in the future will depend and be based upon the market value of CVR Energy's common stock.

Liquidity and Capital Resources

Our principal source of liquidity has historically been cash from operations. In connection with the completion of this offering, we expect to enter into our own new credit facility and to be removed as a guarantor or obligor, as applicable, under Coffeyville Resources' credit facility, 9.0% First Lien Senior Secured Notes due 2015 and 10.875% Second Lien Senior Secured Notes due 2017. Our principal uses of cash are expected to be operations, distributions, capital expenditures and funding our debt service obligations. We believe that our cash from operations will be adequate to satisfy commercial commitments for the next twelve months and that the net proceeds from this offering and borrowings under our new credit facility will be adequate to fund our planned capital expenditures, including the intended UAN expansion, for the next twelve months.

New Credit Facility

In connection with the completion of this offering, we expect to enter into a new credit facility and to be removed as a guarantor or obligor from Coffeyville Resources' credit facility. We currently are negotiating the terms of a proposed credit facility which we expect would provide for $125.0 million of term loans and revolving commitments of $25.0 million. We expect to enter into the proposed credit facility with a group of lenders at or prior to the closing of this offering. We expect that the credit facility will be used to fund our ongoing working capital needs, letters of credit and for general partnership purposes, including potential future acquisitions and expansions. The revolving portion of our credit facility could also be used to fund quarterly distributions at the option of the board of directors of our general partner, although we currently do not intend to borrow in order to make quarterly distributions. We expect the term loans will mature in and the revolving credit facility will mature in . We expect that interest will accrue at a base rate or, at our option, LIBOR plus an applicable margin and that we will also pay a commitment fee for undrawn amounts. The facility will be prepayable at our option at any time and will contain mandatory prepayment provisions with the proceeds of certain asset sales and debt issuances. The credit facility will contain customary covenants which, among other things, will limit our ability to incur indebtedness, incur liens, make distributions, sell assets, make investments, enter into transactions with affiliates, or consummate mergers. The credit facility will also contain customary events of default. We have not received a commitment letter from any prospective lender with respect to the new credit facility, and we cannot assure you that we will be able to obtain a credit facility or do so on acceptable terms.

Capital Spending

We divide our capital spending needs into two categories: maintenance and growth. Maintenance capital spending includes only non-discretionary maintenance projects and projects required to comply with environmental, health and safety regulations. Our maintenance capital spending totaled approximately $2.7 million in 2009 and is

expected to be $8.9 million in 2010 and approximately $32.8 million in the aggregate over the four-year period beginning 2011. Major scheduled turnaround expenses are expensed when incurred. Capital expenditures are for discretionary projects. Our new credit facility may limit the amount we can spend on capital expenditures.

The following table sets forth our estimate of capital spending for our business for the years presented (other than 2009, which reflects actual spending). Our future capital spending will be determined by the board of directors of our general partner. The data contained in the table below represents our current plans, but these plans may change as a result of unforeseen circumstances and we may revise these estimates from time to time or not spend the amounts in the manner allocated below.

	Actual	Estimated				
	2009	2010	2011	2012	2013	2014
			($ in millions)			
UAN expansion	10.7	1.0	40.0	65.0	—	—
Other	—	0.2	2.4	—	—	—
Growth capital expenditures	10.7	1.2	42.4	65.0	—	—
Maintenance capital expenditures	$ 2.7	$ 8.9	$ 6.5	$ 11.4	$ 7.4	$ 7.5
Total estimated capital spending before turnaround expenses	13.4	10.1	48.9	76.4	7.4	7.5
Major scheduled turnaround expenses	—	3.5	—	4.0	—	4.0
Total estimated capital spending including major scheduled turnaround expense	$ 13.4	$ 13.6	$ 48.9	$ 80.4	$ 7.4	$ 11.5

Our estimated capital expenditures 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 or equipment costs necessary to comply with government regulations or to complete projects that sustain or improve the profitability of our nitrogen fertilizer plant. Capital spending for our business has been and will be determined by our general partner. We intend to move forward with the UAN expansion. We expect that the approximately $135 million UAN expansion, for which approximately $31 million had been spent as of December 31, 2010, will take 18 to 24 months to complete and will be funded with approximately $ million of the net proceeds from this offering and $ million of term loan borrowings. Maintenance capital expenditures will be funded using cash flow from operations, and other capital projects will be funded with borrowings under our revolving credit facility and future credit agreements.

Senior Secured Notes

On April 6, 2010, Coffeyville Resources and its newly formed wholly-owned subsidiary, Coffeyville Finance Inc., completed a private offering of $275.0 million aggregate principal amount of 9.0% First Lien Senior Secured Notes due 2015, or the First Lien Notes, and $225.0 million aggregate principal amount of 10.875% Second Lien Senior Secured Notes due 2017, or the Second Lien Notes, and together with the First Lien Notes, the Notes. The First Lien Notes mature on April 1, 2015, unless earlier redeemed or repurchased, and the Second Lien Notes mature on April 1, 2017, unless earlier redeemed or repurchased.

In the event of a Fertilizer Business Event (as defined in the indentures governing the Notes), Coffeyville Resources is required to offer to purchase a portion of the Notes from holders at a purchase price equal to 103% of the principal amount thereof plus accrued and unpaid interest. In addition, the Notes provide that upon the occurrence of a Fertilizer Business Event, our guarantee thereof will be fully and unconditionally released, and the assets of the fertilizer business will no longer constitute collateral for the benefit of the Notes (but the common units which Coffeyville Resources owns in us will remain collateral for the benefit of the Notes). This offering of common units will trigger a Fertilizer Business Event, and we plan to pay a special distribution to Coffeyville Resources with the proceeds of this offering. See “Use of Proceeds.” In addition, as a result of the Fertilizer Business Event, we will no longer be subject to the negative covenants contained in the indentures governing the Notes.

Cash Flows

Operating Activities

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.

Net cash flows from operating activities for the nine months ended September 30, 2010 were $56.6 million. The positive cash flow from operating activities generated over this period was primarily driven by a strong fertilizer price environment offset partially by a decline in overall sales volume. These positive cash flows were partially offset by a decrease in cash from trade working capital. Trade working capital for the nine months ended September 30, 2010 reduced our operating cash flow by $0.2 million. For the nine months ended September 30, 2010, accounts receivable increased by $1.2 million while inventory increased by $1.6 million resulting in a net use of cash of $2.8 million. These uses of cash due to changes in trade working capital were offset by an increase in accounts payable, or a source of cash, of $2.6 million. With respect to other working capital, the primary source of cash during the nine months ended September 30, 2010 was a $3.7 million increase in accrued expenses and other current liabilities. Offsetting this source of cash was a decrease in deferred revenue of $2.4 million. Deferred revenue represents customer prepaid deposits for the future delivery of our nitrogen fertilizer products.

Net cash flows from operating activities for the nine months ended September 30, 2009 were $75.1 million. The positive cash flow from operating activities generated over this period was primarily driven by higher overall sales volume partially offset by a decline in average plant gate prices. These positive cash flows were coupled with an increase in cash from trade working capital and other working capital. Trade working capital for the nine months ended September 30, 2009 increased our operating cash flow by $0.4 million. For the nine months ended September 30, 2009, accounts receivable decreased by $2.0 million while inventory decreased by $6.1 million resulting in sources of cash of $8.1 million. These sources of cash due to changes in trade working capital were offset by a decrease in accounts payable, or a use of cash, of $7.7 million. With respect to other working capital, the primary source of cash during the nine months ended September 30, 2009, was a $2.5 million increase in deferred revenue, a $2.7 million increase in accrued expenses and other current liabilities and a $1.8 million decrease in prepaid expenses and other current assets. Deferred revenue represents customer prepaid deposits for the future delivery of our nitrogen fertilizer products.

Net cash flows from operating activities for the year ended December 31, 2009 were $85.5 million. The positive cash flow from operating activities generated over this period was primarily driven by a strong sales volumes and a favorable fertilizer price environment. Also positively impacting cash flows from operations were favorable changes in other working capital. These positive cash flows were partially offset by net decreases in cash from trade working capital. Trade working capital for the year ended December 31, 2009 reduced our operating cash flow by $0.3 million. For the year ended December 31, 2009, accounts receivable decreased by $3.2 million and inventory decreased by $5.7 million resulting in a net inflow of cash of $8.9 million. These inflows of cash due to changes in trade working capital were offset by a decrease in accounts payable, or a use of cash, of $9.2 million. With respect to other working capital, the primary source of cash during the year ended December 31, 2009, was a $4.5 million increase in deferred revenue and a $1.5 million decrease in prepaid expenses and other current assets. Deferred revenue represents customer prepaid deposits for the future delivery of our nitrogen fertilizer products.

Net cash flows from operating activities for the year ended December 31, 2008 were $123.5 million. The positive cash flow from operating activities generated over this period was primarily driven by a strong fertilizer price environment partially offset by net decreases in cash from trade working capital and other working capital. Trade working capital for the year ended December 31, 2008 reduced our operating cash flow by $4.6 million. For the year ended December 31, 2008, accounts receivable increased by $3.2 million while inventory increased by $11.5 million resulting in a net use of cash of $14.7 million. These uses of cash due to changes in trade working capital were offset by an increase in accounts payable, or a source of cash, of $10.1 million. With respect to other working capital, the primary source of cash during the year ended December 31, 2008 was a $5.3 million increase in accrued expenses and other current liabilities. Offsetting this source of cash was a decrease in deferred revenue of $7.4 million. Deferred revenue represents customer prepaid deposits for the future delivery of our nitrogen fertilizer products.

Net cash flows from operating activities for the year ended December 31, 2007 were $46.5 million. The positive cash flow from operating activities generated over this period was primarily driven by a strong fertilizer price environment. Trade working capital for the year ended December 31, 2007 reduced our operating cash flow by $4.7 million. For the year ended December 31, 2007, accounts receivable increased $4.0 million while inventory increased by $2.0 million resulting in a net use of cash of $6.0 million. These uses of cash due to changes in trade working capital were offset by an increase in accounts payable, or a source of cash, of $1.3 million. With respect to other working capital, the primary source of cash during the year ended December 31, 2007 was a $4.3 million increase in deferred revenue. Deferred revenue represents customer prepaid deposits for the future delivery of our nitrogen fertilizer products. Offsetting the source of cash from deferred revenue were uses of cash related to an increase in prepaid expenses and other current assets of $3.6 million, an increase in net trade receivable with affiliate of $2.1 million and an increase in accrued expenses and other current liabilities of $0.2 million.

Investing Activities

Net cash used in investing activities for the nine months ended September 30, 2010 and 2009 and the years ended December 31, 2009, December 31, 2008, and December 31, 2007 was $3.8 million, $11.7 million, $13.4 million, $23.5 million and $6.5 million, respectively. Net cash used in investing activities principally relates to capital expenditures. Increased levels of capital spending occurred for the nine months ended September 30, 2009, and the years ended December 31, 2009 and December 31, 2008 primarily due to preliminary expenditures related to the UAN expansion. Additionally, increased capital spending also was incurred for the year ended December 31, 2008 due to assets purchased to replace assets retired during the turnaround in 2008.

Financing Activities

Net cash used in financing activities for the nine months ended September 30, 2010 and 2009 and the years ended December 31, 2009, 2008, and 2007 was $29.5 million, $60.8 million, $75.8 million, $105.3 million and $25.5 million, respectively. For the nine months ended September 30, 2010 and 2009 and for the year ended December 31, 2009, net cash used in financing activities was entirely attributable to amounts loaned to our affiliates. For the years ended December 31, 2008 and 2007, we made cash distributions to Coffeyville Resources which totaled $50.0 million and $25.3 million, respectively. Additionally, for the year ended December 31, 2008, we loaned $53.1 million to our affiliate. For the years ended December 31, 2008 and 2007, the remaining cash outflows were primarily attributable to the payment of costs related to a previously withdrawn securities offering.

Capital and Commercial Commitments

We are required to make payments relating to various types of obligations. The following table summarizes our minimum payments as of September 30, 2010 relating to operating leases, unconditional purchase obligations and environmental liabilities for the period following September 30, 2010 and thereafter.

Our ability to make payments on and to refinance our indebtedness, to make distributions, to fund planned capital expenditures and to satisfy our other capital and commercial commitments will depend on our ability to generate cash flow in the future. This, to a certain extent, is subject to nitrogen fertilizer margins, natural gas prices and general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control.

Contractual Obligations

	Payments Due by Period						
	Total	2010	2011	2012	2013	2014	Thereafter
	(in millions)						
Long-term debt(1)	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Operating leases(2)	14.8	0.9	4.0	4.0	3.2	1.6	1.1
Unconditional purchase obligations(3)	56.4	1.3	5.5	5.7	6.0	6.1	31.8
Unconditional purchase obligations with affiliates(4)	131.1	1.8	7.4	7.5	7.7	7.7	99.0
Environmental liabilities(5)	0.1	0.1	—	—	—	—	—
Total	$ 202.4	$ 4.1	$ 16.9	$ 17.2	$ 16.9	$ 15.4	$ 131.9

(1) We intend to enter into a new credit facility in connection with the closing of this offering. The new credit facility will include a $125.0 million term loan, which will be fully drawn at closing, and a $25.0 million revolving credit facility, which will be undrawn at closing. On a pro forma basis giving effect to these borrowings, the amortization and principal payments due by period in respect thereof would have been $ for 2010, $ for 2011, $ for 2012, $ for 2013, $ for 2014 and $ thereafter, and the interest payments due by period in respect thereof would have been $ for 2010, $ for 2011, $ for 2012, $ for 2013, $ for 2014, and $ thereafter.

(2) We lease various facilities and equipment, primarily railcars, under non-cancelable operating leases for various periods.

(3) The amount includes commitments under an electric supply agreement with the city of Coffeyville and a product supply agreement with Linde.

(4) The amount includes commitments under our long-term pet coke supply agreement with CVR Energy having an initial term that ends in 2027, subject to renewal.

(5) Represents our estimated remaining costs of remediation to address environmental contamination resulting from a reported release of UAN in 2005 pursuant to the State of Kansas Voluntary Cleanup and Property Redevelopment Program.

Under our long-term pet coke supply agreement with CVR Energy, we may become obligated to provide security for our payment obligations under the agreement if in CVR Energy's sole judgment there is a material adverse change in our financial condition or liquidity position or in our ability to make payments. This security may not exceed an amount equal to 21 times the average daily dollar value of pet coke we purchase for the 90-day period preceding the date on which CVR Energy gives us notice that it has deemed that a material adverse change has occurred. Unless otherwise agreed by CVR Energy and us, we can provide such security by means of a standby or documentary letter of credit, prepayment, a surety instrument, or a combination of the foregoing. If we do not provide such security, CVR Energy may require us to pay for future deliveries of pet coke on a cash-on-delivery basis, failing which it may suspend delivery of pet coke until such security is provided and terminate the agreement upon 30 days' prior written notice. Additionally, we may terminate the agreement within 60 days of providing security, so long as we provide five days' prior written notice.

Our business may not generate sufficient cash flow from operations, and future borrowings may not be available to us under our new credit facility, in an amount sufficient to enable us to make quarterly distributions, finance necessary capital expenditures, service our indebtedness or fund our other liquidity needs. We may seek to sell assets or issue debt securities or additional equity securities to fund our liquidity needs but may not be able to do so. We may also need to refinance all or a portion of our indebtedness on or before maturity. We may not be able to refinance any of our indebtedness on commercially reasonable terms or at all.

Recently Issued Accounting Standards

In January 2010, the Financial Accounting Standards Board, or FASB, issued Accounting Standards Update, or ASU, No. 2010-06, "*Improving Disclosures about Fair Value Measurements*" an amendment to Accounting Standards Codification, or 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.

Off-Balance Sheet Arrangements

We do not have any “off-balance sheet arrangements” as such term is defined within the rules and regulations of the SEC.

Quantitative and Qualitative Disclosures About Market Risk

Market risk represents the risk of loss that may impact our financial position, results of operations or cash flows due to adverse changes in financial and commodity market prices and rates. We do not currently use derivative financial instruments to manage risks related to changes in prices of commodities (e.g., ammonia, UAN or pet coke) or interest rates. Given that our business is currently based entirely in the United States, we are not directly exposed to foreign currency exchange rate risk.

We do not engage in activities that expose us to speculative or non-operating risks, including derivative trading activities. In the opinion of our management, there is no derivative financial instrument that correlates effectively with, and has a trading volume sufficient to hedge, our firm commitments and forecasted commodity purchase or sales transactions. Our management will continue to monitor whether financial derivatives become available which could effectively hedge identified risks and management may in the future elect to use derivative financial instruments consistent with our overall business objectives to avoid unnecessary risk and to limit, to the extent practical, risks associated with our operating activities.

INDUSTRY OVERVIEW

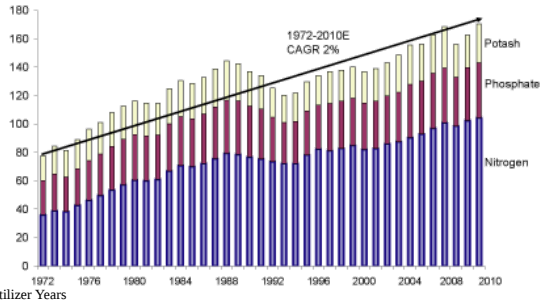
Fertilizer Overview

Plants require three essential nutrients in order to grow for which there are no substitutes: nitrogen, phosphate and potassium. Each nutrient plays a different role in plant development. Nitrogen is the most important element for plant growth because it is a building block of protein and chlorophyll. The supply of nitrogen not only determines growth, but also vigor, color and most importantly, yield. Phosphate is essential to plant root development and is required for photosynthesis, seed germination and the efficient usage of water. Potassium improves a plant's ability to withstand the stress of drought, disease, cold weather, weeds and insects. Although these nutrients are naturally found in soil, they are depleted over time by farming, which leads to declines in crop productivity. To replenish these nutrients farmers must apply fertilizer. Of these three nutrients, nitrogen is most quickly depleted, and as such, must be replenished every year. Phosphates and potassium, in the form of potash, can remain in soil for up to three years.

Global fertilizer demand is driven primarily by population growth, dietary changes in the developing world and increased bio-fuel consumption. As the global population grows, more food is required from decreasing farm land per capita. To increase food production from available land, more fertilizer must be used. According to the IFA, from 1972 to 2010, global fertilizer demand grew 2.1% annually and global nitrogen fertilizer demand grew at a faster rate of 2.8% annually. According to the IFA, during that 38-year period, U.S. fertilizer demand grew 0.6% annually and U.S. nitrogen fertilizer demand grew at a faster rate of 1.2% annually. Fertilizer use is projected to increase by 45% between 2005 and 2030 to meet global food demand, according to a study funded by the Food and Agriculture Organization of the United Nations.

In 2008, global fertilizer consumption was approximately 172.7 million nutrient tons — 109.4 million tons of nitrogen (63%), 37.7 million tons of phosphate (22%), and 25.6 million tons of potash (15%). Over time, these percentages have remained relatively constant, with the exception of the 2008 – 2009 economic crisis. During the crisis, farmers delayed fertilizer application in anticipation of lower fertilizer prices. Because nitrogen is not retained in soil and must be applied each year, it experienced a significantly smaller volume decline than phosphate and potash. According to Blue Johnson, U.S. potash and phosphate fertilizer volumes for 2009 both fell by 43% from 2008 levels, whereas nitrogen fertilizer volumes fell by only 12%.

Global Fertilizer Consumption Over Time
(Millions of Metric Tons)

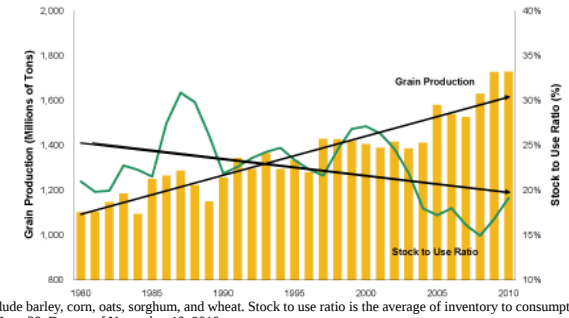


Note: Nutrient Tonnes; Fertilizer Years
Source: International Fertilizer Industry Association

Currently, the developed world uses fertilizer more intensively than the developing world, but sustained economic growth in emerging markets is increasing food demand and fertilizer use. As such, populations are shifting to more protein-rich diets as their incomes increase, with such consumption requiring larger amounts of grain for animal feed. As an example, China's grain production increased 31% between September 2001 and

September 2009, but still failed to keep pace with increases in demand, prompting China to double its grain imports over the same period, according to the USDA.

World Grain Production and Stock to Use Ratios
Millions of Tons, Stock to Use Ratio

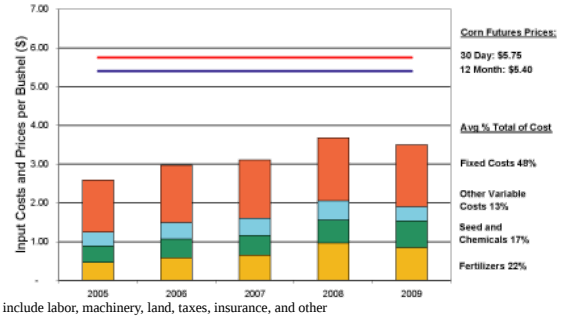


Note: Grains include barley, corn, oats, sorghum, and wheat. Stock to use ratio is the average of inventory to consumption for that year. Years are fertilizer years ending on June 30. Data as of November 18, 2010.
Source: USDA

The United States is the world's largest exporter of coarse grains, accounting for 46% of world exports and 31% of total world production according to the USDA. The United States is also the world's third largest consumer of nitrogen fertilizer and historically the largest importer of nitrogen fertilizer. Nitrogen fertilizer consumption in the United States is driven by three of its most important crops — corn, wheat and cotton — with corn being the largest consumer of nitrogen fertilizer in total and on a per acre basis. Global demand for corn has increased significantly, leading to an increase in U.S. corn production of 24% over the last three years, according to the USDA. Domestically, corn demand increases are being driven primarily by increased government ethanol mandates and by increased global demand for grain. The Energy Independence and Security Act of 2007 requires fuel producers to use at least 36 billion gallons of ethanol by 2022, a nearly 37% increase over current levels. Currently 3,677 million bushels of corn a year, or 30% of U.S. production, is used to produce ethanol. To meet the government mandate, the Department of Agriculture and Consumer Economics at the University of Illinois at Urbana-Champaign estimates that corn used to produce ethanol will need to increase to 4,400 million bushels for the 12 months ending June 2011.

World grain demand has increased 11% over the last five years, resulting in the lowest projected grain ending stocks in the United States since 1995 despite increased planted acreage and robust harvests during recent years. This tight supply environment has led to significant increases in grain prices, which are highly supportive of fertilizer prices. For example, during the last five years, corn prices in Illinois have averaged $3.63 per bushel, an increase of 72% above the average price of $2.11 per bushel during the preceding five years. Similarly, the average price for wheat during the last five years is 66% higher than the average price during the preceding five years. Fertilizer costs represent approximately 18% to 25% of a U.S. farmer's total input costs but have the greatest effect on the farmers' yield. For example, corn yields are directly proportional to the level of nitrogen fertilizer applied, giving farmers an economic incentive to increase the amount of fertilizer used, particularly at existing corn prices. At existing grain prices and prices implied by futures markets, farmers are expected to generate substantial profits, leading to relatively inelastic demand for fertilizers.

Breakdown of U.S. Farmer Total Input Costs



Note: Fixed Costs include labor, machinery, land, taxes, insurance, and other

Nitrogen Fertilizers

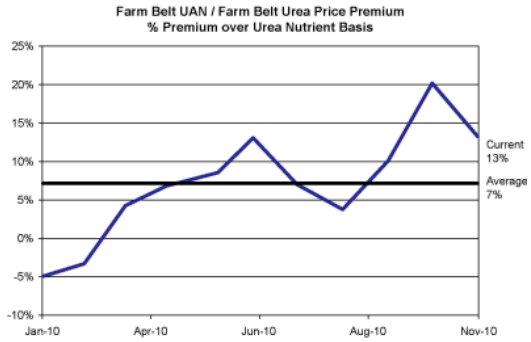
The four principal nitrogen-based fertilizer products are:

Ammonia. Ammonia is used as a direct application fertilizer; however it is primarily used as a building block for other nitrogen fertilizer products. Ammonia, consisting of 82% nitrogen, is stored either as a refrigerated liquid at minus 27 degrees Fahrenheit, or under pressure if not refrigerated. It is a hazardous gas at ambient temperatures, making it difficult and costly to transport. The direct application of ammonia requires farmers to make a considerable investment in pressurized storage tanks and injection machinery, and can take place only under a narrow range of ambient conditions. Ammonia is traded globally; however, transportation costs are significant.

Ammonia is produced by reacting gaseous nitrogen with hydrogen at high pressure and temperature in the presence of a catalyst. Traditionally, nearly all hydrogen produced for the manufacture of nitrogen-based fertilizers is produced by reforming natural gas at a high temperature and pressure in the presence of water and a catalyst. This process consumes a significant amount of natural gas, and as a result, production costs fluctuate significantly with changes in natural gas prices.

Alternatively, hydrogen used for the manufacture of ammonia can also be produced by gasifying pet coke or coal. Pet coke is produced during the petroleum refining process. The pet coke gasification process, which we utilize at our nitrogen fertilizer plant provides us with a cost advantage compared to U.S. Gulf Coast and offshore producers. Our nitrogen fertilizer plant's pet coke gasification process uses almost no natural gas, whereas natural gas is the sole feedstock for substantially all of our competitors, accounting for 85-90% of their production costs historically.

Urea Ammonium Nitrate Solution. Urea can be combined with ammonium nitrate solution to make liquid nitrogen fertilizer (urea ammonium nitrate or UAN). These solutions contain 32% nitrogen and are easy and safe to store and transport. Unlike ammonia and urea, UAN can be applied throughout the growing season and can be applied in tandem with pesticides and fungicides, providing farmers with flexibility and cost savings. The convenience of UAN fertilizer has led to an 8.5% increase in its consumption from 2000 through 2010 (estimated) on a nitrogen content basis, whereas ammonia fertilizer consumption decreased by 2.4% for the same period, according to data supplied by Blue Johnson. UAN benefits from an attractive combination of ammonium nitrate's immediate release of nutrients to the plant, and urea's slow form fertilization. UAN is not widely traded globally because it is costly to transport (it is approximately 65% water) and because its consumption is concentrated in the United States, which accounts for 60% of global consumption. Therefore, there is little risk to U.S. UAN producers of an influx of UAN from foreign imports. As a result of these factors, UAN commands a price premium to urea, on a nitrogen equivalent basis, as illustrated in the chart below.



Source: Green Markets data

Urea. Urea is mostly produced as a coated, granular solid containing 46% nitrogen and is suitable for use in bulk fertilizer blends containing the other two principal fertilizer nutrients, phosphate and potash. Urea accounts for 59% of the global nitrogen fertilizer market and 24% of the U.S. nitrogen fertilizer market. Urea is produced and traded worldwide and as a result, has less stable margins. We do not produce merchant urea.

Ammonium Nitrate. Ammonium nitrate is a dry, granular form of nitrogen-based fertilizer. We do not produce this product. Ammonium nitrate is also used for explosives; however we only handle the aqueous, non-explosive form, and therefore we are not subject to homeland security regulations concerning the dry form.

North American Nitrogen Fertilizer Industry

The five largest producers in the North American nitrogen fertilizer industry are Agrium, CF Industries, Koch Industries, Potash Corporation and Yara, all of which use natural gas-based production methods. Over the last five years, U.S. natural gas prices at the Henry Hub pricing point have averaged $6.30 per MMbtu, with a spot price low of $1.88 per MMbtu in 2009 and a spot price high of $15.39 per MMbtu in 2005. With the discovery of shale gas reserves, North American natural gas prices have declined significantly, giving North American producers a significant and sustainable cost advantage over former Soviet Union and Western European producers. Ukrainian producers now serve as the global swing producers. Their production costs, based on high cost natural gas purchased from Russia, plus transportation costs over land to regional ports and then ocean freight to the U.S. Gulf Coast, serve as the price floor for the U.S. market, which imports approximately 46% of its nitrogen fertilizer needs.

Natural Gas Prices
United States and Western Europe

Note: European prices converted from GBP/Therm to $/MMBtu, based on daily exchange rate
Historical Sources: NBP Weekly Spot Rate, Henry Hub Weekly Spot Rate
Forecast Sources: NBP Forward Rate 12/4/2010, Henry Hub Futures Nymex Exchange 12/4/2010

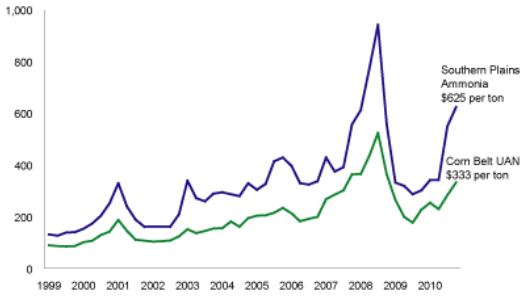
Over the last decade, North American fertilizer capacity has declined significantly due to plant closures. In the United States, production capacity fell by 34% between 1999 and 2010 due to capacity closures, and no new plants have been built since our nitrogen fertilizer plant was constructed in 2000. Prior to the construction of our plant, the most recent plant to be built was completed in 1977. The North American fertilizer industry has also experienced significant consolidation from merger and acquisition activity. In 2003, Koch Industries acquired Farmland's nitrogen fertilizer assets, in 2008 Yara acquired Saskferco and in 2010 CF Industries acquired Terra Industries. As a result of these and other developments, the top five producers have increased their market share in North America from 56% in 2000 to 78% today. Further opportunity to consolidate exists today as a number of smaller nitrogen fertilizer assets are held by companies that do not have a fertilizer focus.

Our production facility is located in the farm belt, which refers to the states of Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Texas and Wisconsin. In 2008, the farm belt consumed approximately 3.9 million tons of ammonia and 6.5 million tons of UAN. Based on Blue Johnson, we estimate that our UAN production in 2009 represented approximately 6.4% of the total U.S. UAN demand and our net ammonia production represented less than 1.0% of the total U.S. ammonia demand.

Fertilizer Pricing Trends

During the 1990s, ammonia prices in the Southern Plains, a region within our primary market, typically fluctuated between $125 and $225 per ton. During that time, the U.S. nitrogen fertilizer industry was oversupplied. During the 2000s, natural gas prices rose and U.S. production declined significantly following plant closures and consolidation due to merger and acquisition activity. At the same time, world demand for grain continued to increase, leading to tightening nitrogen fertilizer markets. During the last decade nitrogen fertilizer prices decoupled from natural gas prices and became driven primarily by demand dynamics. In 2008, nitrogen fertilizer experienced a dramatic increase in price commensurate with other fertilizer nutrients and other global commodities such as metals. The 2008–2009 global economic crisis prompted a decline in fertilizer prices and fertilizer demand; however, the long-term supply and demand trends remained intact, leading to a strong recovery of fertilizer demand and pricing shortly after the onset of the financial crisis. Today, nitrogen fertilizer prices continue to benefit from strong global fundamentals for agricultural products. A particularly strong relationship exists between global grain prices and nitrogen fertilizer prices. For example, U.S. 30-day corn and wheat futures increased 48% and 49% from June 1, 2010 to December 9, 2010. During this same time period, Southern Plains ammonia prices increased 74% from $360 per ton to $625 per ton and corn belt UAN prices increased 32% from $252 per ton to $333 per ton. Despite the growth in prices, grain prices remain well below the peak levels of 2008 and prices in forward markets are available at or very near current levels. This environment is supportive of high farmer profits, which are in turn supportive of sustained high fertilizer prices and demand.

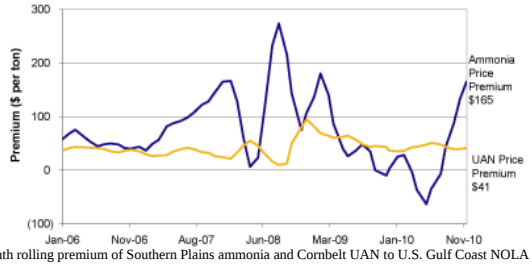
Historical U.S. Nitrogen Fertilizer Prices
($ per ton)



Source: Green Markets data

The transportation costs related to shipping ammonia and UAN into the farm belt are substantial and shipping into this region is difficult; it costs an estimated $25 per ton to ship these fertilizers from the U.S. Gulf Coast to Hastings, Nebraska, a major U.S. trading hub for ammonia and UAN near NuStar's Aurora pipeline. As a result, locally based fertilizer producers, such as us, enjoy a distribution cost advantage over U.S. Gulf Coast ammonia and UAN producers and importers. As illustrated in the exhibit below, Southern Plains spot ammonia and corn belt spot UAN prices averaged $436 per ton and $274 per ton, respectively, for the 2006 through 2010 year to date, based on data provided by Blue Johnson, which represents an average 25% and 21% premium, respectively, over U.S. Gulf Coast prices.

Premium of Southern Plains Ammonia and Corn Belt UAN to U.S. Gulf Coast Prices ($ per ton)



Note: Three month rolling premium of Southern Plains ammonia and Cornbelt UAN to U.S. Gulf Coast NOLA Barge ammonia and UAN prices.
Source: Blue, Johnson & Associates, Inc. Report, 2009, Green Markets data for U.S. Gulf Coast prices after September 2010.

BUSINESS

Overview

We are a Delaware limited partnership formed by CVR Energy to own, operate and grow our nitrogen fertilizer business. Strategically located adjacent to CVR Energy's refinery in Coffeyville, Kansas, our nitrogen fertilizer manufacturing facility is the only operation in North America that utilizes a petroleum coke, or pet coke, gasification process to produce nitrogen fertilizer. Our facility includes a 1,225 ton-per-day ammonia unit, a 2,025 ton-per-day UAN unit, and a gasifier complex having a capacity of 84 million standard cubic feet per day. Our gasifier is a dual-train facility, with each gasifier able to function independently of the other, thereby providing redundancy and improving our reliability. We upgrade a majority of the ammonia we produce to higher margin UAN fertilizer, an aqueous solution of urea and ammonium nitrate which has historically commanded a premium price over ammonia. In 2009, we produced 435,184 tons of ammonia, of which approximately 64% was upgraded into 677,739 tons of UAN.

We intend to expand our existing asset base and utilize the experience of CVR Energy's management team to execute our growth strategy. Our growth strategy includes expanding production of UAN and potentially acquiring additional infrastructure and production assets. Following completion of this offering, we intend to move forward with a significant two-year plant expansion designed to increase our UAN production by 400,000 tons, or approximately 50%, per year. CVR Energy, a New York Stock Exchange listed company, which following this offering will indirectly own our general partner and approximately % of our outstanding common units, currently operates a 115,000 barrel-per-day, or bpd, sour crude oil refinery and ancillary businesses.

The primary raw material feedstock utilized in our nitrogen fertilizer production process is pet coke, which is produced during the crude oil refining process. In contrast, substantially all of our nitrogen fertilizer competitors use natural gas as their primary raw material feedstock. Historically, pet coke has been significantly less expensive than natural gas on a per ton of fertilizer produced basis and pet coke prices have been more stable when compared to natural gas prices. By using pet coke as the primary raw material feedstock instead of natural gas, our nitrogen fertilizer business has historically been the lowest cost producer and marketer of ammonia and UAN fertilizers in North America. The facility uses a gasification process for which we have a fully paid, perpetual license from an affiliate of The General Electric Company, or General Electric, to convert pet coke to high purity hydrogen for subsequent conversion to ammonia. We currently purchase most of our pet coke (between 950 and 1,050 tons per day) from CVR Energy pursuant to a long-term agreement having an initial term that ends in 2027, subject to renewal. During the past five years, over 70% of the pet coke utilized by our plant was produced and supplied by CVR Energy's crude oil refinery. Our plant uses another 250 to 300 tons per day from unaffiliated, third-party sources such as other Midwestern refineries or pet coke brokers.

We generated net sales of $141.1 million, net income of $39.5 million and EBITDA of $43.8 million for the nine months ended September 30, 2010. We generated net sales of $187.4 million, $263.0 million and $208.4 million, net income of $24.1 million, $118.9 million and $57.9 million and EBITDA of $65.0 million, $134.9 million and $67.6 million, for the years ended December 31, 2007, 2008 and 2009, respectively. For a reconciliation of EBITDA to net income, see footnote 6 under "Prospectus Summary — Summary Historical and Pro Forma Consolidated Financial Information."

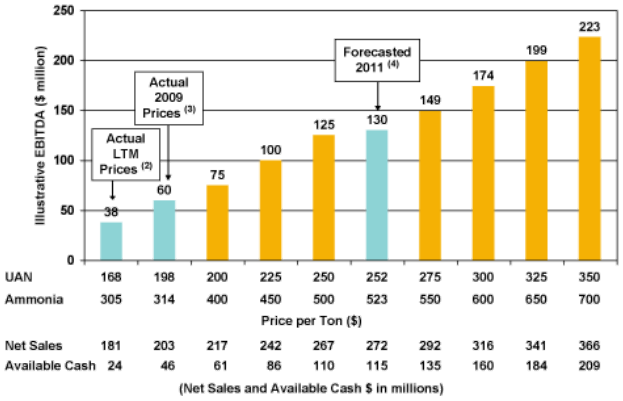
Our Competitive Strengths

Pure-Play Nitrogen Fertilizer Company. We believe that as a pure-play nitrogen fertilizer company we are well positioned to benefit from positive trends in the nitrogen fertilizer market in general and the UAN market in particular, including strengthening demand, tightening supply, rising crop prices and increased corn acreage. We derive substantially all of our revenue from the production and sale of nitrogen fertilizers, primarily in the agricultural market, whereas most of our competitors are meaningfully diversified into other crop nutrients, such as phosphate and potash, and make significant sales into the lower-margin industrial market. For example, our largest public competitors, Agrium, Potash Corporation, Yara (excluding blended fertilizers) and CF Industries (after giving effect to its acquisition of Terra Industries) derived 90%, 88%, 46% and 30% of their sales in 2009, respectively, from the sale of products other than nitrogen fertilizer used in the agricultural market. Nitrogen

fertilizer production is a higher margin, growing business with more stable demand compared to the production of the two other essential crop nutrients, potash and phosphate, because nitrogen is depleted in the soil more quickly than those nutrients and therefore must be reapplied annually. During the last five years, ammonia and UAN prices averaged $457 and $284 per ton, respectively, which is a substantial increase from the average prices of $273 and $157 per ton, respectively, during the prior five-year period. Over the last ten years, global nitrogen fertilizer demand has shown a compound annual growth rate of 2.1% and is expected to grow 1.0% per year through 2020, according to Blue Johnson.

The following chart shows the consolidated impact of a $25 per ton change in UAN pricing and a $50 per ton change in ammonia pricing on our EBITDA based on the assumptions described herein:

Illustrative EBITDA Sensitivity to UAN and Ammonia Prices(1)



(1) The price sensitivity analysis in this table is based on the assumptions described in our forecast of EBITDA for the year ended December 31, 2011, including 158,024 ammonia tons sold, 671,400 UAN tons sold, cost of product sold of $45.5 million, direct operating expenses of $84.0 million and selling, general and administrative expenses of $12.8 million. This table is presented to show the sensitivity of our 2011 EBITDA forecast of $129.7 million to specified changes in ammonia and UAN prices. Spot ammonia and UAN prices were $625 and $333, respectively, per ton as of December 9, 2010. There can be no assurance that we will achieve our 2011 EBITDA forecast or any of the specified levels of EBITDA indicated above, or that UAN and ammonia pricing will achieve any of the levels specified above. See "Our Cash Distribution Policy and Restrictions on Distribution — Forecasted Available Cash" for a reconciliation of our 2011 EBITDA forecast to our 2011 net income forecast and a discussion of the assumptions underlying our forecast.

(2) Actual pricing for the last twelve months ended September 30, 2010.

(3) Actual pricing for the year ended December 31, 2009.

(4) Forecasted pricing for the year ended December 31, 2011.

High Margin Nitrogen Fertilizer Producer. Our unique combination of pet coke raw material usage, premium product focus and transportation cost advantage has helped to keep our costs low and has enabled us to generate high margins. In 2008, 2009 and the first nine months of 2010, our operating margins were 44%, 23% and 21%, respectively. Over the last five years, U.S. natural gas prices at the Henry Hub pricing point have averaged

$6.30 per MMbtu. The following chart shows our cost advantage for the year ended December 31, 2009 as compared to an illustrative natural gas-based competitor in the U.S. Gulf Coast:

CVR Partners Cost Advantage over an Illustrative U.S. Gulf Coast Natural Gas-Based Competitor

($ per ton, unless otherwise noted)

	CVR Partners' Ammonia Cost Advantage				CVR Partners' UAN Cost Advantage			
	Illustrative Competitor		CVR Partners		Illustrative Competitor		CVR Partners	
Illustrative Natural Gas Delivered Price ($/MMbtu)	Gas Cost(a)	Total Competitor Ammonia Costs(b)(c)(e)	Ammonia Costs(d)(e)	Ammonia Cost Advantage	Competitor Ammonia cost per ton UAN(f)	Total Competitor UAN Costs(c)(e)(g)	UAN Costs(e)(f)(h)	UAN Cost Advantage
$4.00	$132	$193	$189	$ 4	$ 65	$ 98	$ 87	$ 11
4.50	149	210	189	21	72	105	87	18
5.50	182	243	189	54	85	118	87	31
6.50	215	276	189	87	99	132	87	45
7.50	248	309	189	120	113	146	87	58

(a) Assumes 33 MMbtu of natural gas to produce a ton of ammonia, based on Blue Johnson.
(b) Assumes $27 per ton operating cost for ammonia, based on Blue Johnson.
(c) Assumes incremental $34 per ton transportation cost from the U.S. Gulf Coast to the mid-continent for ammonia and $15 per ton for UAN, based on recently published rail and pipeline tariffs.
(d) CVR Partners' ammonia cost consists of $30 per ton of ammonia in pet coke costs and $159 per ton of ammonia in operating costs for the year ended December 31, 2009.
(e) The cost data included in this chart for an illustrative competitor assumes property taxes, whereas the cost data included for CVR Partners includes the cost of our property taxes other than property taxes currently in dispute. CVR Partners is currently disputing the amount of property taxes which it has been required to pay in recent years. For information on the effect of disputed property taxes on our actual production costs, see product production cost data and footnote 8 under "Prospectus Summary — Summary Historical and Pro Forma Consolidated Financial Information." See also "Management's Discussion and Analysis of Financial Condition and Results of Operations — Factors Affecting Comparability — Fertilizer Plant Property Taxes."
(f) Each ton of UAN contains approximately 0.41 tons of ammonia. Illustrative competitor UAN cost per ton data removes $34 per ton in transportation costs for ammonia.
(g) Assumes $18 per ton cash conversion cost to UAN, based on Blue Johnson.
(h) CVR Partners' UAN conversion cost was $13 per ton for the year ended December 31, 2009. $7.80 per ton of ammonia production costs are not transferable to UAN costs.

- *Cost Advantage.* We operate the only nitrogen fertilizer production facility in North America that uses pet coke gasification to produce nitrogen fertilizer, which has historically given us a cost advantage over competitors that use natural gas-based production methods. Our costs are approximately 72% fixed and relatively stable, which allows us to benefit directly from increases in nitrogen fertilizer prices. Our fixed costs consist primarily of electrical energy, employee labor, maintenance, including contract labor, and outside services. Our variable costs consist primarily of pet coke. Our pet coke costs have historically remained relatively stable, averaging $26 per ton since we began operating under our current structure in October 2007, with a high of $31 per ton for 2008 and a low of $19 per ton for the nine months ended September 30, 2010. Third-party pet coke prices have averaged $41 per ton over the last five years, with a high of $49 per ton for 2007 and a low of $34 per ton for 2006. Substantially all of our nitrogen fertilizer competitors use natural gas as their primary raw material feedstock (with natural gas constituting approximately 85-90% of their production costs based on historical data) and are therefore heavily impacted by changes in natural gas prices.

- *Premium Product Focus.* We focus on producing higher margin, higher growth UAN nitrogen fertilizer. Historically, UAN has accounted for over 80% of our product tons sold. UAN commands a price premium over ammonia and urea on a nutrient ton basis. Unlike ammonia and urea, UAN is easier to apply and can be applied throughout the growing season to crops directly or mixed with crop protection products, which reduces energy and labor costs for farmers. In addition, UAN is safer to handle than ammonia. The convenience of UAN fertilizer has led to an 8.5% increase in its consumption from 2000 through 2010 (estimated) on a nitrogen content basis, whereas ammonia fertilizer consumption decreased by 2.4% for the same period, according to data supplied by Blue Johnson. We currently upgrade 64% of our ammonia production into UAN and plan to expand our upgrading capacity to have the flexibility to upgrade all of our ammonia production into UAN.

- *Strategically Located Asset.* We and other competitors located in the U.S. farm belt share a transportation cost advantage when compared to our out-of-region competitors in serving the U.S. farm belt agricultural market. In 2010, approximately 45% of the corn planted in the United States was grown within a $35/UAN ton freight train rate of our nitrogen fertilizer plant. We are therefore able to cost-effectively sell substantially all of our products in the higher margin agricultural market, whereas, according to publicly available information prepared by our competitors, a significant portion of our competitors' revenues are derived from the lower margin industrial market. Because the U.S. farm belt consumes more nitrogen fertilizer than is produced in the region, it must import nitrogen fertilizer from the U.S. Gulf Coast as well as from international producers. Accordingly, U.S. farm belt producers may offer nitrogen fertilizers at prices that factor in the transportation costs of out-of-region producers without having incurred such costs. We estimate that our plant enjoys a transportation cost advantage of approximately $25 per ton over competitors located in the U.S. Gulf Coast, based on a comparison of our actual transportation costs and recently published rail and pipeline tariffs. Our location on Union Pacific's main line increases our transportation cost advantage by lowering the costs of bringing our products to customers. Our products leave the plant either in trucks for direct shipment to customers (in which case we incur no transportation cost) or in railcars for destinations located principally on the Union Pacific Railroad. We do not incur any intermediate transfer, storage barge freight or pipeline freight charges.

Highly Reliable Pet Coke Gasification Fertilizer Plant with Low Capital Requirements. Our nitrogen fertilizer plant was completed in 2000 and, based on data supplied by Blue Johnson, is the newest nitrogen fertilizer plant built in North America. Our nitrogen fertilizer facility was built with the dual objectives of being low cost and reliable. Our facility has low maintenance costs, with maintenance capital expenditures ranging between approximately $4 million and $7 million per year from 2006 through 2009. We have configured the plant to have a dual-train gasifier complex, with each gasifier able to function independently of the other, thereby providing redundancy and improving our reliability. We use gasification technology that has been proven through over 50 years of industrial use, principally for power generation. In 2009, our gasifier had an on-stream factor, which is defined as the total number of hours operated divided by the total number of hours in the reporting period, in excess of 97%. Prior to our plant's construction in 2000, the last ammonia plant built in the United States was constructed in 1977. Construction of a new nitrogen fertilizer facility would require significant capital investment.

Experienced Management Team. We are managed by CVR Energy's management pursuant to a services agreement. Mr. John J. Lipinski, Chief Executive Officer, has over 38 years of experience in the refining and chemicals industries. Mr. Stanley A. Riemann, Chief Operating Officer, has over 37 years of experience in the fertilizer and energy industries, including experience running one of the largest fertilizer manufacturing systems in the United States at Farmland. Mr. Edward A. Morgan, Chief Financial Officer, has over 18 years of finance experience. Mr. Kevan Vick, Executive Vice President and Fertilizer General Manager, has over 34 years of experience in the nitrogen fertilizer industry and was previously the general manager of nitrogen fertilizer manufacturing at Farmland. Mr. Vick leads a senior operations team whose members have an average of 22 years of experience in the fertilizer industry. Most of the members of our senior operations team were on-site during the construction and startup of our nitrogen fertilizer plant in 2000.

Our Business Strategy

Our objective is to maximize quarterly distributions to our unitholders by operating our nitrogen fertilizer facility in an efficient manner, maximizing production time and growing profitably within the nitrogen fertilizer industry. We intend to accomplish this objective through the following strategies:

- *Pay Out All of the Available Cash We Generate Each Quarter.* Our strategy is to pay out all of the available cash we generate each quarter. We expect that holders of our common units will receive a greater percentage of our operating cash flow when compared to our publicly traded corporate competitors across the broader fertilizer sector, such as Agrium, CF Industries, Potash Corporation and Yara. These companies have provided an average dividend yield of 0.1%, 0.3%, 0.3% and 1.6%, respectively, as of November 30, 2010, compared to our expected distribution yield of % (calculated by dividing our forecasted distribution for the year ending December 31, 2011 of $ per common unit by the mid-point of the price range on the cover page of this prospectus). The board of directors of our general partner will adopt a policy under which

we will distribute all of the available cash we generate each quarter, as described in "Our Cash Distribution Policy and Restrictions On Distributions" on page 56. We do not intend to maintain excess distribution coverage for the purpose of maintaining stability or growth in our quarterly distributions or otherwise to reserve cash for future distributions, and we do not intend to incur debt to pay quarterly distributions. Unlike many publicly traded partnerships that have economic general partner interests and incentive distribution rights that entitle the general partner to receive disproportionate percentages of cash distributions as distributions increase (often up to 50%), our general partner will have a non-economic interest and no incentive distribution rights, and will therefore not be entitled to receive cash distributions. Our common unitholders will receive 100% of our cash distributions.

- *Pursue Growth Opportunities.* We are well positioned to grow organically, through acquisitions, or both.
  - *Expand UAN Capacity.* We intend to move forward with an expansion of our nitrogen fertilizer plant that is designed to increase our UAN production capacity by 400,000 tons, or approximately 50%, per year. This approximately $135 million expansion, for which approximately $31 million had been spent as of December 31, 2010, will allow us the flexibility to upgrade all of our ammonia production when market conditions favor UAN. We expect that this additional UAN production capacity will improve our margins, as UAN has historically been a higher margin product than ammonia. We expect that the UAN expansion will take 18 to 24 months to complete and will be funded with approximately $ million of the net proceeds from this offering and $ million of term loan borrowings.
  - *Selectively Pursue Accretive Acquisitions.* We intend to evaluate strategic acquisitions within the nitrogen fertilizer industry and to focus on disciplined and accretive investments that leverage our core strengths. We have no agreements, understandings or financings with respect to any acquisitions at the present time.
- *Continue to Focus on Safety and Training.* We intend to continue our focus on safety and training in order to increase our facility's reliability and maintain our facility's high on-stream availability. We have developed a series of comprehensive safety programs, involving active participation of employees at all levels of the organization, that are aimed at preventing recordable incidents. In 2009, our nitrogen fertilizer plant had a recordable incident rate of 1.76, which was our lowest recordable incident rate in over five years. The recordable incident rate reflects the number of recordable incidents per 200,000 hours worked.
- *Continue to Enhance Efficiency and Reduce Operating Costs.* We are currently engaged in certain projects that will reduce overall operating costs, increase efficiency, and utilize byproducts to generate incremental revenue. For example, we have built a low btu gas recovery pipeline between our nitrogen fertilizer plant and CVR Energy's crude oil refinery, which will allow us to sell off-gas, a byproduct produced by our fertilizer plant, to the refinery. We expect to start up this pipeline no later than the first quarter of 2011. In addition, we have formulated a plan to address the CO_2 released by our nitrogen fertilizer plant. To that end, we have signed a letter of intent with a third party with expertise in CO_2 capture and storage systems to develop plans whereby we may, in the future, either sell up to 850,000 tons per year of high purity CO_2 produced by our nitrogen fertilizer plant to oil and gas exploration and production companies to enhance oil recovery or pursue an economic means of geologically sequestering such CO_2.
- *Provide High Level of Customer Service.* We focus on providing our customers with the highest level of service. The nitrogen fertilizer plant has demonstrated consistent levels of production while operating at close to full capacity. Substantially all of our product shipments are targeted to freight advantaged destinations located in the U.S. farm belt, allowing us to quickly and reliably service customer demand. Furthermore, we maintain our own fleet of railcars capable of safely transporting UAN and ammonia, which helps us ensure prompt delivery. As a result of these efforts, many of our largest customers have been our customers since the plant came on line in 2000, and our customer retention rate year to year has been consistently high. We believe a continued focus on customer service will allow us to maintain relationships with existing customers and grow our business.

Our History

Prior to March 3, 2004, our nitrogen fertilizer plant was operated as a small component of Farmland, an agricultural cooperative. Farmland filed for bankruptcy protection on May 31, 2002. Coffeyville Resources, LLC, a subsidiary of Coffeyville Group Holdings, LLC, won the bankruptcy court auction for Farmland's nitrogen fertilizer plant (and the refinery and related businesses now operated by CVR Energy) and completed the purchase of these assets on March 3, 2004.

On June 24, 2005, pursuant to a stock purchase agreement dated May 15, 2005, all of the subsidiaries of Coffeyville Group Holdings, LLC, including our nitrogen fertilizer plant (and the refinery and related businesses now operated by CVR Energy), were acquired by Coffeyville Acquisition, a newly formed entity principally owned by funds affiliated with Goldman, Sachs & Co. and Kelso & Company, or the Goldman Sachs Funds and the Kelso Funds, respectively.

On October 26, 2007, CVR Energy completed its initial public offering. CVR Energy was formed as a wholly-owned subsidiary of Coffeyville Acquisition in September 2006 in order to complete the initial public offering of the businesses acquired by Coffeyville Acquisition. At the time of its initial public offering, CVR Energy operated the petroleum refining business and indirectly owned all of the partnership interests in us (other than the interests held by CVR GP).

We were formed by CVR Energy in June 2007 in order to hold the nitrogen fertilizer business in a structure that might be separately financed in the future as a limited partnership. In October 2007, in consideration for CVR Energy contributing its nitrogen fertilizer business to us, Special GP, acquired 30,303,000 special GP units and 30,333 special LP units, and CVR GP, a subsidiary of CVR Energy at that time, acquired the general partner interest and the IDRs. CVR Energy concurrently sold our general partner, together with the IDRs, to Coffeyville Acquisition III, an entity owned by the Goldman Sachs Funds, the Kelso Funds and certain members of CVR Energy's senior management team, for its fair market value on the date of sale.

As part of the Transactions occurring in connection with this offering, Special GP will be merged with and into Coffeyville Resources, with Coffeyville Resources continuing as the surviving entity, our general partner will sell to us its IDRs for $26.0 million in cash, and we will extinguish such IDRs, and Coffeyville Acquisition III, the current owner of our general partner, will sell our general partner to Coffeyville Resources for nominal consideration.

Raw Material Supply

The nitrogen fertilizer facility's primary input is pet coke. During the past five years, over 70% of our pet coke requirements on average were supplied by CVR Energy's adjacent crude oil refinery. Historically we have obtained the remainder of our pet coke requirements from third parties such as other Midwestern refineries or pet coke brokers at spot prices. If necessary, the gasifier can also operate on low grade coal as an alternative, which provides an additional raw material source. There are significant supplies of low grade coal within a 60-mile radius of our nitrogen fertilizer plant.

Pet coke is produced as a by-product of the refinery's coker unit process. In order to refine heavy or sour crude oil, which are lower in cost and more prevalent than higher quality crude oil, refiners use coker units, which enables refiners to further upgrade heavy crude oil.

Our fertilizer plant is located in Coffeyville, Kansas, which is part of the Midwest pet coke market. The Midwest pet coke market is not subject to the same level of pet coke price variability as is the U.S. Gulf Coast pet coke market. Given the fact that the majority of our third-party pet coke suppliers are located in the Midwest, our geographic location gives us (and our similarly located competitors) a transportation cost advantage over our U.S. Gulf Coast market competitors. The U.S. Gulf Coast market annual average price during the same period has ranged from $24.83 per ton to $77.38 per ton.

Linde, Inc., or Linde, owns, operates, and maintains the air separation plant that provides contract volumes of oxygen, nitrogen, and compressed dry air to our gasifiers for a monthly fee. We provide and pay for all utilities required for operation of the air separation plant. The air separation plant has not experienced any long-term operating problems. CVR Energy maintains, for our benefit, contingent business interruption insurance coverage

with a $50 million limit for any interruption that results in a loss of production from an insured peril. The agreement with Linde provides that if our requirements for liquid or gaseous oxygen, liquid or gaseous nitrogen or clean dry air exceed specified instantaneous flow rates by at least 10%, we can solicit bids from Linde and third parties to supply our incremental product needs. We are required to provide notice to Linde of the approximate quantity of excess product that we will need and the approximate date by which we will need it; we and Linde will then jointly develop a request for proposal for soliciting bids from third parties and Linde. The bidding procedures may be limited under specified circumstances. The agreement with Linde expires in 2020.

We import start-up steam for the nitrogen fertilizer plant from CVR Energy's crude oil refinery, and then export steam back to the crude oil refinery once all of our units are in service. We have entered into a feedstock and shared services agreement with CVR Energy which regulates, among other things, the import and export of start-up steam between the refinery and the nitrogen fertilizer plant. Monthly charges and credits are recorded with the steam valued at the natural gas price for the month.

Production Process

Our nitrogen fertilizer plant was built in 2000 with two separate gasifiers to provide redundancy and reliability. It uses a gasification process licensed from General Electric to convert pet coke to high purity hydrogen for a subsequent conversion to ammonia. Following a turnaround completed in October 2010, the nitrogen fertilizer plant is capable of processing approximately 1,300 tons per day of pet coke from CVR Energy's crude oil refinery and third-party sources and converting it into approximately 1,200 tons per day of ammonia. A majority of the ammonia is converted to approximately 2,000 tons per day of UAN. Typically 0.41 tons of ammonia are required to produce one ton of UAN.

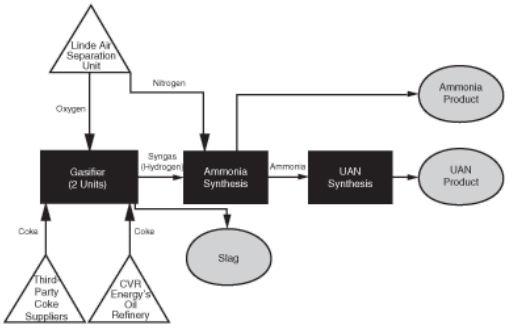
Pet coke is first ground and blended with water and a fluxant (a mixture of fly ash and sand) to form a slurry that is then pumped into the partial oxidation gasifier. The slurry is then contacted with oxygen from an air separation unit. Partial oxidation reactions take place and the synthesis gas, or syngas, consisting predominantly of hydrogen and carbon monoxide, is formed. The mineral residue from the slurry is a molten slag (a glasslike substance containing the metal impurities originally present in pet coke) and flows along with the syngas into a quench chamber. The syngas and slag are rapidly cooled and the syngas is separated from the slag.

Slag becomes a byproduct of the process. The syngas is scrubbed and saturated with moisture. The syngas next flows through a shift unit where the carbon monoxide in the syngas is reacted with the moisture to form hydrogen and CO_2. The heat from this reaction generates saturated steam. This steam is combined with steam produced in the ammonia unit and the excess steam not consumed by the process is sent to the adjacent crude oil refinery.

After additional heat recovery, the high-pressure syngas is cooled and processed in the acid gas removal unit. The syngas is then fed to a pressure swing absorption, or PSA, unit, where the remaining impurities are extracted. The PSA unit reduces residual carbon monoxide and CO_2 levels to trace levels, and the moisture-free, high-purity hydrogen is sent directly to the ammonia synthesis loop.

The hydrogen is reacted with nitrogen from the air separation unit in the ammonia unit to form the ammonia product. A large portion of the ammonia is converted to UAN. In 2009, we produced 435,184 tons of ammonia, of which approximately 64% was upgraded into 677,739 tons of UAN.

The following is an illustrative Nitrogen Fertilizer Plant Process Flow Chart:



We schedule and provide routine maintenance to our critical equipment using our own maintenance technicians. Pursuant to a technical services agreement with General Electric, which licenses the gasification technology to us, General Electric experts provide technical advice and technological updates from their ongoing research as well as other licensees' operating experiences. The pet coke gasification process is licensed from General Electric pursuant to a perpetual license agreement that is fully paid. The license grants us perpetual rights to use the pet coke gasification process on specified terms and conditions.

Distribution, Sales and Marketing

The primary geographic markets for our fertilizer products are Kansas, Missouri, Nebraska, Iowa, Illinois, Colorado and Texas. We market the ammonia products to industrial and agricultural customers and the UAN products to agricultural customers. The demand for nitrogen fertilizers occurs during three key periods. The highest level of ammonia demand is traditionally in the spring pre-plant period, from March through May. The second-highest period of demand occurs during fall pre-plant in late October and November. The summer wheat pre-plant occurs in August and September. In addition, smaller quantities of ammonia are sold in the off-season to fill available storage at the dealer level.

Ammonia and UAN are distributed by truck or by railcar. If delivered by truck, products are sold on a freight-on-board basis, and freight is normally arranged by the customer. We lease a fleet of railcars for use in product delivery. We also negotiate with distributors that have their own leased railcars to utilize these assets to deliver products. We own all of the truck and rail loading equipment at our nitrogen fertilizer facility. We operate two truck loading and four rail loading racks for each of ammonia and UAN, with an additional four rail loading racks for UAN.

We market agricultural products to destinations that produce the best margins for the business. The UAN market is primarily located near the Union Pacific Railroad lines or destinations that can be supplied by truck. The ammonia market is primarily located near the Burlington Northern Santa Fe or Kansas City Southern Railroad lines or destinations that can be supplied by truck. By securing this business directly, we reduce our dependence on distributors serving the same customer base, which enables us to capture a larger margin and allows us to better control our product distribution. Most of the agricultural sales are made on a competitive spot basis. We also offer products on a prepay basis for in-season demand. The heavy in-season demand periods are spring and fall in the corn belt and summer in the wheat belt. The corn belt is the primary corn producing region of the United States, which includes Illinois, Indiana, Iowa, Minnesota, Missouri, Nebraska, Ohio and Wisconsin. The wheat belt is the primary wheat producing region of the United States, which includes Kansas, North Dakota, Oklahoma, South Dakota and Texas. Some of the industrial sales are spot sales, but most are on annual or multiyear contracts.

We use forward sales of our fertilizer products to optimize our asset utilization, planning process and production scheduling. These sales are made by offering customers the opportunity to purchase product on a forward basis at prices and delivery dates that we propose. We use this program to varying degrees during the year and between years depending on market conditions. We have the flexibility to decrease or increase forward sales depending on our view as to whether price environments will be increasing or decreasing. Fixing the selling prices of our products months in advance of their ultimate delivery to customers typically causes our reported selling prices and margins to differ from spot market prices and margins available at the time of shipment. As of December 14, 2010, we have sold forward 41,599 tons of ammonia at an average net back of $538.20 and 251,872 tons of UAN at an average net back of $215.14 for shipment over the next six months. As of December 13, 2010, $13.2 million of our forward sales are prepaid sales, which means we received payment for such product in advance of delivery. Cash received as a result of prepayments is recognized on our balance sheet upon receipt along with a corresponding liability; however, we do not generate net income or EBITDA in respect of prepaid sales until product is actually delivered.

Customers

We sell ammonia to agricultural and industrial customers. Based upon a three-year average, we have sold approximately 85% of the ammonia we produce to agricultural customers primarily located in the mid-continent area between North Texas and Canada, and approximately 15% to industrial customers. Agricultural customers include distributors such as MFA, United Suppliers, Inc., Brandt Consolidated Inc., Gavilon Fertilizers LLC, Transammonia, Inc., Agri Services of Brunswick, LLC, Interchem, and CHS Inc. Industrial customers include Tessenderlo Kerley, Inc., National Cooperative Refinery Association, and Dyno Nobel, Inc. We sell UAN products to retailers and distributors. Given the nature of our business, and consistent with industry practice, we do not have long-term minimum purchase contracts with any of our customers.

For the years ended December 31, 2007, 2008 and 2009, the top five ammonia customers in the aggregate represented 62.1%, 54.7% and 43.9% of our ammonia sales, respectively, and the top five UAN customers in the aggregate represented 38.7%, 37.2% and 44.2% of our UAN sales, respectively. Approximately 18%, 13% and 15% of our aggregate sales for the year ended December 31, 2007, 2008 and 2009, respectively, were made to Gavilon Fertilizers LLC.

Competition

We have experienced and expect to continue to meet significant levels of competition from current and potential competitors, many of whom have significantly greater financial and other resources. See “Risk Factors — Risks Related to Our Business — Nitrogen fertilizer products are global commodities, and we face intense competition from other nitrogen fertilizer producers.”

Competition in our industry is dominated by price considerations. However, during the spring and fall application seasons, farming activities intensify and delivery capacity is a significant competitive factor. We maintain a large fleet of leased rail cars and seasonally adjust inventory to enhance our manufacturing and distribution operations.

Our major competitors include Agrium, Koch Nitrogen, Potash Corporation and CF Industries. Domestic competition is intense due to customers’ sophisticated buying tendencies and production strategies that focus on cost and service. Also, foreign competition exists from producers of fertilizer products manufactured in countries with lower cost natural gas supplies. In certain cases, foreign producers of fertilizer who export to the United States may be subsidized by their respective governments.

Based on Blue Johnson data regarding total U.S. demand for UAN and ammonia, we estimate that our UAN production in 2009 represented approximately 6.4% of the total U.S. demand and that the net ammonia produced and marketed at our facility represented less than 1.0% of the total U.S. demand.

Seasonality

Because we primarily sell agricultural commodity products, our business is exposed to seasonal fluctuations in demand for nitrogen fertilizer products in the agricultural industry. As a result, we typically generate greater net sales in the first half of the calendar year, which we refer to as the planting season, and our net sales tend to be lower during the second half of each calendar year, which we refer to as the fill season. In addition, the demand for fertilizers is affected by the aggregate crop planting decisions and fertilizer application rate decisions of individual farmers who make planting decisions based largely on the prospective profitability of a harvest. The specific varieties and amounts of fertilizer they apply depend on factors like crop prices, farmers' current liquidity, soil conditions, weather patterns and the types of crops planted.

Environmental Matters

Our business is subject to extensive and frequently changing federal, state and local, environmental, health and safety regulations governing the emission and release of hazardous substances into the environment, the treatment and discharge of waste water and the storage, handling, use and transportation of our nitrogen fertilizer products. These laws, their underlying regulatory requirements and the enforcement thereof impact us by imposing:

- restrictions on operations or the need to install enhanced or additional controls;
- the need to obtain and comply with permits and authorizations;
- liability for the investigation and remediation of contaminated soil and groundwater at current and former facilities (if any) and off-site waste disposal locations; and
- specifications for the products we market, primarily UAN and ammonia.

Our operations require numerous permits and authorizations. Failure to comply with these permits or environmental laws generally could result in fines, penalties or other sanctions or a revocation of our permits. In addition, the laws and regulations to which we are subject are often evolving and many of them have become more stringent or have become subject to more stringent interpretation or enforcement by federal and state agencies. The ultimate impact on our business of complying with existing laws and regulations is not always clearly known or determinable due in part to the fact that our operations may change over time and certain implementing regulations for laws, such as the federal Clean Air Act, have not yet been finalized, are under governmental or judicial review or are being revised. These laws and regulations could result in increased capital, operating and compliance costs.

The principal environmental risks associated with our business are air emissions and releases of hazardous substances into the environment. The legislative and regulatory programs that affect these areas are outlined below.

The Federal Clean Air Act

The federal Clean Air Act and its implementing regulations, as well as the corresponding state laws and regulations that regulate emissions of pollutants into the air, affect us through the federal Clean Air Act's permitting requirements or emission control requirements relating to specific air pollutants. Some or all of the standards promulgated pursuant to the federal Clean Air Act, or any future promulgations of standards, may require the installation of controls or changes to our nitrogen fertilizer facilities in order to comply. If new controls or changes to operations are needed, the costs could be significant. In addition, failure to comply with the requirements of the federal Clean Air Act and its implementing regulations could result in fines, penalties or other sanctions.

The regulation of air emissions under the federal Clean Air Act requires that we obtain various construction and operating permits and incur capital expenditures for the installation of certain air pollution control devices at our operations. Various regulations specific to our operations have been implemented, such as National Emission Standard for Hazardous Air Pollutants, New Source Performance Standards and New Source Review. We have incurred, and expect to continue to incur, substantial capital expenditures to maintain compliance with these and other air emission regulations that have been promulgated or may be promulgated or revised in the future.

Release Reporting

The release of hazardous substances or extremely hazardous substances into the environment is subject to release reporting requirements under federal and state environmental laws. Our facilities periodically experience releases of hazardous substances and extremely hazardous substances that could cause us to become the subject of a government enforcement action or third-party claims. For example, we periodically experience minor releases of ammonia related to leaks from heat exchangers and other equipment. We experienced more significant ammonia releases in August 2007 due to the failure of a high pressure pump and in September 2010 due to a UAN vessel rupture. We reported the releases to the EPA and relevant state and local agencies. Government enforcement or third-party claims relating to such ammonia releases or releases of other hazardous or extremely hazardous substances could result in significant expenditures and liability.

Greenhouse Gas Emissions

Currently, various legislative and regulatory measures to address greenhouse gas emissions (including carbon dioxide, methane and nitrous oxides) are in various phases of discussion or implementation. At the federal legislative level, Congress could adopt some form of federal mandatory greenhouse gas emission reduction laws, although the specific requirements and timing of any such laws are uncertain at this time. In June 2009, the U.S. House of Representatives passed a bill that would create a nationwide cap-and-trade program designed to regulate emissions of CO_2, methane and other greenhouse gases. A similar bill was introduced in the U.S. Senate, but was not voted upon. Congressional passage of such legislation does not appear likely at this time, though it could be adopted at a future date. It is also possible that Congress may pass alternative climate change bills that do not mandate a nationwide cap-and-trade program and instead focus on promoting renewable energy and energy efficiency.

In the absence of congressional legislation curbing greenhouse gas emissions, the EPA is moving ahead administratively under its federal Clean Air Act authority. In October 2009, the EPA finalized a rule requiring certain large emitters of greenhouse gases to inventory and report their greenhouse gas emissions to the EPA. In accordance with the rule, we have begun monitoring our greenhouse gas emissions from our nitrogen fertilizer plant and will report the emissions to the EPA beginning in 2011. On December 7, 2009, the EPA finalized its "endangerment finding" that greenhouse gas emissions, including CO_2, pose a threat to human health and welfare. The finding allows the EPA to regulate greenhouse gas emissions as air pollutants under the federal Clean Air Act. In May 2010, the EPA finalized the "Greenhouse Gas Tailoring Rule," which establishes new greenhouse gas emissions thresholds that determine when stationary sources, such as our nitrogen fertilizer plant, must obtain permits under the Prevention of Significant Deterioration, or PSD, and Title V programs of the federal Clean Air Act. The significance of the permitting requirement is that, in cases where a new source is constructed or an existing source undergoes a major modification, the facility would need to evaluate and install best available control technology, or BACT, for its greenhouse gas emissions. Phase-in permit requirements will begin for the largest stationary sources in 2011. We do not currently anticipate that our UAN expansion project will result in a significant increase in greenhouse gas emissions triggering the need to install BACT. However, beginning in July 2011, a major modification resulting in a significant expansion of production at our nitrogen fertilizer plant resulting in a significant increase in greenhouse gas emissions may require us to install BACT for our greenhouse gas emissions. The EPA's endangerment finding, the Greenhouse Gas Tailoring Rule and certain other greenhouse gas emission rules have been challenged and will likely be subject to extensive litigation. In addition, a number of Congressional bills to overturn the endangerment finding and bar the EPA from regulating greenhouse gas emissions, or at least to defer such action by the EPA under the federal Clean Air Act, have been proposed in the past, although President Obama has announced his intention to veto any such bills if passed.

In addition to federal regulations, a number of states have adopted regional greenhouse gas initiatives to reduce CO_2 and other greenhouse gas emissions. In 2007, a group of Midwest states, including Kansas (where our nitrogen fertilizer facility is located), formed the Midwestern Greenhouse Gas Reduction Accord, which calls for the development of a cap-and-trade system to control greenhouse gas emissions and for the inventory of such emissions. However, the individual states that have signed on to the accord must adopt laws or regulations implementing the trading scheme before it becomes effective, and the timing and specific requirements of any such laws or regulations in Kansas are uncertain at this time.

The implementation of EPA regulations and/or the passage of federal or state climate change legislation will likely result in increased costs to (i) operate and maintain our facilities, (ii) install new emission controls on our facilities and (iii) administer and manage any greenhouse gas emissions program. Increased costs associated with compliance with any future legislation or regulation of greenhouse gas emissions, if it occurs, may have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

In addition, climate change legislation and regulations may result in increased costs not only for our business but also for agricultural producers that utilize our fertilizer products, thereby potentially decreasing demand for our fertilizer products. Decreased demand for our fertilizer products may have a material adverse effect on our results of operations, financial condition and ability to make cash distributions.

Environmental Remediation

Under CERCLA, the Resource Conservation and Recovery Act, and related state laws, certain persons may be liable for the release or threatened release of hazardous substances. These persons include the current owner or operator of property where a release or threatened release occurred, any persons who owned or operated the property when the release occurred, and any persons who disposed of, or arranged for the transportation or disposal of, hazardous substances at a contaminated property. Liability under CERCLA is strict, retroactive and, under certain circumstances, joint and several, so that any responsible party may be held liable for the entire cost of investigating and remediating the release of hazardous substances. As is the case with all companies engaged in similar industries, depending on the underlying facts and circumstances we face potential exposure from future claims and lawsuits involving environmental matters, including soil and water contamination, personal injury or property damage allegedly caused by hazardous substances that we, or potentially Farmland, manufactured, handled, used, stored, transported, spilled, disposed of or released. We cannot assure you that we will not become involved in future proceedings related to our release of hazardous or extremely hazardous substances or that, if we were held responsible for damages in any existing or future proceedings, such costs would be covered by insurance or would not be material.

Environmental Insurance

We are covered by CVR Energy's premises pollution liability insurance policies with an aggregate limit of $50.0 million per pollution condition, subject to a self-insured retention of $5.0 million. The policies include business interruption coverage, subject to a 10-day waiting period deductible. This insurance expires on July 1, 2011. The policies insure specific covered locations, including our nitrogen fertilizer facility. The policies insure (i) claims, remediation costs, and associated legal defense expenses for pollution conditions at or migrating from a covered location, and (ii) the transportation risks associated with moving waste from a covered location to any location for unloading or depositing waste. The policies cover any claim made during the policy period as long as the pollution conditions giving rise to the claim commenced on or after March 3, 2004. The premises pollution liability policies contain exclusions, conditions, and limitations that could apply to a particular pollution condition claim, and there can be no assurance such claim will be adequately insured for all potential damages.

In addition to the premises pollution liability insurance policies, CVR Energy maintains casualty insurance policies having an aggregate and occurrence limit of $150.0 million, subject to a self-insured retention of $2.0 million. This insurance provides coverage for claims involving pollutants where the discharge is sudden and accidental and first commenced at a specific day and time during the policy period. Coverage under the casualty insurance policies for pollution does not apply to damages at or within our insured premises. The pollution coverage provided in the casualty insurance policies contains exclusions, definitions, conditions and limitations that could apply to a particular pollution claim, and there can be no assurance such claim will be adequately insured for all potential damages.

Safety, Health and Security Matters

We operate a comprehensive safety, health and security program, involving active participation of employees at all levels of the organization. We have developed comprehensive safety programs aimed at preventing recordable incidents. Despite our efforts to achieve excellence in our safety and health performance, there can be no assurances

that there will not be accidents resulting in injuries or even fatalities. We routinely audit our programs and consider improvements in our management systems.

Process Safety Management. We maintain a process safety management, or PSM, program. This program is designed to address all aspects of OSHA guidelines for developing and maintaining a comprehensive process safety management program. We will continue to audit our programs and consider improvements in our management systems and equipment. Failure to comply with PSM requirements could result in fines, penalties or other sanctions.

Emergency Planning and Response. We have an emergency response plan that describes the organization, responsibilities and plans for responding to emergencies in our facility. This plan is communicated to local regulatory and community groups. We have on-site warning siren systems and personal radios. We will continue to audit our programs and consider improvements in our management systems and equipment.

Security. We have a comprehensive security program to protect our facility from unauthorized entry and exit from the facility and potential acts of terrorism. Recent changes in the U.S. Department of Homeland Security rules and requirements may require enhancements and improvements to our current program.

Community Advisory Panel. We developed and continue to support ongoing discussions with the community to share information about our operations and future plans. Our community advisory panel includes wide representation of residents, business owners and local elected representatives for the city and county.

Employees

As of December 31, 2009, we had 118 direct employees. These employees operate our facilities at the nitrogen fertilizer plant level and are directly employed and compensated by us. Prior to this offering, these employees were covered by health insurance, disability and retirement plans established by CVR Energy. We intend to establish our own employee benefit plans in which our employees will participate as of the closing of this offering. None of our employees are unionized, and we believe that our relationship with our employees is good.

We also rely on the services of employees of CVR Energy in the operation of our business pursuant to a services agreement among us, CVR Energy and our general partner. CVR Energy provides us with the following services under the agreement, among others:

- services from CVR Energy's employees in capacities equivalent to the capacities of corporate executive officers, including chief executive officer, chief operating officer, chief financial officer, general counsel, and vice president for environmental, health and safety, except that those who serve in such capacities under the agreement serve us on a shared, part-time basis only, unless we and CVR Energy agree otherwise;
- administrative and professional services, including legal, accounting services, human resources, insurance, tax, credit, finance, government affairs and regulatory affairs;
- management of our property and the property of our operating subsidiary in the ordinary course of business;
- recommendations on capital raising activities, including the issuance of debt or equity interests, the entry into credit facilities and other capital market transactions;
- managing or overseeing litigation and administrative or regulatory proceedings, establishing appropriate insurance policies, and providing safety and environmental advice;
- recommending the payment of distributions; and
- managing or providing advice for other projects as may be agreed by CVR Energy and our general partner from time to time.

For more information on this services agreement, see "Certain Relationships and Related Party Transactions — Agreements with CVR Energy."

Properties

We own one facility, our nitrogen fertilizer plant, which is located in Coffeyville, Kansas. Our executive offices are located at 2277 Plaza Drive in Sugar Land, Texas, where a number of our senior executives operate. We also have an administrative office in Kansas City, Kansas, where other of our senior executives work. The offices in Sugar Land and Kansas City are leased by CVR Energy (the leases expire in 2017 and 2015, respectively) and we pay a pro rata share of the rent on those offices. We believe that our owned facility, together with CVR Energy's leased facilities, are sufficient for our needs.

We have entered into a cross-easement agreement with CVR Energy so that both we and CVR Energy are able to access and utilize each other's land in certain circumstances in order to operate our respective businesses in a manner to provide flexibility for both parties to develop their respective properties, without depriving either party of the benefits associated with the continuous reasonable use of the other party's property. For more information on this cross-easement agreement, see "Certain Relationships and Related Party Transactions — Agreements with CVR Energy."

Legal Proceedings

We are, and will continue to be, subject to litigation from time to time in the ordinary course of our business. We are not party to any pending legal proceedings that we believe will have a material adverse effect on our business, and there are no existing legal proceedings where we believe that the reasonably possible loss or range of loss is material.

MANAGEMENT

Management of CVR Partners, LP

Our general partner, CVR GP, LLC, manages our operations and activities subject to the terms and conditions specified in our partnership agreement. Our general partner will be owned by Coffeyville Resources, a wholly-owned subsidiary of CVR Energy. The operations of our general partner in its capacity as general partner are managed by its board of directors. Actions by our general partner that are made in its individual capacity will be made by Coffeyville Resources as the sole member of our general partner and not by the board of directors of our general partner. Our general partner is not elected by our unitholders and will not be subject to re-election on a regular basis in the future. The officers of our general partner will manage the day-to-day affairs of our business.

Limited partners will not be entitled to elect the directors of our general partner or directly or indirectly participate in our management or operation. Our partnership agreement contains various provisions which replace default fiduciary duties with contractual corporate governance standards. See “The Partnership Agreement.” Our general partner will be liable, as a general partner, for all of our debts (to the extent not paid from our assets), except for indebtedness or other obligations that are made expressly non-recourse to it. Our general partner therefore may cause us to incur indebtedness or other obligations that are non-recourse to it. It is expected that our credit facility will be non-recourse to our general partner.

Upon completion of this offering, we expect that the board of directors of our general partner will consist of seven directors.

The board of directors of our general partner has established an audit committee comprised of Donna R. Ecton (chairman) and Frank M. Muller, Jr., who meet the independence and experience standards established by the New York Stock Exchange and the Exchange Act. The audit committee’s responsibilities are to review our accounting and auditing principles and procedures, accounting functions and internal controls; to oversee the qualifications, independence, appointment, retention, compensation and performance of our independent registered public accounting firm; to recommend to the board of directors the engagement of our independent accountants; to review with the independent accountants the plans and results of the auditing engagement; and to oversee “whistle-blowing” procedures and certain other compliance matters. The New York Stock Exchange regulations and applicable laws require that our general partner have an audit committee comprised of at least three independent directors not later than one year following the effective date of this prospectus. Accordingly, at least one additional independent director will be appointed to the board of directors of our general partner within one year following the effective date of this prospectus, and such independent director will serve on our audit committee.

In addition, the board of directors of our general partner will establish a conflicts committee consisting entirely of independent directors. Pursuant to our partnership agreement, the board may, but is not required to, seek the approval of the conflicts committee whenever a conflict arises between our general partner or its affiliates, on the one hand, and us or any public unitholder, on the other. The conflicts committee may then determine whether the resolution of the conflict of interest is fair and reasonable to us. The members of the conflicts committee may not be officers or employees of our general partner or directors, officers or employees of its affiliates, and must meet the independence and experience standards established by the New York Stock Exchange and the Exchange Act to serve on an audit committee of a board of directors. Any matters approved by the conflicts committee will be conclusively deemed to be fair and reasonable to us, approved by all of our partners and not a breach by the general partner of any duties it may owe us or our unitholders. The initial members of the conflicts committee are expected to be Donna R. Ecton and Frank M. Muller, Jr.

The board of directors of our general partner will also have a compensation committee which will, among other things, oversee the compensation plan described below.

Whenever our general partner makes a determination or takes or declines to take an action in its individual, rather than representative, capacity, it is entitled to make such determination or to take or decline to take such other action free of any fiduciary duty or obligation whatsoever to us, any limited partner or assignee, and it is not required to act in good faith or pursuant to any other standard imposed by our partnership agreement or under Delaware law or any other law. Examples include the exercise of its call right or its registration rights, its voting rights with respect

to the units it owns and its determination whether or not to consent to any merger or consolidation of the partnership. Actions by our general partner that are made in its individual capacity will be made by Coffeyville Resources, the sole member of our general partner, not by its board of directors.

Executive Officers and Directors

The following table sets forth the names, positions and ages (as of November 30, 2010) of the executive officers and directors of our general partner.

The executive officers of our general partner are also executive officers of CVR Energy and are providing their services to our general partner and us pursuant to the services agreement entered into among us, CVR Energy and our general partner. The executive officers listed below will divide their working time between the management of CVR Energy and us. The weighted average percentages of the amount of time the executive officers spent on management of our partnership in 2009 are as follows: John J. Lipinski (21.3%), Stanley A. Riemann (33.8%), Ed Morgan (25.0%), Edmund S. Gross (30.0%), Kevan A. Vick (100%) and Christopher G. Swanberg (32.5%).

Name	Age	Position With Our General Partner
John J. Lipinski	59	Chairman of the Board, Chief Executive Officer and President
Stanley A. Riemann	59	Chief Operating Officer
Edward A. Morgan	40	Chief Financial Officer and Treasurer
Edmund S. Gross	60	Senior Vice President, General Counsel and Secretary
Kevan A. Vick	56	Executive Vice President and Fertilizer General Manager
Christopher G. Swanberg	52	Vice President, Environmental, Health and Safety
Donna R. Ecton	63	Director
Scott L. Lebovitz	35	Director
George E. Matelich	54	Director
Frank M. Muller, Jr.	68	Director
Stanley de J. Osborne	40	Director
John K. Rowan	31	Director

John J. Lipinski has served as chief executive officer, president and a director of our general partner since October 2007 and chairman of the board of directors of our general partner since November 2010. He has also served as chairman of the board of directors of CVR Energy since October 2007, chief executive officer, president and a member of the board of directors of CVR Energy since September 2006, chief executive officer and president of Coffeyville Acquisition since June 2005 and chief executive officer and president of Coffeyville Acquisition II LLC, or Coffeyville Acquisition II, since October 2007. Mr. Lipinski has over 38 years of experience in the petroleum refining and nitrogen fertilizer industries. He began his career with Texaco Inc. In 1985, Mr. Lipinski joined The Coastal Corporation, eventually serving as Vice President of Refining with overall responsibility for Coastal Corporation's refining and petrochemical operations. Upon the merger of Coastal with El Paso Corporation in 2001, Mr. Lipinski was promoted to Executive Vice President of Refining and Chemicals, where he was responsible for all refining, petrochemical, nitrogen-based chemical processing and lubricant operations, as well as the corporate engineering and construction group. Mr. Lipinski left El Paso in 2002 and became an independent management consultant. In 2004, he became a managing director and partner of Prudentia Energy, an advisory and management firm. Mr. Lipinski graduated from Stevens Institute of Technology with a Bachelor of Engineering (Chemical) and received a J.D. from Rutgers University School of Law. Mr. Lipinski's over 38 years of experience in the petroleum refining and nitrogen fertilizer industries adds significant value to the board of directors of our general partner. His in-depth knowledge of the issues, opportunities and challenges facing our business provides the direction and focus the board needs to ensure the most critical matters are addressed.

Stanley A. Riemann has served as chief operating officer of our general partner since October 2007. He has also served as chief operating officer of CVR Energy since September 2006, chief operating officer of Coffeyville Acquisition since June 2005, chief operating officer of Coffeyville Resources since February 2004 and chief operating officer of Coffeyville Acquisition II since October 2007. Prior to joining Coffeyville Resources in February 2004, Mr. Riemann held various positions associated with the Crop Production and Petroleum Energy Division of Farmland for over 30 years, including, most recently, Executive Vice President of Farmland and President of Farmland's Energy and Crop Nutrient Division. In this capacity, he was directly responsible for managing the petroleum refining operation and all domestic fertilizer operations, which included the Trinidad and Tobago nitrogen fertilizer operations. His leadership also extended to managing Farmland's interests in SF Phosphates in Rock Springs, Wyoming and Farmland Hydro, L.P., a phosphate production operation in Florida and managing all company-wide transportation assets and services. On May 31, 2002, Farmland filed for Chapter 11 bankruptcy protection. Mr. Riemann has served as a board member and board chairman on several industry organizations including the Phosphate Potash Institute, the Florida Phosphate Council and the International Fertilizer Association. He currently serves on the Board of The Fertilizer Institute. Mr. Riemann received a B.S. from the University of Nebraska and an M.B.A from Rockhurst University.

Edward A. Morgan has served as chief financial officer and treasurer of our general partner, CVR Energy, Coffeyville Resources, Coffeyville Acquisition and Coffeyville Acquisition II since May 2009. Prior to joining our company, Mr. Morgan spent seven years with Brentwood, Tenn.-based Delek U.S. Holdings, Inc., serving as the chief financial officer for Delek's operating segments during the previous five years. Mr. Morgan was named vice president in February 2005, and in April 2006, he was named chief financial officer of Delek U.S. Holdings in connection with Delek's initial public offering, which became effective in May 2006. Mr. Morgan led a diverse organization at Delek, where he was responsible for all finance, accounting and information technology matters. Mr. Morgan received a B.S. in accounting from Mississippi State University and a Master of Accounting degree from the University of Tennessee.

Edmund S. Gross has served as senior vice president, general counsel and secretary of our general partner since October 2007. He has also served as senior vice president, general counsel and secretary of CVR Energy and Coffeyville Acquisition II since October 2007, vice president, general counsel and secretary of CVR Energy since September 2006, secretary of Coffeyville Acquisition since June 2005 and general counsel and secretary of Coffeyville Resources since July 2004. Prior to joining Coffeyville Resources, Mr. Gross was of counsel at Stinson Morrison Hecker LLP in Kansas City, Missouri from 2002 to 2004, was Senior Corporate Counsel with Farmland from 1987 to 2002 and was an associate and later a partner at Weeks, Thomas & Lysaught, a law firm in Kansas City, Kansas, from 1980 to 1987. Mr. Gross received a Bachelor of Arts degree in history from Tulane University, a J.D. from the University of Kansas and an M.B.A from the University of Kansas.

Kevan A. Vick has served as executive vice president and fertilizer general manager of our general partner since October 2007. He has also served as executive vice president and fertilizer general manager of CVR Energy since September 2006 and senior vice president at Coffeyville Resources Nitrogen Fertilizers, LLC, our operating subsidiary, since February 27, 2004. He has served on the board of directors of Farmland MissChem Limited in Trinidad and SF Phosphates. He has nearly 30 years of experience in the Farmland organization. Prior to joining Coffeyville Resources Nitrogen Fertilizers, LLC, he was general manager of nitrogen manufacturing at Farmland from January 2001 to February 2004. Mr. Vick received a B.S. in chemical engineering from the University of Kansas and is a licensed professional engineer in Kansas, Oklahoma, and Iowa.

Christopher G. Swanberg has served as vice president, environmental, health and safety at our general partner since October 2007. He has also served as vice president, environmental, health and safety at CVR Energy since September 2006, as vice president, environmental, health and safety at Coffeyville Resources since June 2005 and as vice president, environmental, health and safety at Coffeyville Acquisition and Coffeyville Acquisition II since October 2007. He has served in numerous management positions in the petroleum refining industry such as Manager, Environmental Affairs for the refining and marketing division of Atlantic Richfield Company (ARCO) and Manager, Regulatory and Legislative Affairs for Lyondell-Citgo Refining. Mr. Swanberg's experience includes technical and management assignments in project, facility and corporate staff positions in all environmental, safety and health areas. Prior to joining Coffeyville Resources, he was Vice President of Sage Environmental Consulting, an environmental consulting firm focused on petroleum refining and petrochemicals, from September 2002 to June

2005. Mr. Swanberg received a B.S. in Environmental Engineering Technology from Western Kentucky University and an M.B.A from the University of Tulsa.

Donna R. Ecton has been a member of the board of directors of our general partner since March 2008. Ms. Ecton is founder, chairman, and chief executive officer of the management consulting firm EEI Inc, which she founded in 1998. Prior to founding EEI, she served as a board member of H&R Block, Inc. from 1993 to 2007, a board member of PETsMART, Inc. from 1994 to 1998, PETsMART's chief operating officer from 1996 to 1998, and as chairman, president and chief executive officer of Business Mail Express, Inc., a privately held expedited print/mail business, from 1995 to 1996. Ms. Ecton was president and chief executive officer of Van Houten North America Inc. from 1991 to 1994 and Andes Candies Inc from 1991 to 1994. She has also held senior management positions at Nutri/System, Inc. and Campbell Soup Company. She started her business career in banking with both Chemical Bank and Citibank N.A. Ms. Ecton is a member of the Council on Foreign Relations in New York City. She was also elected to and served on Harvard University's Board of Overseers. Ms. Ecton received a B.A. in economics from Wellesley College and an M.B.A. from the Harvard Graduate School of Business Administration. We believe Ms. Ecton's significant background as both an executive officer and director of public companies and experience in finance will be an asset to our board. Her knowledge and experience will provide the audit committee with valuable perspective in managing the relationship with our independent accountants and the performance of the financial auditing oversight.

Scott L. Lebovitz has been a member of the board of directors of our general partner since October 2007. He has also been a member of the board of directors of CVR Energy since September 2006 and a member of the board of directors of Coffeyville Acquisition II since October 2007. He was also a member of the board of directors of Coffeyville Acquisition from June 2005 until October 2007. Mr. Lebovitz is a managing director in the Merchant Banking Division of Goldman, Sachs & Co. Mr. Lebovitz joined Goldman, Sachs & Co. in 1997 and became a managing director in 2007. He is a director of Energy Future Holdings Corp. and E.F. Energy Holdings, LLC. Mr. Lebovitz previously served as a director of Ruth's Chris Steakhouse, Inc. He received his B.S. in Commerce from the University of Virginia. Mr. Lebovitz's history with the company adds significant value and his financial background provides a balanced perspective as we have faced a volatile marketplace. His long service as our director gives him invaluable insights into our history and growth and a valuable perspective of the strategic direction of our businesses.

George E. Matelich has been a member of the board of directors of our general partner since October 2007. He has also been a member of the board of directors of CVR Energy since September 2006 and a member of the board of directors of Coffeyville Acquisition since June 2005. Mr. Matelich has been a managing director of Kelso & Company since 1990. Mr. Matelich has been affiliated with Kelso since 1985. Mr. Matelich is a Certified Public Accountant and holds a Certificate in Management Consulting. Mr. Matelich received a B.A. in Business Administration from the University of Puget Sound and an M.B.A. from the Stanford Graduate School of Business. He is a director of Global Geophysical Services, Inc., Hunt Marcellus, LLC and the American Prairie Foundation. Mr. Matelich previously served as a director of FairPoint Communications, Inc., Optigas, Inc., Shelter Bay Energy Inc. and Waste Services, Inc. He is also a Trustee of the University of Puget Sound and a member of the Stanford Graduate School of Business Advisory Council. Mr. Matelich's long service as a director with us gives him invaluable insights into our history and growth and a valuable perspective of the strategic direction of our businesses. Additionally, his experience with other public companies provides depth of knowledge of business and strategic considerations.

Frank M. Muller, Jr. has been a member of the board of directors of our general partner since May 2008. Until August 2009, Mr. Muller served as the chairman and chief executive officer of the technology design and manufacturing firm TenX Technology, Inc., which he founded in 1985. He is currently the president of Toby Enterprises, which he founded in 1999 to invest in startup companies, and the chairman of Topaz Technologies, Ltd., a software engineering company. Mr. Muller was a senior vice president of The Coastal Corporation from 1989 to 2001, focusing on business acquisitions and joint ventures, and general manager of the Kensington Company, Ltd. from 1984 to 1989. Mr. Muller started his business career in the oil and chemical industries with Pepsico, Inc. and Agrico Chemical Company. Mr. Muller served in the United States Army from 1965 to 1973. Mr. Muller received a B.S. and M.B.A. from Texas A&M University. We believe Mr. Muller's experience in the chemical industry and expertise in developing and growing new businesses will be an asset to our board.

Stanley de J. Osborne has been a member of the board of directors of our general partner since October 2007. He has also been a member of the board of directors of CVR Energy since September 2006 and a member of the board of directors of Coffeyville Acquisition since June 2005. Mr. Osborne was a Vice President of Kelso & Company from 2004 through 2007 and has been a managing director since 2007. Mr. Osborne has been affiliated with Kelso since 1998. Prior to joining Kelso, Mr. Osborne was an Associate at Summit Partners. Previously, Mr. Osborne was an Associate in the Private Equity Group and an Analyst in the Financial Institutions Group at J.P. Morgan & Co. He received a B.A. in Government from Dartmouth College. Mr. Osborne is a director of Custom Building Products, Inc., Global Geophysical Services, Inc., Hunt Marcellus, LLC, Logan's Roadhouse, Inc. and Traxys S.a.r.l. Mr. Osborne previously served as a director of Optigas, Inc. and Shelter Bay Energy Inc. His long service as our director gives him invaluable insights into our history and growth and a valuable perspective of the strategic direction of our businesses.

John K. Rowan has been a member of the board of directors of our general partner and a member of the board of directors of Coffeyville Acquisition II since May 2010. Mr. Rowan has been a vice president with Goldman, Sachs & Co. since 2007. Mr. Rowan currently serves on the board of directors for First Aviation Services, Inc. and Sprint Industrial Corp. He also serves as the chairman of the board of directors of the Bronx Success Academy. Mr. Rowan earned a B.A. from Columbia University in economics. We believe Mr. Rowan's historical involvement with the company provides the board with unique insight into our history and growth and will provide valuable insight to our current and future business strategies.

The directors of our general partner hold office until the earlier of their death, resignation or removal.

Compensation Discussion and Analysis

Overview

We do not currently directly employ any of the persons responsible for the executive management of our business. Pursuant to the services agreement between us, our general partner and CVR Energy, among other matters:

- CVR Energy makes available to our general partner the services of the CVR Energy executive officers and employees who serve as our general partner's executive officers; and
- We, our general partner and our operating subsidiary, as the case may be, are obligated to reimburse CVR Energy for any allocated portion of the costs that CVR Energy incurs in providing compensation and benefits to such CVR Energy employees, with the exception of costs attributable to share-based compensation.

Under the services agreement, either our general partner, Coffeyville Resources Nitrogen Fertilizers (our subsidiary) or we pay CVR Energy (i) all costs incurred by CVR Energy or its affiliates in connection with the employment of its employees, other than administrative personnel, who provide us services under the agreement on a full-time basis, but excluding share-based compensation; (ii) a prorated share of costs incurred by CVR Energy or its affiliates in connection with the employment of its employees, including administrative personnel, who provide us services under the agreement on a part-time basis, but excluding share-based compensation, and such prorated share shall be determined by CVR Energy on a commercially reasonable basis, based on the percent of total working time that such shared personnel are engaged in performing services for us; (iii) a prorated share of certain administrative costs, including office costs, services by outside vendors, other sales, general and administrative costs and depreciation and amortization; and (iv) various other administrative costs in accordance with the terms of the agreement. Following the first anniversary of this offering, either CVR Energy or our general partner may terminate the services agreement upon at least 180 days' notice. For more information on this services agreement, see "Certain Relationships and Related Party Transactions — Agreements with CVR Energy."

The compensation of the executive officers of our general partner is set by CVR Energy. These executive officers currently receive all of their compensation and benefits from CVR Energy, including compensation related to services provided to us, and are not paid by us or our general partner. In the future, the executive officers of our general partner may receive equity-based compensation in connection with the Long-Term Incentive Plan that we intend to adopt. Although we bear an allocated portion of CVR Energy's costs of providing compensation and benefits to the CVR Energy employees who serve as the executive officers of our general partner, we will have no

control over such costs and do not establish or direct the compensation policies or practices of CVR Energy. We are required to pay all compensation amounts allocated to us by CVR Energy (except for share-based compensation), although we may object to amounts that we deem unreasonable.

The weighted average percentages of the amount of time the executive officers of our general partner spent on management of our partnership in 2010 are as follows: John J. Lipinski (%), Stanley A. Riemann (%), Edward A. Morgan (%), Edmund S. Gross (%), Kevan A. Vick (100%) and Christopher Swanberg (%). These numbers are weighted because the named executive officers of our general partner may spend a different percentage of their time dedicated to our business each quarter. The remainder of their time was spent working for CVR Energy (other than Kevan Vick, who spent all of his time working for our business). We estimate that the time spent by these individuals working for us will increase following this offering due to filing requirements and other responsibilities associated with managing a public company. Messrs. Lipinski, Morgan, Vick, Riemann and Gross are referred to throughout this registration statement as the named executive officers of our general partner, and are, respectively, the Chief Executive Officer, Chief Financial Officer and the next three most highly compensated executive officers of our general partner (based on the portion of their compensation attributable to services performed for us during 2010).

The following discussion is based on information provided to us by CVR Energy. Our general partner is not involved in the determination of the various elements of compensation discussed below or CVR Energy's decisions with respect to future changes to the levels of the compensation of the named executive officers of our general partner.

Compensation Philosophy

CVR Energy's executive compensation philosophy is threefold:

- To align the executive officers' interest with that of the stockholders and stakeholders, which provides long-term economic benefits to the stockholders;
- To provide competitive financial incentives in the form of salary, bonuses and benefits with the goal of retaining and attracting talented and highly motivated executive officers; and
- To maintain a compensation program whereby the executive officers, through exceptional performance and equity ownership, will have the opportunity to realize economic rewards commensurate with appropriate gains of other equity holders and stakeholders.

Elements of Compensation Program

The three primary components of CVR Energy's compensation program are salary, an annual discretionary cash bonus and equity awards. While these three components are related, they are viewed as separate and analyzed as such. Executive officers are also provided with benefits that are generally available to CVR Energy's salaried employees.

CVR Energy believes that equity compensation is the primary motivator in attracting and retaining executive officers. Salary and discretionary cash bonuses are viewed as secondary; however, the compensation committee views a competitive level of salary and cash bonus as critical to retaining talented individuals.

CVR Energy's compensation committee has not adopted any formal or informal policies or guidelines for allocating compensation between long-term and current compensation, between cash and non-cash compensation, or among different forms of compensation other than its belief that the most crucial component is equity compensation. The decision is strictly made on a subjective and individual basis after consideration of all relevant factors. The Chief Executive Officer, while not a member of CVR Energy's compensation committee, reviews information provided by the committee's compensation consultant, Longnecker & Associates ("Longnecker"), as well as other relevant market information and actively provides guidance and recommendations to the committee regarding the amount and form of the compensation of other executive officers and key employees.

Longnecker has been engaged by CVR Energy on behalf of its compensation committee to assist the committee with its review of executive officers' compensation levels and the mix of compensation as compared to

peer companies, companies of similar size and other relevant market information. To this end, Longnecker performed a study including an analysis that management reviewed and then provided to the compensation committee for its use in making decisions regarding the salary, bonus and other compensation amounts paid to named executive officers. The following companies were included in the report and analysis prepared by Longnecker as members of CVR Energy's "peer group"- the independent refining companies of Frontier Oil Corporation, Holly Corporation and Tesoro Corporation and the fertilizer businesses of CF Industries Holdings Inc. and Terra Industries, Inc. Although no specific target for total compensation or any particular element of compensation was set relative to CVR Energy's peer group, the focus of Longnecker's recommendations was centered on compensation levels at the median or 50th percentile of the peer group.

Base Salary. In determining base salary levels, the compensation committee of CVR Energy takes into account the following factors: (i) CVR Energy's financial and operational performance for the year, (ii) the previous years' compensation level for each executive officer, (iii) peer or market survey information for comparable public companies and (iv) recommendations of the chief executive officer, based on individual responsibilities and performance, including each executive officer's commitment and ability to: (A) strategically meet business challenges, (B) achieve financial results, (C) promote legal and ethical compliance, (D) lead their own business or business team for which they are responsible and (E) diligently and effectively respond to immediate needs of the volatile industry and business environment.

Rather than establishing compensation solely on a formula-driven basis, we understand that decisions by CVR Energy's compensation committee are made using an approach that considers several important factors in developing compensation levels. For example, CVR Energy's compensation committee considers whether individual base salaries reflect responsibility levels and are reasonable, competitive and fair. In addition, in setting base salaries, CVR Energy's compensation committee reviews published survey and peer group data prepared by Longnecker and considers the applicability of the salary data in view of the individual positions within CVR Energy.

Annual Bonus. Information about total cash compensation paid by members of CVR Energy's peer group is used in determining both the level of bonus award and the ratio of salary to bonus, as the compensation committee of CVR Energy believes that maintaining a level of bonus and a ratio of fixed salary to bonus (which may fluctuate) that is in line with those of our competitors is an important factor in attracting and retaining executives. The compensation committee of CVR Energy also believes that a significant portion of executive officers' compensation should be at risk, which means that a portion of the executive officers' overall compensation is not guaranteed and is determined based on individual and company performance. Executive officers have greater potential bonus awards as the authority and responsibility of an executive increases.

Each of the named executive officers' employment agreements provides that the executive will receive an annual cash performance bonus with a target bonus equal to a specified percentage of each executive's base salary. Bonuses may be paid in an amount equal to the target percentage, less than the target percentage or greater than the target percentage (or not at all). CVR Energy's compensation committee has full discretion to determine bonuses based on several factors, including the individual's level of performance, the individual's level of responsibilities, a peer group assessment and the individual's total overall compensation package. The performance determination takes into account overall operational performance, financial performance, factors affecting shareholder value, including growth initiatives, and the individual's personal performance. The determination of whether the target bonus amount should be paid is not based on specific metrics, but rather a general assessment of how the business performed as compared to the business plan developed for the year. Due to the nature of the business, financial performance alone may not dictate or be a fair indicator of the performance of the executive officers. Conversely, financial performance may exceed all expectations, but it could be due to outside forces in the industry rather than true performance by an executive that exceeds expectations. In order to take these differing impacts and related results into consideration and to assess the executive officers' performance on their own merits, the compensation committee of CVR Energy makes an assessment of the executive officers' performance separate from the actual financial performance of the company, although such measurement is not based on any specific metrics. Under the employment agreements in effect during 2010, the 2010 target bonuses were the following percentages of salary for each of the following: Mr. Lipinski (250%), Mr. Morgan (120%), Mr. Vick (80%), Mr. Riemann (200%) and Mr. Gross (80%). These levels were in correlation with the findings and recommendations by Longnecker based

upon review of CVR Energy's peer group, and companies of similar size and other relevant market information in order to balance the overall 2010 total salary and bonus levels.

Equity Awards. CVR Energy also uses equity incentives to reward long-term performance. The issuance of equity to executive officers is intended to generate significant future value for each executive officer if CVR Energy's performance is outstanding and the value of CVR Energy's equity increases for all of its stockholders. CVR Energy's compensation committee believes that its equity incentives promote long-term retention of executives. The equity incentives issued, including to the named executive officers of our general partner, were negotiated to a large degree at the time of the acquisition of the CVR Energy business in June 2005 (with additional awards that were not originally allocated in June 2005 issued in December 2006) in order to bring CVR Energy's compensation package in line with executives at private equity portfolio companies, based on the private equity market practices at that time. Any costs associated with equity incentives awarded are borne wholly by CVR Energy. These profits interests have not had any realization event to date, but in connection with this offering, the members of Coffeyville Acquisition III will receive proceeds from the sale of the incentive distribution rights and the general partner interest. See "Certain Relationships and Related Party Transactions."

Perquisites. CVR Energy pays for portions of medical insurance and life insurance, as well as a medical physical every three years, for the named executive officers. Kevan A. Vick, who is involved in direct operations at our facilities, receives use of a company vehicle. The total value of all perquisites and personal benefits is less than $10,000 for each named executive officer.

Other Forms of Compensation. Each of the named executive officers of our general partner has provisions in their respective employment agreements with CVR Energy providing for certain severance benefits in the event of termination without cause or a resignation with good reason. These severance provisions are described below in "— Change-in-Control and Termination Payments." These severance provisions were negotiated between the named executive officers of our general partner and CVR Energy.

Summary Compensation Table

The following table sets forth the portion of compensation paid by CVR Energy to the named executive officers of our general partner that is attributable to services performed for us for the year ended December 31, 2010, with the exception of stock awards. Stock awards are not included in the Summary Compensation Table as we are not obligated under the services agreement to reimburse CVR Energy for any portion of share-based compensation awarded to executives that dedicate a portion of their time to our business and, accordingly, do not consider such awards to be attributable to services performed for us. In the case of Mr. Vick, who spends 100% of his time working for us, these amounts represent the total compensation paid to Mr. Vick by CVR Energy. With respect to the other executives, these amounts reflect the portion of their compensation attributable to services performed for us during the applicable years. For example, since Mr. Lipinski dedicated a weighted average of % of his time to performing services for us, the amounts reflected in the table for him represent % of his base salary, bonus and other compensation. The amount of compensation received by the named executive officers of our general partner was determined by CVR Energy's compensation committee. We had no role in determining these amounts. Under the services agreement among us, our general partner and CVR Energy, we are required to reimburse CVR

Energy for all compensation that CVR Energy pays these executives for services performed for us (except for share-based compensation), although we may object to amounts that we deem unreasonable.

Name and Principal Position	Year	Salary ($)	Bonus ($)(1)	All Other Compensation ($)	Total ($)
John J. Lipinski, Chief Executive Officer(2)	2009 2010	170,400	426,000	2,614(3)	599,014
Edward A. Morgan, Chief Financial Officer(2)(4)	2009 2010	42,837	64,238	34,335(5)	141,410
Kevan A. Vick, Executive Vice President and Fertilizer General Manager(2)	2009 2010	245,000	196,000	13,929(6)	454,929
Stanley A. Riemann, Chief Operating Officer(2)	2009 2010	140,270	280,540	4,148(3)	424,958
Edmund S. Gross, Senior Vice President and General Counsel(2)(6)	2009 2010	94,500	94,500	3,682(3)	192,682

(1) Bonuses are reported for the year in which they were earned, though they may have been paid the following year.

(2) The table does not include the fair value of stock awards granted to the named executive officers in 2009 and 2010 because such amounts were not reimbursed by us.

(3) For 2009, includes the portion of the following benefits for the relevant named executive officers that were reimbursed by us in accordance with the services agreement described herein: (a) company contributions to the named executive officers' accounts under CVR Energy's 401(k) plan and (b) premiums paid on behalf of the named executive officers with respect to CVR Energy's basic life insurance program. Note that premiums paid on behalf of the named executive officers with respect to CVR Energy's executive life insurance program and the grant date fair value of profits interests on affiliated stockholders of CVR Energy or phantom points in a compensation plan of CVR Energy are not included because such amounts are not reimbursed by us. For 2010, includes the portion of the following benefits that were reimbursed by us in accordance with the services agreement described herein:

(4) In the case of Mr. Morgan, his compensation amounts for 2009 reflect amounts earned following the date he joined CVR Energy in May 2009. The table does not include the fair value of stock awards granted to Mr. Morgan, as those amounts were not reimbursed by us.

(5) For 2009, includes the portion of the following benefits for Mr. Morgan that were reimbursed by us in accordance with the services agreement described herein: (a) relocation bonus equal to $121,726, (b) signing bonus of $60,000, (c) company contribution to the named executive officers' accounts under CVR Energy's 401(k) plan and (d) premiums paid on behalf of the named executive officers with respect to CVR Energy's basic life insurance program. Note that premiums paid on behalf of the named executive officers with respect to CVR Energy's executive life insurance program and the grant date fair value of profit interests on affiliated stockholders of CVR Energy or phantom points in a compensation plan of CVR Energy or its affiliates are not included because such amounts are not reimbursed by us. For 2010, includes the portion of the following benefits that were reimbursed by us in accordance with the services agreement described herein:

(6) For 2009, includes the portion of the following benefits for Mr. Vick that were reimbursed by us in accordance with the services agreement described herein: (a) car allowance, (b) company contribution to the named executive officers' accounts under CVR Energy's 401(k) plan and (c) premiums paid on behalf of the named executive officers with respect to CVR Energy's basic life insurance program. Note that premiums paid on behalf of the named executive officers with respect to CVR Energy's executive life insurance program are not included because such amounts are not reimbursed by us. For 2010, includes the portion of the following benefits that were reimbursed by us in accordance with the services agreement described herein:

Employment Agreements

John J. Lipinski. On July 12, 2005, Coffeyville Resources, LLC entered into an employment agreement with Mr. Lipinski, as chief executive officer, which was subsequently assumed by CVR Energy and amended and restated effective as of January 1, 2008. Mr. Lipinski's employment agreement was amended and restated effective January 1, 2010 and subsequently amended and restated on January 1, 2011. The agreement has a rolling term of three years so that at the end of each month it automatically renews for one additional month, unless otherwise terminated by CVR Energy or Mr. Lipinski. Mr. Lipinski receives an annual base salary of $900,000 effective as of January 1, 2010. Mr. Lipinski is also eligible to receive a performance-based annual cash bonus with a target payment equal to 250% of his annual base salary to be based upon individual and/or company performance criteria

as established by the compensation committee of the board of directors of CVR Energy for each fiscal year. In addition, Mr. Lipinski is entitled to participate in such health, insurance, retirement and other employee benefit plans and programs of CVR Energy as in effect from time to time on the same basis as other senior executives of CVR Energy. The agreement requires Mr. Lipinski to abide by a perpetual restrictive covenant relating to non-disclosure and also includes covenants relating to non-solicitation and non-competition that govern during his employment and thereafter for the period severance is paid and, if no severance is paid, for one year following termination of employment. In addition, Mr. Lipinski's agreement provides for certain severance payments that may be due following the termination of his employment under certain circumstances, which are described below under "— Change-in-Control and Termination Payments."

Edward A. Morgan, Kevan A. Vick, Stanley A. Riemann and Edmund S. Gross. On July 12, 2005, Coffeyville Resources, LLC entered into employment agreements with each of Messrs. Riemann and Gross. The agreements were subsequently assumed by CVR Energy and amended and restated between the respective executives and CVR Energy effective as of December 29, 2007. Each of these agreements was amended and restated effective January 1, 2010 and subsequently amended and restated on January 1, 2011. The agreements have a term of three years and expire in January 2014, unless otherwise terminated earlier by the parties. Mr. Morgan entered into an employment agreement with CVR Energy effective May 14, 2009, which was amended effective August 17, 2009. This employment agreement was further amended and restated effective January 1, 2010 and subsequently amended and restated on January 1, 2011. Similarly, this agreement has a term of three years and expires in January 2014, unless otherwise terminated earlier by the parties. The agreements provide for an annual base salary of $335,000 for Mr. Morgan, $253,000 for Mr. Vick, $425,000 for Mr. Riemann and $362,000 for Mr. Gross, each effective as of January 1, 2011. Each executive officer is eligible to receive a performance-based annual cash bonus to be based upon individual and/or company performance criteria as established by the compensation committee of the board of directors of CVR Energy for each fiscal year. The target annual bonus percentages for these executive officers effective as of January 1, 2011 are as follows: Mr. Morgan (120%), Mr. Vick (80%), Mr. Riemann (200%) and Mr. Gross (100%). These executives are also entitled to participate in such health, insurance, retirement and other employee benefit plans and programs of CVR Energy as in effect from time to time on the same basis as other senior executives of CVR Energy. The agreements require these executive officers to abide by a perpetual restrictive covenant relating to non-disclosure and also include covenants relating to non-solicitation and, except in the case of Mr. Gross, non-competition during the executives' employment and for one year following termination of employment. In addition, these agreements provide for certain severance payments that may be due following the termination of employment under certain circumstances, which are described below under "— Change-in-Control and Termination Payments."

Compensation of Directors

Officers, employees and directors of CVR Energy who serve as directors of our general partner will not receive additional compensation for their service as a director of our general partner. We anticipate that each independent director will receive compensation for attending meetings of our general partner's board of directors and committees thereof. Historically, our independent directors received an annual director fee of $75,000 in cash, with the audit committee chair receiving an additional fee of $15,000 per year in cash. Following the closing of this offering, independent directors will receive an annual director fee of $50,000 in cash plus $50,000 in restricted common units, with the audit committee chair receiving an additional fee of $15,000 per year in cash. In addition, upon the consummation of this offering, Ms. Ecton and Mr. Muller will each receive a one-time award of restricted common units with values of $250,000 and $150,000, respectively. These common units are expected to vest in one-third increments over a three-year period. Each director will also be reimbursed for out-of-pocket expenses in connection with attending meetings of the board of directors (and committees thereof) of our general partner and for other director-related education expenses. Each director will be fully indemnified by us for his actions associated with being a director to the fullest extent permitted under Delaware law.

The following table provides compensation information for the year ended December 31, 2010 for each independent director of our general partner.

Name	Fees Earned or Paid in Cash	Total Compensation
Donna R. Ecton(1)	$ 90,000	$ 90,000
Frank M. Muller, Jr.	$ 75,000	$ 75,000

(1) In addition to the $75,000 annual fee earned by Ms. Ecton for her service on the board of directors of our general partner, she also received an additional $15,000 for her service as chair of the audit committee.

Reimbursement of Expenses of Our General Partner

Our general partner and its affiliates will be reimbursed for expenses incurred on our behalf under the services agreement. See "Certain Relationships and Related Party Transactions — Agreements with CVR Energy — Services Agreement" for a description of our services agreement. These expenses include the costs of employee, officer and director compensation and benefits properly allocable to us, and all other expenses necessary or appropriate to the conduct of our business and allocable to us. These expenses also include costs incurred by CVR Energy or its affiliates in rendering corporate staff and support services to us pursuant to the services agreement, including a pro rata portion of the compensation of CVR Energy's executive officers who provide management services to us (based on the amount of time such executive officers devote to our business). We expect for the year ending December 31, 2011 that the total amount paid to our general partner and its affiliates (including amounts paid to CVR Energy pursuant to the services agreement) will be approximately $10.3 million.

Our partnership agreement provides that our general partner will determine which of its and its affiliates' expenses are allocable to us and the services agreement provides that CVR Energy will invoice us monthly for services provided thereunder. Our general partner may dispute the costs that CVR Energy charges us under the services agreement, but we will not be entitled to a refund of any disputed cost unless it is determined not to be a reasonable cost incurred by CVR Energy in connection with services it provided.

Retirement Plan Benefits

Prior to the completion of this offering, our employees (including the executive officers of our general partner) were covered by a defined-contribution 401(k) plan sponsored and administered by CVR Energy. Our operating subsidiary's contributions for our employees under the 401(k) plan sponsored and administered by CVR Energy were $0.3 million, $0.4 million and $ million for the years ended December 31, 2008, 2009 and 2010, respectively. Upon the completion of this offering, we intend that our employees will continue to participate in CVR Energy's plan.

Change-in-Control and Termination Payments

Under the terms of our general partner's named executive officers' employment agreements with CVR Energy, they may be entitled to severance and other benefits from CVR Energy following the termination of their employment with CVR Energy. The amounts reflected in this section have not been pro-rated based on the amount of time spent working for us because we do not reimburse CVR Energy for costs associated with terminations of employment under the services agreement. The amounts of potential post-employment payments and benefits in the narrative and table below assume that the triggering event took place on December 31, 2010; however, except with respect to salary, which is as of December 31, 2010, they are based on the terms of the employment agreements in effect as of January 1, 2011.

John J. Lipinski. If Mr. Lipinski's employment is terminated either by CVR Energy without cause and other than for disability or by Mr. Lipinski for good reason (as these terms are defined in his employment agreement), then in addition to any accrued amounts, including any base salary earned but unpaid through the date of termination, any earned but unpaid annual bonus for completed fiscal years, any unused accrued paid time off and any unreimbursed expenses ("Accrued Amounts"), Mr. Lipinski is entitled to receive as severance (a) salary continuation for 36 months (b) a pro-rata target bonus for the year in which termination occurs and (c) the continuation of medical

benefits for 36 months at active-employee rates or until such time as Mr. Lipinski becomes eligible for medical benefits from a subsequent employer. In addition, if Mr. Lipinski's employment is terminated either by CVR Energy without cause and other than for disability or by Mr. Lipinski for good reason (as these terms are defined in his employment agreement) within one year following a change in control (as defined in his employment agreements) or in specified circumstances prior to and in connection with a change in control, Mr. Lipinski will receive $^{1}/_{12}$ of his target bonus for the year of termination for each month of the 36 month period during which he is entitled to severance.

If Mr. Lipinski's employment is terminated as a result of his disability, then in addition to any Accrued Amounts and any payments to be made to Mr. Lipinski under disability plan(s), Mr. Lipinski is entitled to (a) disability payments equal to, in the aggregate, Mr. Lipinski's base salary as in effect immediately before his disability (the estimated total amount of this payment is set forth in the relevant table below) and (b) a pro-rata target bonus for the year in which termination occurs. Such supplemental disability payments will be made in installments for a period of 36 months from the date of disability. As a condition to receiving these severance payments and benefits, Mr. Lipinski must (a) execute, deliver and not revoke a general release of claims and (b) abide by restrictive covenants as detailed below. If Mr. Lipinski's employment is terminated at any time by reason of his death, then in addition to any Accrued Amounts Mr. Lipinski's beneficiary (or his estate) will be paid (a) the base salary Mr. Lipinski would have received had he remained employed through the remaining term of his employment agreement and (b) a pro-rata target bonus for the year in which termination occurs. Notwithstanding the foregoing, CVR Energy may, at its option, purchase insurance to cover the obligations with respect to either Mr. Lipinski's supplemental disability payments or the payments due to Mr. Lipinski's beneficiary or estate by reason of his death. Mr. Lipinski will be required to cooperate in obtaining such insurance. Upon a termination by reason of Mr. Lipinski's retirement, in addition to any Accrued Amounts, Mr. Lipinski will receive (a) continuation of medical and dental benefits for 36 months at active-employee rates or until such time as Mr. Lipinski becomes eligible for such benefits from a subsequent employer, (b) provision of an office at CVR Energy's headquarters and use of CVR Energy's facilities and administrative support, each at CVR Energy's expense, for 36 months and (c) a pro-rata target bonus for the year in which termination occurs.

In the event that Mr. Lipinski is eligible to receive continuation of medical and dental benefits at active-employee rates but is not eligible to continue to receive benefits under CVR Energy's plans pursuant to the terms of such plans or a determination by the insurance providers, CVR Energy will use reasonable efforts to obtain individual insurance policies providing Mr. Lipinski with such benefits at the same cost to CVR Energy as providing him with continued coverage under CVR Energy's plans. If such coverage cannot be obtained, CVR Energy will pay Mr. Lipinski on a monthly basis during the relevant continuation period, an amount equal to the amount CVR Energy would have paid had he continued participation in CVR Energy's medical and dental plans.

If any payments or distributions due to Mr. Lipinski would be subject to the excise tax imposed under Section 4999 of the Code, then such payments or distributions will be "cut back" only if that reduction would be more beneficial to him on an after-tax basis than if there was no reduction. The estimated total amounts payable to Mr. Lipinski (or his beneficiary or estate in the event of death) in the event of termination of employment under the circumstances described above are set forth in the table below. Mr. Lipinski would solely be entitled to Accrued Amounts, if any, upon the termination of employment by CVR Energy for cause, by him voluntarily without good reason, or by reason of his retirement. The agreement requires Mr. Lipinski to abide by a perpetual restrictive covenant relating to non-disclosure. The agreement also includes covenants relating to non-solicitation and non-competition during Mr. Lipinski's employment term, and thereafter during the period he receives severance payments or supplemental disability payments, as applicable, or for one year following the end of the term (if no severance or disability payments are payable).

Edward A. Morgan, Kevan A. Vick, Stanley A. Riemann and Edmund S. Gross. Pursuant to their employment agreements, if the employment of Messrs. Morgan, Vick, Riemann or Gross is terminated either by CVR Energy without cause and other than for disability or by the executive officer for good reason (as such terms are defined in their respective employment agreements), then these executive officers are entitled, in addition to any Accrued Amounts, to receive as severance (a) salary continuation for 12 months (18 months for Mr. Riemann), (b) a pro-rata target bonus for the year in which termination occurs and (c) the continuation of medical and dental benefits for 12 months (18 months for Mr. Riemann) at active-employee rates or until such time as the executive officer becomes

eligible for such benefits from a subsequent employer. In addition, if the employment of the named executive officers is terminated either by CVR Energy without cause and other than for disability or by the executives for good reason (as these terms are defined in their employment agreements) within one year following a change in control (as defined in their employment agreements) or in specified circumstances prior to and in connection with a change in control, they are also entitled to receive additional benefits. For Messrs. Morgan, Riemann and Gross, the severance period and benefit continuation period is extended to 24 months for Messrs. Morgan and Gross and 30 months for Mr. Riemann and they will also receive monthly payments equal to $^{1}/_{12}$ of their respective target bonuses for the year of termination during the 24 (or 30) month severance period. Mr. Vick will receive monthly payments equal to $^{1}/_{12}$ of his respective target bonus for the year of termination for 12 months. Upon a termination by reason of these executives' employment upon retirement, in addition to any Accrued Amounts, they will receive (a) a pro-rata target bonus for the year in which termination occurs and (b) continuation of medical benefits for 24 months at active-employee rates or until such time as they become eligible for medical benefits from a subsequent employer.

In the event that Messrs. Morgan, Vick, Riemann and Gross are eligible to receive continuation of medical and dental benefits at active-employee rates but are not eligible to continue to receive benefits under CVR Energy's plans pursuant to the terms of such plans or a determination by the insurance providers, CVR Energy will use reasonable efforts to obtain individual insurance policies providing the executives with such benefits at the same cost to CVR Energy as providing them with continued coverage under CVR Energy's plans. If such coverage cannot be obtained, CVR Energy will pay the executives on a monthly basis during the relevant continuation period, an amount equal to the amount CVR Energy would have paid had they continued participation in CVR Energy's medical and dental plans.

As a condition to receiving these severance payments and benefits, the executives must (a) execute, deliver and not revoke a general release of claims and (b) abide by restrictive covenants as detailed below. The agreements provide that if any payments or distributions due to an executive officer would be subject to the excise tax imposed under Section 4999 of the Code, then such payments or distributions will be cut back only if that reduction would be more beneficial to the executive officer on an after-tax basis than if there were no reduction. These executive officers would solely be entitled to Accrued Amounts, if any, upon the termination of employment by CVR Energy for cause, by him voluntarily without good reason, or by reason of retirement, death or disability. The agreements require each of the executive officers to abide by a perpetual restrictive covenant relating to non-disclosure. The agreements also include covenants relating to non-solicitation and, except in the case of Mr. Gross, covenants relating to non-competition during their employment terms and for one year following the end of the terms.

	Cash Severance					Benefit Continuation				
	Death	Disability	Retirement	Termination without Cause or with Good Reason (1)	Termination without Cause or with Good Reason (2)	Death	Disability	Retirement	Termination without Cause or with Good Reason (1)	Termination without Cause or with Good Reason (2)
John J. Lipinski	$ 4,950,000	$ 4,950,000	$ 2,250,000	$ 4,950,000	$ 11,700,000	$ —	$ —	$ 26,788	$ 26,788	$ 26,788
Edward A. Morgan	—	—	378,000	693,000	1,386,000	—	—	25,620	12,810	25,620
Kevan A. Vick	—	—	196,000	441,000	637,000	—	—	25,620	12,810	12,810
Stanley A. Riemann	—	—	830,000	1,452,500	3,112,500	—	—	13,394	17,859	22,324
Edmund S. Gross	—	—	347,000	694,000	1,388,000	—	—	25,620	12,810	25,620

(1) Severance payments and benefits in the event of termination without cause or resignation for good reason not in connection with a change in control.

(2) Severance payments and benefits in the event of termination without cause or resignation for good reason in connection with a change in control.

Each of the named executive officers has been granted shares of restricted stock granted pursuant to the CVR Energy, Inc. 2007 Long Term Incentive Plan. In connection with joining CVR Energy on May 14, 2009, Mr. Morgan was awarded 25,000 shares of restricted stock. On December 18, 2009, Mr. Morgan was granted 38,168 shares of restricted stock and Mr. Gross was awarded 15,268 shares of restricted stock. On July 16, 2010, Messrs. Lipinski, Morgan, Vick, Riemann and Gross were granted 222,532, 41,725, 13,909, 69,542 and 59,110 shares of restricted

stock, respectively. On December 31, 2010, Messrs. Lipinski, Morgan, Vick, Riemann and Gross were granted 222,333, 41,505, 14,526, 68,347 and 45,719 shares of restricted stock, respectively.

Subject to vesting requirements, the named executive officers are required to retain at least 50% of their respective shares for a period equal to the lesser of (a) three years, commencing with the date of the award, or (b) as long as such individual remains an officer of CVR Energy (or an affiliate) at the level of Vice President or higher. The named executive officers have the right to vote their shares of restricted stock immediately, although the shares are subject to transfer restrictions and vesting requirements that lapse in one-third annual increments beginning on the first anniversary of the date of grant, subject to immediate vesting under certain circumstances. The shares granted to Mr. Morgan in May 2009 become immediately vested in the event of his death or disability. All other grants of restricted stock become immediately vested in the event of the relevant named executive officer's death, disability or retirement, or in the event of any of the following: (a) such named executive officer's employment is terminated other than for cause within the one year period following a change in control of CVR Energy, Inc.; (b) such named executive officer resigns from employment for good reason within the one year period following a change in control; or (c) such named executive officer's employment is terminated under certain circumstances prior to a change in control. The terms disability, retirement, cause, good reason and change in control are all defined in the CVR LTIP.

The following table reflects the value of accelerated vesting of the unvested restricted stock awards held by the named executive officers assuming the triggering event took place on December 31, 2010, and based on the closing price of CVR Energy common stock as of such date, which was $15.18 per share.

Value of Accelerated Vesting of Restricted Stock Awards

	Death	Disability	Retirement	Termination without Cause or with Good Reason	
				(1)	(2)
John J. Lipinski	$ 6,753,050	$ 6,753,050	$ 6,753,050	—	$ 6,753,050
Edward A. Morgan	$ 1,902,630	$ 1,902,630	$ 1,902,630	—	$ 1,649,640
Kevan A. Vick	$ 431,643	$ 431,643	$ 431,643	—	$ 431,643
Stanley A. Riemann	$ 2,093,155	$ 2,093,155	$ 2,093,155	—	$ 2,093,155
Edmund S. Gross	$ 1,745,806	$ 1,745,806	$ 1,745,806	—	$ 1,745,806

(1) Termination without cause or resignation for good reason not in connection with a change in control.

(2) Termination without cause or resignation for good reason in connection with a change in control.

CVR Partners, LP Long-Term Incentive Plan

General

Our general partner intends to adopt a Long-Term Incentive Plan, or the Plan, for its and its affiliates' employees, consultants and directors who perform services for us. The Plan will provide for the grant of restricted units, unit options and substitute awards and, with respect to unit options, the grant of distribution equivalent rights, or DERs. Subject to adjustment for certain events, an aggregate of common units may be delivered pursuant to awards under the Plan. Common units withheld to satisfy our general partner's tax withholding obligations will be available for delivery pursuant to other awards. If the Plan is implemented, the Plan will be administered by the compensation committee of our general partner's board of directors.

Restricted Units

A restricted unit is a common unit that is subject to forfeiture. Upon vesting, the grantee receives a common unit that is not subject to forfeiture. The compensation committee may make grants of restricted units under the Plan to eligible individuals containing such terms, consistent with the Plan, as the compensation committee may determine, including the period over which restricted units granted will vest. The committee may, in its discretion, base vesting on the grantee's completion of a period of service or upon the achievement of specified financial

objectives or other criteria. In addition, the restricted units will vest automatically upon a change of control (as defined in the Plan) of us or our general partner, subject to any contrary provisions in the award agreement.

If a grantee's employment, consulting or membership on the board terminates for any reason, the grantee's restricted units will be automatically forfeited unless, and to the extent, the grant agreement or the compensation committee provides otherwise. Distributions made by us on restricted units may, in the compensation committee's discretion, be subject to the same vesting requirements as the restricted units.

We intend for the restricted units granted under the Plan to serve as a means of incentive compensation for performance and not primarily as an opportunity to participate in the equity appreciation of the common units. Therefore, participants will not pay any consideration for the common units they receive with respect to these types of awards, and neither we nor our general partner will receive remuneration for the common units delivered with respect to these awards.

Common Unit Options

The Plan will also permit the grant of options covering common units. Common unit options may be granted to such eligible individuals and with such terms as the compensation committee may determine, consistent with the Plan; however, a common unit option must have an exercise price equal to the fair market value of a common unit on the date of grant.

Upon exercise of a common unit option, our general partner will acquire common units in the open market at a price equal to the prevailing price on the principal national securities exchange upon which the common units are then traded, or directly from us or any other person, or use common units already owned by the general partner, or any combination of the foregoing. The common unit option plan has been designed to furnish additional compensation to employees, consultants and directors and to align their economic interests with those of common unitholders.

Unit Appreciation Rights

The long-term incentive plan will permit the grant of unit appreciation rights. A unit appreciation right is an award that, upon exercise, entitles the participant to receive the excess of the fair market value of a common unit on the exercise date over the exercise price established for the unit appreciation right. Such excess will be paid in cash or common units. The plan administrator may make grants of unit appreciation rights containing such terms as the plan administrator shall determine. Unit appreciation rights will typically have an exercise price that is not less than the fair market value of the common units on the date of grant. In general, unit appreciation rights granted will become exercisable over a period determined by the plan administrator.

Distribution Equivalent Rights

The plan administrator may, in its discretion, grant distribution equivalent rights, or DERs, in tandem with awards under the long-term incentive plan. DERs entitle the participant to receive cash equal to the amount of any cash distributions made by us during the period the right is outstanding. Payment of a DER issued in connection with another award may be subject to the same vesting terms as the award to which it relates or different vesting terms, in the discretion of the plan administrator.

Source of Common Units; Cost

Common units to be delivered with respect to awards may be newly-issued units, common units acquired by our general partner in the open market, common units already owned by our general partner or us, common units acquired by our general partner directly from us or any other person or any combination of the foregoing. Our general partner will be entitled to reimbursement by us for the cost incurred in acquiring such common units. With respect to unit options, our general partner will be entitled to reimbursement from us for the difference between the cost it incurs in acquiring these common units and the proceeds it receives from an optionee at the time of exercise. Thus, we will bear the cost of the unit awards. If we issue new common units with respect to these awards, the total number of common units outstanding will increase, and our general partner will remit the proceeds it receives from

a participant, if any, upon exercise of an award to us. With respect to any awards settled in cash, our general partner will be entitled to reimbursement by us for the amount of the cash settlement.

Other Unit-Based Awards

The long-term incentive plan will permit the grant of other unit-based awards, which are awards that are based, in whole or in part, on the value or performance of a common unit. Upon vesting, the award may be paid in common units, cash or a combination thereof, as provided in the grant agreement.

Substitution Awards

The compensation committee, in its discretion, may grant substitute or replacement awards to eligible individuals who, in connection with an acquisition made by us, our general partner or an affiliate, have forfeited an equity-based award in their former employer. A substitute award that is an option may have an exercise price less than the value of a common unit on the date of grant of the award.

Termination of Long-Term Incentive Plan

Our general partner's board of directors, in its discretion, may terminate the Plan at any time with respect to the common units for which a grant has not theretofore been made. The Plan will automatically terminate on the earlier of the tenth anniversary of the closing date of this offering or when common units are no longer available for delivery pursuant to awards under the Plan. Our general partner's board of directors will also have the right to alter or amend the Plan or any part of it from time to time and the compensation committee may amend any award; provided, however, that no change in any outstanding award may be made that would materially impair the rights of the participant without the consent of the affected participant. Subject to unitholder approval, if required by the rules of the principal national securities exchange upon which the common units are traded, the board of directors of our general partner may increase the number of common units that may be delivered with respect to awards under the Plan.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table presents information regarding beneficial ownership of our common units following this offering by:

- our general partner;
- each of our general partner's directors;
- each of our general partner's executive officers;
- each unitholder known by us to beneficially hold five percent or more of our outstanding units; and
- all of our general partner's named executive officers and directors as a group.

Beneficial ownership is determined under the rules of the SEC and generally includes voting or investment power with respect to securities. Unless indicated below, to our knowledge, the persons and entities named in the table have sole voting and sole investment power with respect to all units beneficially owned, subject to community property laws where applicable. Except as otherwise indicated, the business address for each of our beneficial owners is c/o CVR Partners, LP, 2277 Plaza Drive, Suite 500, Sugar Land, Texas 77479. The table does not reflect any common units that directors and executive officers may purchase in this offering through the directed unit program described under "Underwriters."

Name of Beneficial Owner	Common Units to be Beneficially Owned	Percentage of Total Common Units to be Beneficially Owned(1)
CVR GP, LLC(2)	—	—
Coffeyville Resources, LLC(3)		%
John J. Lipinski	—	—
Stanley A. Riemann	—	—
Edward A. Morgan	—	—
Edmund S. Gross	—	—
Kevan A. Vick	—	—
Christopher G. Swanberg	—	—
Donna R. Ecton(4)	—	—
Scott L. Lebovitz	—	—
George E. Matelich	—	—
Frank M. Muller, Jr.(4)	—	—
Stanley de J. Osborne	—	—
John K. Rowan	—	—
All directors and executive officers of our general partner as a group (12 persons)	—	—

* Less than 1%

(1) Based on common units outstanding following this offering.

(2) CVR GP, LLC, a wholly-owned subsidiary of Coffeyville Resources, is our general partner and manages and operates our business.

(3) Coffeyville Resources, LLC is an indirect wholly-owned subsidiary of CVR Energy, a publicly traded company. The directors of CVR Energy are John J. Lipinski, C. Scott Hobbs, Scott L. Lebovitz, George E. Matelich, Steve A. Nordaker, Stanley de J. Osborne, John K. Rowan, Joseph E. Sparano and Mark E. Tomkins. The units owned by Coffeyville Resources, LLC, as reflected in the table, are common units. The table assumes the underwriters do not exercise their option to purchase additional common units and such units are therefore issued to Coffeyville Resources upon the option's expiration. If such option is exercised in full, Coffeyville Resources will beneficially own common units, or % of total common units outstanding.

(4) Upon consummation of this offering, Ms. Ecton and Mr. Muller will each receive a one-time award of restricted common units with values of $250,000 and $150,000, respectively. These common units are expected to vest in one-third increments over a three-year period.

The following table sets forth, as of November 30, 2010, the number of shares of common stock of CVR Energy owned by each of the executive officers and directors of our general partner and all directors and executive officers of our general partner as a group.

Name and Address	Shares Beneficially Owned As of November 30, 2010	
	Number	Percent
John J. Lipinski(a)	400,003	*
Stanley A. Riemann(b)	69,542	*
Edward A. Morgan	102,688	*
Edmund S. Gross(c)	75,378	*
Kevan A. Vick(d)	14,909	*
Christopher G. Swanberg(e)	30,340	*
Donna R. Ecton	3,500	*
Scott L. Lebovitz(f)	15,113,454	17.3%
Frank M. Muller, Jr.	200	*
George E. Matelich(g)	19,747,202	22.7%
Stanley de J. Osborne(g)	19,747,202	22.7%
John K. Rowan	—	—
All directors and executive officers, as a group (12 persons)	35,557,216	40.8%

* Less than 1%

(a) Mr. Lipinski also indirectly owns 87,772 shares of common stock of CVR Energy through his interests in common units of Coffeyville Acquisition and Coffeyville Acquisition II but does not have the power to vote or dispose of these additional shares.

(b) Mr. Riemann also indirectly owns 54,014 shares of common stock of CVR Energy through his interests in common units of Coffeyville Acquisition and Coffeyville Acquisition II but does not have the power to vote or dispose of these shares.

(c) Mr. Gross also indirectly owns 4,050 shares of common stock of CVR Energy through his interests in common units of Coffeyville Acquisition and Coffeyville Acquisition II but does not have the power to vote or dispose of these additional shares.

(d) Mr. Vick also indirectly owns 33,759 shares of common stock of CVR Energy through his interests in common units of Coffeyville Acquisition and Coffeyville Acquisition II but does not have the power to vote or dispose of these additional shares.

(e) Mr. Swanberg also indirectly owns 3,375 shares of common stock of CVR Energy through his interests in common units of Coffeyville Acquisition and Coffeyville Acquisition II but does not have the power to vote or dispose of these additional shares.

(f) Represents shares owned by Coffeyville Acquisition II which is controlled by the Goldman Sachs Funds. Mr. Lebovitz is a director of Coffeyville Acquisition II. GS Capital Partners V Fund, L.P., GS Capital Partners V Offshore Fund, L.P., GS Capital Partners V GmbH & Co. KG and GS Capital Partners V Institutional, L.P., or collectively, the "Goldman Sachs Funds," are members of Coffeyville Acquisition II and own substantially all of the common units of Coffeyville Acquisition II. The Goldman Sachs Funds' common units in Coffeyville Acquisition II correspond to 14,965,434 shares of common stock of CVR Energy. The Goldman Sachs Group, Inc. and Goldman, Sachs & Co. may be deemed to beneficially own indirectly, in the aggregate, all of the common stock of CVR Energy owned by Coffeyville Acquisition II through the Goldman Sachs Funds because (i) affiliates of Goldman, Sachs & Co. and The Goldman Sachs Group, Inc. are the general partner, managing partner, managing member or member of the Goldman Sachs Funds and (ii) the Goldman Sachs Funds control Coffeyville Acquisition II and have the power to vote or dispose of the common stock of CVR Energy owned by Coffeyville Acquisition II. Goldman, Sachs & Co. is a direct and indirect wholly-owned subsidiary of The Goldman Sachs Group, Inc. Goldman, Sachs & Co. is the investment manager of certain of the Goldman Sachs Funds. Shares of CVR Energy that may be deemed to be beneficially owned by the Goldman Sachs Funds consist of: (1) 7,880,200 shares of common stock that may be deemed to be beneficially owned by GS Capital Partners V Fund, L.P. and its general partner, GSCP V Advisors, L.L.C., (2) 4,070,583 shares of common stock that may be deemed to be beneficially owned by GS Capital Partners V Offshore Fund, L.P. and its general partner, GSCP V Offshore Advisors, L.L.C., (3) 2,702,229 shares of common stock that may be deemed to be beneficially owned by GS Capital Partners V Institutional, L.P. and its general partner, GS Advisors V, L.L.C., and (4) 312,422 shares of common stock that may be deemed to be beneficially owned by GS Capital Partners V GmbH & Co. KG and its general partner, Goldman, Sachs Capital Management GP GmbH. Scott L. Lebovitz is a managing director of Goldman, Sachs & Co. Mr. Lebovitz, The Goldman Sachs Group, Inc. and Goldman, Sachs & Co. each disclaims beneficial ownership of the shares of common stock of CVR Energy owned directly or indirectly by the Goldman Sachs Funds, except to the extent of their pecuniary interest therein, if any. Coffeyville Acquisition II may elect to sell its shares of CVR Energy at any time.

(g) Represents shares owned by Coffeyville Acquisition which is controlled by the Kelso Funds. Messrs. Matelich and Osborne are the sole directors of Coffeyville Acquisition. Kelso Investment Associates VII, L.P., or KIA VII, a Delaware limited partnership, and KEP VI, LLC,

or KEP VI, a Delaware limited liability company, are members of Coffeyville Acquisition and own substantially all of the common units of Coffeyville Acquisition. KIA VII owns common units of Coffeyville Acquisition that correspond to 15,427,860 shares of common stock of CVR Energy, and KEP VI owns common units in Coffeyville Acquisition that correspond to 3,820,232 shares of common stock of CVR Energy. KIA VII and KEP VI, due to their common control, could be deemed to beneficially own each of the other's shares of common stock of CVR Energy but each disclaims such beneficial ownership. Messrs. Berney, Bynum, Connors, Goldberg, Loverro, Matelich, Moore, Nickell, Osborne, Wahrhaftig and Wall (the "Kelso Individuals") may be deemed to share beneficial ownership of shares of common stock of CVR Energy owned of record or beneficially owned by KIA VII, KEP VI and Coffeyville Acquisition by virtue of their status as managing members of KEP VI and of Kelso GP VII, LLC, a Delaware limited liability company, the principal business of which is serving as the general partner of Kelso GP VII, L.P., a Delaware limited partnership, the principal business of which is serving as the general partner of KIA VII. Each of the Kelso Individuals share investment and voting power with respect to the ownership interests owned by KIA VII, KEP VI and Coffeyville Acquisition but disclaim beneficial ownership of such interests. Mr. Collins may be deemed to share beneficial ownership of shares of common stock owned of record or beneficially owned by KEP VI and Coffeyville Acquisition by virtue of his status as a managing member of KEP VI. Mr. Collins shares investment and voting power with the Kelso Individuals with respect to ownership interests owned by KEP VI and Coffeyville Acquisition but disclaims beneficial ownership of such interests. Coffeyville Acquisition may elect to sell its shares of CVR Energy at any time.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

After this offering, Coffeyville Resources, a wholly-owned subsidiary of CVR Energy, will own (i) common units, representing approximately % of our outstanding units (approximately % if the underwriters exercise their option to purchase additional common units in full) and (ii) our general partner with its non-economic general partner interest (which will not entitle it to receive distributions) in us.

Distributions and Payments to CVR Energy and its Affiliates

The following table summarizes the distributions and payments made or to be made by us to CVR Energy and its affiliates (including our general partner) and Coffeyville Acquisition III, an entity controlled by shareholders who own approximately 40% of CVR Energy's common stock, in connection with the formation, ongoing operation and any liquidation of CVR Partners, LP. These distributions and payments were or will be determined by and among affiliated entities and, consequently, are not the result of arm's-length negotiations.

	Formation Stage
The consideration received by CVR Energy and its affiliates for the contribution of assets and liabilities to us in October 2007	• 30,333,333 special units. • The general partner interest and associated incentive distribution rights, or IDRs. • Our agreement, contingent on our completing an initial public or private offering, to reimburse Coffeyville Resources for certain capital expenditures made with respect to the nitrogen fertilizer business.
	Pre-IPO Operational Stage
Distributions of Operating Cash Flow	• In 2008, we paid a distribution of $50.0 million to Coffeyville Resources.
Loans to Coffeyville Resources	• In 2009 and 2010, we maintained a lending relationship with Coffeyville Resources in order to supplement Coffeyville Resources' working capital needs. We were paid interest on those borrowings, which we recorded as a due from affiliate balance, equal to the interest rate Coffeyville Resources paid on its revolving credit facility. The $160.0 million due from affiliate balance, which bore interest at a rate of 8.5% per annum for the year ended December 31, 2010, was distributed to Coffeyville Resources on December 31, 2010.
	Offering Stage
Distributions to Coffeyville Resources	• We will distribute to Coffeyville Resources all cash on our balance sheet before the closing date of this offering (other than cash in respect of prepaid sales). • We will use approximately $18.4 million of the proceeds of this offering to make a distribution to Coffeyville Resources in satisfaction of our obligation to reimburse it for certain capital expenditures made with respect to the nitrogen fertilizer business. • We will also use approximately $ million of the proceeds of the offering to make a special distribution to Coffeyville Resources in order to, among other things, fund the offer to purchase Coffeyville Resources' senior secured notes required upon consummation of this offering; • We will also draw our new $125.0 million term loan in full, and make a special distribution to Coffeyville Resources of $ million of the proceeds therefrom in order to, among other things, fund

	the offer to purchase Coffeyville Resources' senior secured notes required upon consummation of this offering.
Purchase of CVR GP, LLC	• We will use approximately $26.0 million of the proceeds of this offering to purchase (and subsequently extinguish) the IDRs owned by our general partner. The proceeds of this sale will be paid as a distribution to the owners of Coffeyville Acquisition III, which include the Goldman Sachs Funds, the Kelso Funds and members of our senior management.
Conversion of Special Units	• In connection with this offering, all of the special units owned by CVR Energy and its affiliates will be converted into common units.
	Post-IPO Operational Stage
Distributions to CVR Energy and its affiliates	• We will generally make cash distributions to the unitholders pro rata, including to Coffeyville Resources, as the holder of common units. Immediately following this offering, based on ownership of our common units at such time, CVR Energy and its subsidiaries will own approximately % of our common units and would receive a pro rata percentage of the available cash that we distribute in respect thereof.
Payments to our general partner and its affiliates	• We will reimburse our general partner and its affiliates for all expenses incurred on our behalf. In addition we will reimburse CVR Energy for certain operating expenses and for the provision of various general and administrative services for our benefit under the services agreement.
	Liquidation Stage
Liquidation	• Upon our liquidation, our unitholders will be entitled to receive liquidating distributions according to their respective capital account balances.

Agreements with CVR Energy

In connection with the formation of CVR Partners and the initial public offering of CVR Energy in October 2007, we entered into several agreements with CVR Energy and its affiliates that govern the business relations among us, CVR Energy and its affiliates, and our general partner. In addition, we will enter into various new agreements and amendments to existing agreements that will effect the Transactions. The agreements being amended include our partnership agreement, the terms of which are more fully described under "The Partnership Agreement" and elsewhere in this prospectus. These agreements were not the result of arm's-length negotiations and the terms of these agreements are not necessarily at least as favorable to the parties to these agreements as terms which could have been obtained from unaffiliated third parties.

Coke Supply Agreement

We entered into a pet coke supply agreement with CVR Energy in October 2007 pursuant to which CVR Energy supplies us with pet coke. This agreement provides that CVR Energy must deliver to us during each calendar year an annual required amount of pet coke equal to the lesser of (i) 100 percent of the pet coke produced at its petroleum refinery or (ii) 500,000 tons of pet coke. We are also obligated to purchase this annual required amount. If CVR Energy produces more than 41,667 tons of pet coke during a calendar month, then we will have the option to purchase the excess at the purchase price provided for in the agreement. If we decline to exercise this option, CVR Energy may sell the excess to a third party.

The price which we will pay for the pet coke is based on the lesser of a pet coke price derived from the price received by us for UAN (subject to a UAN-based price ceiling and floor) and a pet coke index price but in no event will the pet coke price be less than zero. We also pay any taxes associated with the sale, purchase, transportation, delivery, storage or consumption of the pet coke. We are entitled to offset any amount payable for the pet coke against any amount due from CVR Energy under the feedstock and shared services agreement. If we fail to pay an invoice on time, we will pay interest on the outstanding amount payable at a rate of three percent above the prime rate.

In the event CVR Energy delivers pet coke to us on a short term basis and such pet coke is off-specification on more than 20 days in any calendar year, there will be a price adjustment to compensate us and/or capital contributions will be made to us to allow us to modify our equipment to process the pet coke received. If CVR Energy determines that there will be a change in pet coke quality on a long-term basis, then it will be required to notify us of such change with at least three years' notice. We will then determine the appropriate changes necessary to our nitrogen fertilizer plant in order to process such off-specification pet coke. CVR Energy will compensate us for the cost of making such modifications and/or adjust the price of pet coke on a mutually agreeable commercially reasonable basis.

The terms of the pet coke supply agreement provide benefits both to us and CVR Energy's petroleum business. The cost of the pet coke supplied by CVR Energy to us in most cases will be lower than the price which we otherwise would pay to third parties. The cost to us will be lower both because the actual price paid will be lower and because we will pay significantly reduced transportation costs (since the pet coke is supplied by an adjacent facility which will involve no freight or tariff costs). In addition, because the cost we pay will be formulaically related to the price received for UAN (subject to a UAN based price floor and ceiling), we will enjoy lower pet coke costs during periods of lower revenues regardless of the prevailing pet coke market.

In return for CVR Energy receiving a potentially lower price for pet coke in periods when the pet coke price is impacted by lower UAN prices, it enjoys the following benefits associated with the disposition of a low value by-product of the refining process: avoiding the capital cost and operating expenses associated with handling pet coke; enjoying flexibility in its crude slate and operations as a result of not being required to meet a specific pet coke quality; and avoiding the administration, credit risk and marketing fees associated with selling pet coke.

We may be obligated to provide security for our payment obligations under the agreement if in CVR Energy's sole judgment there is a material adverse change in our financial condition or liquidity position or in our ability to make payments. This security shall not exceed an amount equal to 21 times the average daily dollar value of pet coke we purchase for the 90-day period preceding the date on which CVR Energy gives us notice that it has deemed that a material adverse change has occurred. Unless otherwise agreed by CVR Energy and us, we can provide such security by means of a standby or documentary letter of credit, prepayment, a surety instrument, or a combination of the foregoing. If we do not provide such security, CVR Energy may require us to pay for future deliveries of pet coke on a cash-on-delivery basis, failing which it may suspend delivery of pet coke until such security is provided and terminate the agreement upon 30 days' prior written notice. Additionally, we may terminate the agreement within 60 days of providing security, so long as we provide five days' prior written notice.

The agreement has an initial term of 20 years, which will be automatically extended for successive five year renewal periods. Either party may terminate the agreement by giving notice no later than three years prior to a renewal date. The agreement is also terminable by mutual consent of the parties or if a party breaches the agreement and does not cure within applicable cure periods. Additionally, the agreement may be terminated in some circumstances if substantially all of the operations at our nitrogen fertilizer plant or the refinery are permanently terminated, or if either party is subject to a bankruptcy proceeding or otherwise becomes insolvent.

Either party may assign its rights and obligations under the agreement to an affiliate of the assigning party, to a party's lenders for collateral security purposes, or to an entity that acquires all or substantially all of the equity or assets of the assigning party related to the refinery or fertilizer plant, as applicable, in each case subject to applicable consent requirements.

The agreement contains an obligation to indemnify the other party and its affiliates against liability arising from breach of the agreement, negligence, or willful misconduct by the indemnifying party or its affiliates. The

indemnification obligation will be reduced, as applicable, by amounts actually recovered by the indemnified party from third parties or insurance coverage. The agreement also contains a provision that prohibits recovery of lost profits or revenue, or special, incidental, exemplary, punitive or consequential damages from either party or certain affiliates.

Our pet coke cost per ton purchased from CVR Energy averaged $17, $30 and $22 for the years ended December 31, 2007, 2008, and 2009, respectively, and $28 and $12 for the nine months ended September 30, 2009 and 2010, respectively. Total purchases of pet coke from CVR Energy were approximately $4.5 million, $11.1 million, and $7.9 million for the years ended December 31, 2007, 2008, and 2009, respectively, and $7.4 million and $3.3 million for the nine months ended September 30, 2009 and 2010, respectively. Third party pet coke prices averaged $49, $39 and $37 for the years ended December 31, 2007, 2008, and 2009, respectively, and $37 and $40 for the nine months ended September 30, 2009 and 2010, respectively. Total purchases of pet coke from third parties were approximately $9.2 million, $3.0 million and $5.0 million for the years ended December 31, 2007, 2008, and 2009, respectively, and $3.5 million and $3.4 million for the nine months ended September 30, 2009 and 2010, respectively.

Feedstock and Shared Services Agreement

We entered into a feedstock and shared services agreement with CVR Energy in October 2007, pursuant to which we and CVR Energy provide feedstock and other services to each other. These feedstocks and services are utilized in the respective production processes of CVR Energy's refinery and our nitrogen fertilizer plant. Feedstocks provided under the agreement include, among others, hydrogen, high-pressure steam, nitrogen, instrument air, oxygen and natural gas.

We are obligated to provide CVR Energy hydrogen from time to time, and to the extent available, CVR Energy has agreed to provide us with hydrogen from time to time. The agreement provides hydrogen supply and pricing terms for sales of hydrogen by both parties. In connection with the closing of this offering, we intend to amend the feedstock and shared services agreement to provide that we will only be obligated to provide hydrogen to CVR Energy upon its demand if, in the sole discretion of the board of directors of our general partner, sales of hydrogen to the refinery would not adversely affect our tax treatment. See "Material U.S. Federal Income Tax Consequences — Partnership Status."

The agreement provides that both parties must deliver high-pressure steam to one another under certain circumstances. We must make available to CVR Energy any high-pressure steam produced by the nitrogen fertilizer plant that is not required for the operation of the nitrogen fertilizer plant. CVR Energy must use commercially reasonable efforts to provide high-pressure steam to us for purposes of allowing us to commence and recommence operation of the nitrogen fertilizer plant from time to time, and also for use at the Linde air separation plant adjacent to CVR Energy's facility. CVR Energy is not required to provide such high-pressure steam if doing so would have a material adverse effect on the refinery's operations. The price for such high pressure steam is calculated using a formula that is based on steam flow and the price of natural gas as published in "Inside F.E.R.C.'s Gas Market Report" under the heading "Prices of Spot Gas delivered to Pipelines" for Southern Star Central Gas Pipeline, Inc. for Texas, Oklahoma and Kansas.

We are also obligated to make available to CVR Energy any nitrogen produced by the Linde air separation plant that is not required for the operation of our nitrogen fertilizer plant, as determined by us in a commercially reasonable manner. The price for the nitrogen is based on a cost of $0.035 cents per kilowatt hour, as adjusted to reflect changes in our electric bill.

The agreement also provides that both we and CVR Energy must deliver instrument air to one another in some circumstances. We must make instrument air available for purchase by CVR Energy at a minimum flow rate, to the extent produced by the Linde air separation plant and available to us. The price for such instrument air is $18,000 per month, prorated according to the number of days of use per month, subject to certain adjustments, including adjustments to reflect changes in our electric bill. To the extent that instrument air is not available from the Linde air separation plant and is available from CVR Energy, CVR Energy is required to make instrument air available to us for purchase at a price of $18,000 per month, prorated according to the number of days of use per month, subject to certain adjustments, including adjustments to reflect changes in CVR Energy's electric bill.

In connection with this offering, we also intend to amend the agreement to provide a mechanism pursuant to which we would transfer a tail gas stream (which is otherwise flared) to CVR Energy to fuel one of its boilers. We would receive the benefit of eliminating a waste gas stream and recover the fuel value of the tail gas stream. CVR Energy would receive the benefit of fuel abatement for the boiler. In addition, CVR Energy would receive a discount on the fuel value to enable it to recover over time the capital costs for completing the project, and a return on its investment.

With respect to oxygen requirements, we are obligated to provide oxygen produced by the Linde air separation plant and made available to us to the extent that such oxygen is not required for operation of our nitrogen fertilizer plant. The oxygen is required to meet certain specifications and is to be sold at a fixed price.

The agreement also addresses the means by which we and CVR Energy obtain natural gas. Currently, natural gas is delivered to both our nitrogen fertilizer plant and the refinery pursuant to a contract between CVR Energy and Atmos Energy Corp., or Atmos. Under the feedstock and shared services agreement, we will reimburse CVR Energy for natural gas transportation and natural gas supplies purchased on our behalf. At our request or at the request of CVR Energy, in order to supply us with natural gas directly, both parties will be required to use their commercially reasonable efforts to (i) add us as a party to the current contract with Atmos or reach some other mutually acceptable accommodation with Atmos whereby both we and CVR Energy would each be able to receive, on an individual basis, natural gas transportation service from Atmos on similar terms and conditions as set forth in the current contract, and (ii) purchase natural gas supplies on their own account.

The agreement also addresses the allocation of various other feedstocks, services and related costs between the parties. Sour water, water for use in fire emergencies, finished product tank capacity, costs associated with security services, and costs associated with the removal of excess sulfur are all allocated between the two parties by the terms of the agreement. The agreement also requires us to reimburse CVR Energy for utility costs related to a sulfur processing agreement between Tessenderlo Kerley, Inc., or Tessenderlo Kerley, and CVR Energy. We have a similar agreement with Tessenderlo Kerley. Otherwise, costs relating to both our and CVR Energy's existing agreements with Tessenderlo Kerley are allocated equally between the two parties except in certain circumstances.

The parties may temporarily suspend the provision of feedstocks or services pursuant to the terms of the agreement if repairs or maintenance are necessary on applicable facilities. Additionally, the agreement imposes minimum insurance requirements on the parties and their affiliates.

The agreement has an initial term of 20 years, which will be automatically extended for successive five-year renewal periods. Either party may terminate the agreement, effective upon the last day of a term, by giving notice no later than three years prior to a renewal date. The agreement will also be terminable by mutual consent of the parties or if one party breaches the agreement and does not cure within applicable cure periods and the breach materially and adversely affects the ability of the terminating party to operate its facility. Additionally, the agreement may be terminated in some circumstances if substantially all of the operations at the nitrogen fertilizer plant or the refinery are permanently terminated, or if either party is subject to a bankruptcy proceeding, or otherwise becomes insolvent.

Either party is entitled to assign its rights and obligations under the agreement to an affiliate of the assigning party, to a party's lenders for collateral security purposes, or to an entity that acquires all or substantially all of the equity or assets of the assigning party related to the refinery or fertilizer plant, as applicable, in each case subject to applicable consent requirements. The agreement contains an obligation to indemnify the other party and its affiliates against liability arising from breach of the agreement, negligence, or willful misconduct by the indemnifying party or its affiliates. The indemnification obligation will be reduced, as applicable, by amounts actually recovered by the indemnified party from third parties or insurance coverage. The agreement also contains a provision that prohibits recovery of lost profits or revenue, or special, incidental, exemplary, punitive or consequential damages from either party or certain affiliates.

Raw Water and Facilities Sharing Agreement

We entered into a raw water and facilities sharing agreement with CVR Energy in October 2007 which (i) provides for the allocation of raw water resources between the refinery and our nitrogen fertilizer plant and (ii) provides for the management of the water intake system (consisting primarily of a water intake structure, water

pumps, meters, and a short run of piping between the intake structure and the origin of the separate pipes that transport the water to each facility) which draws raw water from the Verdigris River for both our facility and CVR Energy's refinery. This agreement provides that a water management team consisting of one representative from each party to the agreement will manage the Verdigris River water intake system. The water intake system is owned and operated by CVR Energy. The agreement provides that both companies have an undivided one-half interest in the water rights which will allow the water to be removed from the Verdigris River for use at our nitrogen fertilizer plant and CVR Energy's refinery.

The agreement provides that both our nitrogen fertilizer plant and the refinery are entitled to receive sufficient amounts of water from the Verdigris River each day to enable them to conduct their businesses at their appropriate operational levels. However, if the amount of water available from the Verdigris River is insufficient to satisfy the operational requirements of both facilities, then such water shall be allocated between the two facilities on a prorated basis. This prorated basis will be determined by calculating the percentage of water used by each facility over the two calendar years prior to the shortage, making appropriate adjustments for any operational outages involving either of the two facilities.

Costs associated with operation of the water intake system and administration of water rights will be allocated on a prorated basis, calculated by CVR Energy based on the percentage of water used by each facility during the calendar year in which such costs are incurred. However, in certain circumstances, such as where one party bears direct responsibility for the modification or repair of the water pumps, one party will bear all costs associated with such activity. Additionally, we must reimburse CVR Energy for electricity required to operate the water pumps on a prorated basis that is calculated monthly.

Either we or CVR Energy are entitled to terminate the agreement by giving at least three years' prior written notice. Between the time that notice is given and the termination date, CVR Energy must cooperate with us to allow us to build our own water intake system on the Verdigris River to be used for supplying water to our nitrogen fertilizer plant. CVR Energy is required to grant easements and access over its property so that we can construct and utilize such new water intake system, provided that no such easements or access over CVR Energy's property shall have a material adverse affect on its business or operations at the refinery. We will bear all costs and expenses for such construction if we are the party that terminated the original water sharing agreement. If CVR Energy terminates the original water sharing agreement, we may either install a new water intake system at our own expense, or require CVR Energy to sell the existing water intake system to us for a price equal to the depreciated book value of the water intake system as of the date of transfer.

Either party may assign its rights and obligations under the agreement to an affiliate of the assigning party, to a party's lenders for collateral security purposes, or to an entity that acquires all or substantially all of the equity or assets of the assigning party related to the refinery or fertilizer plant, as applicable, in each case subject to applicable consent requirements. The parties may obtain injunctive relief to enforce their rights under the agreement. The agreement contains an obligation to indemnify the other party and its affiliates against liability arising from breach of the agreement, negligence, or willful misconduct by the indemnifying party or its affiliates. The indemnification obligation will be reduced, as applicable, by amounts actually recovered by the indemnified party from third parties or insurance coverage. The agreement also contains a provision that prohibits recovery of lost profits or revenue, or special, incidental, exemplary, punitive or consequential damages from either party or certain affiliates.

The term of the agreement is perpetual unless (1) the agreement is terminated by either party upon three years' prior written notice in the manner described above or (2) the agreement is otherwise terminated by the mutual written consent of the parties.

Real Estate Transactions

Land Transfer. In January 2008, CVR Energy transferred five parcels of land consisting of approximately 30 acres located on the Coffeyville, Kansas site to us. No consideration was exchanged. The land was transferred for purposes of (i) creating clean distinctions between the refinery and the fertilizer plant property, (ii) providing us with additional space for completing the UAN expansion through which we would increase our UAN production capacity by 400,000 tons per year and (iii) providing us with additional storage area for pet coke.

Cross-Easement Agreement. We entered into a cross-easement agreement with CVR Energy in October 2007 so that both we and CVR Energy can access and utilize each other's land in certain circumstances in order to operate our respective businesses. The agreement grants easements for the benefit of both parties and establishes easements for operational facilities, pipelines, equipment, access, and water rights, among other easements. The intent of the agreement is to structure easements which provides flexibility for both parties to develop their respective properties, without depriving either party of the benefits associated with the continuous reasonable use of the other party's property.

The agreement provides that facilities located on each party's property will generally be owned and maintained by the property-owning party; provided, however, that in certain specified cases where a facility that benefits one party is located on the other party's property, the benefited party will have the right to use, and will be responsible for operating and maintaining, the overlapping facility.

The easements granted under the agreement are non-exclusive to the extent that future grants of easements do not interfere with easements granted under the agreement. The duration of the easements granted under the agreement will vary, and some will be perpetual. Easements pertaining to certain facilities that are required to carry out the terms of our other agreements with CVR Energy will terminate upon the termination of such related agreements. We have obtained a water rights easement from CVR Energy which is perpetual in duration. See "— Raw Water and Facilities Sharing Agreement."

The agreement contains an obligation to indemnify, defend and hold harmless the other party against liability arising from negligence or willful misconduct by the indemnifying party. The agreement also requires the parties to carry minimum amounts of employer's liability insurance, commercial general liability insurance, and other types of insurance. If either party transfers its fee simple ownership interest in the real property governed by the agreement, the new owner of the real property will be deemed to have assumed all of the obligations of the transferring party under the agreement, except that the transferring party will retain liability for all obligations under the agreement which arose prior to the date of transfer.

Lease Agreement. We have entered into a five-year lease agreement with CVR Energy under which we lease certain office and laboratory space. The initial term of this lease agreement expires in October 2012, but we have the option to renew the lease agreement for up to five additional one-year periods by providing CVR Energy with notice of renewal at least 60 days prior to the expiration of the then-existing term.

Environmental Agreement

We entered into an environmental agreement with CVR Energy in October 2007 which provides for certain indemnification and access rights in connection with environmental matters affecting the refinery and the nitrogen fertilizer plant. We entered into two supplements to the environmental agreement in February and July 2008 to confirm that CVR Energy remains responsible for existing environmental conditions on land transferred by CVR Energy to us, and to incorporate a known contamination map, a comprehensive pet coke management plan and a new third party coke handling agreement.

To the extent that one party's property experiences environmental contamination due to the activities of the other party and the contamination is known at the time the agreement was entered into, the contaminating party is required to implement all government-mandated environmental activities relating to the contamination, or else indemnify the property-owning party for expenses incurred in connection with implementing such measures.

To the extent that liability arises from environmental contamination that is caused by CVR Energy but is also commingled with environmental contamination caused by us, CVR Energy may elect in its sole discretion and at its own cost and expense to perform government mandated environmental activities relating to such liability, subject to certain conditions and provided that CVR Energy will not waive any rights to indemnification or compensation otherwise provided for in the agreement.

The agreement also addresses situations in which a party's responsibility to implement such government-mandated environmental activities as described above may be hindered by the property-owning party's creation of capital improvements on the property. If a contaminating party bears such responsibility but the property-owning party desires to implement a planned and approved capital improvement project on its property, the parties must

meet and attempt to develop a soil management plan together. If the parties are unable to agree on a soil management plan 30 days after receiving notice, the property-owning party may proceed with its own commercially reasonable soil management plan. The contaminating party is responsible for the costs of disposing of hazardous materials pursuant to such plan.

If the property-owning party needs to do work that is not a planned and approved capital improvement project but is necessary to protect the environment, health, or the integrity of the property, other procedures will be implemented. If the contaminating party still bears responsibility to implement government-mandated environmental activities relating to the property and the property-owning party discovers contamination caused by the other party during work on the capital improvement project, the property-owning party will give the contaminating party prompt notice after discovery of the contamination, and will allow the contaminating party to inspect the property. If the contaminating party accepts responsibility for the contamination, it may proceed with government-mandated environmental activities relating to the contamination, and it will be responsible for the costs of disposing of hazardous materials relating to the contamination. If the contaminating party does not accept responsibility for such contamination or fails to diligently proceed with government-mandated environmental activities related to the contamination, then the contaminating party must indemnify and reimburse the property-owning party upon the property-owning party's demand for costs and expenses incurred by the property-owning party in proceeding with such government-mandated environmental activities.

The agreement also provides for indemnification in the case of contamination or releases of hazardous materials that are present but unknown at the time the agreement is entered into to the extent such contamination or releases are identified in reasonable detail during the period ending five years after the date of the agreement. The agreement further provides for indemnification in the case of contamination or releases which occur subsequent to the date the agreement is entered into. If one party causes such contamination or release on the other party's property, the latter party must notify the contaminating party, and the contaminating party must take steps to implement all government-mandated environmental activities relating to the contamination, or else indemnify the property-owning party for the costs associated with doing such work.

The agreement also grants each party reasonable access to the other party's property for the purpose of carrying out obligations under the agreement. However, both parties must keep certain information relating to the environmental conditions on the properties confidential. Furthermore, both parties are prohibited from investigating soil or groundwater conditions except as required for government-mandated environmental activities, in responding to an accidental or sudden contamination of certain hazardous materials, or in connection with implementation of a comprehensive pet coke management plan as discussed below.

In accordance with the agreement, the parties developed a comprehensive pet coke management plan after the execution of the environmental agreement. The plan established procedures for the management of pet coke and the identification of significant pet coke-related contamination. Also, the parties agreed to indemnify and defend one another and each other's affiliates against liabilities arising under the pet coke management plan or relating to a failure to comply with or implement the pet coke management plan.

Either party will be entitled to assign its rights and obligations under the agreement to an affiliate of the assigning party, to a party's lenders for collateral security purposes, or to an entity that acquires all or substantially all of the equity or assets of the assigning party related to the refinery or fertilizer plant, as applicable, in each case subject to applicable consent requirements. The term of the agreement is for at least 20 years, or for so long as the feedstock and shared services agreement is in force, whichever is longer. The agreement also contains a provision that prohibits recovery of lost profits or revenue, or special, incidental, exemplary, punitive or consequential damages from either party or certain of its affiliates.

Omnibus Agreement

We entered into an omnibus agreement with our general partner and CVR Energy in October 2007. The following discussion describes the material terms of the omnibus agreement.

Under the omnibus agreement we have agreed not to, and will cause our controlled affiliates not to, engage in, whether by acquisition or otherwise, (i) the ownership or operation within the United States of any refinery with

processing capacity greater than 20,000 bpd whose primary business is producing transportation fuels or (ii) the ownership or operation outside the United States of any refinery, regardless of its processing capacity or primary business, or a refinery restricted business, in either case, for so long as CVR Energy and certain of its affiliates continue to own at least 50% of our outstanding units. The restrictions will not apply to:

- any refinery restricted business acquired as part of a business or package of assets if a majority of the value of the total assets or business acquired is not attributable to a refinery restricted business, as determined in good faith by our general partner's board of directors; however, if at any time we complete such an acquisition, we must, within 365 days of the closing of the transaction, offer to sell the refinery-related assets to CVR Energy for their fair market value plus any additional tax or other similar costs that would be required to transfer the refinery-related assets to CVR Energy separately from the acquired business or package of assets;
- engaging in any refinery restricted business subject to the offer to CVR Energy described in the immediately preceding bullet point pending CVR Energy's determination whether to accept such offer and pending the closing of any offers CVR Energy accepts;
- engaging in any refinery restricted business if CVR Energy has previously advised us that it has elected not to cause it to acquire or seek to acquire such business; or
- acquiring up to 9.9% of any class of securities of any publicly traded company that engages in any refinery restricted business.

Under the omnibus agreement, CVR Energy has agreed not to, and will cause its controlled affiliates other than us not to, engage in, whether by acquisition or otherwise, the production, transportation or distribution, on a wholesale basis, of fertilizer in the contiguous United States, or a fertilizer restricted business, for so long as CVR Energy and certain of its affiliates continue to own at least 50% of our outstanding units. The restrictions do not apply to:

- any fertilizer restricted business acquired as part of a business or package of assets if a majority of the value of the total assets or business acquired is not attributable to a fertilizer restricted business, as determined in good faith by CVR Energy's board of directors, as applicable; however, if at any time CVR Energy completes such an acquisition, it must, within 365 days of the closing of the transaction, offer to sell the fertilizer-related assets to us for their fair market value plus any additional tax or other similar costs that would be required to transfer the fertilizer-related assets to us separately from the acquired business or package of assets;
- engaging in any fertilizer restricted business subject to the offer to us described in the immediately preceding bullet point pending our determination whether to accept such offer and pending the closing of any offers the we accept;
- engaging in any fertilizer restricted business if we have previously advised CVR Energy that we have elected not to acquire such business; or
- acquiring up to 9.9% of any class of securities of any publicly traded company that engages in any fertilizer restricted business.

Under the omnibus agreement, we have also agreed that CVR Energy will have a preferential right to acquire any assets or group of assets that do not constitute assets used in a fertilizer restricted business. In determining whether to exercise any preferential right under the omnibus agreement, CVR Energy will be permitted to act in its sole discretion, without any fiduciary obligation to us or the unitholders whatsoever. These obligations will continue so long as CVR Energy owns our general partner directly or indirectly.

Services Agreement

We entered into a services agreement with our general partner and CVR Energy in October 2007, pursuant to which we and our general partner obtain certain management and other services from CVR Energy. The agreement will be amended prior to the consummation of this offering. Under this agreement, our general partner has engaged

CVR Energy to conduct our day-to-day business operations. CVR Energy provides us with the following services under the agreement, among others:

- services from CVR Energy's employees in capacities equivalent to the capacities of corporate executive officers, except that those who serve in such capacities under the agreement shall serve us on a shared, part-time basis only, unless we and CVR Energy agree otherwise;
- administrative and professional services, including legal, accounting services, human resources, insurance, tax, credit, finance, government affairs and regulatory affairs;
- management of our property and the property of our operating subsidiary in the ordinary course of business;
- recommendations on capital raising activities to the board of directors of our general partner, including the issuance of debt or equity interests, the entry into credit facilities and other capital market transactions;
- managing or overseeing litigation and administrative or regulatory proceedings, and establishing appropriate insurance policies for us, and providing safety and environmental advice;
- recommending the payment of distributions; and
- managing or providing advice for other projects, including acquisitions, as may be agreed by CVR Energy and our general partner from time to time.

As payment for services provided under the agreement, we, our general partner, or Coffeyville Resources Nitrogen Fertilizers, our operating subsidiary, must pay CVR Energy (i) all costs incurred by CVR Energy or its affiliates in connection with the employment of its employees, other than administrative personnel, who provide us services under the agreement on a full-time basis, but excluding share-based compensation; (ii) a prorated share of costs incurred by CVR Energy or its affiliates in connection with the employment of its employees, including administrative personnel, who provide us services under the agreement on a part-time basis, but excluding share-based compensation, and such prorated share shall be determined by CVR Energy on a commercially reasonable basis, based on the percent of total working time that such shared personnel are engaged in performing services for us; (iii) a prorated share of certain administrative costs, including office costs, services by outside vendors, other sales, general and administrative costs and depreciation and amortization; and (iv) various other administrative costs in accordance with the terms of the agreement, including travel, insurance, legal and audit services, government and public relations and bank charges. We must pay CVR Energy within 15 days for invoices they submit under the agreement.

We and our general partner are not required to pay any compensation, salaries, bonuses or benefits to any of CVR Energy's employees who provide services to us or our general partner on a full-time or part-time basis; CVR Energy will continue to pay their compensation. However, personnel performing the actual day-to-day business and operations at the nitrogen fertilizer plant level will be employed directly by us and our subsidiaries, and we will bear all personnel costs for these employees.

Either CVR Energy or our general partner may temporarily or permanently exclude any particular service from the scope of the agreement upon 180 days' notice. CVR Energy also has the right to delegate the performance of some or all of the services to be provided pursuant to the agreement to one of its affiliates or any other person or entity, though such delegation does not relieve CVR Energy from its obligations under the agreement. Beginning one year after the completion of this offering, either CVR Energy or our general partner may terminate the agreement upon at least 180 days' notice, but not more than one year's notice. Furthermore, our general partner may terminate the agreement immediately if CVR Energy becomes bankrupt, or dissolves and commences liquidation or winding-up.

In order to facilitate the carrying out of services under the agreement, we, on the one hand, and CVR Energy and its affiliates, on the other, have granted one another certain royalty-free, non-exclusive and non-transferable rights to use one another's intellectual property under certain circumstances.

The agreement also contains an indemnity provision whereby we, our general partner, and Coffeyville Resources Nitrogen Fertilizers, as indemnifying parties, agree to indemnify CVR Energy and its affiliates (other than the indemnifying parties themselves) against losses and liabilities incurred in connection with the performance

of services under the agreement or any breach of the agreement, unless such losses or liabilities arise from a breach of the agreement by CVR Energy or other misconduct on its part, as provided in the agreement. The agreement also contains a provision stating that CVR Energy is an independent contractor under the agreement and nothing in the agreement may be construed to impose an implied or express fiduciary duty owed by CVR Energy, on the one hand, to the recipients of services under the agreement, on the other hand. The agreement prohibits recovery of lost profits or revenue, or special, incidental, exemplary, punitive or consequential damages from CVR Energy or certain affiliates, except in cases of gross negligence, willful misconduct, bad faith, reckless disregard in performance of services under the agreement, or fraudulent or dishonest acts on our part.

For the year ended December 31, 2009, the total amount paid or payable to CVR Energy pursuant to the services agreement was $12.1 million and we paid no other amounts to our general partner and its affiliates (other than CVR Energy).

Registration Rights Agreement

In connection with this offering, we will enter into an amended and restated registration rights agreement with Coffeyville Resources pursuant to which we may be required to register the sale of the common units it holds. Under the registration rights agreement, Coffeyville Resources will have the right to request that we register the sale of common units held by it on its behalf, including requiring us to make available shelf registration statements permitting sales of common units into the market from time to time over an extended period. Coffeyville Resources will have three demand registration rights. In addition, it will have the ability to exercise certain piggyback registration rights with respect to its own securities if we elect to register any of our equity interests. The registration rights agreement also includes provisions dealing with holdback agreements, indemnification and contribution, and allocation of expenses. All of our common units held by Coffeyville Resources will be entitled to these registration rights.

Our Relationship with the Goldman Sachs Funds and the Kelso Funds

The Kelso Funds and the Goldman Sachs Funds are the majority owners of Coffeyville Acquisition and Coffeyville Acquisition II, respectively. At November 30, 2010, Coffeyville Acquisition and Coffeyville Acquisition II own approximately 23% and 17% of CVR Energy's common stock, respectively. Following this offering, CVR Energy will indirectly own our general partner and approximately % of our outstanding units (% of our common units if the underwriters exercise their option to purchase additional common units in full).

CVR Energy Stockholders Agreement

In connection with CVR Energy's initial public offering in October 2007, CVR Energy entered into a stockholders agreement with Coffeyville Acquisition and Coffeyville Acquisition II. Pursuant to this agreement, for so long as Coffeyville Acquisition and Coffeyville Acquisition II collectively beneficially own in the aggregate at least 40% of CVR Energy's outstanding common stock, Coffeyville Acquisition and Coffeyville Acquisition II each have the right to designate two directors to CVR Energy's board of directors so long as that party holds an amount of CVR Energy common stock that represent 20% or more of its outstanding common stock and one director to CVR Energy's board of directors so long as that party holds an amount of CVR Energy common stock that represent less than 20% but more than 5% of the outstanding common stock. If Coffeyville Acquisition and Coffeyville Acquisition II cease to collectively beneficially own in the aggregate an amount of CVR Energy common stock that represents at least 40% of the outstanding common stock, the foregoing rights become a nomination right and the parties to the stockholders agreement are not obligated to vote for each other's nominee. In addition, the stockholders agreement contains certain tag-along rights with respect to certain transfers (other than underwritten offerings to the public) of shares of common stock by the parties to the stockholders agreement.

CVR Energy Registration Rights Agreements

In connection with CVR Energy's initial public offering, CVR Energy entered into a registration rights agreement with Coffeyville Acquisition and Coffeyville Acquisition II in October 2007 pursuant to which CVR Energy may be required to register the sale of its shares held by Coffeyville Acquisition and Coffeyville

Acquisition II and permitted transferees. Under the registration rights agreement, the Goldman Sachs Funds and the Kelso Funds each have the right to request that CVR Energy register the sale of shares held by Coffeyville Acquisition or Coffeyville Acquisition II, as applicable, on their behalf on three occasions including requiring CVR Energy to make available shelf registration statements permitting sales of shares into the market from time to time over an extended period. In addition, the Goldman Sachs Funds and the Kelso Funds will have the ability to exercise certain piggyback registration rights with respect to their own securities if CVR Energy elects to register any of its equity interests. The registration rights agreement also includes provisions dealing with holdback agreements, indemnification and contribution, and allocation of expenses. CVR Energy has registered all of Coffeyville Acquisition's and Coffeyville Acquisition II's shares on a shelf registration statement in accordance with these registration rights.

CVR Energy also entered into a registration rights agreement in October 2007 with John J. Lipinski. Under the registration rights agreement, Mr. Lipinski has the ability to exercise certain piggyback registration rights with respect to his own securities if any of CVR Energy's equity interests are offered to the public pursuant to a registration statement. The registration rights agreement also included provisions dealing with holdback agreements, indemnification and contribution, and allocation of expenses.

CVR Energy Initial Public Offering, Notes Offering and Secondary Equity Offering

Goldman, Sachs & Co. was the lead underwriter for the initial public offering of CVR Energy in October 2007, a joint book-running manager for Coffeyville Resources' offering of $275.0 million 9.0% First Lien Senior Secured Notes due 2015 and $225.0 million 10.875% Second Lien Senior Secured Notes due 2017 and a joint book-running manager for CVR Energy's secondary equity Offering in November 2010. Goldman Sachs received customary fees for serving in these capacities.

Distributions of the Proceeds of the Sale of the General Partner and Incentive Distribution Rights by Coffeyville Acquisition III

Coffeyville Acquisition III, the owner of our general partner (and the associated incentive distribution rights) immediately prior to this offering, is owned by the Goldman Sachs Funds, the Kelso Funds, a former board member, our managing general partner's executive officers, and other members of CVR Energy's management. Coffeyville Acquisition III is expected to distribute the proceeds of its sale of our general partner and the IDRs to its members pursuant to its limited liability company agreement. Each of the entities and individuals named below is expected to receive the following approximate amounts in respect of their common units and override units in Coffeyville Acquisition III:

Entity/Individual		Amount to be Distributed by Coffeyville Acquisition III
The Goldman Sachs Funds	$	
The Kelso Funds	$	
John J. Lipinski	$	
Stanley A. Riemann	$	
Edmund S. Gross	$	
Kevan A. Vick	$	
All management members, as a group	$	
Total distributions	$	26,000,000

CONFLICTS OF INTEREST AND FIDUCIARY DUTIES

Conflicts of Interest

Conflicts of interest exist and may arise in the future as a result of the relationships between our general partner and its affiliates (including Coffeyville Resources and CVR Energy), on the one hand, and us and our public unitholders, on the other hand. Conflicts may arise as a result of (1) the overlap of directors and officers between our general partner and CVR Energy, which may result in conflicting obligations by these officers and directors, and (2) duties of our general partner to act for the benefit of CVR Energy and its stockholders, which may conflict with our interests and the interests of our public unitholders. The directors and officers of our general partner have fiduciary duties to manage our general partner in a manner beneficial to Coffeyville Resources, its owner, and the stockholders of CVR Energy, its indirect parent. At the same time, our general partner has a contractual duty under our partnership agreement to manage us in a manner beneficial to our unitholders.

Whenever a conflict arises between our general partner, on the one hand, and us or any other public unitholder, on the other, our general partner will resolve that conflict. Our partnership agreement contains provisions that replace default fiduciary duties with contractual corporate governance standards as set forth therein. Our partnership agreement also restricts the remedies available to unitholders for actions taken that, without such replacement, might constitute breaches of fiduciary duty.

Our general partner will not be in breach of its obligations under our partnership agreement or its duties to us or our unitholders if the resolution of the conflict is:

- approved by the conflicts committee of the board of directors of our general partner, although our general partner is not obligated to seek such approval;
- approved by the vote of a majority of the outstanding common units, excluding any units owned by the general partner or any of its affiliates, although our general partner is not obligated to seek such approval;
- on terms no less favorable to us than those generally being provided to or available from unrelated third parties; or
- fair and reasonable to us, taking into account the totality of the relationships between the parties involved, including other transactions that may be particularly favorable or advantageous to us.

Our general partner may, but is not required to, seek the approval of such resolution from the conflicts committee of its board of directors or from the common unitholders. If our general partner does not seek approval from the conflicts committee and its board of directors determines that the resolution or course of action taken with respect to the conflict of interest satisfies either of the standards set forth in the third and fourth bullet points above, then it will be presumed that, in making its decision, the board of directors acted in good faith, and in any proceeding brought by or on behalf of any limited partner or the partnership, the person bringing or prosecuting such proceeding will have the burden of overcoming such presumption. Unless the resolution of a conflict is specifically provided for in our partnership agreement, our general partner or the conflicts committee may consider any factors it determines in good faith to consider when resolving a conflict. When our partnership agreement requires someone to act in good faith, it requires that person to reasonably believe that he is acting in the best interests of the partnership, unless the context otherwise requires.

Conflicts of interest could arise in the situations described below, among others.

We rely primarily on the executive officers of our general partner, who also serve as the senior management team of CVR Energy and its affiliates, to manage most aspects of our business and affairs.

We rely primarily on the executive officers of our general partner, who also serve as the senior management team of CVR Energy and its affiliates to manage most aspects of our business and affairs.

Although we have entered into a services agreement with CVR Energy under which we compensate CVR Energy for the services of its management, CVR Energy’s management is not required to devote any specific amount of time to our business and may devote a substantial majority of their time to the business of CVR Energy

rather than to our business. Moreover, following the one year anniversary of this offering, CVR Energy can terminate the services agreement at any time, subject to a 180-day notice period. In addition, the executive officers of CVR Energy, including its chief executive officer, chief operating officer, chief financial officer and general counsel, will face conflicts of interest if decisions arise in which we and CVR Energy have conflicting points of view or interests.

Our general partner's affiliates may compete with us.

Our partnership agreement provides that our general partner will be restricted from engaging in any business activities other than acting as our general partner or those activities incidental to its ownership of interests in us. However, except as provided in our partnership agreement and the omnibus agreement, affiliates of our general partner (which includes CVR Energy and the Goldman Sachs Funds and the Kelso Funds) are not prohibited from engaging in other businesses or activities, including those that might be in direct competition with us. See "Certain Relationship and Related Party Transactions — Agreements with CVR Energy — Omnibus Agreement."

The owners of our general partner are not required to share business opportunities with us.

Our partnership agreement provides that the owners of our general partner are permitted to engage in separate businesses which directly compete with us and are not required to share or communicate or offer any potential business opportunities to us even if the opportunity is one that we might reasonably have pursued. The partnership agreement provides that the owners of our general partner will not be liable to us or any unitholder for breach of any duty or obligation by reason of the fact that such person pursued or acquired for itself any business opportunity.

Neither our partnership agreement nor any other agreement requires CVR Energy or its affiliates to pursue a business strategy that favors us or utilizes our assets or dictates what markets to pursue or grow. CVR Energy's directors and officers have a fiduciary duty to make these decisions in the best interests of the stockholders of CVR Energy, which may be contrary to our interests.

The officers and certain directors of our general partner who are also officers or directors of CVR Energy have fiduciary duties to CVR Energy that may cause them to pursue business strategies that disproportionately benefit CVR Energy or which otherwise are not in our best interests.

Our general partner is allowed to take into account the interests of parties other than us (such as CVR Energy) in exercising certain rights under our partnership agreement.

Our partnership agreement contains provisions that reduce the standards to which our general partner would otherwise be held by state fiduciary duty law. For example, our partnership agreement permits our general partner to make a number of decisions in its individual capacity, as opposed to in its capacity as our general partner. This entitles our general partner to consider only the interests and factors that it desires, and it has no duty or obligation to give any consideration to any interest of, or factors affecting, us, our affiliates or any limited partner. Examples include the exercise of its call right, its voting rights with respect to the units it owns, its registration rights and the determination of whether to consent to any merger or consolidation of the partnership or amendment of the partnership agreement.

Our general partner has limited its liability in the partnership agreement and replaced default fiduciary duties with contractual corporate governance standards set forth therein, thereby restricting the remedies available to our unitholders for actions that, without such replacement, might constitute breaches of fiduciary duty.

In addition to the provisions described above, our partnership agreement contains provisions that restrict the remedies available to our unitholders for actions that might otherwise constitute breaches of fiduciary duty. For example, our partnership agreement:

- permits our general partner to make a number of decisions in its individual capacity, as opposed to its capacity as general partner, thereby entitling our general partner to consider only the interests and factors

that it desires, and imposes no duty or obligation on our general partner to give any consideration to any interest of, or factors affecting, us, our affiliates or any limited partner;

- provides that our general partner shall not have any liability to us or our unitholders for decisions made in its capacity as general partner so long as it acted in good faith, meaning it believed that the decision was in the best interests of our partnership;
- generally provides that affiliated transactions and resolutions of conflicts of interest not approved by the conflicts committee of the board of directors of our general partner and not involving a vote of unitholders must be on terms no less favorable to us than those generally being provided to or available from unrelated third parties or be "fair and reasonable" to us, as determined by our general partner in good faith, and that, in determining whether a transaction or resolution is "fair and reasonable," our general partner may consider the totality of the relationships between the parties involved, including other transactions that may be particularly advantageous or beneficial to us;
- provides that our general partner and its officers and directors will not be liable for monetary damages to us or our limited partners for any acts or omissions unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that the general partner or its officers or directors acted in bad faith or engaged in fraud or willful misconduct or, in the case of a criminal matter, acted with knowledge that the conduct was criminal; and
- provides that in resolving conflicts of interest, it will be presumed that in making its decision, the general partner or its conflicts committee acted in good faith, and in any proceeding brought by or on behalf of any limited partner or the partnership, the person bringing or prosecuting such proceeding will have the burden of overcoming such presumption.

By purchasing a common unit, a common unitholder will agree to become bound by the provisions in our partnership agreement, including the provisions discussed above. See "— Fiduciary Duties."

Actions taken by our general partner may affect the amount of cash distributions to unitholders.

The amount of cash that is available for distribution to unitholders is affected by decisions of the board of directors of our general partner regarding such matters as:

- the expenses associated with being a public company and other general and administrative expenses;
- interest expense and other financing costs related to current and future indebtedness;
- amount and timing of asset purchases and sales;
- cash expenditures;
- borrowings; and
- issuance of additional units.

Our partnership agreement permits us to borrow funds to make a distribution on all outstanding units, and further provides that we and our subsidiaries may borrow funds from our general partner and its affiliates.

Our general partner and its affiliates are not required to own any of our common units. If our general partner's affiliates were to sell all or substantially all of their common units, this would heighten the risk that our general partner would act in ways that are more beneficial to itself than our common unitholders.

Upon the closing of this offering, affiliates of our general partner will own the majority of our outstanding units, but there is no requirement that they continue to do so. The general partner and its affiliates are permitted to sell all of their common units, subject to certain limitations contained in our partnership agreement. In addition, the current owners of our general partner may sell the general partner interest to an unrelated third party. If neither the general partner nor its affiliates owned any of our common units, this would heighten the risk that our general partner would act in ways that are more beneficial to itself than our common unitholders.

We will reimburse our general partner and its affiliates, including CVR Energy, for expenses.

We will reimburse our general partner and its affiliates, including CVR Energy, for costs incurred in managing and operating us, including overhead costs incurred by CVR Energy in rendering corporate staff and support services to us. Our partnership agreement provides that the board of directors of our general partner will determine in good faith the expenses that are allocable to us and that reimbursement of overhead to CVR Energy as described above is fair and reasonable to us. The services agreement does not contain any cap on the amount we may be required to pay pursuant to this agreement. See "Certain Relationships and Related Party Transactions — Agreements with CVR Energy — Services Agreement."

Common units are subject to our general partner's call right.

If at any time our general partner and its affiliates own more than % of the common units, our general partner will have the right, which it may assign to any of its affiliates or to us, but not the obligation, to acquire all, but not less than all, of the common units held by public unitholders at a price not less than their then-current market price, as calculated pursuant to the terms of our partnership agreement. As a result, you may be required to sell your common units at an undesirable time or price and may not receive any return on your investment. You may also incur a tax liability upon a sale of your common units. Our general partner is not obligated to obtain a fairness opinion regarding the value of the common units to be repurchased by it upon exercise of the call right. There is no restriction in our partnership agreement that prevents our manager from issuing additional common units and exercising its call right. Our general partner may use its own discretion, free of fiduciary duty restrictions, in determining whether to exercise this right. As a result, a common unitholder may have his common units purchased from him at an undesirable time or price. See "The Partnership Agreement — Call Right."

Contracts between us, on the one hand, and our general partner and its affiliates, on the other, will not be the result of arm's-length negotiations.

Our partnership agreement allows our general partner to determine, in good faith, any amounts to pay itself or its affiliates for any services rendered to us. Our general partner may also enter into additional contractual arrangements with any of its affiliates on our behalf. Neither our partnership agreement nor any of the other agreements, contracts and arrangements between us and our general partner and its affiliates is or will be the result of arm's-length negotiations.

Our partnership agreement generally provides that any affiliated transaction, such as an agreement, contract or arrangement between us and our general partner and its affiliates, must be:

- on terms no less favorable to us than those generally being provided to or available from unrelated third parties; or
- "fair and reasonable" to us, taking into account the totality of the relationships between the parties involved (including other transactions that may be particularly favorable or advantageous to us).

The prosecution of any disputes or disagreements that could arise in the future under a contract or other agreement between us and our general partner would give rise to an automatic conflict of interest, as a common group of executive officers is likely to be on both sides of the transaction.

Our general partner will determine, in good faith, the terms of any of these related party transactions entered into after the completion of this offering.

Our general partner and its affiliates will have no obligation to permit us to use any of its facilities or assets, except as may be provided in contracts entered into specifically dealing with that use. There is no obligation of our general partner and its affiliates to enter into any contracts of this kind.

Our general partner intends to limit its liability regarding our obligations.

Our general partner intends to limit its liability under contractual arrangements (including our new credit facility) so that the other party has recourse only to our assets and not against our general partner or its assets. Our partnership agreement provides that any action taken by our general partner to limit its liability or our liability is not

a breach of our general partner's fiduciary duties, even if we could have obtained terms that are more favorable without the limitation on liability.

Common unitholders will have no right to enforce obligations of our general partner and its affiliates under agreements with us.

Any agreements between us, on the one hand, and our general partner and its affiliates, on the other, will not grant to the unitholders, separate and apart from us, the right to enforce the obligations of our general partner and its affiliates in our favor.

We may choose not to retain separate counsel for ourselves or for the holders of common units.

The attorneys, independent accountants and others who perform services for us in this offering have been retained by our general partner or its affiliates. Attorneys, independent accountants and others who perform services for us in the future will be selected by our general partner or its conflicts committee and may perform services for our general partner and its affiliates. Our counsel in this offering also represented CVR Energy in its initial public offering and continues to represent CVR Energy from time to time. We may retain separate counsel for ourselves or the holders of common units in the event of a conflict of interest between our general partner and its affiliates, on the one hand, and us or the holders of common units, on the other, depending on the nature of the conflict. We do not intend to do so in most cases.

Except in limited circumstances, our general partner has the power and authority to conduct our business without limited partner approval.

Under our partnership agreement, our general partner has full power and authority to do all things, other than those items that require unitholder approval or with respect to which our general partner has sought conflicts committee approval, on such terms as it determines to be necessary or appropriate to conduct our business including, but not limited to, the following:

- the making of any expenditures, the lending or borrowing of money, the assumption or guarantee of, or other contracting for, indebtedness and other liabilities, the issuance of evidences of indebtedness, including indebtedness that is convertible into securities of the partnership, and the incurring of any other obligations;
- the making of tax, regulatory and other filings, or rendering of periodic or other reports to governmental or other agencies having jurisdiction over our business or assets;
- the acquisition, disposition, mortgage, pledge, encumbrance, hypothecation or exchange of any or all of our assets or the merger or other combination of us with or into another person;
- the negotiation, execution and performance of any contracts, conveyances or other instruments;
- the distribution of partnership cash;
- the selection and dismissal of employees and agents, outside attorneys, accountants, consultants and contractors and the determination of their compensation and other terms of employment or hiring;
- the maintenance of insurance for our benefit and the benefit of our partners;
- the formation of, or acquisition of an interest in, and the contribution of property and the making of loans to, any further limited or general partnerships, joint ventures, corporations, limited liability companies or other entities;
- the control of any matters affecting our rights and obligations, including the bringing and defending of actions at law or in equity and otherwise engaging in the conduct of litigation, arbitration or mediation and the incurring of legal expense and the settlement of claims and litigation;
- the indemnification of any person against liabilities and contingencies to the extent permitted by law;
- the purchase, sale or other acquisition or disposition of our securities, or the issuance of additional options, rights, warrants and appreciation rights relating to our securities; and

- the entering into of agreements with any of its affiliates to render services to us or to itself in the discharge of its duties as our general partner.

See “The Partnership Agreement” for information regarding the voting rights of common unitholders.

Fiduciary Duties

The Delaware Act provides that Delaware limited partnerships may, in their partnership agreements, restrict, expand or eliminate the fiduciary duties owed by general partners to other partners and the partnership. Our partnership agreement has eliminated these default fiduciary standards; instead, our general partner is accountable to us and our unitholders pursuant to the detailed contractual standards set forth in our partnership agreement. The duties owed to unitholders by our general partner are thus prescribed by our partnership agreement and not by default fiduciary duties.

We have adopted these standards to allow our general partner or its affiliates to engage in transactions with us that would otherwise be prohibited by state law fiduciary standards and to take into account the interests of other parties in addition to our interests when resolving conflicts of interest. Without such deviation from the default standards, such transactions could result in violations of our general partner’s state law fiduciary duties. We believe this is appropriate and necessary because the board of directors of our general partner has duties to manage our general partner in a manner beneficial to Coffeyville Resources, its owner, and the stockholders of CVR Energy, its indirect parent, and duties to manage us in a manner beneficial to you. Without these modifications, our general partner’s ability to make decisions involving conflicts of interest would be restricted. These modifications also enable our general partner to take into consideration all parties involved in the proposed action, so long as the resolution is fair and reasonable to us. Further, these modifications enable our general partner to attract and retain experienced and capable directors. However, these modifications disadvantage the common unitholders because they restrict the rights and remedies that would otherwise be available to unitholders for actions that, without such modifications, might constitute breaches of fiduciary duty, as described below, and permit our general partner to take into account the interests of third parties in addition to our interests when resolving conflicts of interest. The following is a summary of:

- the default fiduciary duties under by the Delaware Act;
- the standards contained in our partnership agreement that replace the default fiduciary duties; and
- certain rights and remedies of limited partners contained in the Delaware Act.

State law fiduciary duty standards	Fiduciary duties are generally considered to include an obligation to act in good faith and with due care and loyalty. The duty of care, in the absence of a provision in a partnership agreement providing otherwise, would generally require a general partner to act for the partnership in the same manner as a prudent person would act on his own behalf. The duty of loyalty, in the absence of a provision in a partnership agreement providing otherwise, would generally prohibit a general partner of a Delaware limited partnership from taking any action or engaging in any transaction where a conflict of interest is present.
Partnership agreement modified standards	Our partnership agreement contains provisions that waive or consent to conduct by our general partner and its affiliates that might otherwise raise issues as to compliance with fiduciary duties or applicable law. For example, our partnership agreement provides that when our general partner is acting in its capacity as our general partner, as opposed to in its individual capacity, it must act in “good faith” and will not be subject to any other standard under applicable law. In addition, when our general partner is acting in its individual capacity, as opposed to in its capacity as our general partner, it may act without any fiduciary obligation to us or the unitholders whatsoever. These

	contractual standards reduce the obligations to which our general partner would otherwise be held. Our partnership agreement generally provides that affiliated transactions and resolutions of conflicts of interest not involving a vote of unitholders and that are not approved by the conflicts committee of the board of directors of our general partner must be: • on terms no less favorable to us than those generally being provided to or available from unrelated third parties; or • "fair and reasonable" to us, taking into account the totality of the relationships between the parties involved (including other transactions that may be particularly favorable or advantageous to us). All conflicts of interest disclosed in this prospectus (including our agreements and other arrangements with CVR Energy) have been approved by all of our partners under the terms of our partnership agreement. If our general partner does not seek approval from the conflicts committee of its board of directors or the common unitholders, and its board of directors determines that the resolution or course of action taken with respect to the conflict of interest satisfies either of the standards set forth in the bullet points above, then it will be presumed that, in making its decision, the board of directors, which may include board members affected by the conflict of interest, acted in good faith, and in any proceeding brought by or on behalf of any limited partner or the partnership, the person bringing or prosecuting such proceeding will have the burden of overcoming such presumption. These standards reduce the obligations to which our general partner would otherwise be held. In addition to the other more specific provisions limiting the obligations of our general partner, our partnership agreement further provides that our general partner and its officers and directors will not be liable for monetary damages to us or our limited partners for errors of judgment or for any acts or omissions unless there has been a final and non-appealable judgment by a court of competent jurisdiction determining that the general partner or its officers and directors acted in bad faith or engaged in fraud or willful misconduct or, in the case of a criminal matter, acted with knowledge that such person's conduct was unlawful.
Rights and remedies of limited partners	The Delaware Act generally provides that a limited partner may institute legal action on behalf of the partnership to recover damages from a third party where a general partner has refused to institute the action or where an effort to cause a general partner to do so is not likely to succeed. These actions include actions against a general partner for breach of its fiduciary duties or of our partnership agreement. In addition, the statutory or case law of some jurisdictions may permit a limited partner to institute legal action on behalf of it and all other similarly situated limited partners to recover damages from a general partner for violations of its fiduciary duties to the limited partners.

In order to become one of our limited partners, a common unitholder is required to agree to be bound by the provisions in our partnership agreement, including the provisions discussed above. See "Description of Our

Common Units — Transfer of Common Units." This is in accordance with the policy of the Delaware Act favoring the principle of freedom of contract and the enforceability of partnership agreements. The failure of a limited partner or assignee to sign a partnership agreement does not render our partnership agreement unenforceable against that person.

Under our partnership agreement, we must indemnify our general partner and its officers, directors and managers, to the fullest extent permitted by law, against liabilities, costs and expenses incurred by our general partner or these other persons. We must provide this indemnification unless there has been a final and non-appealable judgment by a court of competent jurisdiction determining that these persons acted in bad faith or engaged in fraud or willful misconduct. We also must provide this indemnification for criminal proceedings unless our general partner or these other persons acted with knowledge that their conduct was unlawful. Thus, our general partner could be indemnified for their negligent or grossly negligent acts if they meet the requirements set forth above. To the extent that these provisions purport to include indemnification for liabilities arising under the Securities Act, in the opinion of the SEC such indemnification is contrary to public policy and therefore unenforceable.

CVR Energy Conflicts of Interest Policy

With respect to conflicts of interest between us and CVR Energy, and in particular with respect to contractual arrangements between us and CVR Energy and amendments to existing contractual arrangements, CVR Energy has advised us that it has adopted a conflicts of interest policy to ensure proper review, approval, ratification and disclosure by it of transactions between us and CVR Energy. Under the policy, transactions above $5 million between us and CVR Energy will need to be approved by CVR Energy's conflicts committee, which consists of independent directors on CVR Energy's board, and transactions above $1 million will need to be either (1) approved by the CVR Energy conflicts committee, (2) no less favorable to CVR Energy than those available from an unrelated third party or (3) taking into account other simultaneous transactions being entered into among the parties, equitable to CVR Energy.

DESCRIPTION OF OUR COMMON UNITS

Our Common Units

The common units offered hereby represent limited partner interests in us. The holders of common units are entitled to participate in partnership distributions and exercise the rights and privileges provided to limited partners under our partnership agreement. For a description of the rights and privileges of holders of our common units to partnership distributions, see this section, "How We Make Cash Distributions" and "Our Cash Distribution Policy and Restrictions on Distributions." For a description of the rights and privileges of limited partners under our partnership agreement, including voting rights, see "The Partnership Agreement."

Transfer Agent and Registrar

Duties. American Stock Transfer & Trust Company will serve as registrar and transfer agent for the common units. We pay all fees charged by the transfer agent for transfers of common units, except the following, which must be paid by unitholders:

- surety bond premiums to replace lost or stolen certificates, taxes and other governmental charges;
- special charges for services requested by a holder of a common unit; and
- other similar fees or charges.

There is no charge to unitholders for disbursements of our quarterly cash distributions. We will indemnify the transfer agent, its agents and each of their stockholders, directors, officers and employees against all claims and losses that may arise out of acts performed or omitted for its activities in that capacity, except for any liability due to any gross negligence or intentional misconduct of the indemnified person or entity.

Resignation or Removal. The transfer agent may resign, by notice to us, or be removed by us. The resignation or removal of the transfer agent will become effective upon our appointment of a successor transfer agent and registrar and its acceptance of the appointment. If a successor has not been appointed or has not accepted its appointment within 30 days after notice of the resignation or removal, our general partner may act as the transfer agent and registrar until a successor is appointed.

Transfer of Common Units

By transfer of common units in accordance with our partnership agreement, each transferee of common units shall be admitted as a limited partner with respect to the common units transferred when such transfer and admission is reflected in our books and records. Each transferee:

- represents that the transferee has the capacity, power and authority to become bound by our partnership agreement;
- automatically agrees to be bound by the terms and conditions of, and is deemed to have executed, our partnership agreement; and
- gives the consents and approvals contained in our partnership agreement, such as the approval of all transactions and agreements entered into in connection with our formation and this offering.

A transferee will become a substituted limited partner of our partnership for the transferred common units automatically upon the recording of the transfer on our books and records. Our general partner will cause any transfers to be recorded on our books and records from time to time as necessary to accurately reflect the transfers.

We may, at our discretion, treat the nominee holder of a common unit as the absolute owner. In that case, the beneficial holder's rights are limited solely to those that it has against the nominee holder as a result of any agreement between the beneficial owner and the nominee holder.

Common units are securities and are transferable according to the laws governing transfer of securities. In addition to other rights acquired upon transfer, the transferor gives the transferee the right to become a limited partner in our partnership for the transferred common units.

Until a common unit has been transferred on our books, we and the transfer agent may treat the record holder of the common unit as the absolute owner for all purposes, except as otherwise required by law or stock exchange regulations.

Listing

We intend to apply to list our common units on the New York Stock Exchange under the symbol "UAN."

THE PARTNERSHIP AGREEMENT

The following is a summary of the material provisions of our partnership agreement. The form of our partnership agreement is included elsewhere in this prospectus as Appendix A. We will provide prospective investors with a copy of our partnership agreement upon request at no charge.

We summarize the following provisions of our partnership agreement elsewhere in this prospectus:

- with regard to distributions of cash, see "How We Make Cash Distributions";
- with regard to the fiduciary duties of our general partner, see "Conflicts of Interest and Fiduciary Duties";
- with regard to the authority of our general partner to manage our business and activities, see "Management — Management of CVR Partners, LP";
- with regard to the transfer of common units, see "Description of Our Common Units — Transfer of Common Units"; and
- with regard to allocations of taxable income and taxable loss, see "Material U.S. Federal Income Tax Consequences."

Organization and Duration

We were organized on June 12, 2007 and will have a perpetual existence unless terminated pursuant to the terms of our partnership agreement.

Purpose

Our purpose under our partnership agreement is limited to engaging in any business activity that is approved by our general partner and that lawfully may be conducted by a limited partnership organized under Delaware law.

Although our general partner has the ability to cause us and our subsidiary to engage in activities other than those related to the nitrogen fertilizer business and activities now or hereafter customarily conducted in conjunction with this business, our general partner may decline to do so free of any fiduciary duty or obligation whatsoever to us or the limited partners, including any duty to act in good faith or in the best interests of us or our limited partners. In general, our general partner is authorized to perform all acts it determines to be necessary or appropriate to carry out our purposes and to conduct our business.

Capital Contributions

Common unitholders are not obligated to make additional capital contributions, except as described below under "— Limited Liability." For a discussion of our general partner's right to contribute capital to maintain its and its affiliates' percentage interest if we issue partnership interests, see "— Issuance of Additional Partnership Interests."

Voting Rights

The following is a summary of the unitholder vote required for the matters specified below. Matters requiring the approval of a "unit majority" require the approval of a majority of the common units.

At the closing of this offering, CVR Energy will have the ability to ensure passage of, as well as the ability to ensure the defeat of, any amendment which requires a unit majority by virtue of its % indirect ownership of our common units.

In voting their common units, our general partner and its affiliates will have no fiduciary duty or obligation whatsoever to us or the limited partners, including any duty to act in good faith or in the best interests of us or the limited partners. The holders of a majority of the common units (including common units deemed owned by our general partner) represented in person or by proxy shall constitute a quorum at a meeting of such common unitholders, unless any such action requires approval by holders of a greater percentage of such units in which case the quorum shall be such greater percentage.

The following is a summary of the vote requirements specified for certain matters under our partnership agreement:

Issuance of additional partnership interests	No approval right. See "— Issuance of Additional Partnership Interests."
Amendment of our partnership agreement	Certain amendments may be made by our general partner without the approval of the common unitholders. Other amendments generally require the approval of a unit majority. See "— Amendment of Our Partnership Agreement."
Merger of our partnership or the sale of all or substantially all of our assets	Unit majority in certain circumstances. See "— Merger, Sale or Other Disposition of Assets."
Dissolution of our partnership	Unit majority. See "— Termination and Dissolution."
Continuation of our partnership upon dissolution	Unit majority. See "— Termination and Dissolution."
Withdrawal of our general partner	Under most circumstances, the approval of a majority of the common units, excluding common units held by our general partner and its affiliates, is required for the withdrawal of our general partner prior to March 31, 2021. See "— Withdrawal or Removal of Our General Partner."
Removal of our general partner	Not less than $66^{2}/_{3}\%$ of the outstanding common units, including common units held by our general partner and its affiliates. See "— Withdrawal or Removal of Our General Partner."
Transfer of the general partner interest	Our general partner may transfer all, but not less than all, of its general partner interest in us without a vote of our unitholders to an affiliate or another person in connection with its merger or consolidation with or into, or sale of all or substantially all of its assets to, such person. The approval of a majority of the common units, excluding common units held by our general partner and its affiliates, is required in other circumstances for a transfer of the general partner interest to a third party prior to March 31, 2021. See "— Transfer of General Partner Interests."
Transfer of ownership interests in our general partner	No approval required at any time. See "— Transfer of Ownership Interests in Our General Partner."

If any person or group other than our general partner and its affiliates acquires beneficial ownership of 20% or more of any class of common units, that person or group will lose voting rights on all of its common units. This loss of voting rights does not apply to any person or group that acquires the common units from our general partner or its affiliates and any transferees of that person or group approved by our general partner or to any person or group who acquires the common units with the specific approval of our general partner.

Applicable Law; Forum, Venue and Jurisdiction

Our partnership agreement is governed by Delaware law. Our partnership agreement requires that any claims, suits, actions or proceedings:

- arising out of or relating in any way to the partnership agreement (including any claims, suits or actions to interpret, apply or enforce the provisions of the partnership agreement or the duties, obligations or liabilities

among limited partners or of limited partners to us, or the rights or powers of, or restrictions on, the limited partners or us);

- brought in a derivative manner on our behalf;
- asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of us or our general partner, or owed by our general partner, to us or the limited partners;
- asserting a claim arising pursuant to any provision of the Delaware Act; or
- asserting a claim governed by the internal affairs doctrine

shall be exclusively brought in the Court of Chancery of the State of Delaware, regardless of whether such claims, suits, actions or proceedings sound in contract, tort, fraud or otherwise, are based on common law, statutory, equitable, legal or other grounds, or are derivative or direct claims. By purchasing a common unit, a limited partner is irrevocably consenting to these limitations and provisions regarding claims, suits, actions or proceedings and submitting to the exclusive jurisdiction of the Court of Chancery of the State of Delaware in connection with any such claims, suits, actions or proceedings.

Limited Liability

Assuming that a limited partner does not participate in the control of our business within the meaning of the Delaware Act and that it otherwise acts in conformity with the provisions of our partnership agreement, its liability under the Delaware Act will be limited, subject to possible exceptions, to the amount of capital it is obligated to contribute to us for its common units plus its share of any undistributed profits and assets. If it were determined, however, that the right, or exercise of the right, by the limited partners as a group:

- to remove or replace our general partner;
- to approve some amendments to our partnership agreement; or
- to take other action under our partnership agreement

constituted "participation in the control" of our business for the purposes of the Delaware Act, then the limited partners could be held personally liable for our obligations under the laws of Delaware to the same extent as our general partner. This liability would extend to persons who transact business with us who reasonably believe that the limited partner is a general partner. Neither our partnership agreement nor the Delaware Act specifically provides for legal recourse against our general partner if a limited partner were to lose limited liability through any fault of our general partner. While this does not mean that a limited partner could not seek legal recourse, we know of no precedent for such a claim in Delaware case law.

Under the Delaware Act, a limited partnership may not make a distribution to a partner if, after the distribution, all liabilities of the limited partnership, other than liabilities to partners on account of their partnership interests and liabilities for which the recourse of creditors is limited to specific property of the partnership, would exceed the fair value of the assets of the limited partnership. For the purpose of determining the fair value of the assets of a limited partnership, the Delaware Act provides that the fair value of property subject to liability for which recourse of creditors is limited shall be included in the assets of the limited partnership only to the extent that the fair value of that property exceeds the nonrecourse liability. The Delaware Act provides that a limited partner who receives a distribution and knew at the time of the distribution that the distribution was in violation of the Delaware Act shall be liable to the limited partnership for the amount of the distribution for three years. Under the Delaware Act, a substituted limited partner of a limited partnership is liable for the obligations of his assignor to make contributions to the partnership, except that such person is not obligated for liabilities unknown to him at the time he became a limited partner and that could not be ascertained from the partnership agreement.

We and our subsidiary conduct business in three states: Kansas, Nebraska and Texas. We and our current subsidiary or any future subsidiaries may conduct business in other states in the future. Maintenance of our limited liability as a member of our operating company may require compliance with legal requirements in the jurisdictions in which our operating company conducts business, including qualifying our subsidiaries to do business there. We

have attempted to limit our liability for the obligations of our operating subsidiary by structuring it as a limited liability company.

If, by virtue of our membership interest in our operating company or otherwise, it were determined that we were conducting business in any state without compliance with the applicable limited partnership or liability company statute, or that the right, or exercise of the right by the limited partners as a group, to remove or replace our general partner, to approve some amendments to our partnership agreement, or to take other action under our partnership agreement constituted "participation in the control" of our business for purposes of the statutes of any relevant jurisdiction, then the limited partners could be held personally liable for our obligations under the law of that jurisdiction to the same extent as our general partner under the circumstances. We will operate in a manner that our general partner considers reasonable and necessary or appropriate to preserve the limited liability of the limited partners.

Issuance of Additional Partnership Interests

Our partnership agreement authorizes us to issue an unlimited number of additional partnership interests for the consideration and on the terms and conditions determined by our general partner without the approval of the unitholders.

It is possible that we will fund acquisitions through the issuance of additional common units or other partnership interests. Holders of any additional common units we issue will be entitled to share equally with the then-existing holders of common units in our quarterly cash distributions. In addition, the issuance of additional common units or other partnership interests may dilute the value of the interests of the then-existing holders of common units in our net assets.

In accordance with Delaware law and the provisions of our partnership agreement, we may also issue additional partnership interests that, as determined by our general partner, may have special voting rights to which the common units are not entitled. In addition, our partnership agreement does not prohibit the issuance by our subsidiary of equity interests, which may effectively rank senior to the common units.

Our general partner will have the right, which it may from time to time assign in whole or in part to any of its affiliates, to purchase common units, whenever, and on the same terms that, we issue those interests to persons other than our general partner and its affiliates, to the extent necessary to maintain its and its affiliates' percentage interest, including such interest represented by common units, that existed immediately prior to each issuance. The holders of common units will not have preemptive rights under our partnership agreement to acquire additional common units or other partnership interests.

Amendment of Our Partnership Agreement

General

Amendments to our partnership agreement may be proposed only by our general partner. However, our general partner will have no duty or obligation to propose any amendment and may decline to do so free of any fiduciary duty or obligation whatsoever to us or any partner, including any duty to act in good faith or in the best interests of us or the limited partners. In order to adopt a proposed amendment, other than the amendments discussed below under "— No Unitholder Approval," our general partner is required to seek written approval of the holders of the number of common units required to approve the amendment or call a meeting of the limited partners to consider and vote upon the proposed amendment. Except as described below, an amendment must be approved by a unit majority.

Prohibited Amendments

No amendment may be made that would:

(1) enlarge the obligations of any limited partner or general partner without its consent, unless approved by at least a majority of the type or class of partner interests so affected;

(2) enlarge the obligations of, restrict in any way any action by or rights of, or reduce in any way the amounts distributable, reimbursable or otherwise payable by us to our general partner or any of its affiliates without the consent of our general partner, which consent may be given or withheld in its sole discretion;

(3) change certain of the terms under which we can be dissolved; or

(4) change the term of the Partnership.

The provision of our partnership agreement preventing the amendments having the effects described in any of the clauses above can be amended upon the approval of the holders of at least 90% of the outstanding common units, voting together as a single class (including common units owned by our general partner and its affiliates). Upon completion of the offering, our general partner and its affiliates will own approximately % of the outstanding common units (approximately % if the underwriters exercise their option to purchase additional common units in full).

No Unitholder Approval

Our general partner may generally make amendments to the partnership agreement without the approval of any other partner to reflect:

- a change in our name, the location of our principal place of business, our registered agent or our registered office;
- the admission, substitution, withdrawal or removal of partners in accordance with our partnership agreement;
- a change that our general partner determines to be necessary or appropriate for us to qualify or to continue our qualification as a limited partnership or a partnership in which the limited partners have limited liability under the laws of any state or to ensure that neither we nor our subsidiary will be treated as an association taxable as a corporation or otherwise taxed as an entity for U.S. federal income tax purposes (to the extent not already so treated or taxed);
- an amendment that is necessary, in the opinion of our counsel, to prevent us or our general partner or its directors, officers, agents, or trustees from in any manner being subjected to the provisions of the Investment Company Act of 1940, the Investment Advisers Act of 1940, or “plan asset” regulations adopted under the Employee Retirement Income Security Act of 1974, or ERISA, whether or not substantially similar to plan asset regulations currently applied or proposed;
- an amendment that our general partner determines to be necessary or appropriate for the authorization of additional partnership interests or rights to acquire partnership interests, as otherwise permitted by our partnership agreement;
- any amendment expressly permitted in our partnership agreement to be made by our general partner acting alone;
- an amendment effected, necessitated or contemplated by a merger agreement that has been approved under the terms of our partnership agreement;
- any amendment that our general partner determines to be necessary or appropriate for the formation by us of, or our investment in, any corporation, partnership or other entity, as otherwise permitted by our partnership agreement;
- a change in our fiscal year or taxable year and related changes;
- mergers with or conveyances to another limited liability entity that is newly formed and has no assets, liabilities or operations at the time of the merger or conveyance other than those it receives by way of the merger or conveyance; or
- any other amendments substantially similar to any of the matters described above.

In addition, our general partner may make amendments to our partnership agreement without the approval of any partner if our general partner determines that those amendments:

- do not adversely affect in any material respect the partners considered as a whole or any particular class of partners;
- are necessary or appropriate to satisfy any requirements, conditions, or guidelines contained in any opinion, directive, order, ruling, or regulation of any federal or state agency or judicial authority or contained in any federal or state statute;
- are necessary or appropriate to facilitate the trading of limited partner interests or to comply with any rule, regulation, guideline, or requirement of any securities exchange on which the limited partner interests are or will be listed for trading;
- are necessary or appropriate for any action taken by our general partner relating to splits or combinations of common units under the provisions of our partnership agreement; or
- are required to effect the intent expressed in this prospectus or the intent of the provisions of our partnership agreement or are otherwise contemplated by our partnership agreement.

Opinion of Counsel and Unitholder Approval

For amendments of the type not requiring unitholder approval, our general partner will not be required to obtain an opinion of counsel that an amendment will not result in a loss of limited liability to the limited partners or result in our being treated as an entity for U.S. federal income tax purposes in connection with any of the amendments. No other amendments to our partnership agreement will become effective without the approval of holders of at least 90% of the outstanding common units voting as a single class unless we first obtain an opinion of counsel to the effect that the amendment will not affect the limited liability under Delaware law of any of our limited partners.

Finally, our general partner may consummate any merger without the prior approval of our limited partners if we are the surviving entity in the transaction, the transaction would not result in any amendment to our partnership agreement (other than an amendment that the general partner could adopt without the consent of other partners), each of our common units outstanding immediately prior to the merger will be an identical unit of our partnership following the transaction, the units to be issued do not exceed 20% of our outstanding common units immediately prior to the transaction and our general partner has received an opinion of counsel regarding certain limited liability and tax matters.

Any amendment that would have a material adverse effect on the rights or preferences of any type or class of outstanding common units in relation to other classes of units will require the approval of at least a majority of the type or class of common units so affected. Any amendment that would reduce the percentage of units required to take any action, other than to remove the general partner or call a meeting of unitholders must be approved by the affirmative vote of partners whose aggregate outstanding units constitute not less than the percentage sought to be reduced. Any amendment that would increase the percentage of units required to remove the general partner or call a meeting of unitholders must be approved by the affirmative of unitholders whose outstanding units constitute not less than the percentage sought to be increased.

Merger, Sale or Other Disposition of Assets

A merger or consolidation or conversion of us requires the prior consent of our general partner. However, our general partner will have no duty or obligation to consent to any merger or consolidation and may decline to do so free of any fiduciary duty or obligation whatsoever to us or other partners, including any duty to act in good faith or in the best interest of us or the other partners.

In addition, our partnership agreement generally prohibits our general partner, without the prior approval of the holders of a unit majority, from causing us to sell, exchange or otherwise dispose of all or substantially all of our assets in a single transaction or a series of related transactions, including by way of merger, consolidation or other combination. Our general partner may, however, mortgage, pledge, hypothecate or grant a security interest in all or

substantially all of our assets without that approval. Our general partner may also sell all or substantially all of our assets under a foreclosure or other realization upon those encumbrances without that approval. Finally, our general partner may consummate any merger without the prior approval of our unitholders if we are the surviving entity in the transaction, our general partner has received an opinion of counsel regarding limited liability and tax matters, the transaction would not result in a material amendment to the partnership agreement (other than an amendment that the general partner could adopt without the consent of other partners), each of our common units will be an identical unit of our partnership following the transaction and the partnership securities to be issued do not exceed 20% of our outstanding partnership interests immediately prior to the transaction.

If the conditions specified in our partnership agreement are satisfied, our general partner may convert us or our subsidiary into a new limited liability entity or merge us or our subsidiary into, or convey all of our assets to, a newly formed entity, if the sole purpose of that conversion, merger or conveyance is to effect a mere change in our legal form into another limited liability entity, we have received an opinion of counsel regarding limited liability and tax matters and the governing instruments of the new entity provide the limited partners and our general partner with the same rights and obligations as contained in our partnership agreement. Our unitholders are not entitled to dissenters' rights of appraisal under our partnership agreement or applicable Delaware law in the event of a conversion, merger or consolidation, a sale of substantially all of our assets or any other similar transaction or event.

Termination and Dissolution

We will continue as a limited partnership until terminated under our partnership agreement. We will dissolve upon:

(1) the election of our general partner to dissolve us, if approved by the holders of common units representing a unit majority;

(2) there being no limited partners, unless we are continued without dissolution in accordance with applicable Delaware law;

(3) the entry of a decree of judicial dissolution of our partnership; or

(4) the withdrawal or removal of our general partner or any other event that results in its ceasing to be our general partner other than by reason of a transfer of its general partner interest in accordance with our partnership agreement or withdrawal or removal following approval and admission of a successor.

Upon a dissolution under clause (4), the holders of a unit majority may also elect, within specific time limitations, to continue our business on the same terms and conditions described in our partnership agreement by appointing as a successor general partner an entity approved by the holders of common units representing a unit majority, subject to our receipt of an opinion of counsel to the effect that:

- the action would not result in the loss of limited liability under Delaware law of any limited partner; and
- neither our partnership nor our subsidiary would be treated as an association taxable as a corporation or otherwise be taxable as an entity for U.S. federal income tax purposes upon the exercise of that right to continue (to the extent not already so treated or taxed).

Liquidation and Distribution of Proceeds

Upon our dissolution, unless our business is continued, the liquidator authorized to wind up our affairs will, acting with all of the powers of our general partner that are necessary or appropriate, liquidate our assets and apply the proceeds of the liquidation as set forth in our partnership agreement. The liquidator may defer liquidation or distribution of our assets for a reasonable period of time or distribute assets to partners in kind if it determines that a sale would be impractical or would cause undue loss to our partners.

Withdrawal or Removal of Our General Partner

Except as described below, our general partner has agreed not to withdraw voluntarily as our general partner prior to March 31, 2021 without obtaining the approval of the holders of at least a majority of the outstanding

common units, excluding common units held by our general partner and its affiliates (including CVR Energy), and furnishing an opinion of counsel regarding limited liability and tax matters. On or after March 31 2021, our general partner may withdraw as general partner without first obtaining approval of any unitholder by giving 180 days' written notice, and that withdrawal will not constitute a violation of our partnership agreement. Notwithstanding the information above, our general partner may withdraw without unitholder approval upon 180 days' notice to the unitholders if at least 50% of the outstanding common units are held or controlled by one person and its affiliates other than our general partner and its affiliates. In addition, our partnership agreement permits our general partner in some instances to sell or otherwise transfer all of its general partner interest without the approval of the unitholders. See "— Transfer of General Partner Interest."

Upon withdrawal of our general partner under any circumstances, other than as a result of a transfer by our general partner of all or a part of its general partner interest in us, the holders of a majority of the outstanding classes of common units voting as a single class may select a successor to that withdrawing general partner. If a successor is not elected, or is elected but an opinion of counsel regarding limited liability and tax matters cannot be obtained, we will be dissolved, wound up and liquidated, unless within a specified period of time after that withdrawal, the holders of a unit majority agree in writing to continue our business and to appoint a successor general partner. See "— Termination and Dissolution."

Our general partner may not be removed unless that removal is approved by the vote of the holders of not less than $66^{2}/_{3}\%$ of the outstanding common units, voting together as a single class, including common units held by our general partner and its affiliates, and we receive an opinion of counsel regarding limited liability and tax matters. Any removal of our general partner is also subject to the approval of a successor general partner by the vote of the holders of a majority of the outstanding common units. The ownership of more than $33^{1}/_{3}\%$ of the outstanding common units by our general partner and its affiliates (including Coffeyville Resources) gives them the ability to prevent our general partner's removal. At the closing of this offering, affiliates of our general partner will own approximately % of the outstanding common units (approximately % if the underwriters exercise their option to purchase additional common units in full).

In the event of removal of our general partner under circumstances where cause exists or withdrawal of our general partner where that withdrawal violates our partnership agreement, a successor general partner will have the option to purchase the general partner interest of the departing general partner for a cash payment equal to the fair market value of the general partner interest. Under all other circumstances where our general partner withdraws or is removed, the departing general partner will have the option to require the successor general partner to purchase the general partner interest of the departing general partner for its fair market value. In each case, this fair market value will be determined by agreement between the departing general partner and the successor general partner. If no agreement is reached, an independent investment banking firm or other independent expert selected by the departing general partner and the successor general partner will determine the fair market value. Or, if the departing general partner and the successor general partner cannot agree upon an expert, then an expert chosen by agreement of the experts selected by each of them will determine the fair market value.

If the option described above is not exercised by either the departing general partner or the successor general partner, the departing general partner's general partner interest will automatically convert into common units equal to the fair market value of those interests as determined by an investment banking firm or other independent expert selected in the manner described in the preceding paragraph.

In addition, we will be required to reimburse the departing general partner for all amounts due to the general partner, including, without limitation, all employee-related liabilities, including severance liabilities, incurred for the termination of any employees employed by the departing general partner or its affiliates for our benefit.

Transfer of General Partner Interest

Except for the transfer by our general partner of all, but not less than all, of its general partner interest in our partnership to:

- an affiliate of our general partner (other than an individual), or
- another entity as part of the merger or consolidation of our general partner with or into another entity or the transfer by our general partner of all or substantially all of its assets to another entity,

our general partner may not transfer all or any part of its general partner interest to another person prior to March 31, 2021 without the approval of both the holders of at least a majority of the outstanding common units, excluding common units held by our general partner and its affiliates. On or after March 31, 2021, the general partner interest will be freely transferable. As a condition of any transfer, the transferee must, among other things, assume the rights and duties of our general partner, agree to be bound by the provisions of our partnership agreement and furnish an opinion of counsel regarding limited liability and tax matters.

Our general partner and its affiliates may at any time transfer common units to one or more persons, without unitholder approval.

Transfer of Ownership Interests in Our General Partner

At any time, the owners of our general partner may sell or transfer all or part of their ownership interests in our general partner to an affiliate or a third party without the approval of our unitholders.

Change of Management Provisions

Our partnership agreement contains specific provisions that are intended to discourage a person or group from attempting to remove CVR GP, LLC as our general partner or otherwise change management. See "— Withdrawal or Removal of Our General Partner" for a discussion of certain consequences of the removal of our general partner. If any person or group other than our general partner and its affiliates acquires beneficial ownership of 20% or more of any class of common units, that person or group loses voting rights on all of its common units. This loss of voting rights does not apply in certain circumstances. See "— Voting Rights."

Call Right

If at any time our general partner and its affiliates own more than % of the then-issued and outstanding limited partner interests of any class, our general partner will have the right, which it may assign in whole or in part to any of its affiliates or to us, to acquire all, but not less than all, of the limited partner interests of the class held by public unitholders, as of a record date to be selected by our general partner, on at least 10 but not more than 60 days' notice. Immediately following this offering the only class of limited partner interest outstanding will be the common units, and affiliates of our general partner will own % of the total outstanding common units.

The purchase price in the event of such an acquisition will be the greater of:

(1) the highest price paid by our general partner or any of its affiliates for any limited partner interests of the class purchased within the 90 days preceding the date on which our general partner first mails notice of its election to purchase those limited partner interests; and

(2) the average of the daily closing prices of the limited partner interests over the 20 trading days preceding the date three days before notice of exercise of the call right is first mailed.

As a result of our general partner's right to purchase outstanding common units, a holder of common units may have its common units purchased at an undesirable time or at a price that may be lower than market prices at various times prior to such purchase or lower than a unitholder may anticipate the market price to be in the future. The U.S. federal income tax consequences to a unitholder of the exercise of this call right are the same as a sale by that unitholder of his common units in the market. See "Material U.S. Federal Income Tax Consequences — Disposition of Common Units."

Non-Citizen Assignees; Redemption

If our board, with the advice of counsel, determines we are subject to U.S. federal, state or local laws or regulations that, in the reasonable determination of our board, create a substantial risk of cancellation or forfeiture of any property that we have an interest in because of the nationality, citizenship or other related status of any

member, then the board of directors of our general partner may adopt such amendments to our partnership agreement as it determines necessary or advisable to:

- obtain proof of the nationality, citizenship or other related status of our member (and their owners, to the extent relevant); and
- permit us to redeem the common units held by any person whose nationality, citizenship or other related status creates substantial risk of cancellation or forfeiture of any property or who fails to comply with the procedures instituted by the board to obtain proof of the nationality, citizenship or other related status. The redemption price in the case of such redemption will be the average of the daily closing prices per unit for the 20 consecutive trading days immediately prior to the date set for redemption.

Non-Taxpaying Assignees; Redemption

To avoid any adverse effect on the maximum applicable rates chargeable to customers by our subsidiary, or in order to reverse an adverse determination that has occurred regarding such maximum rate, our partnership agreement provides the board of directors of our general partner the power to amend the agreement. If our board, with the advice of counsel, determines that our not being treated as an association taxable as a corporation or otherwise taxable as an entity for U.S. federal income tax purposes, coupled with the tax status (or lack of proof thereof) of one or more of our partners, has, or is reasonably likely to have, a material adverse effect on the maximum applicable rates chargeable to customers by our current or future subsidiaries, then the board may adopt such amendments to our partnership agreement as it determines necessary or advisable to:

- obtain proof of the U.S. federal income tax status of our partner (and their owners, to the extent relevant); and
- permit us to redeem the common units held by any person whose tax status has or is reasonably likely to have a material adverse effect on the maximum applicable rates or who fails to comply with the procedures instituted by the general partner to obtain proof of the U.S. federal income tax status. The redemption price in the case of such redemption will be the average of the daily closing prices per unit for the 20 consecutive trading days immediately prior to the date set for redemption.

Meetings; Voting

Except as described below regarding a person or group owning 20% or more of any class of units then outstanding, unitholders who are record holders of common units on the record date will be entitled to notice of, and to vote at, meetings of our unitholders and to act upon matters for which approvals may be solicited. Our general partner does not anticipate that any meeting of unitholders will be called in the foreseeable future. Any action that is required or permitted to be taken by the unitholders may be taken either at a meeting of the unitholders or without a meeting if consents in writing describing the action so taken are signed by holders of the number of units necessary to authorize or take that action at a meeting. Meetings of the unitholders may be called by our general partner or by unitholders owning at least 20% of the outstanding units of the class for which a meeting is proposed. Unitholders may vote either in person or by proxy at meetings. The holders of a majority of the outstanding units of the class or classes for which a meeting has been called, represented in person or by proxy, will constitute a quorum unless any action by the unitholders requires approval by holders of a greater percentage of the units, in which case the quorum will be the greater percentage.

Each record holder of a unit has a vote according to his percentage interest in us, although additional limited partner interests having special voting rights could be issued. See "— Issuance of Additional Partnership Interests." However, if at any time any person or group, other than our general partner and its affiliates, or a direct or subsequently approved transferee of our general partner or their affiliates, acquires, in the aggregate, beneficial ownership of 20% or more of any class of units then outstanding, that person or group will lose voting rights on all of its units and the units may not be voted on any matter and will not be considered to be outstanding when sending notices of a meeting of unitholders, calculating required votes, determining the presence of a quorum, or for other similar purposes. Common units held in nominee or street name account will be voted by the broker or other nominee in accordance with the instruction of the beneficial owner unless the arrangement between the beneficial owner and his nominee provides otherwise.

Any notice, demand, request, report, or proxy material required or permitted to be given or made to record holders of common units under our partnership agreement will be delivered to the record holder by us or by the transfer agent.

Status as Limited Partner or Assignee

Except as described above under "— Limited Liability," the common units will be fully paid, and unitholders will not be required to make additional contributions. By transfer of common units in accordance with our partnership agreement, each transferee of common units will be admitted as a limited partner with respect to the common units transferred when such transfer and admission is reflected in our books and records.

Indemnification

Under our partnership agreement we will indemnify the following persons in most circumstances, to the fullest extent permitted by law, from and against all losses, claims, damages, liabilities, joint or several, expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts arising from any and all threatened, pending or completed claims, demands, actions, suits or proceedings:

(1) our general partner;

(2) any departing general partner;

(3) any person who is or was a director, officer, fiduciary, trustee, manager or managing member of us or our subsidiary, our general partner or any departing general partner;

(4) any person who is or was serving as a director, officer, fiduciary, trustee, manager or managing member of another person owing a fiduciary duty to us or our subsidiary at the request of a general partner or any departing general partner;

(5) any person who controls our general partner; or

(6) any person designated by our general partner.

Any indemnification under these provisions will only be out of our assets. Unless they otherwise agree, our general partner will not be personally liable for, or have any obligation to contribute or loan funds or assets to us to enable us to effectuate, indemnification. We may purchase insurance against liabilities asserted against and expenses incurred by persons for our activities, regardless of whether we would have the power to indemnify the person against liabilities under our partnership agreement.

Reimbursement of Expenses

Our partnership agreement requires us to reimburse our general partner for (1) all direct and indirect expenses it incurs or payments it makes on our behalf (including salary, bonus, incentive compensation and other amounts paid to any person, including affiliates of our general partner, to perform services for us or for the general partner in the discharge of its duties to us) and (2) all other expenses reasonably allocable to us or otherwise incurred by our general partner in connection with operating our business (including expenses allocated to our general partner by its affiliates). Our general partner is entitled to determine the expenses that are allocable to us.

Books and Reports

Our general partner is required to keep appropriate books of our business at our principal offices. The books will be maintained for both tax and financial reporting purposes on an accrual basis. For tax and fiscal reporting purposes, our fiscal year is the calendar year.

We will furnish or make available to record holders of our common units, within 90 days after the close of each fiscal year, an annual report containing audited financial statements and a report on those financial statements by our independent public accountants. Except for our fourth quarter, we will also furnish or make available a report containing our unaudited financial statements within 45 days after the close of each quarter. We will be deemed to

have made any such report available if we file such report with the SEC on EDGAR or make the report available on a publicly available website which we maintain.

We will furnish each record holder of a unit with tax information reasonably required for federal and state income tax reporting purposes within 90 days after the close of each calendar year. This information is expected to be furnished in summary form so that some complex calculations normally required of partners can be avoided. Our ability to furnish this summary information to unitholders will depend on the cooperation of unitholders in supplying us with specific information. Every unitholder will receive information to assist him in determining his federal and state tax liability and filing his federal and state income tax returns, regardless of whether he supplies us with information.

In addition, CVR Energy will have full and complete access to any records relating to our business, and our general partner will cause its officers and independent accountants to be available to discuss our business and affairs with CVR Energy's officers, agents and employees.

Right to Inspect Our Books and Records

Our partnership agreement provides that a limited partner can, for a purpose reasonably related to his interest as a limited partner, upon reasonable demand and at his own expense, have furnished to him:

(1) a current list of the name and last known address of each partner;

(2) a copy of our tax returns;

(3) information as to the amount of cash, and a description and statement of the agreed value of any other capital contribution, contributed or to be contributed by each partner and the date on which each became a partner;

(4) copies of our partnership agreement, our certificate of limited partnership, related amendments and powers of attorney under which they have been executed;

(5) information regarding the status of our business and financial condition; and

(6) any other information regarding our affairs as is just and reasonable.

Our general partner may, and intends to, keep confidential from the limited partners' trade secrets or other information the disclosure of which our general partner believes in good faith is not in our best interests or that we are required by law or by agreements with third parties to keep confidential.

Registration Rights

Under our partnership agreement, we have agreed to register for resale under the Securities Act and applicable state securities laws any common units sold by our general partner or any of its affiliates if an exemption from the registration requirements is not otherwise available. We will not be required to effect more than two registrations pursuant to this provision in any twelve-month period, and our general partner can defer filing a registration statement for up to six months if it determines that this would be in our best interests due to a pending transaction, investigation or other event. We have also agreed that, if we at any time propose to file a registration statement for an offering of partnership interests for cash, we will use all commercially reasonable efforts to include such number of partnership interests in such registration statement as any of our general partner or any of its affiliates shall request. We are obligated to pay all expenses incidental to these registrations, other than underwriting discounts and commissions. The registration rights in our partnership agreement are applicable with respect to our general partner and its affiliates after it ceases to be a general partner for up to two years following the effective date of such cessation. In addition, in connection with this offering, we will enter into an amended and restated registration rights agreement with Coffeyville Resources, pursuant to which we may be required to register the sale of the common units it holds. See "Common Units Eligible for Future Sale."

COMMON UNITS ELIGIBLE FOR FUTURE SALE

Upon the completion of this offering, there will be common units outstanding, of which will be owned by Coffeyville Resources, assuming the underwriters do not exercise their option to purchase additional common units; if they exercise such option in full, Coffeyville Resources will own common units. The sale of these common units could have an adverse impact on the price of our common units or on any trading market that may develop.

The common units sold in this offering (or common units if the underwriters exercise their option to purchase additional common units in full) will generally be freely transferable without restriction or further registration under the Securities Act. However, any common units held by an "affiliate" of ours may not be resold publicly except in compliance with the registration requirements of the Securities Act or under an exemption from the registration requirements of the Securities Act pursuant to Rule 144 or otherwise. Rule 144 permits securities acquired by an affiliate of ours to be sold into the market in an amount that does not exceed, during any three-month period, the greater of:

- 1% of the total number of the class of securities outstanding; or
- the average weekly reported trading volume of the common units for the four calendar weeks prior to the sale.

Sales under Rule 144 by our affiliates are also subject to specific manner of sale provisions, holding period requirements, notice requirements and the availability of current public information about us. A person who is not deemed to have been an affiliate of ours at any time during the three months preceding a sale, and who has beneficially owned common units for at least six months, would be entitled to sell those common units under Rule 144 without regard to the volume, manner of sale and notice requirements of Rule 144 so long as we comply with the current public information requirement for the next six months after the six-month holding period expires.

The partnership agreement provides that we may issue an unlimited number of limited partner interests of any type without a vote of the unitholders. Any issuance of additional common units or other equity interests would result in a corresponding decrease in the proportionate ownership interest in us represented by, and could adversely affect the cash distributions to and market price of, common units then outstanding. See "The Partnership Agreement — Issuance of Additional Partnership Interests."

Under the partnership agreement, our general partner and its affiliates have the right to cause us to register under the Securities Act and applicable state securities laws the offer and sale of any units that they hold. Subject to the terms and conditions of the partnership agreement, these registration rights allow our general partner and its affiliates or their assignees holding any units to require registration of any of these units and to include any of these units in a registration by us of other units, including units offered by us or by any unitholder. Our general partner will continue to have these registration rights for two years after it ceases to be a general partner. In connection with any registration of this kind, we will indemnify each unitholder participating in the registration and its officers, directors and controlling persons from and against any liabilities under the Securities Act or any applicable state securities laws arising from the registration statement or prospectus. We will bear all costs and expenses incidental to any registration, excluding any underwriting discounts and commissions. Our general partner and its affiliates also may sell their units in private transactions at any time, subject to compliance with applicable laws.

In connection with the offering, we will enter into an amended and restated registration rights agreement with Coffeyville Resources. Under this agreement, Coffeyville Resources will have the right to cause us to register under the Securities Act and applicable state securities laws the offer and sale of any units that it holds, subject to certain limitations. See "Certain Relationships and Related Party Transactions — Agreements with CVR Energy — Registration Rights Agreement."

We, Coffeyville Resources, our general partner, and the directors and executive officers of our general partner have agreed not to sell any common units until 180 days after the date of this prospectus, subject to certain exceptions. See "Underwriters" for a description of these lock-up provisions.

In addition, we intend to file a registration statement on Form S-8 under the Securities Act to register common units issuable under our long-term incentive plan. This registration statement is expected to be filed following the effective date of the registration statement of which this prospectus is a part and will be effective upon filing. Units issued under our long-term incentive plan will be eligible for resale in the public market without restriction after the effective date of the Form S-8 registration statement, subject to Rule 144 limitations applicable to affiliates.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

This section is a summary of the material U.S. federal income tax consequences that may be relevant to prospective unitholders. To the extent this section discusses U.S. federal income taxes, that discussion is based upon current provisions of the Internal Revenue Code, existing and proposed Treasury Regulations, and current administrative rulings and court decisions, all of which are subject to change. Changes in these authorities may cause the U.S. federal income tax consequences to a prospective unitholder to vary substantially from the consequences described below. Unless the context otherwise requires, references in this section to "us" or "we" are references to CVR Partners, LP and Coffeyville Resources Nitrogen Fertilizers, LLC, our operating subsidiary.

This section does not address all U.S. federal income tax matters that affect us or our unitholders. Moreover, this section focuses on unitholders who are individual citizens or residents of the United States (as determined for U.S. federal income tax purposes), whose functional currency is the U.S. dollar and who hold common units as capital assets (generally, property that is held as an investment). This section has only limited applicability to unitholders that are corporations, partnerships (and entities treated as partnerships for U.S. federal income tax purposes), estates, trusts, nonresident aliens or other unitholders subject to specialized tax treatment, such as tax-exempt institutions, non-U.S. persons, individual retirement accounts, employee benefit plans, real estate investment trusts, or REITs, or mutual funds. Accordingly, we encourage each prospective unitholder to consult, and depend on, his own tax advisor in analyzing the U.S. federal, state, local and non-U.S. tax consequences particular to him resulting from the ownership or disposition of common units.

We are relying on opinions and advice of Vinson & Elkins L.L.P. with respect to the matters described in this section. An opinion of counsel represents only that counsel's best legal judgment and does not bind the IRS or the courts. Accordingly, the opinions and statements made herein may not be sustained by a court if contested by the IRS. Any contest with the IRS of the matters described herein may materially and adversely impact the market for our common units and the prices at which our common units trade. In addition, the costs of any contest with the IRS, including legal, accounting and related fees, will result in a reduction in cash available for distribution to our unitholders and thus will be borne indirectly by our unitholders. Furthermore, our tax treatment or the tax treatment of an investment in us, may be significantly modified by future legislative or administrative changes or court decisions. Any modifications may or may not be retroactively applied.

All statements of law and legal conclusions, but not statements of fact, contained in this section, except as described below or otherwise noted, are the opinion of Vinson & Elkins L.L.P. and are based on the accuracy of the representations made by us to them for this purpose.

For the reasons described below, Vinson & Elkins L.L.P. has not rendered an opinion with respect to the following specific U.S. federal income tax issues: (1) the treatment of a unitholder whose common units are loaned to a short seller to cover a short sale of our common units (please read "— Tax Consequences of Common Unit Ownership — Treatment of Short Sales"); (2) whether our monthly convention for allocating taxable income and losses is permitted by existing Treasury Regulations (please read "— Disposition of Common Units — Allocations Between Transferors and Transferees"); and (3) whether our method for taking into account Section 743 adjustments is sustainable in certain cases (please read "— Tax Consequences of Common Unit Ownership — Section 754 Election" and "— Uniformity of Common Units").

Partnership Status

We expect to be treated as a partnership for U.S. federal income tax purposes and therefore, generally will not be liable for U.S. federal income taxes. Instead, as described in detail below, each of our unitholders is required to take into account his respective share of our items of income, gain, loss and deduction in computing his U.S. federal income tax liability as if the unitholder had earned the income directly, even if no cash distributions are made to the unitholder. Distributions by us to a unitholder generally do not give rise to income or gain taxable to him unless the amount of cash distributed to him is in excess of his adjusted basis in his common units.

Section 7704 of the Internal Revenue Code provides that a publicly traded partnership will, as a general rule, be treated as a corporation for U.S. federal income tax purposes. However, under an exception, referred to as the "Qualifying Income Exception," if 90% or more of the partnership's gross income for every taxable year consists of

"qualifying income," the partnership will continue to be treated as a partnership for U.S. federal income tax purposes. Qualifying income includes income and gains derived from the production, marketing and transportation of fertilizer, and the production, transportation, storage and processing of crude oil, natural gas and products thereof. Other types of qualifying income include interest (other than from a financial business), dividends, gains from the sale of real property and gains from the sale or other disposition of capital assets held for the production of income that constitutes qualifying income. We estimate that less than % of our current gross income is not qualifying income; however, the portion of our income that is qualifying income could change from time to time. No ruling has been sought from the IRS, and the IRS has made no determination as to our status for U.S. federal income tax purposes or whether our gross income is "qualifying income" under Section 7704 of the Internal Revenue Code. Instead, we will rely on the opinion of Vinson & Elkins, L.L.P. on such matters. Based upon and subject to this estimate, the factual representations made by us and our general partner regarding the composition of our gross income and the other representations set forth below, Vinson & Elkins L.L.P. is of the opinion that we will be classified as a partnership and our operating subsidiary will be disregarded as an entity separate from us for U.S. federal income tax purposes.

In rendering its opinion, Vinson & Elkins L.L.P. has relied on factual representations made by us and our general partner. The representations made by us and our general partner upon which Vinson & Elkins L.L.P. has relied include, without limitation:

(a) Neither we nor our operating subsidiary has elected or will elect to be treated as a corporation for U.S. federal income tax purposes; and

(b) For each taxable year, more than 90% of our gross income has been or will be income that Vinson & Elkins L.L.P. has opined or will opine is "qualifying income" within the meaning of Section 7704(d) of the Internal Revenue Code.

We believe that these representations are true and expect that these representations will continue to be true in the future.

If we fail to meet the Qualifying Income Exception, other than a failure that is determined by the IRS to be inadvertent and that is cured within a reasonable time after discovery (in which case the IRS may also require us to make adjustments with respect to our unitholders or pay other amounts), we will be treated as if we had transferred all of our assets, subject to liabilities, to a newly formed corporation, on the first day of the year in which we fail to meet the Qualifying Income Exception, in return for stock in that corporation, and then distributed that stock to our unitholders in liquidation of their interests in us. This deemed contribution and liquidation generally should not result in the recognition of taxable income by our unitholders or us so long as we, at that time, do not have liabilities in excess of the tax basis of our assets. Thereafter, we would be treated as a corporation for U.S. federal income tax purposes.

If we were treated as a corporation for U.S. federal income tax purposes in any taxable year, either as a result of a failure to meet the Qualifying Income Exception or otherwise, our items of income, gain, loss and deduction would be taken into account by us in determining the amount of our U.S. federal income tax liability, rather than being passed through to our unitholders. In addition, any distribution made to a unitholder would be treated as taxable dividend income to the extent of our current or accumulated earnings and profits, or, in the absence of earnings and profits, a nontaxable return of capital, to the extent of the unitholder's tax basis in his common units, or taxable capital gain, after the unitholder's tax basis in his common units is reduced to zero. Accordingly, our taxation as a corporation would result in a material reduction in the anticipated cash flow and after tax return to our unitholders, likely causing a substantial reduction of the value of our units.

The remainder of this section assumes that we will be classified as a partnership for U.S. federal income tax purposes.

Limited Partner Status

Unitholders who are admitted as limited partners of CVR Partners, as well as unitholders whose common units are held in street name or by a nominee and who have the right to direct the nominee in the exercise of all substantive rights attendant to the ownership of their common units, will be treated as partners of CVR Partners for U.S. federal

income tax purposes. For a discussion related to the risks of losing partner status as a result of short sales, please read "— Tax Consequences of Common Unit Ownership — Treatment of Short Sales." Unitholders who are not treated as partners in us are urged to consult their own tax advisors with respect to the tax consequences applicable to them under the circumstances.

The references to "unitholders" in the remainder of this section are to persons who are treated as partners in CVR Partners for U.S. federal income tax purposes.

Tax Consequences of Common Unit Ownership

Flow-Through of Taxable Income. Subject to the discussion below under "— Entity-Level Collections of Unitholder Taxes" with respect to payments we may be required to make on behalf of our unitholders, we will not pay any U.S. federal income tax on our taxable income. Instead, each unitholder will be required to report on his U.S. federal income tax return his share of our income, gains, losses and deductions for our taxable year or years ending with or within his taxable year without regard to whether we make cash distributions to him. Consequently, we may allocate income to a unitholder even if that unitholder has not received a cash distribution. Our taxable year ends on December 31.

Treatment of Distributions. Distributions made by us to a unitholder generally will not be taxable to the unitholder for U.S. federal income tax purposes. Cash distributions made by us to a unitholder in an amount that exceeds the unitholder's tax basis in his common units immediately before the distribution, however, generally will result in the unitholder recognizing gain taxable in the manner described under "— Disposition of Common Units" below. Any reduction in a unitholder's share of our liabilities for which no partner, including our general partner, bears the economic risk of loss, known as "nonrecourse liabilities," will be treated as a distribution by us of cash to that unitholder. To the extent our distributions cause a unitholder's "at-risk" amount to be less than zero at the end of any taxable year, he must recapture any losses deducted in previous years. Please read "— Limitations on Deductibility of Losses."

A decrease in a unitholder's percentage interest in us because of our issuance of additional common units will decrease his share of our nonrecourse liabilities, and thus will result in a corresponding deemed distribution of cash to the unitholder. For this purpose, a unitholder's share of our nonrecourse liabilities generally will be based upon that unitholder's share of the unrealized appreciation (or depreciation) in our assets, to the extent thereof, with any additional amount allocated based on the unitholder's share of our profits. A non-pro rata distribution of money or property, including a non-pro rata distribution deemed to result from a decrease in a unitholder's share of our nonrecourse liabilities, may result in ordinary income to a unitholder, regardless of his tax basis in his common units, if the distribution reduces the unitholder's share of our "unrealized receivables," including depreciation recapture and substantially appreciated "inventory items," both as defined in Section 751 of the Internal Revenue Code, and collectively, "Section 751 Assets." To that extent, a unitholder will be treated as having received his proportionate share of the Section 751 Assets and having exchanged those assets with us in return for the non-pro rata portion of the actual distribution made to him. This latter deemed exchange generally will result in the unitholder's realization of ordinary income, which will equal the excess of (1) the non-pro rata portion of that distribution over (2) the unitholder's tax basis (generally zero) for the share of Section 751 Assets deemed relinquished in the exchange.

Ratio of Taxable Income to Distributions. We estimate that a purchaser of our common units in this offering who owns those common units from the date of closing of this offering through the record date for distributions for the period ending will be allocated, on a cumulative basis, an amount of U.S. federal taxable income for that period that will be approximately % or less of the cash distributed to him with respect to that period. Thereafter, the ratio of allocable taxable income to cash distributions to our unitholders could substantially increase. These estimates are based upon the assumption that gross income from operations will approximate the forecasted annual distribution on all common units and other assumptions with respect to capital expenditures, cash flow, net working capital and anticipated cash distributions. Our estimates and assumptions are subject to, among other things, numerous business, economic, regulatory, legislative, competitive and political uncertainties beyond our control. Further, the estimates are based on current tax law and tax reporting positions that we will adopt and with which the IRS could disagree. Accordingly, we cannot assure you that these estimates will prove to be correct. The

actual percentage of distributions as a ratio to taxable income could be higher or lower than expected, and any differences could be material and could materially affect the value of our common units. For example, the ratio of allocable taxable income to cash distributions to a purchaser of common units in this offering will be greater, and perhaps substantially greater, than our estimate with respect to the period described above if:

- gross income from operations exceeds the amount required to make anticipated quarterly distributions on all common units, yet we only distribute the anticipated quarterly distributions on all common units; or
- we make a future offering of common units and use the net proceeds of the offering in a manner that does not produce substantial additional deductions during the period described above, such as to repay indebtedness outstanding at the time of this offering or to acquire property that is not eligible for depreciation or amortization for U.S. federal income tax purposes or that is depreciable or amortizable at a rate significantly slower than the rate applicable to our assets at the time of this offering.

Basis of Common Units. A unitholder's U.S. federal income tax basis in his common units initially will be the amount he paid for the common units plus his share of our nonrecourse liabilities at the time of purchase. That basis generally will be increased by his share of our income and by any increases in his share of our nonrecourse liabilities, and will be decreased, but not below zero, by distributions to the unitholder from us, by the unitholder's share of our losses, by any decreases in the unitholder's share of our nonrecourse liabilities and by the unitholder's share of our expenditures that are not deductible in computing taxable income and are not required to be capitalized.

Limitations on Deductibility of Losses. The deduction by a unitholder of his share of our losses will be limited to the tax basis in his common units and, in the case of an individual, estate, trust, or corporation (if more than 50% of the corporation's stock is owned directly or indirectly by or for five or fewer individuals or a specific type of tax-exempt organization) to the amount for which the unitholder is considered to be "at risk" with respect to our activities, if that is less than his tax basis. A unitholder subject to these limitations must recapture losses deducted in previous years to the extent that distributions cause his at-risk amount to be less than zero at the end of any taxable year. Losses disallowed to a unitholder or recaptured as a result of these limitations will carry forward and will be allowable as a deduction in a later year to the extent of the unitholder's basis or at-risk amount, whichever is the limiting factor. Upon the taxable disposition of a unit, any gain recognized by a unitholder can be offset by losses that were previously suspended by the at-risk limitation but may not be offset by losses suspended by the basis limitation. Any loss previously suspended by the at-risk or basis limitation, to the extent not used to offset such gain, would no longer be usable.

In general, a unitholder will be at risk to the extent of his U.S. federal income tax basis of his common units, excluding any portion of that basis attributable to his share of our nonrecourse liabilities, reduced by (i) any portion of that basis representing amounts otherwise protected against loss because of a guarantee, stop loss agreement or other similar arrangement and (ii) any amount of money the unitholder borrows to acquire or hold his common units, if the lender of those borrowed funds owns an interest in us, is related to another unitholder or can look only to the common units for repayment. A unitholder's at-risk amount will increase or decrease as the tax basis of the unitholder's common units increases or decreases, other than as a result of increases or decreases in the unitholder's share of our nonrecourse liabilities.

In addition to the basis and at-risk limitations on the deductibility of losses, passive activity loss limitations generally apply to limit the deductibility of losses incurred by individuals, estates, trusts and some closely-held corporations and personal service corporations from "passive activities," which are generally trade or business activities in which the taxpayer does not materially participate. The passive activity loss limitations are applied separately with respect to each publicly traded partnership. Consequently, any passive activity losses we generate will only be available to offset our passive activity income generated in the future and will not be available to offset income from other passive activities or investments, including a unitholder's investments in other publicly traded partnerships, or salary or active business income. Passive activity losses that are not deductible because they exceed a unitholder's share of passive activity income we generate may be deducted in full when he disposes of his entire investment in us in a fully taxable transaction with an unrelated party. The passive activity loss limitations are applied after other applicable limitations on deductions, including the at-risk rules and the basis limitation.

Limitations on Interest Deductions. The deductibility of a non-corporate taxpayer's "investment interest expense" is generally limited to the amount of that taxpayer's "net investment income." Investment interest expense includes:

- interest on indebtedness properly allocable to property held for investment;
- our interest expense attributed to portfolio income; and
- the portion of interest expense incurred to purchase or carry an interest in a passive activity to the extent attributable to portfolio income.

The computation of a unitholder's investment interest expense will take into account interest on any margin account borrowing or other loan incurred to purchase or carry a common unit. Net investment income includes gross income from property held for investment and amounts treated as portfolio income under the passive loss rules, less deductible expenses, other than interest, directly connected with the production of investment income, but generally does not include gains attributable to the disposition of property held for investment or qualified dividend income. The IRS has indicated that net passive income earned by a publicly traded partnership will be treated as investment income to its partners for purposes of the investment interest expense limitation. In addition, the unitholder's share of our portfolio income will be treated as investment income.

Entity-Level Collections of Unitholder Taxes. If we are required or elect under applicable law to pay any U.S. federal, state, local or non-U.S. income tax on behalf of any unitholder or any former unitholder, we are authorized to pay those taxes from our funds and treat payment as a distribution of cash to the unitholder on whose behalf the payment was made. If the payment is made on behalf of a unitholder whose identity cannot be determined, we are authorized to treat the payment as a distribution to all current unitholders. We are authorized to amend our partnership agreement in the manner necessary to maintain uniformity of intrinsic tax characteristics of units and to adjust later distributions, so that after giving effect to these distributions, the priority and characterization of distributions otherwise applicable under our partnership agreement is maintained as nearly as is practicable. Payments by us as described above could give rise to an overpayment of tax on behalf of an individual unitholder in which event the unitholder would be entitled to claim a refund of the overpayment amount. Unitholders are urged to consult their tax advisors to determine the consequences to them of any tax payment we make on their behalf.

Allocation of Income, Gain, Loss and Deduction. In general, our items of income, gain, loss and deduction will be allocated among our unitholders for capital account and U.S. federal income tax purposes in accordance with their percentage interests in us. Although we do not expect that our operations will result in the creation of negative capital accounts, if negative capital accounts nevertheless result, items of our income and gain will be allocated in an amount and manner sufficient to eliminate the negative balance as quickly as possible.

Specified items of our income, gain, loss and deduction will be allocated under Section 704(c) of the Internal Revenue Code to account for (i) any difference between the U.S. federal income tax basis and fair market value of property contributed to us by CVR Energy that exists at the time of such contribution or (ii) any difference between the tax basis and fair market value of our assets at the time of an offering, together referred to in this discussion as the "Book-Tax Disparity." In addition, items of recapture income will be specially allocated to the extent possible to the unitholder who was allocated the deduction giving rise to the treatment of that gain as recapture income in order to minimize the recognition of ordinary income by other unitholders.

An allocation of items of our income, gain, loss or deduction, other than an allocation required by Section 704(c) of the Internal Revenue Code to eliminate a Book-Tax Disparity, will generally be given effect for U.S. federal income tax purposes in determining a partner's share of an item of income, gain, loss or deduction only if the allocation has "substantial economic effect" as determined under Treasury Regulations. In any other case, a unitholder's share of an item will be determined on the basis of his interest in us, which will be determined by taking into account all the facts and circumstances, including:

- his relative contributions to us;
- the interests of all the partners in profits and losses;

- the interest of all the partners in cash flow; and
- the rights of all the partners to distributions of capital upon liquidation.

Vinson & Elkins L.L.P. is of the opinion that, with the exception of the issues described in ‘‘— Section 754 Election” and “— Disposition of Common Units — Allocations Between Transferors and Transferees,” allocations under our amended and restated partnership agreement will be given effect for U.S. federal income tax purposes in determining a unitholder’s share of an item of our income, gain, loss or deduction.

Treatment of Short Sales. A unitholder whose common units are loaned to a “short seller” to cover a short sale of units may be considered as having disposed of those common units. If so, he would no longer be treated for U.S. federal income tax purposes as a partner with respect to those common units during the period of the loan and may recognize gain or loss from the disposition. As a result, during this period:

- any of our income, gain, loss or deduction with respect to those common units would not be reportable by the unitholder;
- any cash distributions received by the unitholder as to those common units would be fully taxable; and
- all of these distributions may be subject to tax as ordinary income.

Vinson & Elkins L.L.P. has not rendered an opinion regarding the tax treatment of a unitholder whose common units are loaned to a short seller to cover a short sale of common units due to a lack of controlling authority. Unitholders desiring to assure their status as partners in us for U.S. federal income tax purposes and avoid the risk of gain recognition from a loan to a short seller are urged to consult a tax advisor to discuss whether it is advisable to modify any applicable brokerage account agreements to prohibit their brokers from borrowing and lending their common units. The IRS has announced that it is studying issues relating to the tax treatment of short sales of partnership interests. Please read ‘‘— Disposition of Common Units — Recognition of Gain or Loss.”

Alternative Minimum Tax. Each unitholder will be required to take into account his distributive share of any items of our income, gain, loss or deduction for purposes of the alternative minimum tax. The current minimum tax rate for noncorporate taxpayers is 26% on the first $175,000 of alternative minimum taxable income in excess of the exemption amount and 28% on any additional alternative minimum taxable income. Prospective unitholders are urged to consult with their tax advisors as to the impact of an investment in units on their liability for the alternative minimum tax.

Tax Rates. Under current law, the highest marginal U.S. federal income tax rate applicable to ordinary income of individuals is 35%, and the highest marginal U.S. federal income tax rate applicable to long-term capital gains (generally, gains from the sale or exchange of certain investment assets held for more than one year) is 15%. However, absent new legislation extending the current rates, beginning January 1, 2013, the highest marginal U.S. federal income tax rate applicable to ordinary income and long-term capital gains of individuals will increase to 39.6% and 20%, respectively. Moreover, these rates are subject to change by new legislation at any time.

The recently enacted Health Care and Education Affordability Reconciliation Act of 2010 and the Patient Protection and Affordable Care Act of 2010, is scheduled to impose a 3.8% Medicare tax on net investment income earned by certain individuals, estates and trusts for taxable years beginning after December 31, 2012. For these purposes, investment income generally includes a unitholder’s allocable share of our income and gain realized by a unitholder from a sale of our common units. In the case of an individual, the tax will be imposed on the lesser of (i) the unitholder’s net investment income from all investments, or (ii) the amount by which the unitholder’s modified adjusted gross income exceeds $250,000 (if the unitholder is married and filing jointly or a surviving spouse), $125,000 (if the unitholder is married and filing separately) or $200,000 (in any other case). In the case of an estate or trust, the tax will be imposed on the lesser of (i) undistributed net investment income or (ii) the excess adjusted gross income over the dollar amount at which the highest income tax bracket applicable to an estate or trust begins.

Section 754 Election. We will make the election permitted by Section 754 of the Internal Revenue Code. That election is irrevocable without the consent of the IRS. That election will generally permit us to adjust a purchasing unitholder’s tax basis in our assets (“inside basis”) under Section 743(b) of the Internal Revenue Code to

reflect his purchase price for the common units. The Section 743(b) adjustment separately applies to any unitholder who purchases outstanding common units from another unitholder based upon the values and bases of our assets at the time of the transfer to the purchaser, and belongs only to the purchaser and not to other unitholders. The Section 743(b) adjustment also does not apply to a person who purchases common units directly from us. Please read, however, "— Allocation of Income, Gain, Loss and Deduction." For purposes of this discussion, a unitholder's inside basis in our assets will be considered to have two components: (1) the unitholder's share of our tax basis in our assets ("common basis") and (2) the unitholder's Section 743(b) adjustment to that basis.

The timing and calculation of deductions attributable to Section 743(b) adjustments to our common basis will depend upon a number of factors, including the nature of the assets to which the adjustment is allocable, the extent to which the adjustment offsets any Internal Revenue Code Section 704(c) type gain or loss with respect to an asset and certain elections we make as to the manner in which we apply Internal Revenue Code Section 704(c) principles with respect to an asset to which the adjustment is applicable. Please read "— Allocation of Income, Gain, Loss and Deduction." The timing of these deductions may affect the uniformity of our common units. Under our partnership agreement, our general partner is authorized to take a position to preserve the uniformity of our common units even if that position is not consistent with these and any other applicable Treasury Regulations or if the position would result in lower annual depreciation or amortization deductions than would otherwise be allowable to some unitholders. Please read "— Uniformity of Common Units."

These positions are consistent with the methods employed by other publicly traded partnerships but are inconsistent with the existing Treasury Regulations and Vinson & Elkins L.L.P. has not opined on the validity of this approach. The IRS may challenge our position with respect to depreciating or amortizing the Section 743(b) adjustment we take to preserve the uniformity of our common units. Because a unitholder's tax basis for his common units is reduced by his share of our items of deduction or loss, any position we take that understates deductions will overstate the unitholder's basis in his common units, and may cause the unitholder to understate gain or overstate loss on any sale of such common units. Please read "— Disposition of Common Units — Recognition of Gain or Loss." If such a challenge to such treatment were sustained, the gain from the sale of common units may be increased without the benefit of additional deductions.

A Section 754 election is advantageous if the transferee's tax basis in his common units is higher than the common units' share of the aggregate tax basis of our assets immediately prior to the transfer. In that case, as a result of the election, the transferee would have, among other items, a greater amount of depreciation deductions and his share of any gain or loss on a sale of our assets would be less. Conversely, a Section 754 election is disadvantageous if the transferee's tax basis in his common units is lower than those common units' share of the aggregate tax basis of our assets immediately prior to the transfer. Thus, the fair market value of our common units may be affected either favorably or unfavorably by the election. A tax basis adjustment is required regardless of whether a Section 754 election is made in the case of a transfer of an interest in us if we have a substantial built-in loss immediately after the transfer, or if we distribute property and have a substantial basis reduction. Generally, a built-in loss or a basis reduction is substantial if it exceeds $250,000.

The calculations involved in the Section 754 election are complex and will be made on the basis of assumptions as to the value of our assets and other matters. The IRS could seek to reallocate some or all of any Section 743(b) adjustment we allocated to our assets subject to depreciation to goodwill or nondepreciable assets. Goodwill, as an intangible asset, is generally non-amortizable or amortizable over a longer period of time or under a less accelerated method than our tangible assets. We cannot assure any unitholder that the determinations we make will not be successfully challenged by the IRS or that the resulting deductions will not be reduced or disallowed altogether. Should the IRS require a different basis adjustment to be made, and should, in our opinion, the expense of compliance exceed the benefit of the election, we may seek permission from the IRS to revoke our Section 754 election. If permission is granted, a subsequent purchaser of units may be allocated more income than he would have been allocated had the election not been revoked.

Tax Treatment of Operations

Accounting Method and Taxable Year. We use the year ending December 31 as our taxable year and the accrual method of accounting for U.S. federal income tax purposes. Each unitholder will be required to include in

income his share of our income, gain, loss and deduction for our taxable year ending within or with his taxable year. In addition, a unitholder who has a taxable year ending on a date other than December 31 and who disposes of all of his common units following the close of our taxable year but before the close of his taxable year must include his share of our income, gain, loss and deduction in his taxable income for his taxable year, with the result that he will be required to include in income for his taxable year his share of more than one year of our income, gain, loss and deduction. Please read "— Disposition of Common Units — Allocations Between Transferors and Transferees."

Deduction for U.S. Production Activities. Subject to the limitations on the deductibility of losses discussed above and the limitation discussed below, our unitholders will be entitled to a deduction, herein referred to as the Section 199 deduction, equal to 9% of such unitholders' qualified production activities income, but not to exceed 50% of the Form W-2 wages actually or deemed paid by the unitholder during the taxable year and allocable to domestic production gross receipts.

Qualified production activities income is generally equal to gross receipts from domestic production activities reduced by cost of goods sold allocable to those receipts, other expenses directly associated with those receipts, and a share of other deductions, expenses and losses that are not directly allocable to those receipts or another class of income. The products produced must be manufactured, produced, grown or extracted in whole or in significant part by the taxpayer in the United States.

For a partnership, the Section 199 deduction is determined at the partner level. To determine his Section 199 deduction, each unitholder will aggregate his share of the qualified production activities income allocated to him from us with the unitholder's qualified production activities income from other sources. Each unitholder must take into account his distributive share of the expenses allocated to him from our qualified production activities regardless of whether we otherwise have taxable income. However, our expenses that otherwise would be taken into account for purposes of computing the Section 199 deduction are taken into account only if and to the extent the unitholder's share of losses and deductions from all of our activities is not disallowed by the tax basis rules, the at-risk rules or the passive activity loss rules. Please read "— Tax Consequences of Common Unit Ownership — Limitations on Deductibility of Losses."

The amount of a unitholder's Section 199 deduction for each year is limited to 50% of the IRS Form W-2 wages actually or deemed paid by the unitholder during the calendar year that are deducted in arriving at qualified production activities income. Each unitholder is treated as having been allocated IRS Form W-2 wages from us equal to the unitholder's allocable share of our wages that are deducted in arriving at qualified production activities income for that taxable year.

This discussion of the Section 199 deduction does not purport to be a complete analysis of the complex legislation and Treasury authority relating to the calculation of domestic production gross receipts, qualified production activities income, or IRS Form W-2 wages, or how such items are allocated by us to unitholders. Further, because the Section 199 deduction is required to be computed separately by each unitholder, no assurance can be given, and Vinson & Elkins, L.L.P. is unable to express any opinion, as to the availability or extent of the Section 199 deduction to our unitholders. Each prospective unitholder is encouraged to consult his tax advisor to determine whether the Section 199 deduction would be available to him.

Tax Basis, Depreciation and Amortization. The tax basis of our assets will be used for purposes of computing depreciation and cost recovery deductions and, ultimately, gain or loss on the disposition of these assets. The U.S. federal income tax burden associated with the difference between the fair market value of our assets and their tax basis immediately prior to (i) this offering will be borne by our partners holding interests in us prior to this offering, and (ii) any other offering will be borne by our unitholders as of that time. Please read "— Tax Consequences of Common Unit Ownership — Allocation of Income, Gain, Loss and Deduction." We may not be entitled to any amortization deductions with respect to certain goodwill or other intangible properties conveyed to us or held by us at the time of any future offering. Please read "— Uniformity of Common Units."

If we dispose of depreciable property by sale, foreclosure or otherwise, all or a portion of any gain, determined by reference to the amount of depreciation previously deducted and the nature of the property, may be subject to the recapture rules and taxed as ordinary income rather than capital gain. Similarly, a unitholder who has taken cost recovery or depreciation deductions with respect to property we own will likely be required to recapture some or all

of those deductions as ordinary income upon a sale of his interest in us. Please read "— Tax Consequences of Common Unit Ownership — Allocation of Income, Gain, Loss and Deduction" and "— Disposition of Common Units — Recognition of Gain or Loss."

The costs we incur in offering and selling our common units (called "syndication expenses") must be capitalized and cannot be deducted currently, ratably or upon our termination. There are uncertainties regarding the classification of costs as organization expenses, which may be amortized by us, and as syndication expenses, which may not be amortized by us. The underwriting discounts and commissions we incur will be treated as syndication expenses.

Valuation and Tax Basis of Our Properties. The U.S. federal income tax consequences of the ownership and disposition of our common units will depend in part on our estimates of the relative fair market values, and the initial tax bases, of our assets. Although we may from time to time consult with professional appraisers regarding valuation matters, we will make many of the relative fair market value estimates ourselves. These estimates and determinations of basis are subject to challenge and will not be binding on the IRS or the courts. If the estimates of fair market value or basis are later found to be incorrect, the character and amount of items of income, gain, loss or deduction previously reported by unitholders could change, and unitholders could be required to adjust their tax liability for prior years and incur interest and penalties with respect to those adjustments.

Disposition of Common Units

Recognition of Gain or Loss. A unitholder will be required to recognize gain or loss on a sale of common units equal to the difference between the unitholder's amount realized and tax basis for the units sold. A unitholder's amount realized will equal the sum of the cash and the fair market value of other property received by him plus his share of our nonrecourse liabilities attributable to the common units sold. Because the amount realized includes a unitholder's share of our nonrecourse liabilities, the gain recognized on the sale of common units could result in a tax liability in excess of any cash received from the sale. For example, distributions from us in excess of cumulative net taxable income allocated to a unitholder results in a decrease in the unitholder's U.S. federal income tax basis in that common unit, which will, in effect, become taxable income if the common unit is sold at a price greater than the unitholder's tax basis in that common unit, even if the price received is less than has original cost.

Except as noted below, gain or loss recognized by a unitholder on the sale or exchange of a common unit will generally be taxable as capital gain or loss. Capital gain recognized by an individual on the sale of common units held for more than one year will generally be taxed at a maximum U.S. federal income tax rate of 15% through December 31, 2012 and 20% thereafter (absent new legislation extending or adjusting the current rate). Gain or loss recognized on the disposition of common units will be separately computed and taxed as ordinary income or loss under Section 751 of the Internal Revenue Code to the extent attributable to assets giving rise to depreciation recapture or other "unrealized receivables" or "inventory items" we own. The term "unrealized receivables" includes potential recapture items, including depreciation recapture. Ordinary income attributable to unrealized receivables, inventory items and depreciation recapture may exceed net taxable gain realized upon the sale of a common unit and may be recognized even if there is a net taxable loss realized on the sale of a common unit. Thus, a unitholder may recognize both ordinary income and a capital loss upon a sale of common units. Net capital loss may offset capital gains and no more than $3,000 of ordinary income each year, in the case of individuals, and may only be used to offset capital gain in the case of corporations.

The IRS has ruled that a partner who acquires interests in a partnership in separate transactions must combine those interests and maintain a single adjusted tax basis for all those interests. Upon a sale or other disposition of less than all of those interests, a portion of that tax basis must be allocated to the interests sold using an "equitable apportionment" method, which generally means that the tax basis allocated to the interest sold equals an amount that bears the same relation to the partner's tax basis in his entire interest in the partnership as the value of the interest sold bears to the value of the partner's entire interest in the partnership. Treasury Regulations under Section 1223 of the Internal Revenue Code allow a selling unitholder who can identify common units transferred with an ascertainable holding period to elect to use the actual holding period of the common units transferred. Thus, according to the ruling discussed above, a unitholder will be unable to select high or low basis common units to sell as would be the case with corporate stock, but, according to the Treasury Regulations, may designate specific

common units sold for purposes of determining the holding period of common units transferred. A unitholder electing to use the actual holding period of common units transferred must consistently use that identification method for all subsequent sales or exchanges of common units. A unitholder considering the purchase of additional common units or a sale of common units purchased in separate transactions is urged to consult his tax advisor as to the possible consequences of this ruling and application of the Treasury Regulations.

Specific provisions of the Internal Revenue Code affect the taxation of some financial products and securities, including partnership interests, by treating a taxpayer as having sold an "appreciated" partnership interest, one in which gain would be recognized if it were sold, assigned or terminated at its fair market value, if the taxpayer or related persons enter(s) into:

- a short sale;
- an offsetting notional principal contract; or
- a futures or forward contract with respect to the partnership interest or substantially identical property.

Moreover, if a taxpayer has previously entered into a short sale, an offsetting notional principal contract or a futures or forward contract with respect to the partnership interest, the taxpayer will be treated as having sold that position if the taxpayer or a related person then acquires the partnership interest or substantially identical property. The Secretary of the Treasury is also authorized to issue regulations that treat a taxpayer that enters into transactions or positions that have substantially the same effect as the preceding transactions as having constructively sold the financial position.

Allocations Between Transferors and Transferees. In general, our taxable income or loss will be determined annually, will be prorated on a monthly basis and will be subsequently apportioned among our unitholders in proportion to the number of common units owned by each of them as of the opening of the applicable exchange on the first business day of the month, which we refer to as the "Allocation Date." However, gain or loss realized on a sale or other disposition of our assets other than in the ordinary course of business will be allocated among the unitholders on the Allocation Date in the month in which that gain or loss is recognized. As a result, a unitholder transferring common units may be allocated income, gain, loss and deduction realized after the date of transfer.

Although simplifying conventions are contemplated by the Internal Revenue Code and most publicly traded partnerships use similar simplifying conventions, the use of this method may not be permitted under existing Treasury Regulations. Recently, however, the Department of the Treasury and the IRS issued proposed Treasury Regulations that provide a safe harbor pursuant to which a publicly traded partnership may use a similar monthly simplifying convention to allocate tax items among transferor and transferee unitholders, although such tax items must be prorated on a daily basis. Nonetheless, the proposed Treasury Regulations do not specifically authorize the use of the proration method we have adopted. Existing publicly traded partnerships are entitled to rely on these proposed Treasury Regulations; however, they are not binding on the IRS and are subject to change until final Treasury Regulations are issued. Accordingly, Vinson & Elkins L.L.P. is unable to opine on the validity of this method of allocating income and losses between transferor and transferee unitholders. If this method is not allowed under the Treasury Regulations, or only applies to transfers of less than all of the unitholder's interest, our taxable income or losses might be reallocated among the unitholders. We are authorized to revise our method of allocation between transferor and transferee unitholders, as well as unitholders whose interests vary during a taxable year, to conform to a method permitted under future Treasury Regulations.

A unitholder who disposes of common units prior to the record date set for a cash distribution for a quarter will be allocated items of our income, gain, loss and deductions attributable to that quarter but will not be entitled to receive that cash distribution.

Notification Requirements. A unitholder who sells any of his common units is generally required to notify us in writing of that sale within 30 days after the sale (or, if earlier, January 15 of the year following the sale). A purchaser of common units who purchases common units from another unitholder also generally is required to notify us in writing of that purchase within 30 days after the purchase. Upon receiving such notifications, we are required to notify the IRS of that transaction and to furnish specified information to the transferor and transferee.

Failure to notify us of a transfer of common units may, in some cases, lead to the imposition of penalties. However, these reporting requirements do not apply to a sale by an individual who is a citizen of the United States and who effects the sale or exchange through a broker who will satisfy such requirements.

Constructive Termination. We will be considered to have terminated our partnership for U.S. federal income tax purposes if there are sales or exchanges that, in the aggregate, constitute 50% or more of the total interests in our capital and profits within a twelve-month period. For purposes of measuring whether the 50% threshold is reached, multiple sales of the same interest within a twelve-month period are counted only once. A constructive termination results in the closing of our taxable year for all unitholders. In the case of a unitholder reporting on a taxable year other than a fiscal year ending December 31, the closing of our taxable year may result in more than one year of our taxable income or loss being includable in his taxable income for the year of termination. A constructive termination occurring on a date other than December 31 will result in us filing two tax returns (and could result in unitholders receiving two Schedules K-1) for one fiscal year and the cost of the preparation of these returns will be borne by all unitholders. However, pursuant to an IRS relief procedure for publicly traded partnerships that have technically terminated, the IRS may allow, among other things, that we provide only a single Schedule K-1 to unitholders for the tax year in which the termination occurs. We would be required to make new tax elections after a termination, including a new election under Section 754 of the Internal Revenue Code, and a termination would result in a deferral of our deductions for depreciation. A termination could also result in penalties if we were unable to determine that the termination had occurred. Moreover, a termination might either accelerate the application of, or subject us to, any tax legislation enacted before the termination.

Uniformity of Common Units

Because we cannot match transferors and transferees of common units and because of other reasons, we must maintain uniformity of the economic and tax characteristics of the common units to a purchaser of these common units. In the absence of uniformity, we may be unable to completely comply with a number of U.S. federal income tax requirements, both statutory and regulatory. A lack of uniformity could result from a literal application of Treasury Regulation Section 1.167(c)-1(a)(6), which is not anticipated to apply to a material portion of our assets, and Treasury Regulation Section 1.197-2(g)(3). Any non-uniformity could have a negative impact on the value of the common units. Please read "— Tax Consequences of Common Unit Ownership — Section 754 Election."

Our partnership agreement permits our general partner to take positions in filing our tax returns that preserve the uniformity of our units even under circumstances like those described above. These positions may include reducing for some unitholders the depreciation, amortization or loss deductions to which they would otherwise be entitled or reporting a slower amortization of Section 743(b) adjustments for some unitholders than that to which they would otherwise be entitled. Vinson & Elkins L.L.P. is unable to opine as to validity of such filing positions. A unitholder's basis in common units is reduced by his share of our deductions (whether or not such deductions were claimed on an individual income tax return) so that any position that we take that understates deductions will overstate the unitholder's basis in his common units, and may cause the unitholder to understate gain or overstate loss on any sale of such common units. Please read "— Disposition of Common Units — Recognition of Gain or Loss" above and "— Tax Consequences of Unit Ownership — Section 754 Election" above. The IRS may challenge one or more of any positions we take to preserve the uniformity of common units. If such a challenge were sustained, the uniformity of common units might be affected, and, under some circumstances, the gain from the sale of common units might be increased without the benefit of additional deductions.

Tax-Exempt Organizations and Other Investors

Ownership of common units by employee benefit plans, other tax-exempt organizations, non-resident aliens, non-U.S. corporations and other non-U.S. persons raises issues unique to those investors and, as described below, may have substantially adverse tax consequences to them. Prospective unitholders who are tax-exempt entities or non-U.S. persons should consult their tax advisors before investing in our common units.

Employee benefit plans and most other organizations exempt from U.S. federal income tax, including individual retirement accounts and other retirement plans, are subject to U.S. federal income tax on unrelated

business taxable income. Virtually all of our income allocated to a unitholder that is a tax-exempt organization will be unrelated business taxable income and will be taxable to them.

Non-resident aliens and non-U.S. corporations, trusts or estates that own our common units will be considered to be engaged in business in the United States because of the ownership of common units. As a consequence, they will be required to file U.S. federal tax returns to report their share of our income, gain, loss or deduction and pay U.S. federal income tax at regular rates on their share of our net income or gain. Moreover, under rules applicable to publicly traded partnerships, distributions to non-U.S. unitholders are subject to withholding at the highest applicable effective tax rate. Each non-U.S. unitholder must obtain a taxpayer identification number from the IRS and submit that number to our transfer agent on a Form W-8BEN or applicable substitute form in order to obtain credit for these withholding taxes. A change in applicable law may require us to change these procedures.

In addition, because a foreign corporation that owns common units will be treated as engaged in a U.S. trade or business, that corporation may be subject to the U.S. branch profits tax at a rate of 30%, in addition to regular U.S. federal income tax, on its share of our income and gain, as adjusted for changes in the non-U.S. corporation's "U.S. net equity," which is effectively connected with the conduct of a United States trade or business. That tax may be reduced or eliminated by an income tax treaty between the United States and the country in which the non-U.S. corporate unitholder is a "qualified resident." In addition, this type of unitholder is subject to special information reporting requirements under Section 6038C of the Internal Revenue Code.

A non-U.S. unitholder who sells or otherwise disposes of a unit will be subject to U.S. federal income tax on gain realized from the sale or disposition of that common unit to the extent the gain is effectively connected with a U.S. trade or business of the non-U.S. unitholder. Under a ruling published by the IRS, interpreting the scope of "effectively connected income," a non-U.S. unitholder would be considered to be engaged in a trade or business in the U.S. by virtue of the U.S. activities of the partnership, and part or all of that unitholder's gain would be effectively connected with that unitholder's indirect U.S. trade or business. Moreover, under the Foreign Investment in Real Property Tax Act, a non-U.S. unitholder generally will be subject to U.S. federal income tax upon the sale or disposition of a common unit if (i) he owned (directly or constructively applying certain attribution rules) more than 5% of our units at any time during the five-year period ending on the date of such disposition and (ii) 50% or more of the fair market value of all of our assets consisted of U.S. real property interests at any time during the shorter of the period during which such unitholder held the units or the 5-year period ending on the date of disposition. Currently, more than 50% of our assets consist of U.S. real property interests and we do not expect that percentage to change in the foreseeable future. Therefore, non-U.S. unitholders may be subject to U.S. federal income tax on gain from the sale or disposition of their common units.

Administrative Matters

Information Returns and Audit Procedures. We intend to furnish to each unitholder, within 90 days after the close of each calendar year, specific tax information, including a Schedule K-1, which describes his share of our income, gain, loss and deduction for our preceding taxable year. In preparing this information, which will not be reviewed by counsel, we will take various accounting and reporting positions, some of which have been mentioned earlier, to determine each unitholder's share of our income, gain, loss and deduction. We cannot assure our unitholders that those positions will yield a result that conforms to the requirements of the Internal Revenue Code, Treasury Regulations or administrative interpretations of the IRS. Neither we nor Vinson & Elkins L.L.P. can assure prospective unitholders that the IRS will not successfully contend in court that those positions are impermissible. Any challenge by the IRS could negatively affect the value of our common units.

The IRS may audit our U.S. federal income tax information returns. Adjustments resulting from an IRS audit may require each unitholder to adjust a prior year's tax liability, and possibly may result in an audit of his return. Any audit of a unitholder's return could result in adjustments not related to our returns as well as those related to our returns.

Partnerships generally are treated as separate entities for purposes of U.S. federal tax audits, judicial review of administrative adjustments by the IRS and tax settlement proceedings. The tax treatment of partnership items of income, gain, loss and deduction are determined in a partnership proceeding rather than in separate proceedings

with the partners. The Internal Revenue Code requires that one partner be designated as the "Tax Matters Partner" for these purposes. Our partnership agreement names our general partner, CVR GP, LLC, as our Tax Matters Partner.

The Tax Matters Partner will make some elections on our behalf and on behalf of our unitholders. In addition, the Tax Matters Partner can extend the statute of limitations for assessment of tax deficiencies against our unitholders for items in our returns. The Tax Matters Partner may bind a unitholder with less than a 1% profits interest in us to a settlement with the IRS unless that unitholder elects, by filing a statement with the IRS, not to give that authority to the Tax Matters Partner. The Tax Matters Partner may seek judicial review, by which all unitholders are bound, of a final partnership administrative adjustment and, if the Tax Matters Partner fails to seek judicial review, judicial review may be sought by any unitholder having at least a 1% interest in profits or by any group of our unitholders having in the aggregate at least a 5% interest in profits. However, only one action for judicial review will go forward, and each unitholder with an interest in the outcome may participate in that action.

A unitholder must file a statement with the IRS identifying the treatment of any item on his U.S. federal income tax return that is not consistent with the treatment of the item on our return. Intentional or negligent disregard of this consistency requirement may subject a unitholder to substantial penalties.

Nominee Reporting. Persons who hold an interest in us as a nominee for another person are required to furnish to us:

(a) the name, address and taxpayer identification number of the beneficial owner and the nominee;

(b) a statement regarding whether the beneficial owner is:

1. a person that is not a U.S. person;
2. a foreign government, an international organization or any wholly-owned agency or instrumentality of either of the foregoing; or
3. a tax-exempt entity;

(c) the amount and description of common units held, acquired or transferred for the beneficial owner; and

(d) specific information including the dates of acquisitions and transfers, means of acquisitions and transfers, and acquisition cost for purchases, as well as the amount of net proceeds from sales.

Brokers and financial institutions are required to furnish additional information, including whether they are U.S. persons and specific information on common units they acquire, hold or transfer for their own account. A penalty of $50 per failure, up to a maximum of $100,000 per calendar year, is imposed by the Internal Revenue Code for failure to report that information to us. The nominee is required to supply the beneficial owner of the common units with the information furnished to us.

Accuracy-Related Penalties. An additional tax equal to 20% of the amount of any portion of an underpayment of tax that is attributable to one or more specified causes, including negligence or disregard of rules or regulations, substantial understatements of income tax and substantial valuation misstatements, is imposed by the Internal Revenue Code. No penalty will be imposed, however, for any portion of an underpayment if it is shown that there was a reasonable cause for the underpayment of that portion and that the taxpayer acted in good faith regarding the underpayment of that portion.

For individuals, a substantial understatement of income tax in any taxable year exists if the amount of the understatement exceeds the greater of 10% of the tax required to be shown on the return for the taxable year or

$5,000. The amount of any understatement subject to penalty is generally reduced if any portion is attributable to a position adopted on the return:

(1) for which there is, or was, "substantial authority"; or

(2) as to which there is a reasonable basis and the pertinent facts of that position are disclosed on the return.

If any item of income, gain, loss or deduction included in the distributive shares of our unitholders might result in that kind of an "understatement" of income for which no "substantial authority" exists, we must disclose the pertinent facts on our return. In addition, we will make a reasonable effort to furnish sufficient information for our unitholders to make adequate disclosure on their returns and to take other actions as may be appropriate to permit our unitholders to avoid liability for this penalty. More stringent rules apply to "tax shelters," which we do not believe includes us, or any of our investments, plans or arrangements.

A substantial valuation misstatement exists if (i) the value of any property, or the tax basis of any property, claimed on a tax return is 150% or more of the amount determined to be the correct amount of the valuation or tax basis, (ii) the price for any property or services (or for the use of property) claimed on any such return with respect to any transaction between persons described in Internal Revenue Code Section 482 is 200% or more (or 50% or less) of the amount determined under Section 482 to be the correct amount of such price, or (iii) the net Internal Revenue Code Section 482 transfer price adjustment for the taxable year exceeds the lesser of $5 million or 10% of the taxpayer's gross receipts. No penalty is imposed unless the portion of the underpayment attributable to a substantial valuation misstatement exceeds $5,000 ($10,000 for most corporations). If the valuation claimed on a return is 200% or re than the correct valuation, the penalty is increased to 40%. We do not anticipate making any valuation misstatements.

Reportable Transactions. If we were to engage in a "reportable transaction," we (and possibly our unitholders and others) would be required to make a detailed disclosure of the transaction to the IRS. A transaction may be a reportable transaction based upon any of several factors, including the fact that it is a type of tax avoidance transaction publicly identified by the IRS as a "listed transaction" or that it produces certain kinds of losses for partnerships, individuals, S corporations, and trusts in excess of $2 million in any single year, or $4 million in any combination of six successive tax years. Our participation in a reportable transaction could increase the likelihood that our U.S. federal income tax information return (and possibly our unitholders' tax returns) would be audited by the IRS. Please read "— Information Returns and Audit Procedures."

Moreover, if we were to participate in a reportable transaction with a significant purpose to avoid or evade tax, or in any listed transaction, our unitholders may be subject to the following provisions of the American Jobs Creation Act of 2004:

- accuracy-related penalties with a broader scope, significantly narrower exceptions, and potentially greater amounts than described above at "— Accuracy-Related Penalties;"
- for those persons otherwise entitled to deduct interest on federal tax deficiencies, nondeductibility of interest on any resulting tax liability; and
- in the case of a listed transaction, an extended statute of limitations.

We do not expect to engage in any "reportable transactions."

State, Local, Foreign and Other Tax Considerations

In addition to U.S. federal income taxes, our unitholders likely will be subject to other taxes, such as state, local and foreign income taxes, unincorporated business taxes, and estate, inheritance or intangible taxes that may be imposed by the various jurisdictions in which we conduct business or own or control property or in which the unitholder is a resident. Although an analysis of those various taxes is not presented here, each prospective unitholder should consider their potential impact on his investment in us. We currently own assets and conduct

business in Kansas, Nebraska and Texas. Kansas and Nebraska currently impose a personal income tax on individuals. Kansas and Nebraska also impose an income tax on corporations and other entities. Texas currently imposes a franchise tax on corporations and other entities. We may also own property or do business in other jurisdictions in the future. Although a unitholder may not be required to file a return and pay taxes in some states because his income from that state falls below the filing and payment requirement, unitholders will be required to file income tax returns and to pay income taxes in any state in which we conduct business or own or control property and may be subject to penalties for failure to comply with those requirements. In some states, tax losses may not produce a tax benefit in the year incurred and may not be available to offset income in subsequent taxable years. Some of the states may require us, or we may elect, to withhold a percentage of income from amounts to be distributed to a unitholder who is not a resident of the state. Withholding, the amount of which may be greater or less than a particular unitholder's income tax liability to the state, generally does not relieve a nonresident unitholder from the obligation to file an income tax return. Amounts withheld will be treated as if distributed to our unitholders for purposes of determining the amounts distributed by us. Please read "— Tax Consequences of Common Unit Ownership — Entity-Level Collections of Unitholder Taxes." Based on current law and our estimate of our future operations, our general partner anticipates that any amounts required to be withheld will not be material.

It is the responsibility of each unitholder to investigate the legal and tax consequences, under the laws of pertinent states and localities, of his investment in us. Vinson & Elkins L.L.P. has not rendered an opinion on the state, local or foreign tax consequences of an investment in us. We strongly recommend that each prospective unitholder consult, and depend on, his own tax counsel or other advisor with regard to those matters. It is the responsibility of each unitholder to file all tax returns that may be required of him.

INVESTMENT IN CVR PARTNERS, LP BY EMPLOYEE BENEFIT PLANS

An investment in us by an employee benefit plan is subject to additional considerations because the investments of these plans are subject to the fiduciary responsibility and prohibited transaction provisions of ERISA and restrictions imposed by Section 4975 of the Internal Revenue Code. For these purposes the term "employee benefit plan" includes, but is not limited to, qualified pension, profit-sharing and stock bonus plans, Keogh plans, simplified employee pension plans and tax deferred annuities or IRAs established or maintained by an employer or employee organization. Among other things, consideration should be given to:

- whether the investment is prudent under Section 404(a)(1)(B) of ERISA;
- whether in making the investment, that plan will satisfy the diversification requirements of Section 404(a)(1)(C) of ERISA; and
- whether the investment will result in recognition of unrelated business taxable income by the plan and, if so, the potential after-tax investment return.

The person with investment discretion with respect to the assets of an employee benefit plan, often called a fiduciary, should determine whether an investment in us is authorized by the appropriate governing instrument and is a proper investment for the plan.

Section 406 of ERISA and Section 4975 of the Internal Revenue Code prohibit employee benefit plans, and also IRAs that are not considered part of an employee benefit plan, from engaging in specified transactions involving "plan assets" with parties that are "parties in interest" under ERISA or "disqualified persons" under the Internal Revenue Code with respect to the plan.

In addition to considering whether the purchase of common units is a prohibited transaction, a fiduciary of an employee benefit plan should consider whether the plan will, by investing in us, be deemed to own an undivided interest in our assets, with the result that our operations would be subject to the regulatory restrictions of ERISA, including its prohibited transaction rules, as well as the prohibited transaction rules of the Internal Revenue Code.

The Department of Labor regulations provide guidance with respect to whether the assets of an entity in which employee benefit plans acquire equity interests would be deemed "plan assets" under some circumstances. Under these regulations, an entity's assets would not be considered to be "plan assets" if, among other things:

(a) the equity interests acquired by employee benefit plans are publicly offered securities — i.e., the equity interests are widely held by 100 or more investors independent of the issuer and each other, freely transferable and registered under some provisions of the federal securities laws;

(b) the entity is an "operating company," meaning it is primarily engaged in the production or sale of a product or service other than the investment of capital either directly or through a majority-owned subsidiary or subsidiaries; or

(c) there is no significant investment by benefit plan investors, which is defined to mean that less than 25% of the value of each class of equity interest is held by the employee benefit plans referred to above and IRAs.

Our assets should not be considered "plan assets" under these regulations because it is expected that the investment will satisfy the requirements in (a) and (b) above.

Plan fiduciaries contemplating a purchase of common units are encouraged to consult with their own counsel regarding the consequences under ERISA and the Internal Revenue Code in light of the serious penalties imposed on persons who engage in prohibited transactions or other violations.

UNDERWRITERS

Under the terms and subject to the conditions in an underwriting agreement dated the date of this prospectus, the underwriters named below, for whom Morgan Stanley & Co. Incorporated and Barclays Capital Inc. are acting as representatives, have severally agreed to purchase, and we have agreed to sell to them, severally, the number of common units indicated below.

Name	Number of Common Units
Morgan Stanley & Co. Incorporated	
Barclays Capital Inc.	
Total	

The underwriters and the representatives are collectively referred to as the "underwriters" and the "representatives," respectively. The underwriters are obligated to take and pay for all of the common units offered by this prospectus, if any are taken, other than the common units covered by the option described below unless and until this option is exercised. We expect that the underwriting agreement will provide that the obligations of the several underwriters to pay for and accept delivery of the common units are subject to a number of conditions, including, among others, the accuracy of the representations and warranties in the underwriting agreement, listing of the common units on the New York Stock Exchange, receipt of specified letters from counsel and our independent registered public accounting firm, and receipt of specified officers' certificates.

Common units sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover page of this prospectus. Any common units sold by the underwriters to securities dealers may be sold at a price that represents a concession not in excess of $ per common unit under the initial public offering price. If all of the common units are not sold at the initial public offering price, the offering price and other selling terms may from time to time be varied by the representatives.

We have granted the underwriters an option to buy up to additional common units from us at the public offering price listed on the cover page of this prospectus, less underwriting discounts and commissions. They may exercise that option for 30 days from the date of this prospectus. To the extent the option is exercised, each underwriter will become obligated, subject to certain conditions, to purchase the same percentage of the additional common units as the number listed next to the underwriter's name in the preceding table bears to the total number of common units listed next to the names of all underwriters in the preceding table.

If the underwriters do not exercise their option to purchase additional common units, we will issue common units to Coffeyville Resources upon the option's expiration. If and to the extent the underwriters exercise their option to purchase additional common units, the number of common units purchased by the underwriters pursuant to such exercise will be issued to the public and the remainder, if any, will be issued to Coffeyville Resources. Accordingly, the exercise of the underwriters' option will not affect the total number of common units outstanding.

The following table shows the per common unit and total underwriting discounts and commissions to be paid to the underwriters by us. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional common units.

		Total	
	Per Unit	No Exercise	Full Exercise
Public Offering Price	$	$	$
Underwriting discounts and commissions to be paid by us	$	$	$
Proceeds, before expenses, to us	$	$	$

We estimate that our share of the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately $ million.

The underwriters have informed us that they do not intend sales to discretionary accounts to exceed 5% of the total number of common units offered by them.

We intend to apply to list our common units on the New York Stock Exchange under the symbol "UAN."

We, Coffeyville Resources, our general partner, and the executive officers and directors of our general partner have agreed with the underwriters, subject to specified exceptions, not to dispose of or hedge any of the common units or securities convertible into or exchangeable for common units during the period from the date of the preliminary prospectus continuing through the date 180 days after the date of this prospectus, except with the prior written consent of the representatives. This agreement does not apply to issuances by CVR Partners pursuant to any employee benefit or equity plans existing as of the closing of this offering.

The 180-day restricted period described in the preceding paragraph will be automatically extended if: (1) during the last 17 days of the 180-day restricted period we issue an earnings release or announce material news or a material event; or (2) prior to the expiration of the 180-day restricted period, we announce that we will release earnings results during the 15-day period following the last day of the 180-day period, in which case the restrictions described in the preceding paragraph will continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the announcement of the material news or material event.

The underwriters have informed us that they do not presently intend to release common units or other securities subject to the lock-up agreements. Any determination to release any common units or other securities subject to the lock-up agreements would be based on a number of factors at the time of any such determination; such factors may include the market price of the common units, the liquidity of the trading market for the common units, general market conditions, the number of common units or other securities subject to the lock-up agreements proposed to be sold, and the timing, purpose and terms of the proposed sale.

In order to facilitate the offering of the common units, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the common units. Specifically, the underwriters may sell more units than they are obligated to purchase under the underwriting agreement, creating a short position. A short sale is covered if the short position is no greater than the number of units available for purchase by the underwriters under the over-allotment option. The underwriters can close out a covered short sale by exercising the over-allotment option or purchasing units in the open market. In determining the source of units to close out a covered short sale, the underwriters will consider, among other things, the open market price of units compared to the price available under the over-allotment option. The underwriters may also sell units in excess of the over-allotment option, creating a naked short position. The underwriters must close out any naked short position by purchasing units in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common units in the open market after pricing that could adversely affect investors who purchase in this offering. As an additional means of facilitating this offering, the underwriters may bid for, and purchase, common units in the open market to stabilize the price of the common units. These activities may raise or maintain the market price of the common units above independent market levels or prevent or retard a decline in the market price of the common units. The underwriters are not required to engage in these activities and may end any of these activities at any time.

We and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

Because the Financial Industry Regulatory Authority, or FINRA, views the common units offered under this prospectus as interests in a direct participation program, the offering is being made in compliance with Rule 2310 of the FINRA rules administered by FINRA. Investor suitability with respect to the common units should be judged similarly to the suitability with respect to other securities that are listed for quotation on a national securities exchange.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory, investment banking, commercial banking and other services for us, our general partner and CVR Energy, for which they received or will receive customary fees and expenses. In addition, affiliates of certain of the underwriters may be agents and lenders under our new credit facility. Furthermore, certain of the underwriters and their respective affiliates may, from time to time, enter into arms-length transactions with us in the ordinary course of their business. In the ordinary course of their various business activities, the underwriters and

their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities or instruments of CVR Partners or CVR Energy. The underwriters and their respective affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

A prospectus in electronic format may be made available on websites maintained by one or more underwriters, or selling group members, if any, participating in this offering. The representatives may agree to allocate a number of common units to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to the underwriters that may make Internet distributions on the same basis as other allocations.

Pricing of the Offering

Prior to this offering, there has been no public market for our common units. The initial public offering price was determined by negotiations between us and the representative. Among the factors considered in determining the initial public offering price were our future prospects and those of our industry in general, our sales, earnings and certain other financial and operating information in recent periods, and the market prices of securities, and certain financial and operating information, of companies engaged in activities similar to ours.

The estimated initial public offering price range set forth on the cover page of this prospectus is subject to change as a result of market conditions and other factors. We cannot assure you that the prices at which the common units will sell in the public market after this offering will not be lower than the initial public offering price or that an active trading market in our common units will develop and continue after this offering.

Directed Unit Program

At our request, the underwriters have reserved for sale, at the initial public offering price, up to 5% of the common units offered hereby for the directors, officers and employees of CVR Partners and our general partner, and other persons who have relationships with us. If purchased by these persons, these common units will be subject to a 90-day lock-up restriction. The number of common units available for sale to the general public will be reduced to the extent such persons purchase such reserved common units. Any reserved common units which are not so purchased will be offered by the underwriters to the general public on the same terms as the other common units offered hereby.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive, each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Member State it has not made and will not make an offer of common units which are the subject of the offering contemplated by this prospectus to the public in that Member State other than:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 100 or, if such Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of notes shall require CVR Partners to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of the above, the expression an “offer of common units to the public” in relation to any common units in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the common units to be offered so as to enable an investor to decide to

purchase or subscribe the common units, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in that Member State) and includes any relevant implementing measure in that Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

United Kingdom

This prospectus and any other material in relation to the common units described herein is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospective Directive ("qualified investors") that also (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, or the Order, (ii) who fall within Article 49(2)(a) to (d) of the Order or (iii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). The common units are only available to, and any invitation, offer or agreement to purchase or otherwise acquire such common units will be engaged in only with, relevant persons. This prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this prospectus or any of its contents.

LEGAL MATTERS

The validity of the common units and certain other legal matters will be passed upon for us by Fried, Frank, Harris, Shriver & Jacobson LLP, New York, New York. Certain tax and other legal matters will be passed upon for us by Vinson & Elkins L.L.P., New York, New York. Debevoise & Plimpton LLP, New York, New York is acting as counsel to the underwriters. Andrews Kurth LLP, Houston, Texas is acting as counsel to the underwriters with respect to certain tax and other legal matters. Fried, Frank, Harris, Shriver & Jacobson LLP provides legal services to CVR Energy, Inc. from time to time. Vinson & Elkins L.L.P. provided legal services to Coffeyville Acquisition LLC in connection with our formation. Debevoise & Plimpton LLP has in the past provided, and continues to provide, legal services to Kelso & Company, L.P., including relating to Coffeyville Acquisition LLC.

EXPERTS

The consolidated financial statements of CVR Partners, LP and subsidiary as of December 31, 2009 and 2008, and for each of the years in the three-year period ended December 31, 2009 have been included herein (and in the registration statement) in reliance upon the report of KPMG LLP, independent registered public accounting firm, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the common units being offered hereunder. This prospectus does not contain all of the information set forth in the registration statement and the exhibits and schedules to the registration statement. For further information with respect to us and our common units, we refer you to the registration statement and the exhibits filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, we refer you to the copy of the contract or document that has been filed as an exhibit and reference thereto is qualified in all respects by the terms of the filed exhibit. The registration statement, including exhibits, may be inspected without charge at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549, and copies of all or any part of it may be obtained from that office after payment of fees prescribed by the SEC. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. The SEC maintains a web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC at http://www.sec.gov.

CVR Partners, LP

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

CVR PARTNERS, LP

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Introduction

The unaudited pro forma condensed consolidated financial statements of CVR Partners, LP have been derived from the audited historical and unaudited historical financial statements of CVR Partners, LP included elsewhere in this prospectus.

The pro forma condensed consolidated balance sheet as of September 30, 2010 and the pro forma condensed consolidated statements of operations for December 31, 2009, September 30, 2009 and September 30, 2010 have been adjusted to give effect to the transactions described in note 1 to the unaudited pro forma condensed consolidated financial statements.

The unaudited pro forma condensed consolidated financial statements are not necessarily indicative of the results that we would have achieved had the transactions described herein actually taken place at the dates indicated, and do not purport to be indicative of future financial position or operating results. The unaudited pro forma consolidated financial statements should be read in conjunction with the audited and unaudited financial statements of CVR Partners, LP, the related notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included elsewhere in this prospectus.

The pro forma adjustments are based on available information and certain assumptions that we believe are reasonable. The pro forma adjustments and certain assumptions are described in the accompanying notes.

CVR PARTNERS, LP

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

AS OF SEPTEMBER 30, 2010

	Actual As of September 30, 2010	Pro Forma Adjustments	Pro Forma As of September 30, 2010
		(in thousands)	
ASSETS			
Current assets:			
Cash and cash equivalents	$ 28,775	$ (20,912)(a)	$ 132,863
		200,000(b)	
		(17,500)(c)	
		(18,400)(d)	
		125,000(e)	
		(3,000)(f)	
		(100,000)(g)	
		(35,100)(h)	
		(26,000)(i)	
Accounts receivable, net of allowance for doubtful accounts of $77	4,042	—	4,042
Inventories	23,494	—	23,494
Due from affiliate	160,476	(160,476)(j)	—
Prepaid expenses and other current assets	1,521	(527)(j)	994
Total current assets	218,308	(56,915)	161,393
Property, plant, and equipment, net of accumulated depreciation	336,292	—	336,292
Intangible assets, net	49	—	49
Goodwill	40,969	—	40,969
Deferred financing costs	—	3,000(f)	3,000
Other long-term assets	56	—	56
Total assets	$ 595,674	$ (53,915)	$ 541,759
LIABILITIES AND PARTNERS' CAPITAL			
Current liabilities:			
Accounts payable	$ 9,625	$ —	$ 9,625
Personnel accruals	1,841	—	1,841
Deferred revenue	7,863	—	7,863
Accrued expenses and other current liabilities	11,796	—	11,796
Total current liabilities	31,125	—	31,125
Long-term liabilities:			
Long-term debt	—	125,000(e)	125,000
Other long-term liabilities	3,892	—	3,892
Total long-term liabilities	3,892	125,000	128,892
Commitments and contingencies			
Partners' capital:			
Special general partner's interest, 30,303,000 units issued and outstanding	556,244	(20,891)(a)	—
		(160,316)(j)	
		(526)(j)	
		(374,511)(k)	
Limited partner's interest, 30,333 units issued and outstanding	559	(21)(a)	—
		(160)(j)	
		(1)(j)	
		(377)(k)	
Managing general partner's interest	3,854	(3,854)(i)	—
Total partners' capital	560,657	(560,657)	—
PRO FORMA PARTNERS' CAPITAL			
Unitholders' equity:			
Equity held by public:			
Common units: common units issued and outstanding	—	200,000(b)	182,500
		(17,500)(c)	
Equity held by parent:			
Common units: common units issued and outstanding	—	374,888(k)	199,242
		(18,400)(d)	
		(100,000)(g)	
		)(h)	
		(35,100(22,146)(i)	
General partner interest	—	— (l)	—
Total pro forma partners' capital	—	381,742	381,742
Total liabilities and partners' capital	$ 595,674	$ (53,915)	$ 541,759

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

CVR PARTNERS, LP

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2009

	Actual Year Ended December 31, 2009	Pro Forma Adjustments	Pro Forma Year Ended December 31, 2009
		(in thousands)	
Net sales	$ 208,371	$ —	$ 208,371
Operating costs and expenses:			
Cost of product sold	42,158	—	42,158
Direct operating expenses (exclusive of depreciation and amortization)	84,453	—	84,453
Selling, general and administrative expenses			
(exclusive of depreciation and amortization)	14,212		14,212
Depreciation and amortization	18,685		18,685
Total operating costs and expenses	159,508		159,508
Operating income	48,863		48,863
Other income (expense):			
Interest expense and other financing costs	—	(6,250)(a)	(7,060)
		(622)(b)	
		(188)(c)	
Interest income	8,999	(8,974)(d)	25
Other income (expense)	31	—	31
Total other income (expense)	9,030	(16,034)	(7,004)
Income before income taxes	57,893	(16,034)	41,859
Income tax expense	15	—	15
Net income	$ 57,878	$ (16,034)	$ 41,844
Common unitholders' interest in net income			
Income per common unit (basic and diluted)			
Weighted average number of common units outstanding			

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

CVR PARTNERS, LP

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009

	Actual Nine Months Ended September 30, 2009	Pro Forma Adjustments	Pro Forma Nine Months Ended September 30, 2009
		(in thousands)	
Net sales	$ 169,034	$ —	$ 169,034
Operating costs and expenses:			
Cost of product sold (exclusive of depreciation and amortization)	34,635	—	34,635
Direct operating expenses (exclusive of depreciation and amortization)	64,400	—	64,400
Selling, general and administrative expenses (exclusive of depreciation and amortization)	14,113	—	14,113
Depreciation and amortization	14,024	—	14,024
Total operating costs and expenses	127,172	—	127,172
Operating income	41,862	—	41,862
Other income (expense):			
Interest expense and other financing costs	—	(4,675)(a)	(5,282)
		(466)(b)	
		(141)(c)	
Interest income	6,185	(6,184)(d)	1
Other income (expense)	42	—	42
Total other income (expense)	6,227	(11,466)	(5,239)
Income before income taxes	48,089	(11,466)	36,623
Income tax expense	15	—	15
Net income	$ 48,074	$ (11,466)	$ 36,608
Common unitholders' interest in net income			
Income per common unit (basic and diluted)			
Weighted average number of common units outstanding			

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

CVR PARTNERS, LP

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2010

	Actual Nine Months Ended September 30, 2010	Pro Forma Adjustments	Pro Forma Nine Months Ended September 30, 2010
		(in thousands)	
Net sales	$ 141,057	$ —	$ 141,057
Operating costs and expenses:			
Cost of product sold (exclusive of depreciation and amortization)	27,651	—	27,651
Direct operating expenses (exclusive of depreciation and amortization)	60,732	—	60,732
Selling, general and administrative expenses (exclusive of depreciation and amortization)	8,782	—	8,782
Depreciation and amortization	13,862	—	13,862
Total operating costs and expenses	111,027	—	111,027
Operating income	30,030	—	30,030
Other income (expense):			
Interest expense and other financing costs	—	(4,675)(a)	(5,277)
		(461)(b)	
		(141)(c)	
Interest income	9,619	(9,616)(d)	3
Other income (expense)	(120)	—	(120)
Total other income (expense)	9,499	(14,893)	(5,394)
Income before income taxes	39,529	(14,893)	24,636
Income tax expense	35	—	35
Net income	$ 39,494	$ (14,893)	$ 24,601
Common unitholders' interest in net income			
Income per common unit (basic and diluted)			
Weighted average number of common units outstanding			

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

CVR PARTNERS, LP
NOTES TO THE UNAUDITED PRO FORMA CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

(1) Organization and Basis of Presentation

The unaudited pro forma condensed consolidated financial statements have been prepared based upon the audited and unaudited historical consolidated financial statements of CVR Partners, LP (the "Partnership").

The unaudited pro forma condensed consolidated financial statements are not necessarily indicative of the results that the Partnership would have achieved had the transactions described herein actually taken place at the dates indicated, and do not purport to be indicative of future financial position or operating results. The unaudited pro forma condensed consolidated financial statements should be read in conjunction with the historical consolidated financial statements of the Partnership, the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus.

The pro forma adjustments have been prepared as if the transactions described below had taken place on September 30, 2010, in the case of the pro forma balance sheet, or as of January 1, 2009, in the case of the pro forma statement of operations.

The unaudited pro forma condensed consolidated financial statements reflect the following transactions:

- The Partnership will distribute the due from affiliate balance of $160.5 million (as of September 30, 2010) owed to the Partnership by Coffeyville Resources;
- The general partner of the Partnership and Coffeyville Resources, LLC ("CRLLC"), a wholly owned subsidiary of CVR Energy, Inc. ("CVR Energy"), will enter into a second amended and restated agreement of limited partnership;
- The Partnership will distribute to CRLLC all cash on its balance sheet before the closing date of the offering of common units described in the sixth bullet below (other than cash in respect of prepaid sales);
- CVR Special GP, LLC ("Special GP"), a wholly-owned subsidiary of CRLLC, will be merged with and into CRLLC, with CRLLC continuing as the surviving entity;
- CRLLC's interests in the Partnership will be converted into common units;
- The Partnership will offer and sell common units to the public in this offering and pay related commissions and expenses;
- The Partnership will distribute $18.4 million of the offering proceeds to CRLLC in satisfaction of the Partnership's obligation to reimburse it for certain capital expenditures it made with respect to the nitrogen fertilizer business prior to October 24, 2007;
- The Partnership will make a special distribution of $ million of the proceeds of this offering to CRLLC in order to, among other things, fund the offer to purchase Coffeyville Resources' senior secured notes required upon consummation of this offering;
- The Partnership will be released from its obligations as a guarantor under CRLLC's existing revolving credit facility, its 9.0% First Lien Senior Secured Notes due 2015 and its 10.875% Second Lien Senior Secured Notes due 2017;
- The Partnership will enter into a new credit facility, which will include a $125.0 million term loan and a $25.0 million revolving credit facility, will draw the $125.0 million term loan in full, pay associated financing costs, and use $100.0 million of the proceeds therefrom to fund a special distribution to Coffeyville Resources in order to, among other things, fund the offer to purchase CRLLC's senior secured notes required upon consummation of this offering;
- The Partnership's general partner will sell to the Partnership its incentive distribution rights, or IDRs, for $26.0 million in cash (representing fair market value), which will be paid as a distribution to its current

CVR PARTNERS, LP
NOTES TO THE UNAUDITED PRO FORMA CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

owners, which include affiliates of funds associated with Goldman, Sachs & Co. and Kelso & Company, L.P., and the Partnership will extinguish such IDRs; and

- Coffeyville Acquisition III LLC ("CALLC III"), the current owner of CVR GP, LLC, the Partnership's general partner, will sell the Partnership's general partner which holds a non-economic general partner interest to CRLLC for nominal consideration.

Upon completion of the Partnership's initial public offering, the Partnership anticipates incurring incremental general and administrative expenses as a result of being a publicly traded limited partnership, such as costs associated with SEC reporting requirements, including annual and quarterly reports to unitholders, tax return and Schedule K-1 preparation and distribution, independent auditor fees, investor relations activities and registrar and transfer agent fees. We estimate that these incremental general and administrative expenses will approximate $3.5 million per year. The Partnership's unaudited pro forma condensed consolidated financial statements do not reflect this $3.5 million in incremental expenses.

(2) Partnership Interest

In connection with the Partnership's initial public offering, CRLLC's existing limited partner interests will be converted into common units, the Partnership's special general partner interests will be converted into common units, and the Partnership's special general partner will be merged with and into CRLLC, with CRLLC continuing as the surviving entity. In addition, CVR GP, LLC will sell its incentive distribution rights in the Partnership to the Partnership, and these interests will be extinguished. Additionally, CALLC III will sell CVR GP, LLC to CRLLC for a nominal amount. Following the initial public offering, the Partnership will have two types of partnership interest outstanding:

- common units representing limited partner interests, a portion of which the Partnership will sell in the initial public offering (approximately % of all of the Partnership's outstanding units); and
- a general partner interest, which is not entitled to any distributions, will be held by the Partnership's general partner.

(3) Pro Forma Balance Sheet Adjustments and Assumptions

(a) Reflects the distribution by the Partnership of all cash on hand immediately prior to the completion of the initial public offering to the Partnership's Special GP and Special LP unit holders (other than cash in respect of prepaid sales). For purposes of the pro forma balance sheet at September 30, 2010, this amount is limited to the cash on hand excluding prepaid sales at September 30, 2010 of $20.9 million. The Partnership estimates that the actual amount to be distributed upon the closing of the initial public offering will be approximately $30.0 million.

(b) Reflects the issuance by CVR Partners of common units to the public at an initial offering price of $ per common unit resulting in aggregate gross proceeds of $200.0 million.

(c) Reflects the payment of underwriting commissions of $14.0 million and other estimated offering expenses of $3.5 million for a total of $17.5 million which will be allocated to the newly issued public common units.

(d) Reflects the distribution of approximately $18.4 million to reimburse CRLLC for certain capital expenditures it made with respect to the nitrogen fertilizer business prior to October 24, 2007.

(e) Reflects the term debt incurred of $125.0 million.

(f) Reflects the estimated deferred financing costs of $3.0 million associated with the new credit facility.

(g) Reflects the distribution of term debt proceeds of $100.0 million.

(h) Reflects the distribution to CRLLC of $ million of cash resulting from the initial public offering.

CVR PARTNERS, LP
NOTES TO THE UNAUDITED PRO FORMA CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

(i) Reflects the purchase of the IDRs of the managing general partner interest for $26.0 million, which represents the fair market value.

(j) Reflects the distribution of the "Due from Affiliate" balance and elimination of the associated interest receivable prior to the completion of the initial public offering.

(k) Reflects the conversion of the Special GP and Special LP interest holders' units to common units.

(l) Reflects the non-economic general partner interest with nominal value.

(4) Pro Forma Statement of Operations Adjustments and Assumptions

(a) Reflects the inclusion of interest expense relating to the new credit facility at an assumed rate of 5.0% with no balance outstanding under the revolver.

(b) Reflects the amortization of related debt issuance costs of the new credit facility over a five year term.

(c) Reflects the commitment fee of 0.75% on the estimated unused portion of the $25.0 million revolving credit facility.

(d) Prior to the closing of the Partnership's initial public offering, the due from affiliate balance will be distributed to CRLLC. Accordingly, such amounts will no longer be owed to the Partnership. Reflects the elimination of historical interest income generated from the outstanding due from affiliate balance.

(5) Pro Forma Net Income Per Unit

Pro forma net income per unit is determined by dividing the pro forma net income that would have been allocated, in accordance with the provisions of the Partnership's partnership agreement, to the common unitholders, by the number of common units expected to be outstanding at the closing of this offering. For purposes of this calculation, the Partnership assumed that pro forma distributions were equal to pro forma net income and that the number of units outstanding was common units. All units were assumed to have been outstanding since January 1, 2009. No effect has been given to common units that might be issued in this offering by the Partnership pursuant to the exercise by the underwriters of their option.

Basic and diluted pro forma net income per unit are equivalent as there are no dilutive units at the date of closing of this offering.

CVR PARTNERS, LP
NOTES TO THE UNAUDITED PRO FORMA CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors of CVR GP, LLC
and
The Managing General Partner of CVR Partners, LP:

We have audited the accompanying consolidated balance sheets of CVR Partners, LP and subsidiary (the Company) as of December 31, 2009 and 2008, and the related consolidated statements of operations, partners' capital/divisional equity, and cash flows for each of the years in the three-year period ended December 31, 2009. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of CVR Partners, LP and subsidiary as of December 31, 2009 and 2008, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2009, in conformity with U.S. generally accepted accounting principles.

/s/ KPMG LLP

Houston, Texas
December 20, 2010

CVR PARTNERS, LP
CONSOLIDATED BALANCE SHEETS

	December 31, 2009	December 31, 2008
	(in thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 5,440	$ 9,075
Accounts receivable, net of allowance for doubtful accounts of $83 and $62, respectively	2,779	5,990
Inventories	21,936	27,631
Due from affiliate	131,002	55,203
Prepaid expenses and other current assets	1,969	3,518
Total current assets	163,126	101,417
Property, plant, and equipment, net of accumulated depreciation	347,258	357,405
Intangible assets, net	56	66
Goodwill	40,969	40,969
Other long-term assets	90	8
Total assets	$ 551,499	$ 499,865
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities:		
Accounts payable	$ 7,476	$ 21,572
Personnel accruals	1,614	1,329
Deferred revenue	10,265	5,748
Accrued expenses and other current liabilities	8,279	12,328
Total current liabilities	27,634	40,977
Long-term liabilities:		
Other long-term liabilities	3,981	80
Total long-term liabilities	3,981	80
Commitments and contingencies		
Partners' capital:		
Special general partner's interest, 30,303,000 units issued and outstanding	515,514	454,499
Limited partner's interest, 30,333 units issued and outstanding	516	455
Managing general partner's interest	3,854	3,854
Total partners' capital	519,884	458,808
Total liabilities and partners' capital	$ 551,499	$ 499,865

See accompanying notes to consolidated financial statements.

CVR PARTNERS, LP
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2009	2008	2007
		(in thousands)	
Net sales	$ 208,371	$ 262,950	$ 187,449
Operating costs and expenses:			
Cost of product sold (exclusive of depreciation and amortization)	42,158	32,574	33,095
Direct operating expenses (exclusive of depreciation and amortization)	84,453	86,092	66,663
Selling, general and administrative expenses (exclusive of depreciation and amortization)	14,212	9,463	20,383
Net costs associated with flood	—	27	2,432
Depreciation and amortization	18,685	17,987	16,819
Total operating costs and expenses	159,508	146,143	139,392
Operating income	48,863	116,807	48,057
Other income (expense):			
Interest expense and other financing costs	—	—	(23,598)
Interest income	8,999	2,045	270
Loss on derivatives	—	—	(457)
Loss on extinguishment of debt	—	—	(178)
Other income (expense)	31	107	62
Total other income (expense)	9,030	2,152	(23,901)
Income before income taxes	57,893	118,959	24,156
Income tax expense	15	25	29
Net income	$ 57,878	$ 118,934	$ 24,127

See accompanying notes to consolidated financial statements.

CVR PARTNERS, LP
CONSOLIDATED STATEMENTS OF PARTNERS' CAPITAL/DIVISIONAL EQUITY

	Divisional Equity	Special General Partner's Interest	Limited Partner's Interest	Managing General Partner's Interest	Total Partners' Capital	Total Partners' Capital/Divisional Equity
				(in thousands)		
Balance at December 31, 2006	$ 397,634	$ —	$ —	$ —	$ —	$ 397,634
Net income	17,034	7,086	7	—	7,093	24,127
Share-based compensation expense	2,154	8,053	8	—	8,061	10,215
Net distributions to parent, including distributions of certain working capital	(31,484)	—	—	—	—	(31,484)
CRLLC to CVR Partners, LP for partner interest	(385,338)	381,103	382	3,853	385,338	—
Cash contributions for partners' interest	—	—	—	1	1	1
Balance at December 31, 2007	—	396,242	397	3,854	400,493	400,493
Net income	—	118,815	119	—	118,934	118,934
Share-based compensation expense	—	(10,608)	(11)	—	(10,619)	(10,619)
Cash distribution	—	(49,950)	(50)	—	(50,000)	(50,000)
Balance at December 31, 2008	—	454,499	455	3,854	458,808	458,808
Net income	—	57,820	58	—	57,878	57,878
Share-based compensation expense	—	3,195	3	—	3,198	3,198
Balance at December 31, 2009	$ —	$ 515,514	$ 516	$ 3,854	$ 519,884	$ 519,884

See accompanying notes to consolidated financial statements.

CVR PARTNERS, LP
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2009	2008	2007
		(in thousands)	
Cash flows from operating activities:			
Net income	$ 57,878	$ 118,934	$ 24,127
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	18,685	17,987	17,645
Allowance for doubtful accounts	20	47	15
Deferred income taxes	—	—	5
Loss on disposition of fixed assets	16	3,815	47
Share-based compensation	3,198	(10,619)	10,926
Write-off of CVR Partners, LP initial public offering costs	—	2,539	—
Accounts receivable	3,191	(3,220)	(3,982)
Inventories	5,695	(11,477)	(2,050)
Net trade receivable with affiliate	—	—	(2,142)
Prepaid expenses and other current assets	1,549	(2,566)	(3,569)
Other long-term assets	(128)	(8)	—
Accounts payable	(9,224)	10,131	1,309
Deferred revenue	4,517	(7,413)	4,349
Accrued expenses and other current liabilities	110	5,315	(226)
Other accrued long-term liabilities	27	—	47
Net cash provided by operating activities	85,534	123,465	46,501
Cash flows from investing activities:			
Capital expenditures	(13,388)	(23,518)	(6,487)
Proceeds from sale of assets	18	—	—
Net cash used in investing activities	(13,370)	(23,518)	(6,487)
Cash flows from financing activities:			
Deferred costs of initial public offering	—	(2,283)	(257)
Due from affiliate	(75,799)	(53,061)	—
Partners' cash distribution	—	(50,000)	(25,287)
Partners' cash contribution	—	—	1
Net cash used in financing activities	(75,799)	(105,344)	(25,543)
Net increase (decrease) in cash and cash equivalents	(3,635)	(5,397)	14,471
Cash and cash equivalents, beginning of period	9,075	14,472	1
Cash and cash equivalents, end of period	$ 5,440	$ 9,075	$ 14,472
Supplemental disclosures			
Non-cash investing and financing activities:			
Accrual of construction in progress additions	$ (4,872)	$ 3,661	$ 6,155
Distribution of working capital to parent	$ —	$ —	$ 6,196

See accompanying notes to consolidated financial statements.

CVR PARTNERS, LP

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2009, 2008 AND 2007

(1) Formation of the Partnership, Organization and Nature of Business

CVR Partners, LP (referred to as "CVR Partners", the "Partnership" or the "Company") is a Delaware limited partnership, formed in June 2007 by CVR Energy, Inc. (together with its subsidiaries, but excluding the Partnership and its subsidiary, "CVR Energy") to own Coffeyville Resources Nitrogen Fertilizers, LLC ("CRNF"), previously a wholly-owned subsidiary of CVR Energy. CRNF is an independent producer and marketer of upgraded nitrogen fertilizer products sold in North America. CRNF operates a dual-train coke gasifier plant that produces high-purity hydrogen, most of which is subsequently converted to ammonia and upgraded to urea ammonium nitrate ("UAN").

CRNF produces and distributes nitrogen fertilizer products, which are used primarily by farmers to improve the yield and quality of their crops. CRNF's principal products are ammonia and UAN. These products are manufactured at CRNF's facility in Coffeyville, Kansas. CRNF's product sales are heavily weighted toward UAN, and all of its products are sold on a wholesale basis.

The Partnership plans to pursue an initial public offering of its common units representing limited partner interests (the "Offering"). In October 2007, CVR Energy, Inc., through its wholly-owned subsidiary, Coffeyville Resources, LLC ("CRLLC"), transferred CRNF, CRLLC's nitrogen fertilizer business, to the Partnership. 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. The Partnership became the sole member of CRNF. In consideration for CRLLC transferring its nitrogen fertilizer business to the Partnership, (1) CRLLC directly acquired 30,333 special LP units, representing a 0.1% limited partner interest in the Partnership, (2) the Partnership's special general partner, a wholly-owned subsidiary of CRLLC, acquired 30,303,000 special GP units, representing a 99.9% general partner interest in the Partnership, and (3) the managing general partner, then owned by CRLLC, acquired a managing general partner interest and incentive distribution rights ("IDRs") of the Partnership. Immediately prior to CVR Energy's initial public offering, CVR Energy sold the managing general partner interest (together with the IDRs) to Coffeyville Acquisition III LLC ("CALLC III"), an entity owned by funds affiliated with Goldman, Sachs & Co. (the "Goldman Sachs Funds") and Kelso & Company, L.P. (the "Kelso Funds") and members of CVR Energy's management team, for its fair market value on the date of sale. As a result of CVR Energy's indirect ownership of the Partnership's special general partner, it initially owned all of the interests in the Partnership (other than the managing general partner interest and the IDRs) and initially was entitled to all cash distributed by the Partnership.

On February 28, 2008, the Partnership filed a registration statement with the Securities and Exchange Commission ("SEC") to effect an initial public offering of its common units. On June 13, 2008, the managing general partner of the Partnership decided to postpone, indefinitely, the Partnership's initial public offering due to then-existing market conditions for master limited partnerships. The Partnership subsequently withdrew the registration statement, at which time costs previously incurred and deferred in connection with the offering were written off.

In connection with the Offering, CRLLC's limited partner interests will be converted into common units, the Partnership's special general partner interests will be converted into common units, and the Partnership's special general partner will be merged with and into CRLLC, with CRLLC continuing as the surviving entity. In addition, the managing general partner will sell its IDRs in the Partnership to the Company and these interests will be extinguished. Additionally, CALLC III will sell the managing general partner to CRLLC for a nominal amount.

In October 2007, the managing general partner, the special general partner, and CRLLC, as the limited partner, entered into an amended and restated limited partnership agreement setting forth the various rights and responsibilities of the partners of CVR Partners. The Partnership also entered into a number of agreements with CVR Energy and the managing general partner to regulate certain business relations between the Partnership and the other parties thereto. See Note 14 ("Related Party Transactions") for further discussion. Additionally, in connection with the Offering, the Company is expected to be released from its obligation as a guarantor under the CRLLC first

priority credit facility and its senior secured notes, as described further in Note 13 (“Commitments and Contingent Liabilities”).

The Partnership is operated by CVR Energy’s senior management team pursuant to a services agreement among CVR Energy, the managing general partner, and the Partnership. The Partnership is managed by the managing general partner and to the extent described below, CVR Energy, through its 100% ownership of the Partnership’s special general partner. As the owner of the special general partner of the Partnership, CVR Energy 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.

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 CRLLC 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, CRLLC has the right to require the managing general partner to sell the managing GP interest to CRLLC. 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 CRLLC and the managing general partner. On December 17, 2010, the board of directors of the managing general partner of the Partnership and the manager of CRLLC approved the sale of the managing GP interest (including the incentive distribution rights) to the Partnership. See Note 16 (“Subsequent Event”) for further discussion.

As of December 31, 2009, the Partnership had distributed out of the Partners’ capital account $50,000,000 to CVR Energy. This distribution occurred in 2008.

Historical Organization of CRNF

On June 24, 2005, pursuant to a stock purchase agreement dated May 15, 2005, all of the subsidiaries of Coffeyville Group Holdings, LLC, including the nitrogen fertilizer plant (and the petroleum business now operated by CVR Energy), were acquired by Coffeyville Acquisition LLC (“CALLC”), a then newly formed entity principally owned by the Goldman Sachs Funds and the Kelso Funds.

(2) Basis of Presentation

CVR Partners is comprised of operations of the CRNF fertilizer business. The accompanying consolidated financial statements of CVR Partners, LP include the operations of CRNF. The accompanying consolidated financial statements also include the operations of CRNF from January 1, 2007 through October 24, 2007 when it was directly held by CRLLC. CVR Partners has been the sole member of CRNF since October 24, 2007. The accompanying 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 SEC as described in further detail below.

The accompanying consolidated financial statements have been prepared in accordance with Regulation S-X, Article 3 “General instructions as to consolidated financial statements”. The consolidated financial statements include certain costs of CVR Energy that were incurred on behalf of the Partnership. These amounts represent certain selling, general and administrative expenses (exclusive of depreciation and amortization) and direct operating expenses (exclusive of depreciation and amortization). These transactions represent related party transactions and are governed by a services agreement entered into in October 2007. See below and Note 14 (“Related Party Transactions”) for additional discussion of the services agreement and billing and allocation of

certain costs. For the period of time prior to October 24, 2007, the consolidated financial statements include an allocation of certain costs and amounts in order to account for a reasonable share of expenses, so that the accompanying consolidated financial statements reflect substantially all costs of doing business. The method of allocation of certain costs and other amounts was consistent with the guidance in Staff Accounting Bulleting, or SAB Topic 1-B "Allocations of Expenses and Related disclosures in Financial Statements of Subsidiaries, Divisions or Lesser Business Components of Another Entity." The allocations and related estimates and assumptions are described more fully in Note 3 ("Summary of Significant Accounting Policies"). The amounts charged or allocated to the Partnership are not necessarily indicative of the cost that the Partnership would have incurred had it operated as a stand-alone entity for all years presented.

CVR Energy used a centralized approach to cash management and the financing of its operations. As a result, amounts owed to or from CVR Energy are reflected as a component of divisional equity on the accompanying Statements of Partners' Capital/Divisional Equity through the contribution date of October 24, 2007.

In the opinion of the Company's management, the accompanying audited 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 December 31, 2009 and 2008, and the results of operations and cash flows for the years ended December 31, 2009, 2008 and 2007.

The Company evaluated subsequent events that would require an adjustment to the Company's consolidated financial statements or disclosure in the notes to the consolidated financial statements through December 20, 2010, the date of issuance of the consolidated financial statements. Discussions of subsequent events have been included, where applicable, within the respective footnote to which the event relates to.

(3) Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying Partnership consolidated financial statements include the accounts of CVR Partners and CRNF, its wholly-owned subsidiary. All intercompany accounts and transactions have been eliminated in consolidation.

Cash and Cash Equivalents

The Partnership considers all highly liquid money market account and debt instruments with original maturities of three months or less to be cash equivalents.

Prior to October 2007, CRLLC historically provided cash as needed to support the operation of the fertilizer assets and has collected the cash from the sales of products by the fertilizer business. For 2007, cash received or paid by CRLLC on behalf of CVR Partners is reflected as net distributions to parent on the accompanying Consolidated Statements of Partners' Capital/Divisional Equity.

Accounts Receivable, net

CVR Partners grants credit to its customers. Credit is extended based on an evaluation of a customer's financial condition; generally, collateral is not required. Accounts receivable are due on negotiated terms and are stated at amounts due from customers, net of an allowance for doubtful accounts. Accounts outstanding longer than their contractual payment terms are considered past due. CVR Partners determines its allowance for doubtful accounts by considering a number of factors, including the length of time trade accounts are past due, the customer's ability to pay its obligations to CVR Partners, and the condition of the general economy and the industry as a whole. CVR Partners writes off accounts receivable when they become uncollectible, and payments subsequently received on such receivables are credited to the allowance for doubtful accounts. Amounts collected on accounts receivable are included in net cash provided by operating activities in the Consolidated Statements of Cash Flows. At

December 31, 2009, two customers individually represented greater than 10% and collectively represented approximately 31% of the total accounts receivable balance (excluding accounts receivable with affiliate). At December 31, 2008, two customers individually represented greater than 10% and collectively represented approximately 31% of the total accounts receivable balance (excluding accounts receivable with affiliate). The largest concentration of credit for any one customer at December 31, 2009 and 2008, was approximately 18% and 16%, respectively, of the accounts receivable balance (excluding accounts receivable with affiliate).

Inventories

Inventories consist of fertilizer products which are valued at the lower of first-in, first-out ("FIFO") cost, or market. Inventories also include raw materials, catalysts, parts and supplies, which are valued at the lower of moving-average cost, which approximates FIFO, or market. The cost of inventories includes inbound freight costs.

Due From Affiliate

CVR Partners maintains a lending relationship with its affiliate CRLLC in order to supplement CRLLC's working capital needs. Amounts loaned to CRLLC are included on the Consolidated Balance Sheets as a due from affiliate. CVR Partners has the right to receive amounts owed from CRLLC upon request. CVR Partners charges interest on these borrowings at the applicable rate of CRLLC's first priority revolving credit facility borrowing rate. See Note 14 ("Related Party Transactions") for further discussion of the due from affiliate.

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of prepayments, non-trade accounts receivables, affiliate receivables and other general current assets.

Property, Plant, and Equipment

Additions to property, plant and equipment, including certain costs allocable to construction and property purchases, are recorded at cost. Depreciation is computed using principally the straight-line method over the estimated useful lives of the various classes of depreciable assets. The lives used in computing depreciation for such assets are as follows:

Asset	Range of Useful Lives, in Years
Improvements to land	15 to 20
Buildings	20 to 30
Machinery and equipment	5 to 30
Automotive equipment	5
Furniture and fixtures	3 to 7

The Company's leasehold improvements are depreciated on the straight-line method over the shorter of the contractual lease term or the estimated useful life. Expenditures for routine maintenance and repair costs are expensed when incurred. Such expenses are reported in direct operating expenses (exclusive of depreciation and amortization) in the Company's Consolidated Statements of Operations.

Goodwill and Intangible Assets

Goodwill represents the excess of the cost of an acquired entity over the fair value of the assets acquired less liabilities assumed. Intangible assets are assets that lack physical substance (excluding financial assets). Goodwill

acquired in a business combination and intangible assets with indefinite useful lives are not amortized, and intangible assets with finite useful lives are amortized. Goodwill and intangible assets not subject to amortization are tested for impairment annually or more frequently if events or changes in circumstances indicate the asset might be impaired. CVR Partners uses November 1 of each year as its annual valuation date for the impairment test. The annual review of impairment is performed by comparing the carrying value of its assets to its estimated fair value, using a combination of the discounted cash flow analysis and market approach. The Company performed its annual impairment review of goodwill and concluded there was no impairment in 2009 and 2008. See Note 7 (“Goodwill and Intangible Assets”) for further information.

Planned Major Maintenance Costs

The direct-expense method of accounting is used for planned major maintenance activities. Maintenance costs are recognized as expense when maintenance services are performed. During 2009 there were no planned major maintenance activities. During the year ended December 31, 2008, the nitrogen fertilizer facility completed a major scheduled turnaround. Costs of approximately $3,343,000 associated with the 2008 turnaround are included in direct operating expenses (exclusive of depreciation and amortization) for the year ended December 31, 2008.

Planned major maintenance activities generally occur every two years.

Cost Classifications

Cost of product sold (exclusive of depreciation and amortization) includes cost of pet coke expense and freight and distribution expenses.

Direct operating expenses (exclusive of depreciation and amortization) includes direct costs of labor, maintenance and services, energy and utility costs, environmental compliance costs as well as chemical and catalyst and other direct operating expenses. Direct operating expenses exclude depreciation and amortization of approximately $18,674,000, $17,973,000 and $16,799,000, for the years ended December 31, 2009, 2008 and 2007, respectively. Direct operating expenses also exclude depreciation of $826,000 for the year ended December 31, 2007 that is included in “Net Costs Associated with Flood” on the Consolidated Statements of Operations as a result of the assets being idled due to the flood. See Note 9 (“Flood”) for further information.

Selling, general and administrative expenses (exclusive of depreciation and amortization) consist primarily of direct and allocated legal expenses, treasury, accounting, marketing, human resources and maintaining the corporate offices in Texas and Kansas. Selling, general and administrative expenses exclude depreciation and amortization of approximately $11,000, $14,000 and $20,000, for the years ended December 31, 2009, 2008 and 2007, respectively.

Income Taxes

The operating results of CVR Partners and its predecessors prior to October 24, 2007 were included in the federal income tax return of CRLLC, which is a limited liability company that is not subject to federal income taxes. Prior to the contribution of the fertilizer business into CVR Partners and the subsequent sale of the managing general partner on October 24, 2007, the fertilizer business was a single member limited liability company that was disregarded for federal income tax purposes. Upon the sale of the managing general partner, CVR Partners became a recognized partnership required to file its own separate federal income tax return with each partner separately taxed on its share of taxable income. The Partnership is not subject to income taxes except for a franchise tax in the state of Texas. The income tax liability of the individual partners is not reflected in the consolidated financial statements of the Partnership.

The State of Texas enacted a franchise tax in May 2006 which subjected the Partnership to a franchise tax liability beginning in 2008. The calculation of this franchise tax is similar to an income tax. The Partnership is

required to recognize the future tax effects of temporary differences between the financial statement carrying amounts and the tax basis of existing assets and liabilities. As a result of the franchise tax, a deferred tax liability was reflected on the Consolidated Balance Sheets to account for the expected future tax effect of the tax.

Segment Reporting

The Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") ASC 280 — *Segment Reporting*, established standards for entities to report information about the operating segments and geographic areas in which they operate. CVR Partners only operates one segment and all of its operations are located in the United States.

Impairment of Long-Lived Assets

The Partnership accounts for long-lived assets in accordance with standard issued by the FASB regarding the treatment of the impairment or disposal of long-lived assets. As required by this standard, the Partnership reviews long-lived assets (excluding goodwill and intangible assets with indefinite lives) for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future net cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated undiscounted future net cash flows, an impairment charge is recognized for the amount by which the carrying amount of the assets exceeds their fair value. Assets to be disposed of are reported at the lower of their carrying value or fair value less cost to sell. No impairment charges were recognized for any of the periods presented.

Partners' Capital/Divisional Equity

Partners' capital may also be referred to as divisional equity during the periods covered by the consolidated financial statements prior to the contribution of CRNF to the Partnership. Prior to the contribution, CRNF did not have its own debt and there was no formal intercompany financing arrangement in place. Rather, intercompany borrowings and cash distributed to or contributed from the parent company prior to October 24, 2007 have been reflected in Divisional Equity. CRLLC managed the cash of CRNF. All cash received or paid by CRLLC prior to the contribution has been reflected as net contributions/distributions to parent on the accompanying Consolidated Statements of Partners' Capital/Divisional Equity.

Revenue Recognition

Revenues for products sold are recorded upon delivery of the products to customers, which is the point at which title is transferred, the customer has the assumed risk of loss, and when payment has been received or collection is reasonably assumed. Sales are recognized when the product is delivered and all significant obligations of CRNF have been satisfied. Deferred revenue represents customer prepayments under contracts to guarantee a price and supply of nitrogen fertilizer in quantities expected to be delivered in the next 12 months in the normal course of business. Taxes collected from customers and remitted to governmental authorities are not included in reported revenues.

Shipping Costs

Pass-through finished goods delivery costs reimbursed by customers are reported in net sales, while an offsetting expense is included in cost of product sold (exclusive of depreciation and amortization).

Fair Value of Financial Instruments

Financial instruments consisting of cash and cash equivalents, accounts receivable, and accounts payable are carried at cost, which approximates fair value, as a result of the short-term nature of the instruments.

Share-Based Compensation

CVR Partners has been allocated non-cash share-based compensation expense from CVR Energy and from CALLC III. CVR Energy and CALLC III account for share-based compensation in accordance with ASC 718 *Compensation — Stock Compensation* ("ASC 718") as well as guidance regarding the accounting for share-based compensation granted to employees of an equity method investee. In accordance with ASC 718, CVR Energy and CALLC III apply a fair-value based measurement method in accounting for share-based compensation. The Company recognizes the costs of the share-based compensation incurred by CVR Energy and CALLC III on its behalf, primarily in selling, general and administrative expenses (exclusive of depreciation and amortization), and a corresponding increase or decrease to Partners' Capital, 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 require remeasurement at each reporting period through the performance commitment period, or in the Company's case, through the vesting period. Costs are allocated by CVR Energy and CALLC III based upon the percentage of time a CVR Energy employee provides services to CVR Partners. In the event an individual's roles and responsibilities change with respect to services provided to CVR Partners, a reassessment is performed to determine if the allocation percentages should be adjusted. In accordance with the services agreement, CVR Partners will not be responsible for the payment of cash related to any share-based compensation allocated to it by CVR Energy.

Environmental Matters

Liabilities related to future remediation costs of past environmental contamination of properties are recognized when the related costs are considered probable and can be reasonably estimated. Estimates of these costs are based upon currently available facts, internal and third-party assessments of contamination, available remediation technology, site-specific costs, and currently enacted laws and regulations. In reporting environmental liabilities, no offset is made for potential recoveries. Loss contingency accruals, including those for environmental remediation, are subject to revision as further information develops or circumstances change and such accruals can take into account the legal liability of other parties. Environmental expenditures are capitalized at the time of the expenditure when such costs provide future economic benefits.

Use of Estimates

Preparing consolidated financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities in the consolidated financial statements and the reported amounts of revenues and expenses. Also, certain amounts in the accompanying consolidated financial statements prior to the contribution date of October 24, 2007, have been allocated in a way that management believes is reasonable and consistent in order to depict the historical financial position, results of operations, and cash flows of CVR Partners on a stand-alone basis. Actual results could differ materially from those estimates.

Estimates made in preparing these consolidated financial statements include, among other things, estimates of depreciation and amortization expense, the estimated future cash flows and fair value of properties used in determining the need for any impairment write-down, estimated allocations of selling, general and administrative costs, including share-based awards, the economic useful life of assets, the fair value of assets, liabilities, provisions for uncollectible accounts receivable, the results of litigation, and various other recorded or disclosed amounts. Future changes in the assumptions used could have a significant impact on reported results in future periods.

Related-Party Transactions

CVR Energy provides a variety of services to the Partnership, including cash management and financing services, employee benefits provided through CVR Energy's benefit plans, administrative services provided by CVR Energy's employees and management, insurance and office space leased in CVR Energy's headquarters building and other locations. Where costs are specifically incurred on behalf of the Partnership, the costs are billed directly to the Partnership. As described in further detail below, the billing of such costs are governed by a services agreement between CVR Energy and the Partnership. The agreement was entered into by the parties in October 2007. Prior to the services agreement, certain costs and other amounts were allocated to the Partnership through a variety of methods, depending upon the nature of the expense and the activities of the Partnership. See below for further discussion of the amounts billed to the Partnership by CVR Energy and its subsidiaries for the years ended December 31, 2009 and 2008, as well as a discussion of amounts billed and allocated for the year ended December 31, 2007.

As of October 25, 2007, the Partnership entered into several agreements with CVR Energy that govern the business relations of the Partnership, the managing general partner and CVR Energy. These agreements provide for billing procedures and related cost allocations and billings as applicable between CVR Energy and the Partnership. See Note 14 ("Related Party Transactions") for a detailed discussion of the billing procedures and the basis for calculating the charges for specific products and services.

Allocation of Costs

The accompanying consolidated financial statements include costs that have been incurred by CVR Energy, on behalf of the Partnership. These amounts incurred by CVR Energy are then billed to the Partnership and are properly classified on the Consolidated Statements of Operations as either direct operating expenses (exclusive of depreciation and amortization) or as selling, general and administrative expenses (exclusive of depreciation and amortization). The billing of such costs are governed by the Services Agreement (the "Agreement") entered into by CVR Energy, Inc. and CVR Partners, LP and affiliated companies in October 2007. See Note 14 ("Related Party Transactions") for further discussion of the Agreement. The Agreement provides guidance for the treatment of certain general and administrative expenses and certain direct operating expenses incurred on the Partnership's behalf. Such expenses include, but are not limited to salaries, benefits, share-based compensation expense, insurance, accounting, tax, legal and technology services.

Prior to October 2007, costs such as these were allocated to the Company based upon certain assumptions and estimates that were made in order to allocate a reasonable share of such expenses to the Company, so that the accompanying financial statements reflect substantially all costs of doing business. Selling, general and administrative expense allocations were based primarily on a percentage of total fertilizer payroll to the total fertilizer and petroleum segment payrolls. Property insurance costs, included in direct operating expenses (exclusive of depreciation and amortization), were allocated based upon specific segment valuations. Interest expense, interest income, bank charges, gain (loss) on derivatives and loss on extinguishment of debt were allocated based upon fertilizer divisional equity as a percentage of total CVR Energy debt and equity.

The table below reflects amounts billed by CVR Energy to the Partnership for the years ended December 31, 2009 and 2008. In addition, the table below reflects a combination of amounts billed and allocated by CVR Energy to the Partnership for the year ended December 31, 2007. Additionally, see Note 12 ("Share-Based Compensation") for amounts incurred by CVR Energy and allocated to the Partnership, with respect to share-based compensation

arrangements. These amounts in the table below and share-based compensation expense amounts discussed in Note 12 ("Share-Based Compensation") are included in the Company's Consolidated Statements of Operations.

	Year Ended December 31,		
	2009	2008	2007
	(in thousands)		
Direct operating expenses (exclusive of depreciation and amortization)	$ 2,811	$ 3,007	$ 2,449
Selling, general and administrative expenses (exclusive of depreciation and amortization)	9,310	10,048	10,080
Interest expense and other financing costs	—	—	23,585
Interest income	—	—	(253)
(Gain) loss on derivatives	—	—	457
Loss on extinguishment of debt	—	—	178
	$ 12,121	$ 13,055	$ 36,496

Net Income Per Limited Partnership Unit

The Partnership has omitted net income per unit through the date of the Offering because the Partnership operated under a different capital structure than what the Partnership will operate under at the time of the Offering, and, therefore, the information is not meaningful.

New 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 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 *The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles* (the "Codification"). The Codification reorganized existing U.S. accounting and reporting standards issued by the FASB and other related private sector standard setters into a single source of authoritative accounting principles arranged by topic. The Codification supersedes all existing U.S. accounting standards; all other accounting literature not included in the Codification (other than SEC guidance for publicly-traded companies) is considered non-authoritative. The Codification was effective on a prospective basis for interim and annual reporting periods ending after September 15, 2009. As required, the Company adopted this standard as of July 1, 2009. The adoption of the Codification changed the Company's references to U.S. GAAP accounting standards but did not impact the Company's financial position or results of operations.

In May 2009, the FASB issued general standards of accounting for, and disclosure of, events that occur after the balance sheet date but before financial statements are issued or available to be issued. This standard became effective June 15, 2009 and is to be applied to all interim and annual financial periods ending thereafter. It requires the disclosure of the date through which the Company has evaluated subsequent events and the basis for that date — that is, whether that date represents the date the financial statements were issued or were available to be issued. As

required, the Company adopted this standard as of April 1, 2009. As a result of this adoption, the Company provided additional disclosures regarding the evaluation of subsequent events. There is no impact on the financial position or results of operations of the Company as a result of this adoption.

In April 2009, the FASB issued guidance for determining the fair value of an asset or liability when there has been a significant decrease in market activity. In addition, this standard requires additional disclosures regarding the inputs and valuation techniques used to measure fair value and a discussion of changes in valuation techniques and related inputs, if any, during annual or interim periods. As required, the Company adopted this standard as of April 1, 2009. Based upon the Company's assets and liabilities currently subject to the provisions of this standard, there is no impact on the Company's financial position, results of operations or disclosures as a result of this adoption.

In February 2008, the FASB issued guidance which defers the effective date of a previously issued standard regarding the accounting for and disclosure of fair value measurements of nonfinancial assets and nonfinancial liabilities, except for items that are recognized or disclosed at fair value in an entity's financial statements on a recurring basis (at least annually). As required, the Company adopted this guidance as of January 1, 2009. This adoption did not impact the Company's financial position or results of operations.

(4) Partners' Capital

At December 31, 2009, 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 general partner interest and the IDRs. CVR Energy owns all of the interests in the Partnership (other than the managing general partner interest and the IDRs) and is entitled to all cash distributed by the Partnership. The managing general partner contributed 1% of CRNF's interest to the Partnership in exchange for its managing general partner interest and the IDRs. See Note 1 ("Formation of the Partnership, Organization and Nature of Business") for additional discussion related to the unitholders.

In connection with the Offering, CRLLC's limited partner interests will be converted into common units, the Partnership's special general partner interests will be converted into common units, and the Partnership's special general partner will be merged with and into CRLLC, with CRLLC continuing as the surviving entity. In addition, the managing general partner will sell its IDRs in the Partnership to the Company and these interests will be extinguished. Additionally, CALLC III will sell the managing general partner to CRLLC for a nominal amount. Following the Offering, the Partnership will have two types of partnership interest outstanding:

- common units representing limited partner interests, a portion of which the Partnership will sell in the Offering; and
- a general partner interest, which is not entitled to any distributions, will be held by the Partnership's general partner.

Effective with the Offering and within 45 days after the end of each quarter, beginning with the first full quarter following the closing date of the Offering, the Partnership expects to make quarterly cash distributions to unitholders. The partnership agreement will not require that the Partnership make cash distributions on a quarterly or other basis. In connection with the Offering, the board of directors of the general partner will adopt a distribution policy, which it may change at any time.

The partnership agreement will authorize the Partnership to issue an unlimited number of additional units and rights to buy units for the consideration and on the terms and conditions determined by the board of directors of the general partner without the approval of the unitholders.

The general partner will manage and operate the Partnership. Common unitholders will only have limited voting rights on matters affecting the Partnership. In addition, common unitholders will have no right to elect the partner's directors on an annual or other continuing basis.

(5) Inventories

Inventories consisted of the following (in thousands):

	December 31,	
	2009	2008
Finished goods	$ 6,624	$ 7,699
Raw materials and catalysts	4,089	7,754
Parts and supplies	11,223	12,178
	$ 21,936	$ 27,631

(6) Property, Plant, and Equipment

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

	December 31,	
	2009	2008
Land and improvements	$ 1,689	$ 1,312
Buildings	650	650
Machinery and equipment	389,537	385,526
Automotive equipment	404	429
Furniture and fixtures	233	219
Construction in progress	33,182	29,096
	$ 425,695	$ 417,232
Accumulated depreciation	78,437	59,827
	$ 347,258	$ 357,405

(7) Goodwill and Intangible Assets

Goodwill

In connection with the 2005 acquisition by CALLC of all outstanding stock owned by Coffeyville Holdings Group, LLC, CRNF recorded goodwill of approximately $40,969,000. Goodwill and other intangible assets accounting standards provide that goodwill and other intangible assets with indefinite lives shall not be amortized but shall be tested for impairment on an annual basis. In accordance with these standards, CVR Partners completed its annual test for impairment of goodwill as of November 1, 2009 and 2008. Based on the results of the test, no impairment of goodwill was recorded as of December 31, 2009 or 2008. The annual review of impairment is performed by comparing the carrying value of the Partnership to its estimated fair value using a combination of the discounted cash flow analysis and market approach.

The valuation analysis used in the analysis utilized a 50% weighting of both income and market approaches as described below:

- *Income Approach:* To determine fair value, the Company discounted the expected future cash flows for the reporting unit utilizing observable market data to the extent available. For the 2009 and 2008 valuation, the discount rates used were 13.4% and 20.1%, respectively, representing the estimated weighted-average costs of capital, which reflects the overall level of inherent risk involved in the reporting unit and the rate of return an outside investor would expect to earn.
- *Market-Based Approach:* To determine the fair value of the reporting unit, the Company also utilized a market based approach. The Company used the guideline company method, which focuses on comparing the Company's risk profile and growth prospects to select reasonably similar companies.

Other Intangible Assets

Contractual agreements with a fair market value of $145,000 were acquired in 2005 in connection with the acquisition of CALLC of all outstanding stock owned by Coffeyville Holdings Group, LLC. The intangible value of these agreements is amortized over the life of the agreements through September 2019. Amortization expense of $10,000, $15,000 and $19,000, was recorded in depreciation and amortization for the years ended December 31, 2009, 2008 and 2007, respectively.

(8) Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities were as follows (in thousands):

	December 31,	
	2009	2008
Property taxes	$ 5,807	$ 5,825
Capital asset and dismantling obligation	750	5,268
Other accrued expenses	1,722	1,235
	$ 8,279	$ 12,328

As discussed further in Note 13 ("Commitments and Contingent Liabilities") CRNF entered into an agreement with Cominco Fertilizer Partnership in November 2007. This agreement was subsequently amended in May 2009, at which time a portion of the associated liability, as included in the table above as a capital asset and dismantling obligation, was reclassified to a long-term liability as the payment and dismantling timeline were extended.

(9) Flood

On June 30, 2007, torrential rains in southeast Kansas caused the Verdigris River to overflow its banks and flood the town of Coffeyville, Kansas. As a result, CRNF's nitrogen fertilizer plant was flooded and was forced to conduct emergency shut downs and evacuate. The nitrogen fertilizer facility sustained damage and required repairs and maintenance resulting in damage to the assets. As the repairs and maintenance to the nitrogen fertilizer plant were completed in 2008 there were no flood related costs recorded for the year ended December 31, 2009. For the years ended December 31, 2008 and 2007 net costs related to the flood were $27,000 and $2,432,000, respectively.

Net costs related to the flood during the year ended December 31, 2007 were $2,432,000. Total gross costs recorded due to the flood that were included in the Consolidated Statements of Operations for the year ended December 31, 2007 were $5,779,000. Of these gross costs for the year ended December 31, 2007, $3,448,000 were paid to third parties for repair and related cleanup as a result of the flood damage to the Company's facilities.

Additionally, included in this cost was $826,000 of depreciation for temporarily idled facilities, $726,000 of salaries, $425,000 associated with inventory loss and $354,000 of other related costs.

During and after the time of the flood, CRLLC, the Partnership's parent at that time, was insured under insurance policies that were issued by a variety of insurers and which covered various risks, such as damage to the Partnership's property, interruption of the Partnership's business, environmental cleanup costs, and potential liability to third parties for bodily injury or property damage.

(10) Income Taxes

The State of Texas enacted a franchise tax that required the Partnership to pay a tax of 1.0% on the Partnership's "margin" beginning with the 2008 taxable year, as defined in the law, based on the Partnership's prior year results. The margin to which the tax rate is applied generally is calculated as the Partnership's revenues for federal income tax purposes less the cost of the products sold as defined by Texas law.

Under ASC 740, *Income Taxes* ("ASC 740"), taxes based on income like the Texas franchise tax are accounted for using the liability method under which deferred income taxes are recognized for the future tax effects of temporary differences between the financial statement carrying amounts and the tax basis of existing assets and liabilities using the enacted statutory tax rates in effect at the end of the period. A valuation allowance for deferred tax assets is recorded when it is more likely than not that the benefit from the deferred tax asset will not be realized.

Temporary differences related to the Partnership's property affect the Texas franchise tax. As a result, the Partnership reflected a deferred tax liability in the amount of approximately $33,000 and $33,000 at December 31, 2009 and 2008, respectively, included in other long-term liabilities on the Consolidated Balance Sheets of the Partnership. In addition, the Partnership reflected a state income taxes payable of approximately $25,000 and $25,000 at December 31, 2009 and 2008, respectively, included in accrued expenses and other current liabilities on the Consolidated Balance Sheets of the Partnership. For the years ended December 31, 2009, 2008 and 2007, the Partnership recorded income tax expense of $15,000, $25,000 and $29,000, respectively.

Effective January 1, 2008, CVR Partners adopted accounting standards issued by the FASB that clarify the accounting for uncertainty in income taxes recognized in the financial statements. If the probability of sustaining a tax position is at least more likely than not, then the tax position is warranted and recognition should be at the highest amount which is greater than 50% likely of being realized upon ultimate settlement. As of the date of adoption of this standard and at December 31, 2009, CVR Partners did not believe it had any tax positions that met the criteria for uncertain tax positions. As a result, no amounts were recognized as a liability for uncertain tax positions.

CVR Partners recognizes interest and penalties on uncertain tax positions and income tax deficiencies in income tax expense. CVR Partners did not recognize any interest or penalties in 2009, 2008 or 2007 for uncertain tax positions or income tax deficiencies.

(11) Benefit Plans

CRLLC sponsors a defined-contribution 401(k) plan (the Plan) for the employees of CRNF. Participants in the Plan may elect to contribute up to 50% of their annual salaries, and up to 100% of their annual bonus received pursuant to CVR Energy's income sharing plan. CRNF matches up to 75% of the first 6% of the participant's contribution. The Plan is administered by CRLLC. Participants in the Plan are immediately vested in their individual contributions. The Plan has a three year vesting schedule for CRNF's matching funds and contains a provision to count service with any predecessor organization. For the years ended December 31, 2009, 2008 and 2007, CRNF's contributions under the Plan were $373,000, $338,000 and $303,000, respectively.

(12) Share-Based Compensation

Certain employees of CVR Partners and employees of CVR Energy who perform services for the Partnership under the services agreement with CVR Energy participate in equity compensation plans of CVR Partners' affiliates. Accordingly, CVR Partners has recorded compensation expense for these plans in accordance with Staff Accounting Bulletin, or SAB Topic 1-B "Allocations of Expenses and Related disclosures in Financial Statements of Subsidiaries, Divisions or Lesser Business Components of Another Entity" and in accordance with guidance regarding the accounting for share-based compensation granted to employees of an equity method investee. All compensation expense related to these plans for full-time employees of CVR Partners has been allocated 100% to CVR Partners. For employees covered by the services agreement with CVR Energy, the Partnership records share-based compensation relative to the percentage of time spent by each employee providing services to the Partnership as compared to the total calculated share-based compensation by CVR Energy. The Partnership is not responsible for payment of share-based compensation and all expense amounts are reflected as an increase or decrease to Partners' Capital.

Prior to CVR Energy's initial public offering in October 2007, CVR Energy's subsidiaries were held and operated by CALLC, a limited liability company. Management of CVR Energy 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 Energy's initial public offering, CALLC was split into two entities: CALLC and Coffeyville Acquisition II LLC ("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 Energy's predecessor.

During the periods prior to the formation of the Partnership, share-based compensation costs were allocated to CVR Partners in accordance with other general corporate costs as described in Note 3, ("Summary of Significant Accounting Policies — Allocations of Costs").

At December 31, 2009, 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 CVR Energy'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.

CVR PARTNERS, LP

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
FOR THE YEARS ENDED DECEMBER 31, 2009, 2008 AND 2007

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 Years Ended December 31, 2009	2008	2007
Override Operating Units(a)	$ 11.31	919,630	June 2005	$ 346	$ (1,516)	$ 2,841
Override Operating Units(b)	$ 34.72	72,492	December 2006	18	(107)	169
Override Value Units(c)	$ 11.31	1,839,265	June 2005	1,207	(2,877)	3,375
Override Value Units(d)	$ 34.72	144,966	December 2006	64	(123)	151
Override Units(e)	$ 10.00	138,281	October 2007	—	(1)	1
Override Units(f)	$ 10.00	642,219	February 2008	5	2	—
			Total	$ 1,640	$ (4,622)	$ 6,537

* As CVR Energy'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 December 31,			(b) Override Operating Units December 31,		
	2009	2008	2007	2009	2008	2007
Estimated forfeiture rate	None	None	None	None	None	None
CVR Energy's closing stock price	$ 6.86	$ 4.00	$24.94	$ 6.86	$ 4.00	$24.94
Estimated fair value (per unit)	$11.95	$ 8.25	$51.84	$ 1.40	$ 1.59	$32.65
Marketability and minority interest discounts	20.0%	15.0%	15.0%	20.0%	15.0%	15.0%
Volatility	50.7%	68.8%	35.8%	50.7%	68.8%	35.8%

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 December 31,			(d) Override Value Units December 31,		
	2009	2008	2007	2009	2008	2007
Estimated forfeiture rate	None	None	None	None	None	None
Derived service period	6 years	6 years	6 years	6 years	6 years	6 years
CVR Energy's closing stock price	$ 6.86	$ 4.00	$ 24.94	$ 6.86	$ 4.00	$ 24.94
Estimated fair value (per unit)	$ 5.63	$ 3.20	$ 51.84	$ 1.39	$ 1.59	$ 32.65
Marketability and minority interest discounts	20.0%	15.0%	15.0%	20.0%	15.0%	15.0%
Volatility	50.7%	68.8%	35.8%	50.7%	68.8%	35.8%

Unless the override unit committee of the board of directors of CALLC, CALLC II or CALLC III, respectively, takes an action to prevent forfeiture, override value units are forfeited upon termination of employment for any reason other than cause, 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 Energy 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 December 31, 2009 these units were fully vested. Significant assumptions used in the valuation were as follows:

Estimated forfeiture rate	None
Grant date valuation (per unit)	$ 0.02
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 Energy 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:

	December 31,	
	2009	2008
Estimated forfeiture rate	None	None
Derived Service Period	Forfeiture schedule	Forfeiture schedule
Estimated fair value (per unit)	$0.08	$0.02
Marketability and minority interest discounts	20.0%	20.0%
Volatility	59.7%	64.3%

Assuming the allocation of costs from CVR Energy remains consistent with the allocation percentages in place at December 31, 2009 and based upon the estimated fair value at December 31, 2009, there was approximately $442,000 of unrecognized compensation expense related to non-voting override units. This expense is expected to be recognized by CVR Partners over a remaining period of approximately two years as follows (in thousands):

Year Ending December 31,	Override Operating Units	Override Value Units
2010	$ 36	$ 275
2011	—	131
	$ 36	$ 406

Phantom Unit Plans

CVR Energy, 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 December 31, 2009, 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 CVR Energy’s common stock price with a Black-Scholes option pricing formula, as remeasured at each reporting date until the awards are settled. Using CVR Energy’s closing stock price to determine CVR Energy’s equity value, through an independent valuation process, the service phantom interest and performance phantom interest were valued as follows:

	December 31,		
	2009	2008	2007
Service Phantom interest (per point)	$11.37	$8.25	$51.84
Performance Phantom interest (per point)	$ 5.48	$3.20	$51.84

Compensation expense for the year ended December 31, 2009, related to the Phantom Unit Plans was $1,495,000. Compensation expense for the year ended December 31, 2008 related to the Phantom Unit Plans was reversed by $5,998,000. Compensation expense for the year ended December 31, 2007, related to the Phantom Unit Plan was $4,389,000.

Assuming the allocation of costs from CVR Energy remains consistent with the allocations at December 31, 2009 and based upon the estimated fair value at December 31, 2009, there was approximately $101,000 of unrecognized compensation expense related to the Phantom Unit Plans. This expense is expected to be recognized over a period of approximately two years.

Long-Term Incentive Plan

CVR Energy 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). As of December 31, 2009, only non-vested shares of CVR Energy common stock had been granted for the benefit of CVR Energy and CRNF employees.

Non-Vested Stock

A summary of non-vested stock grant activity and changes during the year ended December 31, 2009, 2008 and 2007 are presented below:

	Shares	Weighted-Average Grant-Date Fair Value	Aggregate Intrinsic Value (in thousands)
Non-vested at December 31, 2006	—	$ —	$ —
Granted	—	—	
Vested	—	—	
Forfeited	—	—	
Non-vested at December 31, 2007	—	$ —	$ —
Granted	54,200	4.14	
Vested	—	—	
Forfeited	—	—	
Non-vested at December 31, 2008	54,200	$ 4.14	$ 526
Granted	95,689	6.82	
Vested	(18,407)	4.14	
Forfeited	—	—	
Non-vested at December 31, 2009	131,482	$ 6.09	$ 2,812

Through the LTIP, shares of non-vested stock have been granted to employees of CVR Energy and CRNF. Non-vested shares, when granted, are valued at the closing market price of CVR Energy'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. The aggregate fair value of the shares that vested during the years ended December 31, 2009 and 2008 were $76,000 and $0, respectively. As of December 31, 2009 and 2008, non-vested stock outstanding had an aggregate fair value at grant date of $801,000 and $224,000, respectively. Assuming the allocation of costs from CVR Energy remains consistent with the allocation percentages in place at December 31, 2009, there was approximately $194,000 of total unrecognized compensation cost related to non-vested shares to be recognized over a weighted-average period of approximately two and one-half years.

Compensation expense recorded for the years ended December 31, 2009, 2008 and 2007 related to the non-vested stock was $62,000, $2,000 and $0, respectively.

(13) Commitments and Contingent Liabilities

The minimum required payments for CRNF's operating leases and unconditional purchase obligations as of December 31, 2009 are as follows (in thousands):

	Operating Leases	Unconditional Purchase Obligations
Year ending December 31, 2010	$ 4,178	$ 14,762
Year ending December 31, 2011	4,158	15,448
Year ending December 31, 2012	3,710	15,548
Year ending December 31, 2013	3,012	16,029
Year ending December 31, 2014	1,550	16,029
Thereafter	1,341	160,183
	$ 17,949	$ 237,999

CRNF leases railcars under long-term operating leases. Lease expense for the years ended December 31, 2009, 2008 and 2007, totaled approximately $4,031,000 $3,358,000 and $3,036,000, respectively. The lease agreements have various remaining terms. Some agreements are renewable, at CRNF's option, for additional periods. It is expected, in the ordinary course of business, that leases will be renewed or replaced as they expire.

CRNF licenses a gasification process from a third party associated with gasifier equipment. The royalty fees for this license were incurred as the equipment was used and was subject to a cap. The full capped amount was paid in 2007. Royalty fee expense reflected in direct operating expenses (exclusive of depreciation and amortization) for the year ended December 31, 2007 was $1,035,000.

CRNF has an agreement with the City of Coffeyville (the "City") pursuant to which it must make a series of future payments for the supply, generation and transmission of electricity and City margin based upon agreed upon rates. This agreement has an expiration of July 1, 2019. Effective August 2008 and through July 2010, the City began charging a higher rate for electricity than what had been agreed to in the contract. The Company filed a lawsuit to have the contract enforced as written and to recover other damages. The Company paid the higher rates under protest and subject to the lawsuit in order to obtain the electricity. In August 2010, the lawsuit was settled and CRNF received a return of funds totaling $4,788,000. This return of funds was recorded in direct operating expenses (exclusive of depreciation and amortization) in the Consolidated Statements of Operations during the third quarter of 2010. In connection with the settlement, the electrical services agreement was amended. As a result of the amendment, the annual committed contractual payments are estimated to be $1,932,000. This estimate is subject to change based upon the Company's actual usage.

During 2005, CRNF entered into the Amended and Restated On-Site Product Supply Agreement with Linde, Inc. Pursuant to the agreement, which expires in 2020, CRNF is required to take as available and pay approximately

$300,000 per month, which amount is subject to annual inflation adjustments, for the supply of oxygen and nitrogen to the fertilizer operation. Expenses associated with this agreement included in direct operating expenses (exclusive of depreciation and amortization) for the years ended December 31, 2009, 2008 and 2007, totaled approximately $4,106,000, $3,928,000 and $3,136,000, respectively.

CRNF entered into a sales agreement with Cominco Fertilizer Partnership on November 20, 2007 to purchase equipment and materials which comprise a nitric acid plant. CRNF's obligation related to the execution of the agreement in 2007 for the purchase of the assets was $3,500,000. On May 25, 2009, CRNF and Cominco amended the contract increasing the liability to $4,250,000. In consideration of the increased liability, the timeline for removal of the equipment and payment schedule was extended. The amendment sets forth payment milestones based upon the timing of removal of identified assets. The balance of the assets purchased are to be removed by November 20, 2013, with final payment due at that time. As of December 31, 2009, $1,750,000 had been paid. Additionally, as of December 31, 2009, $2,874,000 was accrued related to the obligation to dismantle the unit. As of December 31, 2009, the Company had accrued a total of $4,642,000 with respect to the nitric acid plant and the related dismantling obligation. Of this amount, $750,000 was included in accrued expenses and other current liabilities and the remaining $3,892,000 was included in other long-term liabilities on the Consolidated Balance Sheets. The related asset amounts are included in construction-in-progress at December 31, 2009.

CRNF entered into a 5-year lease agreement effective October 25, 2007 with CVR Energy under which certain office and laboratory space is leased. The agreement requires CRNF to pay $8,000 on the first day of each calendar month during the term of the agreement. See Note 14 ("Related Party Transactions") for further discussion.

From time to time, CRNF 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," and those described above. 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 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 consolidated financial statements. There can be no assurance that managements' beliefs or opinions with respect to liability for potential litigation matters are accurate.

CRNF entered into a coke supply agreement with CVR Energy in October 2007 pursuant to which CVR Energy supplies CRNF with pet coke. CRNF is obligated under this agreement to purchase the lesser of (i) 100 percent of the pet coke produced at its petroleum refinery or (ii) 500,000 tons of pet coke per calendar year. The agreement has an initial term of 20 years. The price which the Partnership will pay for the pet coke will be based on the lesser of a coke price derived from the price received by the Partnership for UAN (subject to a UAN based price ceiling and floor) or a coke index price but in no event will the pet coke price be less than zero. See Note 14 ("Related Party Transactions") for further information.

CRNF is a guarantor under CRLLC's first priority credit facility, as well as CRLLC's senior secured notes issued subsequent to December 31, 2009. As of December 31, 2009, the first priority credit facility consisted of long-term debt with an outstanding balance of $479,503,000 and a $150,000,000 revolving credit facility. The revolving credit facility provides for direct cash borrowings for general corporate purposes and on a short-term basis. At December 31, 2009, letters of credit issued under the revolving credit facility were subject to a $75,000,000 sub-limit. This amount was subsequently increased to a sub-limit of $100,000,000 in connection with an amendment to the first priority credit facility completed in March 2010. Outstanding letters of credit reduce the amount available under the Company's revolving credit facility. The revolving loan commitment expires on December 28, 2012. On April 6, 2010, CRLLC and its then newly formed wholly-owned subsidiary, Coffeyville Finance Inc., completed a private offering of $500,000,000 aggregate principal amount of senior secured notes. CRLLC applied the net proceeds from the senior secured notes to prepay all of the outstanding balance of its long-

term debt under its first priority credit facility in an amount equal to $453,304,000 and to pay related fees and expenses. The balance of the net proceeds were utilized for general corporate purposes.

CRNF is also a guarantor under three interest rate swap agreements which CRLLC entered into in July 2005 with J. Aron & Co., an affiliate of a related party of the managing general partner. All of CRLLC's subsidiaries, including CRNF, became guarantors under the interest rate swap agreements in July 2005. The total liability under the interest rate swap agreements was $1,415,000 and $3,893,000, as of December 31, 2009 and 2008, respectively. These interest rate swaps expired on June 30, 2010.

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

CRNF is 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. Such liabilities include estimates of the Company's share of costs attributable to potentially responsible parties which are insolvent or otherwise unable to pay. All liabilities are monitored and adjusted regularly as new facts emerge or changes in law or technology occur.

CRNF owns and operates a facility utilized for the manufacture of nitrogen fertilizers. Therefore, CRNF, has exposure to potential EHS liabilities related to past and present EHS conditions at this location.

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 December 31, 2009 and 2008, environmental accruals of $141,000 and $135,000, respectively, were reflected in the consolidated balance sheets for probable and estimated costs for remediation of environmental contamination under the VCPRP, including amounts totaling $85,000 and $106,000, respectively, included in accrued expenses and other current liabilities. The accruals were determined based on an estimate of payment costs through 2014, which scope of remediation was arranged with the EPA and are discounted at the appropriate risk free rates at December 31, 2009 and 2008, respectively. As of December 31, 2009, the estimated future payments for these required obligations are as follows:

	Amount (in thousands)
Year ending December 31, 2010	$ 85
Year ending December 31, 2011	15
Year ending December 31, 2012	15
Year ending December 31, 2013	15
Year ending December 31, 2014	15
Undiscounted total	$ 145
Less amounts representing interest at 2.96%	4
Accrued environmental liabilities at December 31, 2009	$ 141

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.

Environmental expenditures are capitalized when such expenditures are expected to result in future economic benefits. Capital expenditures for the years ended December 31, 2009, 2008 and 2007, were approximately

$887,000, $665,000, and $516,000, respectively, and were incurred to improve the environmental compliance and efficiency of the operations.

CRNF believes 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.

(14) Related Party Transactions

CRLLC contributed its wholly-owned subsidiary CRNF to the Partnership on October 24, 2007. In consideration for CRLLC transferring CRNF to the Partnership, (1) CRLLC directly acquired 30,333 special LP units, representing a 0.1% limited partner interest in the Partnership at that time, (2) the Partnership's special general partner, a wholly-owned subsidiary of CRLLC, acquired 30,303,000 special GP units, representing a 99.9% general partner interest in the Partnership at that time, (3) the managing general partner, then owned by CRLLC, acquired a managing general partner interest and IDRs and (4) CVR Partners' agreement, contingent on CVR Partners completion of the Offering, to reimburse CVR Energy for capital expenditures it incurred during the two year period prior to the sale of the managing general partner to CALLC III, as described below, in connection with the operations of the nitrogen fertilizer plant, which were approximately $18.4 million. CVR Partners assumed all liabilities arising out of or related to the ownership of the nitrogen fertilizer business to the extent arising or accruing on and after the date of transfer. Prior to the contribution, CRNF distributed certain working capital to CRLLC which were not included in the overall assets that were contributed to the Partnership. Assets not contributed included accounts receivable of $4,472,000, an insurance receivable of $3,208,000 and personnel and obligations of the phantom plan of $1,483,000.

Related Party Agreements, Effective October 25, 2007

In connection with the formation of CVR Partners and the initial public offering of CVR Energy in October 2007, CVR Partners entered into several agreements with CVR Energy and its subsidiaries that govern the business relations among CVR Partners, CVR Energy and its managing general partner. Amounts owed to CVR Partners from CVR Energy with respect to these agreements are included in prepaid expenses and other currents assets on the Consolidated Balance Sheets. Conversely, amounts owed to CVR Energy by CVR Partners with respect to these agreements are included in accounts payable on the Consolidated Balance Sheets.

Feedstock and Shared Services Agreement

CVR Partners entered into a feedstock and shared services agreement with CVR Energy under which the two parties provide feedstock and other services to one another. These feedstocks and services are utilized in the respective production processes of CVR Energy's refinery and CVR Partners' nitrogen fertilizer plant.

Pursuant to the feedstock agreement, CVR Partners and CVR Energy have the right to transfer excess hydrogen to one another. Sales of hydrogen to CVR Energy have been reflected as net sales for CVR Partners. Receipts of hydrogen from CVR Energy have been reflected in cost of product sold (exclusive of depreciation and amortization) for CVR Partners. For the years ended December 31, 2009, 2008 and 2007, the net sales generated from the sale of hydrogen to CVR Energy was approximately $812,000, $8,967,000 and $17,812,000, respectively. For the year ended December 31, 2009 and 2008, CVR Partners also recognized $1,635,000 and $0 of cost of product sold related to the transfer of excess hydrogen from the refinery, respectively. At December 31, 2009 and December 31, 2008, there was approximately $153,000 and $614,000, respectively of receivables included in prepaid expenses and other current assets on the Consolidated Balance Sheets associated with unpaid balances related to hydrogen sales.

The agreement provides that both parties must deliver high-pressure steam to one another under certain circumstances. Reimbursed direct operating expenses recorded during the years ended December 31, 2009, 2008 and 2007 were approximately $215,000, $(183,000) and $349,000, respectively, related to high-pressure steam.

CVR Partners is also obligated to make available to CVR Energy any nitrogen produced by the Linde air separation plant that is not required for the operation of the nitrogen fertilizer plant, as determined by CVR Partners in a commercially reasonable manner. Reimbursed direct operating expenses associated with nitrogen for the years ended December 31, 2009, 2008 and 2007, were approximately $753,000, $1,030,000 and $921,000, respectively.

The agreement also provides that both CVR Partners and CVR Energy must deliver instrument air to one another in some circumstances. CVR Partners must make instrument air available for purchase by CVR Energy at a minimum flow rate, to the extent produced by the Linde air separation plant and available to CVR Partners. Reimbursed direct operating expenses recorded for the years ended December 31, 2009, 2008 and 2007 were $0, $241,000 and $263,000, respectively.

At December 31, 2009 and 2008, receivables of $219,000 and $195,000, respectively, were included in prepaid expenses and other current assets on the Consolidated Balance Sheets associated for amounts yet to be received related to components of the feedstock and shared services agreement except amounts related to hydrogen sales and pet coke purchases. At December 31, 2009 and 2008, payables of $408,000 and $674,000, respectively, were included in accounts payable on the Consolidated Balance Sheets associated with unpaid balances related to components of the feedstock and shared services agreement, except amounts related to hydrogen sales and pet coke purchases.

The agreement has an initial term of 20 years, which will be automatically extended for successive five year renewal periods. Either party may terminate the agreement, effective upon the last day of a term, by giving notice no later than three years prior to a renewal date. The agreement will also be terminable by mutual consent of the parties or if one party breaches the agreement and does not cure within applicable cure periods and the breach materially and adversely affects the ability of the terminating party to operate its facility. Additionally, the agreement may be terminated in some circumstances if substantially all of the operations at the nitrogen fertilizer plant or the refinery are permanently terminated, or if either party is subject to a bankruptcy proceeding, or otherwise becomes insolvent.

Coke Supply Agreement

CVR Partners entered into a coke supply agreement with CVR Energy pursuant to which CVR Energy supplies CVR Partners with pet coke. This agreement provides that CVR Energy must deliver to the Partnership during each calendar year an annual required amount of pet coke equal to the lesser of (i) 100 percent of the pet coke produced at CVR Energy's petroleum refinery or (ii) 500,000 tons of pet coke. CVR Partners is also obligated to purchase this annual required amount. If during a calendar month CVR Energy produces more than 41,667 tons of pet coke, then CVR Partners will have the option to purchase the excess at the purchase price provided for in the agreement. If CVR Partners declines to exercise this option, CVR Energy may sell the excess to a third party.

The price which CVR Partners will pay for the pet coke is based on the lesser of a coke price derived from the price it receives for UAN (subject to a UAN based price ceiling and floor) or a coke index price but in no event will the pet coke price be less than zero. CVR Partners will also pay any taxes associated with the sale, purchase, transportation, delivery, storage or consumption of the pet coke. Prior to October 24, 2007, the price of pet coke purchased by CRNF from CVR Energy's refinery was $15 per ton. CVR Partners will be entitled to offset any amount payable for the pet coke against any amount due from CVR Energy under the feedstock and shared services agreement between the parties.

The agreement has an initial term of 20 years, which will be automatically extended for successive five year renewal periods. Either party may terminate the agreement by giving notice no later than three years prior to a renewal date. The agreement is also terminable by mutual consent of the parties or if a party breaches the agreement

and does not cure within applicable cure periods. Additionally, the agreement may be terminated in some circumstances if substantially all of the operations at the nitrogen fertilizer plant or the refinery are permanently terminated, or if either party is subject to a bankruptcy proceeding or otherwise becomes insolvent.

Cost of pet coke associated with the transfer of pet coke from CVR Energy to the Partnership were approximately $7,871,000, $11,084,000, and $4,453,000 for the year ended December 31, 2009, 2008 and 2007, respectively. If the price of pet coke had been determined under the new coke supply agreement for the period prior to October 24, 2007, the cost of product sold (exclusive of depreciation and amortization) would have increased $2,473,000 for the year ended December 31, 2007. Payables of $75,000 and $811,000 related to the coke supply agreement were included in accounts payable on the Consolidated Balance Sheets at December 31, 2009, and 2008, respectively.

Lease Agreement

CVR Partners has entered into a five-year lease agreement with CVR Energy under which it leases certain office and laboratory space. This agreement expires in October 2012. CVR Partners has the option to renew the lease agreement for up to five additional one-year periods by providing CVR Energy with notice of renewal at least 60 days prior to the expiration of the then existing term. For the years ended December 31, 2009, 2008 and 2007 expense incurred related to the use of the office and laboratory space totaled approximately $96,000, $96,000 and $18,000, respectively. There were no unpaid amounts outstanding with respect to the lease agreement for the years ended December 31, 2009 and 2008, respectively.

Environmental Agreement

CVR Partners entered into an environmental agreement with CVR Energy which provides for certain indemnification and access rights in connection with environmental matters affecting the refinery and the nitrogen fertilizer plant. Generally, both CVR Partners and CVR Energy have agreed to indemnify and defend each other and each other's affiliates against liabilities associated with certain hazardous materials and violations of environmental laws that are a result of or caused by the indemnifying party's actions or business operations. This obligation extends to indemnification for liabilities arising out of off-site disposal of certain hazardous materials. Indemnification obligations of the parties will be reduced by applicable amounts recovered by an indemnified party from third parties or from insurance coverage.

The agreement provides for indemnification in the case of contamination or releases of hazardous materials that are present but unknown at the time the agreement is entered into to the extent such contamination or releases are identified in reasonable detail during the period ending five years after the date of the agreement. The agreement further provides for indemnification in the case of contamination or releases which occur subsequent to the date the agreement is entered into.

The term of the agreement is for at least 20 years, or for so long as the feedstock and shared services agreement is in force, whichever is longer.

CVR Partners entered into two supplements to the environmental agreement in February and July 2008 to confirm that CVR Energy remains responsible for existing environmental conditions on land transferred by CVR Energy to CVR Partners, and to incorporate a known contamination map, a comprehensive pet coke management plan and a new third party coke handling agreement.

Services Agreement

CVR Partners entered into a services agreement with its managing general partner and CVR Energy pursuant to which it and its managing general partner obtain certain management and other services from CVR Energy. Under this agreement, the Partnership's managing general partner has engaged CVR Energy to conduct its

day-to-day business operations. CVR Energy provides CVR Partners with the following services under the agreement, among others:

- services from CVR Energy's employees in capacities equivalent to the capacities of corporate executive officers, except that those who serve in such capacities under the agreement shall serve the Partnership on a shared, part-time basis only, unless the Partnership and CVR Energy agree otherwise;
- administrative and professional services, including legal, accounting services, human resources, insurance, tax, credit, finance, government affairs and regulatory affairs;
- management of the Partnership's property and the property of its operating subsidiary in the ordinary course of business;
- recommendations on capital raising activities to the board of directors of the Partnership's managing general partner, including the issuance of debt or equity interests, the entry into credit facilities and other capital market transactions;
- managing or overseeing litigation and administrative or regulatory proceedings, and establishing appropriate insurance policies for the Partnership, and providing safety and environmental advice;
- recommending the payment of distributions; and
- managing or providing advice for other projects as may be agreed by CVR Energy and its managing general partner from time to time.

As payment for services provided under the agreement, the Partnership, its managing general partner or CRNF must pay CVR Energy (i) all costs incurred by CVR Energy in connection with the employment of its employees, other than administrative personnel, who provide the Partnership services under the agreement on a full-time basis, but excluding share-based compensation; (ii) a prorated share of costs incurred by CVR Energy in connection with the employment of its employees, other than administrative personnel, who provide the Partnership services under the agreement on a part-time basis, but excluding share-based compensation, and such prorated share shall be determined by CVR Energy on a commercially reasonable basis, based on the percent of total working time that such shared personnel are engaged in performing services for the Partnership; (iii) a prorated share of certain administrative costs, including office costs, services by outside vendors, other sales, general and administrative costs and depreciation and amortization; and (iv) various other administrative costs in accordance with the terms of the agreement, including travel, insurance, legal and audit services, government and public relations and bank charges.

This agreement is expected to be amended in connection with the Offering.

In order to facilitate the carrying out of services under the agreement, CVR Partners and CVR Energy have granted one another certain royalty-free, non-exclusive and non-transferable rights to use one another's intellectual property under certain circumstances.

Net amounts incurred under the services agreement for the years ended December 31, 2009, 2008 and 2007, were approximately $12,121,000, $13,055,000 and $1,769,000, respectively. Of these charges approximately $9,310,000, $10,048,000 and $1,299,000, respectively, are included in selling, general and administrative expenses (exclusive of depreciation and amortization). In addition, $2,811,000, $3,007,000 and $451,000, respectively, are included in direct operating expenses (exclusive of depreciation and amortization) and for the year ended December 31, 2007, $19,000 is included in interest expense and other financing costs. For services performed in connection with the services agreement, the Company recognized personnel costs of $3,702,000, $3,846,000 and $594,000, respectively, for the years ended December 31, 2009, 2008 and for the period subsequent to October 24, 2007 through December 31, 2007. Prior to the services agreement, the Company was allocated personnel expenses of $4,284,000, for the period of January 1, 2007 through October 24, 2007. At December 31, 2009 and 2008,

payables of $821,000 and $1,039,000, respectively, were included in accounts payable on the Consolidated Balance Sheets with respect to amounts billed in accordance with the services agreement.

At December 31, 2009 and 2008, included in prepaid expenses and other current assets on the Consolidated Balance Sheets, are receivables of $961,000 and $295,000, respectively, for accrued interest with respect to amounts due from affiliate. For the years ended December 31, 2009, 2008 and 2007, the Partnership recognized interest income of $8,974,000, $1,984,000 and $0, respectively, associated with the due from affiliate.

Due from Affiliate

CVR Partners maintains a lending relationship with its affiliates CRLLC in order to supplement CRLLC's working capital needs. Amounts loaned to CRLLC are included on the Consolidated Balance Sheets as a due from affiliate. CVR Partners has the right to receive amounts owed from CRLLC upon request.

At December 31, 2009 and 2008, the due from affiliate balance totaled $131,002,000 and $55,203,000, respectively. For the year ended December 31, 2009, the weighted-average interest rate charged on the due from affiliate balance was approximately 8.64%. The interest rate applied to the due from affiliate balance is derived from the applicable rate incurred on CRLLC's first priority revolving credit facility.

(15) Major Customers and Suppliers

Sales of nitrogen fertilizer to major customers were as follows:

	December 31,		
	2009	2008	2007
Nitrogen Fertilizer			
Customer A	15%	13%	18%

In addition to contracts with CVR Energy and its affiliates see Note 14 ("Related Party Transactions"), the Partnership maintains long-term contracts with one supplier. Purchases from this supplier as a percentage of direct operating expenses (exclusive of depreciation and amortization) were as follows:

	December 31,		
	2009	2008	2007
Supplier A	5%	5%	5%

(16) Subsequent Event (unaudited)

Nitrogen Fertilizer Incident

On September 30, 2010, the nitrogen fertilizer plant experienced an interruption in operations due to a rupture of a high-pressure UAN vessel. All operations at the nitrogen fertilizer facility were immediately shut down. No one was injured in the incident.

The nitrogen fertilizer facility had previously scheduled a major turnaround to begin on October 5, 2010. To minimize disruption and impact to the production schedule, the turnaround was accelerated. The turnaround was completed on October 29, 2010 with the gasification and ammonia units in operation. The fertilizer facility restarted production of UAN on November 16, 2010, however, repairs continue to be completed on the UAN unit due to the incident.

Based upon an internal review and investigation, the Company currently estimates that the costs to repair the damage caused by the incident are expected to be in the range of $8.0 million to $11.0 million and repairs are expected to be substantially complete prior to the end of December 2010. To the extent additional damage is discovered during the completion of repairs, the costs to repair could increase or repairs could take longer to complete.

The Company maintains property damage insurance under CVR Energy's insurance policies which have an associated deductible of $2.5 million. The Company anticipates that substantially all of the repair costs in excess of the $2.5 million deductible should be covered by insurance. These insurance policies also provide coverage for interruption to the business, including lost profits, and reimbursement for other expenses and costs the Company has incurred relating to the damage and losses suffered for business interruption. This coverage, however, only applies to losses incurred after a business interruption of 45 days.

As of November 30, 2010, the Company has written off $390,000 of net book value of property and $24,000 of catalysts destroyed as a result of the incident. Additionally, through November 30, 2010, the Company had recorded expenses in excess of its associated deductible. Through December 17, 2010, the Company received insurance proceeds totaling $3,668,000.

Sale of Managing General Partner's Interest

On December 17, 2010, the board of directors of the managing general partner of the Partnership and the manager of CRLLC approved the sale of the managing general partner's interest in the Partnership (including the IDRs) to CRLLC and the Partnership for a purchase price of $26 million, subject to consummation of the Offering. The purchase price will be paid out of proceeds from the Offering. Once acquired, the Partnership will extinguish the IDRs.

CVR PARTNERS, LP

CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2010 (unaudited)	December 31, 2009
	(in thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 28,775	$ 5,440
Accounts receivable, net of allowance for doubtful accounts of $77 and $83, respectively	4,042	2,779
Inventories	23,494	21,936
Due from affiliate	160,476	131,002
Prepaid expenses and other current assets	1,521	1,969
Total current assets	218,308	163,126
Property, plant, and equipment, net of accumulated depreciation	336,292	347,258
Intangible assets, net	49	56
Goodwill	40,969	40,969
Other long-term assets	56	90
Total assets	$ 595,674	$ 551,499
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities:		
Accounts payable	$ 9,625	$ 7,476
Personnel accruals	1,841	1,614
Deferred revenue	7,863	10,265
Accrued expenses and other current liabilities	11,796	8,279
Total current liabilities	31,125	27,634
Long-term liabilities:		
Other long-term liabilities	3,892	3,981
Total long-term liabilities	3,892	3,981
Commitments and contingencies		
Partners' capital:		
Special general partner's interest, 30,303,000 units issued and outstanding	556,244	515,514
Limited partner's interest, 30,333 units issued and outstanding	559	516
Managing general partner's interest	3,854	3,854
Total partners' capital	560,657	519,884
Total liabilities and partners' capital	$ 595,674	$ 551,499

See accompanying notes to condensed consolidated financial statements.

CVR PARTNERS, LP

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Nine Months Ended September 30,	
	2010	2009
	(unaudited) (in thousands)	
Net sales	$ 141,057	$ 169,034
Operating costs and expenses:		
Cost of product sold (exclusive of depreciation and amortization)	27,651	34,635
Direct operating expenses (exclusive of depreciation and amortization)	60,732	64,400
Selling, general and administrative expenses (exclusive of depreciation and amortization)	8,782	14,113
Depreciation and amortization	13,862	14,024
Total operating costs and expenses	111,027	127,172
Operating income	30,030	41,862
Other income (expense):		
Interest income	9,619	6,185
Other income (expense)	(120)	42
Total other income (expense)	9,499	6,227
Income before income taxes	39,529	48,089
Income tax expense	35	15
Net income	$ 39,494	$ 48,074

See accompanying notes to condensed consolidated financial statements.

CVR PARTNERS, LP

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended September 30,	
	2010	2009
	(unaudited) (in thousands)	
Cash flows from operating activities:		
Net income	$ 39,494	$ 48,074
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	13,862	14,024
Allowance for doubtful accounts	(5)	(40)
Deferred income taxes	5	—
Loss on disposition of fixed assets	523	—
Share-based compensation	1,279	5,764
Accounts receivable	(1,258)	2,002
Inventories	(1,558)	6,117
Prepaid expenses and other current assets	457	1,808
Other long-term assets	—	(127)
Accounts payable	2,616	(7,669)
Deferred revenue	(2,402)	2,482
Accrued expenses and other current liabilities	3,740	2,673
Other accrued long-term liabilities	(109)	(29)
Net cash provided by operating activities	56,644	75,079
Cash flows from investing activities:		
Capital expenditures	(3,835)	(11,694)
Proceeds from sale of assets	—	18
Net cash used in investing activities	(3,835)	(11,676)
Cash flows from financing activities:		
Due from affiliate	(29,474)	(60,792)
Net cash used in financing activities	(29,474)	(60,792)
Net increase (decrease) in cash and cash equivalents	23,335	2,611
Cash and cash equivalents, beginning of period	5,440	9,075
Cash and cash equivalents, end of period	$ 28,775	$ 11,686
Supplemental disclosures		
Non-cash investing and financing activities:		
Accrual of construction in progress additions	$ (467)	$ (4,430)

See accompanying notes to condensed consolidated financial statements.

CVR PARTNERS, LP

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2010
(unaudited)

(1) Formation of the Partnership, Organization and Nature of Business

CVR Partners, LP (referred to as "CVR Partners", the "Partnership" or the "Company") is a Delaware limited partnership, formed in June 2007 by CVR Energy, Inc. (together with its subsidiaries, but excluding the Partnership and its subsidiary, "CVR Energy") to own Coffeyville Resources Nitrogen Fertilizers, LLC ("CRNF"), previously a wholly-owned subsidiary of CVR Energy. CRNF is an independent producer and marketer of upgraded nitrogen fertilizer products sold in North America. CRNF operates a dual-train coke gasifier plant that produces high-purity hydrogen, most of which is subsequently converted to ammonia and upgraded to urea ammonium nitrate ("UAN").

CRNF produces and distributes nitrogen fertilizer products, which are used primarily by farmers to improve the yield and quality of their crops. CRNF's principal products are ammonia and UAN. These products are manufactured at CRNF's facility in Coffeyville, Kansas. CRNF's product sales are heavily weighted toward UAN, and all of its products are sold on a wholesale basis.

The Partnership plans to pursue an initial public offering of its common units representing limited partner interests (the "Offering"). In October 2007, CVR Energy, Inc., through its wholly-owned subsidiary, Coffeyville Resources, LLC ("CRLLC"), transferred CRNF, CRLLC's nitrogen fertilizer business, to the Partnership. 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. The Partnership became the sole member of CRNF. In consideration for CRLLC transferring its nitrogen fertilizer business to the Partnership, (1) CRLLC directly acquired 30,333 special LP units, representing a 0.1% limited partner interest in the Partnership, (2) the Partnership's special general partner, a wholly-owned subsidiary of CRLLC, acquired 30,303,000 special GP units, representing a 99.9% general partner interest in the Partnership, and (3) the managing general partner, then owned by CRLLC, acquired a managing general partner interest and incentive distribution rights ("IDRs") of the Partnership. Immediately prior to CVR Energy's initial public offering, CVR Energy sold the managing general partner interest (together with the IDRs) to Coffeyville Acquisition III LLC ("CALLC III"), an entity owned by funds affiliated with Goldman, Sachs & Co. (the "Goldman Sachs Funds") and Kelso & Company, L.P. (the "Kelso Funds") and members of CVR Energy's management team, for its fair market value on the date of sale. As a result of CVR Energy's indirect ownership of the Partnership's special general partner, it initially owned all of the interests in the Partnership (other than the managing general partner interest and the IDRs) and initially was entitled to all cash distributed by the Partnership.

In connection with the Offering, CRLLC's limited partner interests will be converted into common units, the Partnership's special general partner interests will be converted into common units, and the Partnership's special general partner will be merged with and into CRLLC, with CRLLC continuing as the surviving entity. In addition, the managing general partner will sell its IDRs in the Partnership to the Company and these interests will be extinguished. Additionally, CALLC III will sell the managing general partner to CRLLC for a nominal amount.

In October 2007, the managing general partner, the special general partner, and CRLLC, as the limited partner, entered into an amended and restated limited partnership agreement setting forth the various rights and responsibilities of the partners of CVR Partners. The Partnership also entered into a number of agreements with CVR Energy and the managing general partner to regulate certain business relations between the Partnership and the other parties thereto. See Note 14 ("Related Party Transactions") for further discussion. Additionally, in connection with the Offering, the Company is expected to be released from its obligation as a guarantor under the CRLLC first priority credit facility and its senior secured notes, as described further in Note 13 ("Commitments and Contingent Liabilities").

The Partnership is operated by CVR Energy's senior management team pursuant to a services agreement among CVR Energy, the managing general partner, and the Partnership. The Partnership is managed by the managing general partner and to the extent described below, CVR Energy, through its 100% ownership of the

Partnership's special general partner. As the owner of the special general partner of the Partnership, CVR Energy 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.

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 CRLLC 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, CRLLC has the right to require the managing general partner to sell the managing GP interest to CRLLC. 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 CRLLC and the managing general partner. On December 17, 2010, the board of directors of the managing general partner of the Partnership and the manager of CRLLC approved the sale of the managing general partner's interest in the Partnership (including the IDRs) to CRLLC and the Partnership for a purchase price of $26 million, subject to consummation of the Offering. The purchase price will be paid out of proceeds from the Offering. Once acquired, the Partnership will extinguish the IDRs.

As of September 30, 2010, the Partnership had distributed $50,000,000 out of the Partners' capital account to CVR Energy. This distribution occurred in 2008.

Historical Organization of CRNF

On June 24, 2005, pursuant to a stock purchase agreement dated May 15, 2005, all of the subsidiaries of Coffeyville Group Holdings, LLC, including the nitrogen fertilizer plant (and the petroleum business now operated by CVR Energy), were acquired by Coffeyville Acquisition LLC ("CALLC"), a then newly formed entity principally owned by the Goldman Sachs Funds and the Kelso Funds.

(2) Basis of Presentation

CVR Partners is comprised of operations of the CRNF fertilizer business. The accompanying unaudited condensed consolidated financial statements of CVR Partners, LP include the operations of CRNF. 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 as described in further detail below.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with Regulation S-X, Article 3 "General instructions as to consolidated financial statements." The condensed consolidated financial statements include certain costs of CVR Energy that were incurred on behalf of the Partnership. These amounts represent certain selling, general and administrative expenses (exclusive of depreciation and amortization) and direct operating expenses (exclusive of depreciation and amortization). These transactions represent related party transactions and are governed by a services agreement entered into in October 2007. See Note 14 ("Related Party Transactions") for additional discussion of the services agreement. The amounts charged or allocated to the Partnership are not necessarily indicative of the cost that the Partnership would have incurred had it operated as a stand-alone company for all years presented.

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 September 30, 2010 and December 31, 2009, and the results of operations and cash flows for the nine months ended September 30, 2010 and 2009.

The preparation of condensed consolidated 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. 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 Partnership has omitted net income per unit through the date of the Offering because the Partnership operated under a different capital structure than what the Partnership will operate under at the time of the Offering, and, therefore, the information is not meaningful.

The Company evaluated subsequent events that would require an adjustment to the Company's condensed consolidated financial statements or disclosure in the notes to the condensed consolidated financial statements through December 20, 2010, the date of issuance of the condensed consolidated financial statements.

(3) 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.

(4) Cost Classifications

Cost of product sold (exclusive of depreciation and amortization) includes cost of pet coke expense and freight and distribution expenses.

Direct operating expenses (exclusive of depreciation and amortization) includes direct costs of labor, maintenance and services, energy and utility costs, environmental compliance costs as well as chemical and catalyst and other direct operating expenses. Direct operating expenses exclude depreciation and amortization of approximately $13,854,000 and $14,016,000, for the nine months ended September 30, 2010 and 2009, respectively.

Selling, general and administrative expenses (exclusive of depreciation and amortization) consist primarily of direct and allocated legal expenses, treasury, accounting, marketing, human resources and maintaining the corporate offices in Texas and Kansas. Selling, general and administrative expenses exclude depreciation and amortization of approximately $8,000 and $8,000, for the nine months ended September 30, 2010 and 2009, respectively.

(5) Partners' Capital

At September 30, 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 general partner interest and the IDRs. CVR Energy owns all of the interest in the Partnership (other than the managing general

partner interest and the IDRs) and is entitled to all cash distributed by the Partnership. The managing general partner contributed 1% of CRNF's interest to the Partnership in exchange for its managing general partner interest and the IDRs. See Note 1 ("Formation of the Partnership, Organization and Nature of Business") for additional discussion related to the unitholders.

In connection with the Offering, CRLLC's limited partner interests will be converted into common units, the Partnership's special general partner interests will be converted into common units, and the Partnership's special general partner will be merged with and into CRLLC, with CRLLC continuing as the surviving entity. In addition, the managing general partner will sell its IDRs in the Partnership to the Company and these interests will be extinguished. Additionally, CALLC III will sell the managing general partner to CRLLC for a nominal amount. Following the Offering, the Partnership will have two types of partnership interests outstanding:

- common units representing limited partner interests, a portion of which the Partnership will sell in the Offering; and
- a general partner interest, which is not entitled to any distributions, will be held by the Partnership's general partner.

Effective with the Offering and within 45 days after the end of each quarter, beginning with the first full quarter following the closing date of the Offering, the Partnership expects to make quarterly cash distributions to unitholders. The partnership agreement will not require that the Partnership make cash distributions on a quarterly or other basis. Also in connection with the Offering, the board of directors of the general partner will adopt a distribution policy, which it may change at any time.

The partnership agreement will authorize the Partnership to issue an unlimited number of additional units and rights to buy units for the consideration and on the terms and conditions determined by the board of directors of the general partner without the approval of the unitholders.

The general partner will manage and operate the Partnership. Common unitholders will only have limited voting rights on matters affecting the Partnership. In addition, common unitholders will have no right to elect the partner's directors on an annual or other continuing basis.

(6) Inventories

Inventories consisted of the following (in thousands):

	September 30, 2010	December 31, 2009
Finished goods	$ 6,265	$ 6,624
Raw materials and catalysts	4,344	4,089
Parts and supplies	12,885	11,223
	$ 23,494	$ 21,936

(7) Property, Plant, and Equipment

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

	September 30, 2010	December 31, 2009
Land and improvements	$ 1,915	$ 1,689
Buildings	724	650
Machinery and equipment	389,384	389,537
Automotive equipment	391	404
Furniture and fixtures	240	233
Construction in progress	35,668	33,182
	$ 428,322	$ 425,695
Accumulated depreciation	92,030	78,437
	$ 336,292	$ 347,258

(8) Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities were as follows (in thousands):

	September 30, 2010	December 31, 2009
Property taxes	$ 11,083	$ 5,807
Capital asset and dismantling obligation	250	750
Other accrued expenses	463	1,722
	$ 11,796	$ 8,279

(9) Nitrogen Fertilizer Incident

On September 30, 2010, the nitrogen fertilizer plant experienced an interruption in operations due to a rupture of a high-pressure UAN vessel. All operations at the nitrogen fertilizer facility were immediately shut down. No one was injured in the incident.

The nitrogen fertilizer facility had previously scheduled a major turnaround to begin on October 5, 2010. To minimize disruption and impact to the production schedule, the turnaround was accelerated. The turnaround was completed on October 29, 2010 with the gasification and ammonia units in operation. The fertilizer facility restarted production of UAN on November 16, 2010, however, repairs continue to be completed on the UAN unit due to the incident.

Based upon an internal review and investigation, the Company currently estimates that the costs to repair the damage caused by the incident are expected to be in the range of $8.0 million to $11.0 million and repairs are expected to be substantially complete prior to the end of December 2010. To the extent additional damage is discovered during the completion of repairs, the costs to repair could increase or repairs could take longer to complete.

The Company maintains property damage insurance under CVR Energy's insurance policies which have an associated deductible of $2.5 million. The Company anticipates that substantially all of the repair costs in excess of the $2.5 million deductible should be covered by insurance. These insurance policies also provide coverage for

interruption to the business, including lost profits, and reimbursement for other expenses and costs the Company has incurred relating to the damage and losses suffered for business interruption. This coverage, however, only applies to losses incurred after a business interruption of 45 days.

As of September 30, 2010, the Company has written off $390,000 of net book value of property and $24,000 of catalysts destroyed as a result of the incident. These amounts were recorded in selling, general and administrative expenses (exclusive of depreciation and amortization) and direct operating expenses (exclusive of depreciation and amortization), respectively. Additionally, through November 30, 2010, the Company had recorded expenses in excess of its associated deductible. Through December 17, 2010, the Company received insurance proceeds totaling $3,668,000.

(10) Income Taxes

The State of Texas enacted a franchise tax that required the Partnership to pay a tax of 1.0% on the Partnership's "margin" beginning with the 2008 taxable year, as defined in the law, based on the Partnership's prior year results. The margin to which the tax rate is applied generally is calculated as the Texas percentage of the Partnership's revenues for federal income tax purposes less the cost of the products sold as defined by Texas law.

Under ASC 740, *Income Taxes* ("ASC 740") taxes based on income like the Texas franchise tax are accounted for using the liability method under which deferred income taxes are recognized for the future tax effects of temporary differences between the financial statement carrying amounts and the tax basis of existing assets and liabilities using the enacted statutory tax rates in effect at the end of the period. A valuation allowance for deferred tax assets is recorded when it is more likely than not that the benefit from the deferred tax asset will not be realized.

Temporary differences related to the Partnership's property affect the Texas franchise tax. As a result, the Partnership reflected a deferred tax liability in the amount of approximately $47,000 and $33,000 at September 30, 2010 and December 31, 2009, respectively, included other long-term liabilities on the Condensed Consolidated Balance Sheets of the Partnership. The Partnership also reflected a deferred tax asset of $9,000 and $0 at September 30, 2010 and December 31, 2009, respectively, included in prepaid expenses and other current assets on the Condensed Consolidated Balance Sheets. In addition, the Partnership reflected a state income taxes payable of approximately $19,000 and $25,000 at September 30, 2010 and December 31, 2009, respectively, included in accrued expenses and other current liabilities on the Condensed Consolidated Balance Sheets of the Partnership. For the nine months ended September 30, 2010 and 2009, the Partnership recorded income tax expense of $35,000 and $15,000, respectively.

As of September 30, 2010, CVR Partners did not believe it had any tax positions that met the criteria for uncertain tax positions. As a result, no amounts were recognized as a liability for uncertain tax positions.

CVR Partners recognizes interest and penalties on uncertain tax positions and income tax deficiencies in income tax expense. CVR Partners did not recognize any interest or penalties in for the nine months ended September 30, 2010 and 2009, respectively, for uncertain tax positions or income tax deficiencies.

(11) Benefit Plans

CRLLC sponsors a defined-contribution 401(k) plan (the Plan) for the employees of CRNF. Participants in the Plan may elect to contribute up to 50% of their annual salaries, and up to 100% of their annual bonus received pursuant to CVR Energy's income sharing plan. CRNF matches up to 75% of the first 6% of the participant's contribution. The Plan is administered by CRLLC. Participants in the Plan are immediately vested in their individual contributions. The Plan has a three year vesting schedule for CRNF's matching funds and contains a provision to count service with any predecessor organization. For the nine months ended September 30, 2010 and 2009, CRNF's contributions under the Plan were $293,000 and $285,000, respectively.

(12) Share-Based Compensation

Certain employees of CVR Partners and employees of CVR Energy who perform services for the Partnership under the services agreement with CVR Energy participate in equity compensation plans of CVR Partners' affiliates. Accordingly, CVR Partners has recorded compensation expense for these plans in accordance with Staff Accounting Bulletin, or SAB Topic 1-B "Allocations of Expenses and Related disclosures in Financial Statements of Subsidiaries, Divisions or Lesser Business Components of Another Entity" and in accordance with guidance regarding the accounting for share-based compensation granted to employees of an equity method investee. All compensation expense related to these plans for full-time employees of CVR Partners has been allocated 100% to CVR Partners. For employees covered by the services agreement with CVR Energy, the Partnership records share-based compensation relative to the percentage of time spent by each employee providing services to the Partnership as compared to the total calculated share-based compensation by CVR Energy. In the event an individual's roles and responsibilities change with respect to services provided to CVR Partners, a reassessment is performed to determine if the allocation percentage should be adjusted. In accordance with the services agreement, the Partnership is not responsible for payment of share-based compensation and all expense amounts are reflected as an increase or decrease to Partners' Capital.

Prior to CVR Energy's initial public offering in October 2007, CVR Energy's subsidiaries were held and operated by CALLC, a limited liability company. Management of CVR Energy 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 Energy's initial public offering, CALLC was split into two entities: CALLC and Coffeyville Acquisition II LLC ("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 Energy's predecessor.

CVR Energy and CRLLC account for share-based compensation in accordance with ASC 718 *Compensation — Stock Compensation* ("ASC 718") as well as guidance regarding the accounting for share-based compensation granted to employees of an equity method investee. In accordance with ASC 718, CVR Energy and CALLC III apply a fair-value based measurement method in accounting for share-based compensation. In addition, the Company recognizes the costs of the share-based compensation incurred by CVR Energy 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 instruments that are issued to other than employees for acquiring, or in conjunction with selling goods or services, which require remeasurement at each reporting period through the performance commitment period, or in the Company's case, through the vesting period.

At September 30, 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 CVR Energy'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.

CVR PARTNERS, LP

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

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 Nine Months Ended September 30, 2010	2009
Override Operating Units(a)	$ 11.31	919,630	June 2005	$ 56	$ 525
Override Operating Units(b)	$ 34.72	72,492	December 2006	1	24
Override Value Units(c)	$ 11.31	1,839,265	June 2005	640	2,327
Override Value Units(d)	$ 34.72	144,966	December 2006	9	101
Override Units(e)	$ 10.00	138,281	October 2007	—	—
Override Units(f)	$ 10.00	642,219	February 2008	1	2
			Total	$ 707	$ 2,979

* As CVR Energy'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 September 30, 2009	(b) Override Operating Units September 30, 2009
Estimated forfeiture rate	None	None
CVR Energy's closing stock price	$12.44	$12.44
Estimated fair value (per unit)	$24.01	$ 8.60
Marketability and minority interest discounts	20.0%	20.0%
Volatility	54.3%	54.3%

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. As of September 30, 2010, these units were fully vested.

CVR PARTNERS, LP

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

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

	(c) Override Value Units September 30,		(d) Override Value Units September 30,	
	2010	2009	2010	2009
Estimated forfeiture rate	None	None	None	None
Derived service period	6 years	6 years	6 years	6 years
CVR Energy's closing stock price	$ 8.25	$ 12.44	$ 8.25	$ 12.44
Estimated fair value (per unit)	$ 8.53	$ 18.52	$ 2.04	$ 8.60
Marketability and minority interest discounts	20.0%	20.0%	20.0%	20.0%
Volatility	45.4%	54.3%	45.4%	54.3%

Unless the override unit committee of the board of directors of CALLC, CALLC II or CALLC III, respectively, takes an action to prevent forfeiture, override value units are forfeited upon termination of employment for any reason other than cause, 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 Energy 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 September 30, 2010 these units were fully vested.

(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 Energy 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:

	September 30,	
	2010	2009
Estimated forfeiture rate	None	None
Derived Service Period	Forfeiture schedule	Forfeiture schedule
Estimated fair value (per unit)	$0.08	$0.03
Marketability and minority interest discounts	20.0%	20.0%
Volatility	59.7%	47.0%

Assuming the allocation of costs from CVR Energy remains consistent with the allocation percentages in place at September 30, 2010 and based upon the estimated fair value at September 30, 2010, there was approximately $327,000 of unrecognized compensation expense related to non-voting override units. This expense is expected to be recognized by CVR Partners over a remaining period of approximately one year as follows (in thousands):

	Override Value Units
Three months ending December 31, 2010	$ 113
Year ending December 31, 2011	214
	$ 327

Phantom Unit Plans

CVR Energy, 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 September 30, 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 CVR Energy's common stock price with a Black-Scholes option pricing formula, as remeasured at each reporting date until the awards are settled. Using CVR Energy's closing stock price to determine CVR Energy's equity value, through an independent valuation process, the service phantom interest and performance phantom interest were valued at $13.66 and $8.36 per point as of September 30, 2010. Through use of the same valuation methodology, the service phantom interest and performance phantom interest were valued at $23.44 and $18.28 per point at September 30, 2009. Compensation expense for the nine months ended September 30, 2010 and 2009, related to the Phantom Unit Plans was $440,000 and $2,736,000, respectively.

Assuming the allocation of costs from CVR Energy remains consistent with the allocations at September 30, 2010 and based upon the estimated fair value at September 30, 2010, there was approximately $96,000 of unrecognized compensation expense related to the Phantom Unit Plans. This expense is expected to be recognized over a period of approximately one year.

Long-Term Incentive Plan

CVR Energy 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). As of September 30, 2010, only non-vested shares of CVR Energy common stock had been granted for the benefit of CVR Energy and CRNF employees.

Non-Vested Stock

A summary of non-vested stock grant activity and changes during the year ended December 31, 2009 and for the nine months ended September 30, 2010 is presented below:

	Shares	Weighted-Average Grant-Date Fair Value
Non-vested at December 31, 2008	54,200	$ 4.14
Granted	95,689	6.82
Vested	(18,407)	4.14
Forfeited	—	—
Non-vested at December 31, 2009	131,482	$ 6.09
Granted	528,522	7.19
Vested	(8,334)	7.59
Forfeited	(1,799)	4.14
Non-vested at September 30, 2010	649,871	$ 6.97

Through the LTIP, shares of non-vested stock have been granted to employees of CVR Energy and CRNF. Non-vested shares, when granted, are valued at the closing market price of CVR Energy'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. Assuming the allocation of costs from CVR Energy remains consistent with the allocation percentages in place at September 30, 2010, there was approximately $639,000 of total unrecognized compensation cost related to non-vested shares to be recognized over a weighted-average period of approximately two and one-half years.

Compensation expense recorded for the nine months ended September 30, 2010 and 2009 related to the non-vested stock was $132,000 and $50,000, respectively.

(13) Commitments and Contingent Liabilities

The minimum required payments for CRNF's operating leases and unconditional purchase obligations as of September 30, 2010 are as follows (in thousands):

	Operating Leases	Unconditional Purchase Obligations
Three months ending December 31, 2010	$ 942	$ 3,100
Year ending December 31, 2011	4,022	13,029
Year ending December 31, 2012	4,021	13,189
Year ending December 31, 2013	3,184	13,676
Year ending December 31, 2014	1,550	13,756
Thereafter	1,126	130,762
	$ 14,845	$ 187,512

CRNF leases railcars under long-term operating leases. Lease expense for the nine months ended September 30, 2010 totaled approximately $3,156,000 and $2,992,000, respectively. The lease agreements have various remaining terms. Some agreements are renewable, at CRNF's option, for additional periods. It is expected, in the ordinary course of business, that leases will be renewed or replaced as they expire.

CRNF has an agreement with the City of Coffeyville (the "City") pursuant to which it must make a series of future payments for the supply, generation and transmission of electricity and City margin based upon agreed upon rates. This agreement has an expiration of July 1, 2019. Effective August 2008 and through July 2010, the City began charging a higher rate for electricity than what had been agreed to in the contract. The Company filed a lawsuit to have the contract enforced as written and to recover other damages. The Company paid the higher rates under protest and subject to the lawsuit in order to obtain the electricity. In August 2010, the lawsuit was settled and CRNF received a return of funds totaling $4,788,000. This return of funds was recorded in direct operating expenses (exclusive of depreciation and amortization) in the Condensed Consolidated Statements of Operations during the third quarter of 2010. In connection with the settlement, the electrical services agreement was amended. As a result of the amendment, the remaining obligations of CRNF are estimated to be $16,906,000 through July 1, 2019. Total minimum annual committed contractual payments under the agreement are estimated to be approximately $1,932,000. These estimates are subject to change based upon the Company's actual usage.

During 2005, CRNF entered into the Amended and Restated On-Site Product Supply Agreement with Linde, Inc. Pursuant to the agreement, which expires in 2020, CRNF is required to take as available and pay approximately $300,000 per month, which amount is subject to annual inflation adjustments, for the supply of oxygen and nitrogen to the fertilizer operation. Expenses associated with this agreement included in direct operating expenses (exclusive of depreciation and amortization) for the nine months ended September 30, 2010 and 2009, totaled approximately $3,616,000 and $3,029,000, respectively.

CRNF entered into a sales agreement with Cominco Fertilizer Partnership on November 20, 2007 to purchase equipment and materials which comprise a nitric acid plant. CRNF's obligation related to the execution of the agreement in 2007 for the purchase of the assets was $3,500,000. On May 25, 2009, CRNF and Cominco amended the contract increasing the liability to $4,250,000. In consideration of the increased liability, the timeline for removal of the equipment and payment schedule was extended. The amendment sets forth payment milestones based upon the timing of removal of identified assets. The balance of the assets purchased is to be removed by November 20, 2013, with final payment due at that time. As of September 30, 2010, $2,000,000 had been paid. Additionally, as of September 30, 2010, $2,374,000 was accrued related to the obligation to dismantle the unit. As of September 30, 2010, the Company had accrued a total of $4,048,000 with respect to the nitric acid plant and the related dismantling obligation. Of this amount, $250,000 was included in accrued expenses and other current liabilities and the remaining $3,798,000 was included in other long-term liabilities on the Condensed Consolidated Balance Sheets. The related asset amounts incurred are included in construction-in-progress at September 30, 2010.

CRNF entered into a 5-year lease agreement effective October 25, 2007 with CVR Energy under which certain office and laboratory space is leased. The agreement requires CRNF to pay $8,000 on the first day of each calendar month during the term of the agreement. See Note 14 ("Related Party Transactions") for further discussion.

From time to time, CRNF 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," and those described above. 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 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 managements' beliefs or opinions with respect to liability for potential litigation matters are accurate.

CRNF entered into a coke supply agreement with CVR Energy in October 2007 pursuant to which CVR Energy supplies CRNF with pet coke. CRNF is obligated under this agreement to purchase the lesser of (i) 100 percent of the pet coke produced at its petroleum refinery or (ii) 500,000 tons of pet coke per calendar year. The agreement has an initial term of 20 years. The price which the Partnership will pay for the pet coke will be based on the lesser of a coke price derived from the price received by the Partnership for UAN (subject to a UAN based price ceiling and floor) or a coke index price but in no event will the pet coke price be less than zero. See Note 14 ("Related Party Transactions") for further information.

CRNF is a guarantor under CRLLC's first priority credit facility, as well as CRLLC's senior secured notes. As of September 30, 2010, the first priority credit facility consisted of a $150,000,000 revolving credit facility. The revolving credit facility provides for direct cash borrowings for general corporate purposes and on a short-term basis. At September 30, 2010, letters of credit issued under the revolving credit facility were subject to a $100,000,000 sub-limit. Outstanding letters of credit reduce the amount available under the Company's revolving credit facility. The revolving loan commitment expires on December 28, 2012. The senior secured notes issued by CRLLC and Coffeyville Finance Inc. have an aggregate principal amount of $500,000,000.

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

CRNF is 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. Such liabilities include estimates of the Company's share of costs attributable to potentially responsible parties which are insolvent or otherwise unable to pay. All liabilities are monitored and adjusted regularly as new facts emerge or changes in law or technology occur.

CRNF owns and operates a facility utilized for the manufacture of nitrogen fertilizers. Therefore, CRNF has exposure to potential EHS liabilities related to past and present EHS conditions at this location.

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 September 30, 2010 and December 31, 2009, environmental accruals of $95,000 and $141,000, respectively, were reflected in the consolidated balance sheets for probable and estimated costs for remediation of environmental contamination under the VCPRP, including amounts totaling $48,000 and $85,000, respectively, included in accrued expenses and other current liabilities. The accruals were determined based on an estimate of payment costs through 2014, which scope of remediation was arranged with the EPA and are discounted at the appropriate risk free rates at September 30, 2010 and December 31, 2009, respectively. As of September 30, 2010, the estimated future payments for these required obligations are as follows:

	Amount (in thousands)
Three months ending December 31, 2010	$ 36
Year ending December 31, 2011	15
Year ending December 31, 2012	15
Year ending December 31, 2013	15
Year ending December 31, 2014	15
Undiscounted total	$ 96
Less amounts representing interest at 1.27%	1
Accrued environmental liabilities at September 30, 2010	$ 95

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.

Environmental expenditures are capitalized when such expenditures are expected to result in future economic benefits. Capital expenditures for the nine months ended September 30, 2010 and 2009, were approximately $420,000 and $502,000, respectively, and were incurred to improve the environmental compliance and efficiency of the operations.

CRNF believes 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.

(14) Related Party Transactions

CRLLC contributed its wholly-owned subsidiary CRNF to the Partnership on October 24, 2007. In consideration for CRLLC transferring CRNF to the Partnership, (1) CRLLC directly acquired 30,333 special LP units, representing a 0.1% limited partner interest in the Partnership at that time, (2) the Partnership's special general partner, a wholly-owned subsidiary of CRLLC, acquired 30,303,000 special GP units, representing a 99.9% general partner interest in the Partnership at that time, (3) the managing general partner, then owned by CRLLC, acquired a managing general partner interest and IDRs and (4) CVR Partners' agreement, contingent on CVR Partners completion of the Offering, to reimburse CVR Energy for capital expenditures it incurred during the two year period prior to the sale of the managing general partner to CALLC III, as described below, in connection with the operations of the nitrogen fertilizer plant, which were approximately $18.4 million. CVR Partners assumed all liabilities arising out of or related to the ownership of the nitrogen fertilizer business to the extent arising or accruing on and after the date of transfer.

Related Party Agreements, Effective October 25, 2007

In connection with the formation of CVR Partners and the initial public offering of CVR Energy in October 2007, CVR Partners entered into several agreements with CVR Energy and its subsidiaries that govern the business relations among CVR Partners, CVR Energy and its managing general partner. Amounts owed to CVR Partners from CVR Energy with respect to these agreements are included in prepaid expenses and other currents assets on the Condensed Consolidated Balance Sheets. Conversely, amounts owed to CVR Energy by CVR Partners with respect to these agreements are included in accounts payable on the Condensed Consolidated Balance Sheets.

Feedstock and Shared Services Agreement

CVR Partners entered into a feedstock and shared services agreement with CVR Energy under which the two parties provide feedstock and other services to one another. These feedstocks and services are utilized in the respective production processes of CVR Energy's refinery and CVR Partners' nitrogen fertilizer plant.

Pursuant to the feedstock agreement, CVR Partners and CVR Energy have the right to transfer excess hydrogen to one another. Sales of hydrogen to CVR Energy have been reflected as net sales for CVR Partners. Receipts of hydrogen from CVR Energy have been reflected in cost of product sold (exclusive of depreciation and amortization) for CVR Partners. For the nine months ended September 30, 2010 and 2009, the net sales generated from the sale of hydrogen to CVR Energy were approximately $0 and $659,000, respectively. For the nine months ended September 30, 2010 and 2009, CVR Partners also recognized $1,776,000 and $1,016,000, of cost of product sold related to the transfer of excess hydrogen from the refinery, respectively. At September 30, 2010 and December 31, 2009, there was approximately $0 and $153,000, respectively of receivables included in prepaid expenses and other current assets on the Condensed Consolidated Balance Sheets associated with unpaid balances related to hydrogen sales.

The agreement provides that both parties must deliver high-pressure steam to one another under certain circumstances. Reimbursed direct operating expenses recorded during the nine months ended September 30, 2010 and 2009 were approximately ($8,000) and $186,000, respectively, related to high-pressure steam.

CVR Partners is also obligated to make available to CVR Energy any nitrogen produced by the Linde air separation plant that is not required for the operation of the nitrogen fertilizer plant, as determined by CVR Partners in a commercially reasonable manner. Reimbursed direct operating expenses associated with nitrogen for the nine months ended September 30, 2010 and 2009 were approximately $552,000 and $454,000, respectively.

The agreement also provides that both CVR Partners and CVR Energy must deliver instrument air to one another in some circumstances. CVR Partners must make instrument air available for purchase by CVR Energy at a minimum flow rate, to the extent produced by the Linde air separation plant and available to CVR Partners. There were no amounts recognized with respect to the instrument air transactions for the nine months ended September 30, 2010 and 2009, respectively.

At September 30, 2010 and December 31, 2009, receivables of $104,000 and $219,000, respectively, were included in prepaid expenses and other current assets on the Condensed Consolidated Balance Sheets for amounts yet to be received related to components of the feedstock and shared services agreement except amounts related to hydrogen sales and pet coke purchases. At September 30, 2010 and December 31, 2009, payables of $545,000 and $408,000, respectively, were included in accounts payable on the Condensed Consolidated Balance Sheets associated with unpaid balances related to all components of the feedstock and shared services agreement, except amounts related to hydrogen sales and pet coke purchases.

The agreement has an initial term of 20 years, which will be automatically extended for successive five year renewal periods. Either party may terminate the agreement, effective upon the last day of a term, by giving notice no later than three years prior to a renewal date. The agreement will also be terminable by mutual consent of the parties or if one party breaches the agreement and does not cure within applicable cure periods and the breach materially and adversely affects the ability of the terminating party to operate its facility. Additionally, the agreement may be terminated in some circumstances if substantially all of the operations at the nitrogen fertilizer plant or the refinery are permanently terminated, or if either party is subject to a bankruptcy proceeding or otherwise becomes insolvent.

Coke Supply Agreement

CVR Partners entered into a coke supply agreement with CVR Energy pursuant to which CVR Energy supplies CVR Partners with pet coke. This agreement provides that CVR Energy must deliver to the Partnership during each calendar year an annual required amount of pet coke equal to the lesser of (i) 100 percent of the pet coke produced at CVR Energy's petroleum refinery or (ii) 500,000 tons of pet coke. CVR Partners is also obligated to purchase this annual required amount. If during a calendar month CVR Energy produces more than 41,667 tons of pet coke, then CVR Partners will have the option to purchase the excess at the purchase price provided for in the agreement. If CVR Partners declines to exercise this option, CVR Energy may sell the excess to a third party.

The price which CVR Partners will pay for the pet coke is based on the lesser of a coke price derived from the price it receives for UAN (subject to a UAN based price ceiling and floor) or a coke index price but in no event will the pet coke price be less than zero. CVR Partners will also pay any taxes associated with the sale, purchase, transportation, delivery, storage or consumption of the pet coke. Prior to October 24, 2007, the price of pet coke purchased by CRNF from CVR Energy's refinery was $15 per ton. CVR Partners will be entitled to offset any amount payable for the pet coke against any amount due from CVR Energy under the feedstock and shared services agreement between the parties.

The agreement has an initial term of 20 years, which will be automatically extended for successive five year renewal periods. Either party may terminate the agreement by giving notice no later than three years prior to a renewal date. The agreement is also terminable by mutual consent of the parties or if a party breaches the agreement and does not cure within applicable cure periods. Additionally, the agreement may be terminated in some

circumstances if substantially all of the operations at the nitrogen fertilizer plant or the refinery are permanently terminated, or if either party is subject to a bankruptcy proceeding or otherwise becomes insolvent.

Costs of pet coke associated with the transfer of pet coke from CVR Energy to the Partnership were approximately $3,311,000 and $7,444,000 for the nine months ended September 30, 2010 and 2009, respectively. Payables of $162,000 and $75,000 related to the coke supply agreement were included in accounts payable on the Condensed Consolidated Balance Sheets at September 30, 2010 and December 31, 2009, respectively.

Lease Agreement

CVR Partners has entered into a five-year lease agreement with CVR Energy under which it leases certain office and laboratory space. This agreement expires in October 2012. CVR Partners has the option to renew the lease agreement for up to five additional one-year periods by providing CVR Energy with notice of renewal at least 60 days prior to the expiration of the then existing term. For the nine months ended September 30, 2010 and 2009, expense incurred related to the use of the office and laboratory space totaled approximately $72,000 and $72,000, respectively. There were no unpaid amounts outstanding with respect to the lease agreement as of September 30, 2010 and December 31, 2009, respectively.

Environmental Agreement

CVR Partners entered into an environmental agreement with CVR Energy which provides for certain indemnification and access rights in connection with environmental matters affecting the refinery and the nitrogen fertilizer plant. Generally, both CVR Partners and CVR Energy have agreed to indemnify and defend each other and each other's affiliates against liabilities associated with certain hazardous materials and violations of environmental laws that are a result of or caused by the indemnifying party's actions or business operations. This obligation extends to indemnification for liabilities arising out of off-site disposal of certain hazardous materials. Indemnification obligations of the parties will be reduced by applicable amounts recovered by an indemnified party from third parties or from insurance coverage.

The agreement provides for indemnification in the case of contamination or releases of hazardous materials that are present but unknown at the time the agreement is entered into to the extent such contamination or releases are identified in reasonable detail during the period ending five years after the date of the agreement. The agreement further provides for indemnification in the case of contamination or releases which occur subsequent to the date the agreement is entered into.

The term of the agreement is for at least 20 years, or for so long as the feedstock and shared services agreement is in force, whichever is longer.

CVR Partners entered into two supplements to the environmental agreement in February and July 2008 to confirm that CVR Energy remains responsible for existing environmental conditions on land transferred by CVR Energy to CVR Partners, and to incorporate a known contamination map, a comprehensive pet coke management plan and a new third party coke handling agreement.

Services Agreement

CVR Partners entered into a services agreement with its managing general partner and CVR Energy pursuant to which it and its managing general partner obtain certain management and other services from CVR Energy. Under this agreement, the Partnership's managing general partner has engaged CVR Energy to conduct its

day-to-day business operations. CVR Energy provides CVR Partners with the following services under the agreement, among others:

- services from CVR Energy's employees in capacities equivalent to the capacities of corporate executive officers, except that those who serve in such capacities under the agreement shall serve the Partnership on a shared, part-time basis only, unless the Partnership and CVR Energy agree otherwise;
- administrative and professional services, including legal, accounting services, human resources, insurance, tax, credit, finance, government affairs and regulatory affairs;
- management of the Partnership's property and the property of its operating subsidiary in the ordinary course of business;
- recommendations on capital raising activities to the board of directors of the Partnership's managing general partner, including the issuance of debt or equity interests, the entry into credit facilities and other capital market transactions;
- managing or overseeing litigation and administrative or regulatory proceedings, and establishing appropriate insurance policies for the Partnership, and providing safety and environmental advice;
- recommending the payment of distributions; and
- managing or providing advice for other projects as may be agreed by CVR Energy and its managing general partner from time to time.

As payment for services provided under the agreement, the Partnership, its managing general partner or CRNF must pay CVR Energy (i) all costs incurred by CVR Energy in connection with the employment of its employees, other than administrative personnel, who provide the Partnership services under the agreement on a full-time basis, but excluding share-based compensation; (ii) a prorated share of costs incurred by CVR Energy in connection with the employment of its employees, including administrative personnel, who provide the Partnership services under the agreement on a part-time basis, but excluding share-based compensation, and such prorated share shall be determined by CVR Energy on a commercially reasonable basis, based on the percent of total working time that such shared personnel are engaged in performing services for the Partnership; (iii) a prorated share of certain administrative costs, including office costs, services by outside vendors, other sales, general and administrative costs and depreciation and amortization; and (iv) various other administrative costs in accordance with the terms of the agreement, including travel, insurance, legal and audit services, government and public relations and bank charges.

Effective January 1, 2010, the services agreement was amended whereby a prorata share of administrative personnel costs are charged to the Partnership by CVR Energy. The prorated share is determined by CVR Energy on a commercially reasonable basis, based on the percent of total working time that such administrative personnel are engaged in performing services for the Partnership. Prior to the amendment, the determination of personnel costs associated with administrative personnel was determined by a prorata share of personnel costs of administrative personnel engaged in performing services based upon a percentage of payroll of CRNF in proportion to the total payroll of CRNF and the petroleum business of CVR Energy.

This agreement is expected to be amended in connection with the Offering.

In order to facilitate the carrying out of services under the agreement, CVR Partners and CVR Energy, have granted one another certain royalty-free, non-exclusive and non-transferable rights to use one another's intellectual property under certain circumstances.

Net amounts incurred under the services agreement for the nine months ended September 30, 2010 and 2009, were approximately $7,348,000 and $9,804,000, respectively. Of these charges approximately $5,708,000 and $7,573,000, respectively are included in selling, general and administrative expenses (exclusive of depreciation and

amortization). In addition, $1,640,000 and $2,231,000 are included in direct operating expenses (exclusive of depreciation and amortization) for the nine months ended September 30, 2010 and 2009, respectively. For services performed in connection with the services agreement the Company recognized personnel costs of $2,306,000 and $3,363,000, respectively, for the nine months ended September 30, 2010 and 2009. At September 30, 2010 and December 31, 2009, payables of $924,000 and $821,000, respectively, were included in accounts payable on the Condensed Consolidated Balance Sheets with respect to amounts billed in accordance with the services agreement.

At September 30, 2010 and December 31, 2009, included in prepaid expenses and other current assets on the Condensed Consolidated Balance Sheets are receivables of $527,000 and $961,000, respectively, for accrued interest with respect to amounts due from affiliate. For the nine months ended September 30, 2010 and 2009, the Partnership recognized interest income of $9,616,000 and $6,184,000, respectively, associated with the due from affiliate.

Due From Affiliate

CVR Partners maintains a lending relationship with its affiliate CRLLC in order to supplement CRLLC's working capital needs. Amounts loaned to CRLLC are included on the Condensed Consolidated Balance Sheets as a due from affiliate. CVR Partners has the right to receive amounts owed from CRLLC upon request.

At September 30, 2010 and December 31, 2009, the due from affiliate balance totaled $160,476,000 and $131,002,000, respectively. For the nine months ended September 30, 2010, the weighted-average interest rate charged on the due from affiliate balance was 8.5%. The interest rate applied to the due from affiliate balance is derived from the applicable rate incurred on CRLLC's first priority revolving credit facility.

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Appendix A

FORM OF
SECOND AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP
OF
CVR PARTNERS, LP

Appendix B

GLOSSARY OF SELECTED TERMS

The following are definitions of certain terms used in this prospectus.

Acquisition	The acquisition of Predecessor on June 24, 2005 by Coffeyville Acquisition LLC, an entity controlled by the Goldman Sachs Funds and the Kelso Funds at that time.
Blue Johnson	Blue, Johnson & Associates, Inc.
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.
Coffeyville Acquisition III	Coffeyville Acquisition III LLC, the owner of CVR GP, LLC prior to the Transactions, which is owned by the Goldman Sachs Funds, the Kelso Funds and certain members of CVR Energy's senior management team.
Coffeyville Resources	Coffeyville Resources, LLC, the subsidiary of CVR Energy which was our sole limited partner prior to this offering and which will directly own our general partner and common units following the Transactions.
corn belt	The primary corn producing region of the United States, which includes Illinois, Indiana, Iowa, Minnesota, Missouri, Nebraska, Ohio and Wisconsin.
CVR Energy	CVR Energy, Inc., a publicly traded company listed on the New York Stock Exchange under the ticker symbol "CVI," which following this offering will indirectly own our general partner.
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, such as gasoline, diesel fuel and jet fuel, that are produced by a refinery.
general partner	CVR GP, LLC, our general partner which, following the Transactions, will be a wholly-owned subsidiary of Coffeyville Resources.

MMbtu	One million British thermal units: a measure of energy. One Btu of heat is required to raise the temperature of one pound of water one degree Fahrenheit.
the Partnership	We, us and our refer to our business, which is referred to in our financial statements as (1) Predecessor from January 1, 2005 until June 24, 2005 and (2) Successor for all periods thereafter, unless the context otherwise requires or as otherwise indicated.
pet coke	A coal-like substance that is produced during the refining process.
plant gate price	The unit price of fertilizer, in dollars per ton, offered on a delivered basis, and excluding shipment costs.
Predecessor	Coffeyville Resources Nitrogen Fertilizers, LLC, the subsidiary of Coffeyville Group Holdings, LLC that held our business between March 3, 2004 and June 24, 2005.
recordable incident	An injury, as defined by OSHA. All work-related deaths and illnesses, and those work-related injuries which result in loss of consciousness, restriction of work or motion, transfer to another job, or require medical treatment beyond first aid.
slag	A glasslike substance removed from the gasifier containing the metal impurities originally present in pet coke.
slurry	A byproduct of the fluid catalytic cracking process that is sold for further processing or blending with fuel oil.
spot market	A market in which commodities are bought and sold for cash and delivered immediately.
Successor	(1) Coffeyville Resources Nitrogen Fertilizers, LLC from June 24, 2005 through October 23, 2007 and (2) CVR Partners, LP and its consolidated subsidiary, Coffeyville Resources Nitrogen Fertilizers, LLC, on and after October 24, 2007.
syngas	A mixture of gases (largely carbon monoxide and hydrogen) that results from heating coal in the presence of steam.
throughput	The volume processed through a unit or a refinery.
ton	One ton is equal to 2,000 pounds.
turnaround	A periodically required standard procedure to refurbish and maintain a facility that involves the shutdown and inspection of major processing units.
UAN	UAN is an aqueous solution of urea and ammonium nitrate used as a fertilizer.

Until , 2011 (25 days after the date of this prospectus), all dealers that buy, sell or trade our common units, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. ***Other Expenses of Issuance and Distribution.***

The following table sets forth the costs and expenses to be paid by the Registrant in connection with the sale of the common units representing limited partner interests being registered hereby. All amounts are estimates except for the SEC registration fee, the Financial Industry Regulatory Authority, or FINRA, filing fee and The New York Stock Exchange listing fee.

SEC registration fee	$ 14,260
FINRA filing fee	$ 20,500
The New York Stock Exchange listing fee	*
Accounting fees and expenses	*
Legal fees and expenses	*
Printing and engraving expenses	*
Blue Sky qualification fees and expenses	*
Transfer agent and registrar fees and expenses	*
Miscellaneous expenses	*
Total	$ *

* To be provided by amendment

Item 14. ***Indemnification of Directors and Officers.***

The section of the prospectus entitled "The Partnership Agreement — Indemnification" is incorporated herein by reference and discloses that we will generally indemnify the directors and officers of our general partner and CVR Energy to the fullest extent permitted by law against all losses, claims, damages or similar events. Subject to any terms, conditions or restrictions set forth in the second amended and restated partnership agreement, Section 17-108 of the Delaware Revised Uniform Limited Partnership Act empowers a Delaware limited partnership to indemnify and hold harmless any partner or other person from and against all claims and demands whatsoever.

Section 18-108 of the Delaware Limited Liability Company Act provides that a Delaware limited liability company may indemnify and hold harmless any member or manager or other person from and against any and all claims and demands whatsoever. The limited liability company agreement of CVR GP, LLC, our general partner, provides for the indemnification of its directors and officers against liabilities they incur in their capacities as such. The Registrant may enter into indemnity agreements with each of its current directors and officers to give these directors and officers additional contractual assurances regarding the scope of the indemnification set forth in the Registrant's limited liability company agreement and to provide additional procedural protections.

The underwriting agreement that we expect to enter into with the underwriters, to be filed as Exhibit 1.1 to this registration statement, will contain indemnification and contribution provisions.

Item 15. ***Recent Sales of Unregistered Securities.***

In October 2007, we issued 30,303,000 special general partner units to CVR Special GP, LLC (a subsidiary of Coffeyville Resources, LLC), 30,333 special limited partner units to Coffeyville Resources, LLC, and the general partner interest to CVR GP, LLC (a subsidiary of Coffeyville Resources, LLC at that time). In consideration for these issuances, Coffeyville Resources, LLC transferred to us all of the LLC interests in Coffeyville Resources Nitrogen Fertilizers, LLC, which owned CVR Energy's nitrogen fertilizer business. These issuances were exempt from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended. Immediately prior to the

closing of this offering, as a result of the amendment and restatement CVR Partners, LP's partnership agreement, the special general partner units and special limited partner units will be converted into common units.

Item 16. ***Exhibits and Financial Statement Schedules.***

(a) The following exhibits are filed herewith:

Number	Exhibit Title
1.1**	Form of Underwriting Agreement.
3.1	Certificate of Limited Partnership of CVR Partners, LP.
3.2**	Form of Second Amended and Restated Agreement of Limited Partnership of CVR Partners, LP.
3.3	Certificate of Formation of CVR GP, LLC.
3.4**	Amended and Restated Limited Liability Company Agreement of CVR GP, LLC.
4.1**	Specimen certificate for the common units.
5.1**	Form of opinion of Fried, Frank, Harris, Shriver & Jacobson LLP as to the legality of the securities being registered.
8.1**	Form of opinion of Vinson & Elkins L.L.P. relating to tax matters.
10.1*	License Agreement For Use of the Texaco Gasification Process, Texaco Hydrogen Generation Process, and Texaco Gasification Power Systems, dated as of May 30, 1997 by and between Texaco Development Corporation and Farmland Industries, Inc., as amended (certain portions of this exhibit have been omitted pursuant to a request for confidential treatment).
10.2*	Amended and Restated On-Site Product Supply Agreement dated as of June 1, 2005, between Linde, Inc. (f/k/a The BOC Group, Inc.) and Coffeyville Resources Nitrogen Fertilizers, LLC (certain portions of this exhibit have been omitted pursuant to a request for confidential treatment).
10.2.1	First Amendment to Amended and Restated On-Site Product Supply Agreement, dated as of October 31, 2008, between Coffeyville Resources Nitrogen Fertilizers, LLC and Linde, Inc. (incorporated by reference to Exhibit 10.3 of the Form 10-Q filed by CVR Energy, Inc. on November 13, 2008).
10.3	Amended and Restated Electric Services Agreement dated August 1, 2010, between Coffeyville Resources Nitrogen Fertilizers, LLC and the City of Coffeyville, Kansas (incorporated by reference to Exhibit 10.1 of the Form 8-K filed by CVR Energy, Inc. on August 25, 2010).
10.4	Coke Supply Agreement, dated as of October 25, 2007, by and between Coffeyville Resources Refining & Marketing, LLC and Coffeyville Resources Nitrogen Fertilizers, LLC (incorporated by reference to Exhibit 10.5 of the Form 10-Q filed by CVR Energy, Inc. on December 6, 2007).
10.5	Cross Easement Agreement, dated as of October 25, 2007, by and between Coffeyville Resources Refining & Marketing, LLC and Coffeyville Resources Nitrogen Fertilizers, LLC (incorporated by reference to Exhibit 10.6 of the Form 10-Q filed by CVR Energy, Inc. on December 6, 2007).
10.6	Environmental Agreement, dated as of October 25, 2007, by and between Coffeyville Resources Refining & Marketing, LLC and Coffeyville Resources Nitrogen Fertilizers, LLC (incorporated by reference to Exhibit 10.7 of the Form 10-Q filed by CVR Energy, Inc. on December 6, 2007).
10.6.1	Supplement to Environmental Agreement, dated as of February 15, 2008, by and between Coffeyville Resources Refining and Marketing, LLC and Coffeyville Resources Nitrogen Fertilizers, LLC (incorporated by reference to Exhibit 10.17.1 of the Form 10-K filed by CVR Energy, Inc. on March 28, 2008).
10.6.2	Second Supplement to Environmental Agreement, dated as of July 23, 2008, by and between Coffeyville Resources Refining and Marketing, LLC and Coffeyville Resources Nitrogen Fertilizers, LLC (incorporated by reference to Exhibit 10.1 of the Form 10-Q filed by CVR Energy, Inc. on August 14, 2008).
10.7	Feedstock and Shared Services Agreement, dated as of October 25, 2007, by and between Coffeyville Resources Refining & Marketing, LLC and Coffeyville Resources Nitrogen Fertilizers, LLC (incorporated by reference to Exhibit 10.8 of the Form 10-Q filed by CVR Energy, Inc. on December 6, 2007).
10.7.1	Amendment to Feedstock and Shared Services Agreement, dated July 24, 2009, by and between Coffeyville Resources Refining & Marketing, LLC and Coffeyville Resources Nitrogen Fertilizers, LLC (incorporated by reference to Exhibit 10.2 of the Form 10-Q filed by CVR Energy, Inc. on November 5, 2009).

Number	Exhibit Title
10.8	Raw Water and Facilities Sharing Agreement, dated as of October 25, 2007, by and between Coffeyville Resources Refining & Marketing, LLC and Coffeyville Resources Nitrogen Fertilizers, LLC (incorporated by reference to Exhibit 10.9 of the Form 10-Q filed by CVR Energy, Inc. on December 6, 2007).
10.9**	Amended and Restated Services Agreement by and among CVR Partners, LP, CVR GP, LLC, and CVR Energy, Inc.
10.10**	Amended and Restated Omnibus Agreement by and among CVR Energy, Inc., CVR GP, LLC, and CVR Partners, LP.
10.11**	Amended and Restated Registration Rights Agreement by and among the CVR Partners, LP and Coffeyville Resources, LLC.
10.12	Contribution, Conveyance and Assumption Agreement, dated as of October 24, 2007, by and among Coffeyville Resources, LLC, CVR GP, LLC, CVR Special GP, LLC, and CVR Partners, LP (incorporated by reference to Exhibit 10.26 of the Form 10-Q filed by CVR Energy, Inc. on December 6, 2007).
10.13**	CVR Partners, LP Long-Term Incentive Plan.
10.14**	Form of Credit Agreement.
10.15*†	Third Amended and Restated Employment Agreement, dated as of January 1, 2011, by and between CVR Energy, Inc. and Edmund S. Gross.
10.16*†	Third Amended and Restated Employment Agreement, dated as of January 1, 2011, by and between CVR Energy, Inc. and John J. Lipinski.
10.17*†	Second Amended and Restated Employment Agreement, dated as of January 1, 2011, by and between CVR Energy, Inc. and Edward Morgan.
10.18*†	Third Amended and Restated Employment Agreement, dated as of January 1, 2011, by and between CVR Energy, Inc. and Stanley A. Riemann.
10.19*†	Third Amended and Restated Employment Agreement, dated as of January 1, 2011, by and between CVR Energy, Inc. and Kevan A. Vick.
21.1	List of Subsidiaries of CVR Partners, LP.
23.1*	Consent of KPMG LLP.
23.2**	Consent of Fried, Frank, Harris, Shriver & Jacobson LLP (included in Exhibit 5.1).
23.3**	Consent of Vinson & Elkins L.L.P. (included in Exhibit 8.1).
23.4*	Consent of Blue, Johnson & Associates, Inc.
23.5	Consent of BNA Subsidiaries, LLC (d/b/a Pike & Fisher).
24.1	Power of Attorney.

* Included with this filing.

** To be provided by amendment.

† Denotes management contract or compensatory plan or arrangement.

(b) None.

Item 17. ***Undertakings.***

The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the provisions described in Item 14 above, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is

asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective; and

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at the time shall be deemed to be the initial bona fide offering thereof.

The Registrant undertakes to send to each limited partner at least on an annual basis a detailed statement of any transactions with CVR GP, LLC, our general partner, or any of its affiliates, and of fees, commissions, compensation and other benefits paid, or accrued to, CVR GP, LLC or its affiliates for the fiscal year completed, showing the amount paid or accrued to each recipient and the services performed.

The Registrant undertakes to provide to the limited partners the financial statements required by Form 10-K for the first full fiscal year of operations of the Partnership.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in Sugar Land, Texas, on this 28th day of January, 2011.

CVR PARTNERS, LP

By: CVR GP, LLC, its managing general partner

By: /s/ JOHN J. LIPINSKI
John J. Lipinski
Chairman of the Board, Chief Executive Officer and President of CVR GP, LLC

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ JOHN J. LIPINSKI John J. Lipinski	Chairman of the Board, Chief Executive Officer and President of CVR GP, LLC (Principal Executive Officer)	January 28, 2011
/s/ EDWARD A. MORGAN Edward A. Morgan	Chief Financial Officer and Treasurer of CVR GP, LLC (Principal Financial and Accounting Officer)	January 28, 2011
* Donna R. Ecton	Director of CVR GP, LLC	January 28, 2011
* Scott L. Lebovitz	Director of CVR GP, LLC	January 28, 2011
* George E. Matelich	Director of CVR GP, LLC	January 28, 2011
* Frank M. Muller, Jr.	Director of CVR GP, LLC	January 28, 2011
* Stanley de J. Osborne	Director of CVR GP, LLC	January 28, 2011
* John K. Rowan	Director of CVR GP, LLC	January 28, 2011

*By: /s/ JOHN J. LIPINSKI
John J. Lipinski
As Attorney-in-Fact

PORTIONS OF THIS EXHIBIT DENOTED WITH THREE ASTERISKS [***] HAVE BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIALITY.

EXHIBIT 10.1

LICENSE AGREEMENT

FOR USE OF THE TEXACO GASIFICATION PROCESS,

TEXACO HYDROGEN GENERATION PROCESS,

AND TEXACO GASIFICATION POWER SYSTEMS

THIS AGREEMENT, effective as of the 30th day of May, 1997 ("Effective Date"), by and between TEXACO DEVELOPMENT CORPORATION, a subsidiary of Texaco Inc., hereinafter referred to as "TEXACO DEVELOPMENT," and FARMLAND INDUSTRIES, INC., hereinafter referred to as "LICENSEE",

RECITALS

WHEREAS, TEXACO DEVELOPMENT and its parent corporation, Texaco Inc., have conducted research and development work on the Texaco Gasification Process ("TGP") and further applications or variants thereof, including without limitation, the Texaco Hydrogen Generation Process ("THGP") and Texaco Gasification Power Systems ("TGPS") (as more fully defined in Schedule I attached hereto), and have developed and acquired technical data and information pertinent to, and have been granted patents covering certain aspects of, the design, construction, operation and maintenance of plants for the practice of the TGP, THGP and TGPS; and

WHEREAS, TEXACO DEVELOPMENT is prepared to grant nonexclusive licenses to LICENSEE for the use of such technical data and information and under certain patent rights relating to the design, construction, operation and maintenance of the Plant described in Paragraph 3.1 below, for the practice of the TGP and THGP and, in the event the Plant is subsequently modified, TGPS, including certain patent rights of Texaco Inc.; and

WHEREAS, LICENSEE now desires to have access to such technical data and information from TEXACO DEVELOPMENT with the right to use the same, and a nonexclusive license under TEXACO DEVELOPMENT's Patent Rights (as defined in Schedule I attached hereto)

to commercially practice the THGP (which by design includes practice of the TGP) and, at LICENSEE's option, the TGPS at the Plant; and

WHEREAS, in addition to the granting of licenses, a company Affiliated with TEXACO DEVELOPMENT will operate and maintain the Plant and provide certain technical services under the terms of a separate agreement which will be entered into between LICENSEE and such affiliated company.

NOW, THEREFORE, for and in consideration of the above premises and of the covenants hereinafter set forth, the parties hereto mutually covenant and agree as follows:

1. DEFINITIONS

1.1 The terms defined in Schedule I attached to and made a part of this License Agreement shall have those meanings wherever used herein.

2. GRANTS

2.1 TEXACO DEVELOPMENT hereby grants and agrees to grant to LICENSEE, subject to the terms and conditions of this License Agreement, a nonexclusive license under TEXACO DEVELOPMENT's Patent Rights to practice the TGP, THGP and/or TGPS for the production of Synthesis Gas where such Synthesis Gas will be used in the production of high purity hydrogen (in the case of THGP) and/or electric power (in the case of TGPS), in and only in the Plant, together with the right to use and sell the products thereby produced. The license so granted to LICENSEE shall be nontransferable, except as provided in Section 9.

2.2 TEXACO DEVELOPMENT hereby grants and agrees to grant to LICENSEE, subject to the terms and conditions of this License Agreement, a nonexclusive license to use TEXACO DEVELOPMENT's Technical Information to practice the TGP, THGP and/or TGPS for the production of Synthesis Gas where such Synthesis Gas will be used in the production of high purity hydrogen (in the case of THGP) and/or electric power (in the case of TGPS), in and only in the

Plant, together with the right to use and sell the products thereby produced. After LICENSEE has made the first royalty payment required hereunder, TEXACO DEVELOPMENT's Technical Information shall be made available in writing or otherwise to LICENSEE directly by TEXACO DEVELOPMENT or through its nominee(s). The license so granted to LICENSEE shall be nontransferable except as provided in Section 9. The license granted in this Paragraph 2.2 shall in no event be construed as granting any license by implication, estoppel or otherwise under any patent rights or letters patent, such rights being granted only under Paragraph 2.1 hereof.

2.3 Notwithstanding the definitions afforded TGPS and THGP in Schedule I, if LICENSEE produces electric power or high purity hydrogen from Synthesis Gas generated through the practice of TGP, regardless of the technique or process employed to produce those products, for purposes of Section 5 of this License Agreement, the parties hereto agree that such practice shall be regarded as TGPS or THGP, whichever appropriate.

2.4 For general illustrative purposes, Schedule III (attached to and made a part of this License Agreement) includes a non-limiting, non-exhaustive list of certain of the unexpired U. S. Patents that are subject to the grant of Paragraph 2.1 hereof.

3. THE PLANT

3.1 LICENSEE represents that it presently intends to build and place in commercial operation in, or within the proximity of, Coffeyville, Kansas, a plant for the practice of the THGP (which, by design, includes the practice of the TGP) within a reasonable time, but not later than December 31, 2002 (the "Plant"). The Gasifier Feed to such Plant is expected to be a solid carbonaceous substance derived from petroleum, including a carbonaceous solid (i.e., coal or petroleum coke), along with refinery or chemical plant byproducts and water. It is expected that the Plant shall have a configuration using direct quench in the Gasification section and shall have a designed capacity of about Eighty-six Thousand (86,000) MSCF of Output per operating day from the Gasification section. It is understood and agreed that LICENSEE shall be permitted to use other carbonaceous substances as Gasifier Feed in the Plant in addition to, or in lieu of, coal or petroleum coke; provided, however: (i) LICENSEE shall first advise TEXACO DEVELOPMENT in writing that it is contemplating the use of

such other feedstock; and (ii) TEXACO DEVELOPMENT will perform, or arrange to perform, the necessary study to assess the feasibility of processing such other carbonaceous substance in the Plant, and shall provide the engineering services, pursuant to the terms set forth in Paragraph 14.2 hereof.

3.2 TEXACO DEVELOPMENT's representatives alone or accompanied by TEXACO DEVELOPMENT's licensees or potential licensees shall have reasonable access to the Plant for the purpose of promoting the TGP and further applications or variants thereof, including without limitation TGPS and THGP, upon reasonable advance notice and during normal business hours. Such visits shall take place at such times as reasonably agreed upon between the parties hereto so as not to unduly interfere with the operations of the Plant or otherwise cause undue inconvenience for LICENSEE.

3.2.1 All visitors to the Plant, including employees of TEXACO DEVELOPMENT and its Affiliates, but excluding any personnel present as a result or in support of the Operations and Maintenance Agreement, process Guarantee Agreement or Texaco's equity interest in the Plant, shall be required to sign the Release attached as Schedule IV to this License Agreement, in their individual capacity. The parties hereto contemplate that Farmland may determine that it is necessary or desirable from time to time to revise such Release due to certain changes in the applicable laws which may occur. Any such revision(s) shall require the written consent of TEXACO DEVELOPMENT, which consent shall not be unreasonably withheld. In the event a proposed revision has not been agreed upon by TEXACO DEVELOPMENT, then the visit shall take place in any event with the visitor being responsible to sign the Release as it existed prior to any proposed revision(s).

3.2.2 TEXACO DEVELOPMENT shall indemnify LICENSEE against any claims brought by any employee of TEXACO DEVELOPMENT or its Affiliate for injury, death or damage which occurs during any Plant visit and which is directly caused by the gross negligence or willful misconduct of such employee(s), TEXACO DEVELOPMENT or its Affiliates. Any such indemnity shall be subject to the limit on TEXACO DEVELOPMENT's liability set forth in Paragraph 8.6 of this License Agreement.

3.2.3 TEXACO DEVELOPMENT agrees to use its reasonable efforts to cause visitors to comply with LICENSEE's safety rules, provided that LICENSEE shall provide all visitors with safety training and instruction regarding such rules at no cost to TEXACO DEVELOPMENT or the visitors. Furthermore, such training and instruction shall be reasonable, shall not exceed thirty (30) minutes in duration, shall directly relate to the Plant, and shall be provided to all such visitors within two (2) hours of their arrival at the Plant on the day of the scheduled visit.

3.2.4 LICENSEE, on request of TEXACO DEVELOPMENT a reasonable time in advance, shall furnish TEXACO DEVELOPMENT information and data relating to the operation of the Plant and samples of Gasifier Feed and other materials.

3.3 The visitation rights contemplated under Paragraph 3.2 shall remain in full force and effect for a period of twenty (20) years from the Effective Date of this License Agreement. Within a reasonable time prior to the expiration of said period, TEXACO DEVELOPMENT may request that the visitation rights be extended for additional five (5) year intervals. Any such extension(s) shall become effective in the event the parties hereto mutually agree to such extensions. Furthermore, Plant visits shall not be available to LICENSEE's top five competitors in the nitrogen fertilizer business without LICENSEE's prior written approval. LICENSEE shall identify to TEXACO DEVELOPMENT in writing, on an annual basis on or before the first day of March of each year, its top five competitors in the nitrogen fertilizer business. In the event LICENSEE does not update the aforesaid top five competitors in any particular year, the top five competitors last identified by LICENSEE shall be used for purposes of this Paragraph.

4. ROYALTIES AND ACCOUNTING

4.1 LICENSEE shall pay royalties and fees at rates and under terms set forth in Schedule II attached to and made a part of this License Agreement.

4.2 LICENSEE shall keep such accurate, complete and detailed records and accounts of all TGP, THGP and TGPS operations conducted at the Plant by LICENSEE as may be necessary to determine the royalties and fees payable by LICENSEE hereunder. LICENSEE further

agrees that TEXACO DEVELOPMENT, through its representatives who are authorized by TEXACO DEVELOPMENT in writing, may, during business hours and upon providing LICENSEE with reasonable advance notice, make such examinations of LICENSEE's TGP, THGP and TGPS operations and such examinations and copies of such records and accounts as may be necessary to verify the royalties and fees contemplated hereunder, as well as all other information LICENSEE is required to report to TEXACO DEVELOPMENT under Section 4 of this License Agreement.

4.3 LICENSEE shall render to TEXACO DEVELOPMENT annual statements in a form acceptable to TEXACO DEVELOPMENT, on or before the first day of March of each year, with respect to all TGP, THGP and TGPS operations conducted by LICENSEE during the preceding twelve (12) calendar months, but reported as six (6) calendar month accounting periods ending on the last day of December and the last day of June, respectively, and which statement shall contain the following information:

4.3.1 The total Daily Average Output from the Gasification section of the Plant for all operations conducted by LICENSEE during the accounting periods;

4.3.2 The excess (in daily averages), if any, of the total Daily Average Output from the Gasification section of the Plant reported under Subparagraph 4.3.1 above, over the total Daily Average Output for all operations conducted by LICENSEE for which paid-up capacity has been theretofore purchased by LICENSEE under this License Agreement;

4.3.3 The total Output from the Gasification section of the Plant for all operations conducted by LICENSEE during the accounting periods;

4.3.4 The total Output from the Gasification section of the Plant that is allocated for THGP operations and TGPS operations, respectively; and

4.3.5 The total Gasifier Feed to the Gasification section of the Plant for all operations conducted by LICENSEE during the accounting periods, including a report of the relative amount of each component of the total feed, i.e., the amount of petroleum coke, coal, and the by-

product feeds contemplated in Paragraph l(b) of Schedule II. Further in connection with Paragraph l(b) of Schedule II, LICENSEE shall report all payments it receives for processing the feedstock(s) contemplated thereunder and all costs incurred for modification of the Plant for the processing of such feedstock(s).

4.4 The first accounting period shall commence when the Plant has produced synthesis gas for a continuous forty-eight (48) hour period, and terminate at the end of the next December, and each succeeding accounting period shall be the succeeding six (6) month period, except in the event of the termination of this License Agreement prior to the end of such six (6) month accounting period, in which event the accounting period shall be deemed to be the fractional part of such six (6) month period which ends on the effective date of such termination except as specified otherwise in Paragraph 7.3 below.

5. CROSS-LICENSING

5.1 LICENSEE hereby grants and agrees to grant to TEXACO DEVELOPMENT, without obligation to account to LICENSEE therefor or for grants made thereunder, an irrevocable, paid-up license and the irrevocable right and power to grant, either directly or through others, to Texaco Inc. and its affiliates and to the TGP licensees of TEXACO DEVELOPMENT, nonexclusive licenses under LICENSEE's Patent Rights relating to the TGP and for the use of LICENSEE's Technical Information relating to the TGP in any and all countries throughout the world together with the right to use and sell any products produced thereby. LICENSEE agrees to make LICENSEE's Technical Information relating to the TGP available to TEXACO DEVELOPMENT for use under the aforesaid licenses.

5.2 LICENSEE hereby grants and agrees to grant to TEXACO DEVELOPMENT, without obligation to account to LICENSEE therefor or for grants made thereunder, an irrevocable, paid-up license to use and the irrevocable right and power to grant, either directly or through others, to Texaco Inc. and its affiliates and to the THGP licensees of TEXACO DEVELOPMENT, nonexclusive licenses to use LICENSEE's Patent Rights relating to the THGP and for the use of LICENSEE's Technical Information relating to the THGP in any and all countries throughout the

world, together with the right to use and sell any products produced thereby. LICENSEE agrees to make LICENSEE's Technical Information relating to the THGP available to TEXACO DEVELOPMENT for use under the aforesaid licenses.

5.3 LICENSEE hereby grants and agrees to grant to TEXACO DEVELOPMENT, without obligation to account to LICENSEE therefor or for grants made thereunder, an irrevocable, paid-up license and the irrevocable right and power to grant, either directly or through others, to Texaco Inc. and its affiliates and to the TGPS licensees of TEXACO DEVELOPMENT, nonexclusive licenses under LICENSEE's Patent Rights relating to the TGPS and for the use of LICENSEE's Technical Information relating to the TGPS in any and all countries throughout the world together with the right to use and sell any products produced thereby. LICENSEE agrees to make LICENSEE's Technical Information relating to the TGPS available to TEXACO DEVELOPMENT for use under the aforesaid licenses.

5.4 TEXACO DEVELOPMENT and LICENSEE understand and agree that Paragraphs 5.1, 5.2 and 5.3 each include separate and distinct grants of LICENSEE's Patent Rights and LICENSEE's Technical Information and TEXACO DEVELOPMENT and LICENSEE further agree that, for all purposes, these grants should be treated as separate grants as if they were made herein in separate paragraphs or subparagraphs.

5.5 TEXACO DEVELOPMENT and LICENSEE understand and agree that for purposes of this Section 5, the rights of extension granted to TEXACO DEVELOPMENT in Paragraphs 5.1, 5.2 and 5.3 permit TEXACO DEVELOPMENT to grant LICENSEE's Patent Rights and Technical Information to TEXACO DEVELOPMENT's licensees of the TGP and all further applications or variants thereof, including without limitation TGPS and THGP.

6. CONFIDENTIAL INFORMATION

6.1 Unless previously authorized by TEXACO DEVELOPMENT in writing, LICENSEE shall use TEXACO DEVELOPMENT's Technical Information only in connection with licensed operations in the Plant and shall not make any disclosure of, and shall use its best efforts to

prevent the duplication or disclosure of such information which is not public information or otherwise generally available to the public, and shall not export or re-export such information or data or the product thereof. LICENSEE shall be permitted to disclose such information if and only if it is legally compelled to make such disclosure; provided, however, that prior to making any disclosure LICENSEE shall first notify TEXACO DEVELOPMENT in writing of the need to make the disclosure and the parties hereto shall cooperate in connection with obtaining a protective order or other mechanism which will preserve the proprietary value of such information. The parties do not intend this Section 6 to include confidential business information. The terms and conditions under which the parties hereto will exchange business information that is confidential is covered in a separate business information confidentiality agreement dated May 27, 1997.

6.2 With respect to the obligations incurred under this Section 6, information disclosed through an unauthorized disclosure by a third party under a confidentiality obligation with TEXACO DEVELOPMENT with respect to such information shall not in itself be deemed to be public information or otherwise generally available to the public.

6.3 The prohibition on disclosure set forth in Paragraph 6.1 above prohibits LICENSEE from disclosing TEXACO DEVELOPMENT's Technical Information to any third party, including without limitation LICENSEE's contractors and LICENSEE's affiliates. Such third parties, including contractors and affiliates, shall only be permitted to have access to TEXACO DEVELOPMENT's Technical Information directly from TEXACO DEVELOPMENT and after having entered into a written secrecy agreement with TEXACO DEVELOPMENT.

6.4 If LICENSEE enters into a contract with any third party to perform work related to the design, construction, operation and maintenance of the Plant who shall receive or have access to TEXACO DEVELOPMENT's Technical Information, any such third party may not perform any of the aforementioned work until LICENSEE first receives TEXACO DEVELOPMENT's written approval, which approval shall not be unreasonably withheld. Furthermore, where such third party will receive LICENSEE's Technical Information or provide back to LICENSEE technical data and operating information which may become LICENSEE's Technical Information, LICENSEE shall use commercially reasonable efforts to obtain a written agreement from such third party allowing

LICENSEE to disclose such information to others without obligation to account to such third party therefor. The obligation set forth in this Paragraph 6.4 does not apply to any information that must be kept confidential pursuant to the terms of a prior written confidentiality obligation that is in effect before entering into such a contract with LICENSEE, provided TEXACO DEVELOPMENT is notified by LICENSEE of such preexisting confidentiality obligation.

7. TERM AND TERMINATION

7.1 Unless previously terminated in accordance with Paragraph 7.2 or canceled and, hence, terminated under Paragraph l (c) of Schedule II, this License Agreement shall terminate and expire upon the cessation of the commercial operation of the Plant. The parties hereto do not intend to allow this License Agreement to terminate due to a suspension (of finite duration) of commercial operations. In this regard, if the LICENSEE decides to suspend commercial operation of the Plant, LICENSEE shall so notify TEXACO DEVELOPMENT in writing. The parties hereto will then engage in good faith discussions to reach agreement on what constitutes a reasonable period for suspension of commercial operations to avoid termination of this License Agreement, In no event shall the period of suspension exceed three (3) years.

7.2 If, however, LICENSEE shall fail to make any of the payments set forth in this License Agreement, or any part thereof when due, or shall fail to achieve Plant Startup by December 31, 2002, or shall fail to perform any other of its promises or obligations under this License Agreement, TEXACO DEVELOPMENT may terminate this License Agreement and revoke all licenses, rights, privileges, and authorizations of this License Agreement by giving forty-five (45) days written notice to LICENSEE to that effect, at the end of which time this License Agreement shall terminate unless during that time LICENSEE shall have fully remedied such default to TEXACO DEVELOPMENT's satisfaction. In the event that LICENSEE contends that an event of default cannot possibly be cured in the forty-five (45) days, LICENSEE shall so advise TEXACO DEVELOPMENT in writing stating the reasons that support its position. If TEXACO DEVELOPMENT, in its sole discretion, indicates in writing that it agrees with LICENSEE's position, TEXACO DEVELOPMENT agrees that this License Agreement shall not terminate until one additional forty-five (45) day period has elapsed, provided that LICENSEE commences the cure of such default within the initial forty-five (45) day

period and continues to work diligently, in TEXACO DEVELOPMENT's sole opinion, to cure such default. Furthermore, TEXACO DEVELOPMENT agrees that in the event (i) LICENSEE violates any of the confidentiality provisions of Paragraph 6.1, or (ii) LICENSEE violates any of the other provisions of this License Agreement, TEXACO DEVELOPMENT may not initiate the termination proceedings contemplated in this Paragraph 7.2 except as may be permitted by the provisions of Paragraph 13.3.1. Notwithstanding anything contained herein, in the event LICENSEE breaches this License Agreement under Section 6 (Confidential Information) as a result of LICENSEE's gross negligence or willful misconduct as determined through arbitration, TEXACO DEVELOPMENT may terminate this License Agreement and revoke all licenses, rights, privileges and authorizations of this License Agreement. Furthermore, in the event TEXACO DEVELOPMENT has actually received the payments set forth in Paragraphs 1(a)(i), (ii) and (iii) of Schedule II, as well as any other amounts that have become due and payable by LICENSEE hereunder, prior to December 31, 2002, TEXACO DEVELOPMENT agrees that it will not terminate this License Agreement for failure to achieve Plant Startup prior to December 31, 2002.

7.3 After the effective date of any termination or expiration of this License Agreement, neither LICENSEE nor TEXACO DEVELOPMENT shall have any further rights under this License Agreement except that: (i) such termination or expiration shall not relieve LICENSEE of any obligation (e.g., visitation) or liability accrued hereunder prior to the effective date of such termination or expiration; (ii) such termination or expiration shall not affect in any way the then existing licenses, rights and powers granted or agreed to be granted by, or obligations of LICENSEE under Section 5 (Cross Licensing); (iii) such termination or expiration shall not relieve LICENSEE of its obligations under Section 6 (Confidential Information); (iv) such termination or expiration shall not relieve LICENSEE of its obligations incurred under Paragraph 1(b) of Schedule II; and (v) other than for termination due to the default of LICENSEE pursuant to Paragraph 7.2 above, LICENSEE shall have the right to continue operations licensed hereunder only up to the paid-up capacity acquired prior to termination and LICENSEE shall continue to render annual statements as required by the accounting provisions of Section 4 (Royalties and Accounting).

8. LIABILITY — WARRANTIES

8.1 LICENSEE and TEXACO DEVELOPMENT understand and agree that, as between LICENSEE and TEXACO DEVELOPMENT, the construction, operation and maintenance of the Plant is the sole responsibility of LICENSEE. Accordingly, TEXACO DEVELOPMENT shall have no liability to LICENSEE or to third parties for any injuries to person or property arising in connection with the construction, operation or maintenance of the Plant and LICENSEE shall indemnify TEXACO DEVELOPMENT for any liability, claims, costs and expenses associated therewith. Except as may be specified in the guarantee agreement described in Paragraph 14.1, TEXACO DEVELOPMENT MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OTHER THAN AS PROVIDED IN PARAGRAPHS 8.2, 8.3 (PATENT INDEMNITY) AND 8.4 BELOW, AND SPECIFICALLY EXCLUDES ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE WITH RESPECT TO ANY INFORMATION OR DATA FURNISHED HEREUNDER OR THE PERFORMANCE OF THE PLANT OR ANY COMPONENT THEREOF. In no event shall TEXACO DEVELOPMENT be liable for loss of prospective profits or special or consequential losses, damages, and/or related expenses, whether or not TEXACO DEVELOPMENT has been advised of the possibility of such damages.

8.2 TEXACO DEVELOPMENT and LICENSEE each represents and warrants that it has the right, power and authority to grant the licenses and rights of extension and make the agreements set forth in this License Agreement.

8.3 TEXACO DEVELOPMENT will, at its sole cost and expense, upon LICENSEE'S written demand, defend any suit or action brought against LICENSEE by a third party, alleging infringement of process claims, as further qualified hereinbelow, of an unexpired United States patent, which is in full force and effect as of the Effective Date of this License Agreement and which results from the use of TEXACO DEVELOPMENT'S Technical Information in accordance with this License Agreement in the operation of the Plant with respect to TGP or THGP only, and to the extent such operation is based on process designs for TGP or THGP specifically approved by TEXACO DEVELOPMENT in writing; provided, however, such indemnity shall not apply if such infringement is the result of combination of TEXACO

DEVELOPMENT Technical Information with technical information supplied by a party other than TEXACO DEVELOPMENT. LICENSEE will use its best efforts to obtain a right of defense and indemnity against any claim for patent infringement, from each and every supplier of materials (such as, but not limited to, catalysts, solvents, etc.) which are to be used in the equipment used in the processes licensed hereunder. The indemnification by TEXACO DEVELOPMENT hereunder shall not apply to the extent LICENSEE is indemnified by any supplier under an indemnification obtained by LICENSEE pursuant to LICENSEE's efforts under the immediately preceding sentence. This paragraph does not apply to equipment supplied by third parties as discussed in Paragraph 8.3.3 of this License Agreement.

8.3.1 TEXACO DEVELOPMENT will, upon LICENSEE's written demand, indemnify LICENSEE and hold LICENSEE harmless from and against all expenses of defending such suits and actions and from all payments which by final judgments therein may be assessed against and are actually paid by LICENSEE on account of such suit or action; provided, however, that if LICENSEE elects to participate in the defense of any of such suits or actions, all costs associated with LICENSEE's participation shall be borne by LICENSEE. TEXACO DEVELOPMENT shall not be liable to LICENSEE for any indirect, consequential or other damages, costs or expenses under this Section 8.3.

8.3.2 The obligations of TEXACO DEVELOPMENT under this Section 8.3 are subject to the requirement that LICENSEE shall give TEXACO DEVELOPMENT prompt written notice for any such suit or threat of suit. Neither party shall settle nor compromise any such suit without the other party's prior written consent if by such settlement, the other party is obligated to make any substantial modification to THGP, to make any monetary payment, to part with any property or any interest therein, to assume any obligation, to be subject to any injunction, or to grant any license or other right under the settling party's patent rights, with the understanding that any such consent may not be unreasonably withheld.

8.3.3 TEXACO DEVELOPMENT shall not have any obligation hereunder for any alleged or actual infringement that is not expressly described in this Section 8.3. If the alleged or actual infringement meets the express requirements of this Section 8.3, TEXACO

DEVELOPMENT shall not have any obligation hereunder if such infringement is caused by the use of any design, equipment (to the extent the alleged infringing process is practiced within the equipment) or processes supplied by a party other than TEXACO DEVELOPMENT, or which TEXACO DEVELOPMENT did not approve for use in writing prior to any alleged infringing use.

8.3.4 TEXACO DEVELOPMENT's obligation under the above provisions in this Section 8.3 shall be further subject to Section 8.6 hereof and shall not exceed in total, an amount equal to [***] of the royalties and fees due and actually received by TEXACO DEVELOPMENT with respect to the Plant pursuant to this License Agreement or [***], whichever is less.

8.4 TEXACO DEVELOPMENT represents, warrants and agrees as follows:

8.4.1 TEXACO DEVELOPMENT is a corporation duly organized and validly existing under the laws of the State of Delaware, TEXACO DEVELOPMENT has the complete and unrestricted power and right to enter into this License Agreement and there is no fact of which TEXACO DEVELOPMENT has actual knowledge as of the Effective Date that would prevent it from performing its obligations hereunder; this License Agreement has been duly authorized, executed and delivered by TEXACO DEVELOPMENT and constitutes a legal, valid and binding obligation of TEXACO DEVELOPMENT enforceable against TEXACO DEVELOPMENT in accordance with its terms, neither the execution and delivery by TEXACO DEVELOPMENT of this Agreement nor the consummation of the transaction contemplated by this Agreement, as far as TEXACO DEVELOPMENT is actually aware of as of the Effective Date, violates any law or any court or governmental agency order binding on TEXACO DEVELOPMENT or requires the consent or approval of, or the giving of notice by any person to or the taking of any other action in respect of any governmental agency or authority or any person not a party to this License Agreement.

8.4.2 There is no fact of which TEXACO DEVELOPMENT has actual knowledge as of the Effective Date that would prevent it from stating that, except to the extent owned by TEXACO DEVELOPMENT's licensees and/or third party contractors, TEXACO

DEVELOPMENT owns the entire right, title and interest in and to TEXACO DEVELOPMENT's Technical Information. TEXACO DEVELOPMENT or Texaco Inc. owns and has the right to license each of the patents listed in Schedule III and each of such patents is in full force and effect.

8.4.3 TEXACO DEVELOPMENT has no knowledge as of the Effective Date of any constraints, restrictions, or other impediments of any nature or kind which would prevent the ability of LICENSEE to practice the TGP or THGP.

8.4.4 TEXACO DEVELOPMENT's Technical Information, that was or will be supplied under a separate Process Information Package Letter Agreement dated March 6, 1997, was prepared and delivered in accordance with accepted engineering practices or TEXACO DEVELOPMENT's engineering practices, whichever standard is higher.

8.4.5 Certain Patent Rights licensed to LICENSEE under Paragraph 2.1 of this License Agreement are owned by Texaco Inc. TEXACO DEVELOPMENT has the full right and authority to grant LICENSEE the license set forth in Paragraph 2.1 under such Patent Rights. Analogously, TEXACO DEVELOPMENT has the full right and authority to grant LICENSEE the license set forth in Paragraph 2.2 under all of TEXACO DEVELOPMENT's Technical Information that is in fact owned by TEXACO DEVELOPMENT or Texaco Inc., as well as TEXACO DEVELOPMENT's licensees and/or third party contractors.

8.4.6 TEXACO DEVELOPMENT has used its reasonable efforts to assure that it has delivered or shall deliver to LICENSEE all of TEXACO DEVELOPMENT's Technical Information that is necessary to operate the Plant.

8.5 LICENSEE represents and warrants that LICENSEE is a corporation duly organized and validly existing under the laws of the State of Kansas; LICENSEE has the complete and unrestricted power and right to enter into this License Agreement and to perform its obligations hereunder; this License Agreement has been duly authorized, executed and delivered by LICENSEE

and constitutes a legal, valid and binding obligation of LICENSEE enforceable against LICENSEE in accordance with its terms, neither the execution and delivery by LICENSEE of this License Agreement nor the consummation of the transactions contemplated by this License Agreement by LICENSEE violates any law or any court or governmental agency order binding on LICENSEE or requires the consent or approval of, or the giving of notice by any person to or the taking of any other action in respect of any governmental agency or authority or any person not a party to this License Agreement.

8.6 Subject to Paragraph 8.3.3, the total cumulative liability of TEXACO DEVELOPMENT under this License Agreement and its liability under any separate performance guarantee agreement shall not exceed [***] of the total royalties and fees due and actually received by TEXACO DEVELOPMENT with respect to the Plant under this License Agreement and which are directly attributable to this License Agreement or [***], whichever is less. Accordingly, any fees received under the provisions of a separate agreement do not pertain to this Paragraph 8.6. This paragraph 8.6 is intended to address TEXACO DEVELOPMENT's limit of liability and shall not be construed as a liquidated damages provision.

9. PARTIES BOUND

9.1 This License Agreement shall benefit and be binding upon the parties hereto and their respective successors and assigns; provided, however, that LICENSEE shall not assign any of the rights and privileges granted or be relieved of its obligations hereunder without the prior written consent of TEXACO DEVELOPMENT, which consent shall not be unreasonably withheld.

9.2 In no event shall TEXACO DEVELOPMENT be expected to give its consent to assignment of this License Agreement to an entity that (a) TEXACO DEVELOPMENT or Texaco Inc. is precluded from doing business with under Texaco Inc.'s written corporate policy in effect at the time LICENSEE requests TEXACO DEVELOPMENT's consent for assignment, it being understood that the mere fact that the prospective assignee is in the fertilizer business shall not constitute a sufficient basis for TEXACO DEVELOPMENT to withhold its consent under this clause 9.2(a); (b) TEXACO DEVELOPMENT or Texaco Inc. is precluded from doing business with, by reason or law

or governmental regulations; or (c) is in competition with TEXACO DEVELOPMENT or Texaco Inc. relative to gasification, hydrogen production and/or power generation.

9.3 Subject to Paragraph 9.4 hereof, TEXACO DEVELOPMENT will consent to an assignment of this License Agreement to an Affiliate of LICENSEE; provided, however, that LICENSEE remains liable hereunder to the extent the assignee fails to perform any obligations hereunder.

9.4 No assignment of this License Agreement shall be effective unless and until the designated assignee accepts all of the terms and obligations of this License Agreement and satisfies all conditions set forth in Paragraph 9.2 hereof.

10. EXPORT CONTROL REGULATIONS

10.1 The obligation of TEXACO DEVELOPMENT to provide Technical Information as well as the subsequent use, sale or any disposition of the products directly produced by the TGP, THGP and/or TGPS, are subject to U.S. export control laws and regulations and LICENSEE shall comply therewith in regard to any information or data furnished by TEXACO DEVELOPMENT and with regard to such use, sale or disposition.

11. ADDRESSES OF PARTIES

11.1 The addresses and telefax numbers of the parties hereto for all purposes specified in this License Agreement including notices and payments shall be as follows:

TEXACO DEVELOPMENT:

TEXACO DEVELOPMENT CORPORATION
2000 Westchester Avenue
White Plains, New York 10650
USA

Attention: Vice President
Telefax: 914-253-7744

LICENSEE:

FARMLAND INDUSTRIES, INC.
Department 62
3315 North Oak Trafficway
Kansas City, Missouri 64116

Attention: General Counsel
Telefax: 816-459-5902

Either party hereto shall have the right to change its address or telefax number by prior notice in writing directed to the other party.

12. PUBLICITY

12.1 TEXACO DEVELOPMENT and LICENSEE shall each be permitted to issue press releases or otherwise publicize the fact that the parties have entered into this License Agreement and may describe the general nature of this License Agreement in any publication, written or otherwise, provided, however, that TEXACO DEVELOPMENT and LICENSEE shall first mutually agree on the content of the subject matter contained in any such publication. TEXACO DEVELOPMENT and LICENSEE shall also mutually agree upon the content of releases of information available for public review or inspection, including, without limitation, information related to safety related regulatory reviews and environmental permit applications. Notwithstanding the foregoing provisions of this Paragraph 12.1, any party hereto may disclose information contemplated under this Paragraph 12.1 where such disclosure is required by law or regulation, provided that the disclosing party first gives the other party an opportunity to comment on such disclosures. In no event shall anything contained in this Section 12 be construed to permit disclosure of TEXACO DEVELOPMENT's confidential information.

12.2 Subject to the provisions of Paragraph 12.1 above, if this License Agreement terminates or is canceled by LICENSEE, or if LICENSEE decides not to build the Plant and place it into commercial operation or to delay the construction or commercialization of the Plant, any public

statement to that effect, whether written or otherwise, shall be mutually agreed to by TEXACO DEVELOPMENT and LICENSEE.

12.3 Each party hereto shall have the right to delay any such publication anticipated in Paragraphs 12.1 and 12.2 above for a reasonable period if it would have an adverse impact on its own commercial activities or relationships.

13. DISPUTE RESOLUTION AND ARBITRATION

13.1 TEXACO DEVELOPMENT and LICENSEE will attempt in good faith to resolve any controversy or claim arising out of or relating to this License Agreement promptly by negotiations between senior executives or officers of the parties hereto who have authority to settle the controversy, including, but not limited to, any controversy or claim arising out of or relating to Section 7 of this License Agreement.

13.2 The disputing party hereto shall give the other party written notice of the dispute. Within twenty (20) days after receipt of said notice, the receiving party shall submit to the other party a written response. The notice and response shall include (i) a statement of each party's position and a summary of the evidence and arguments supporting its position; and (ii) the name and title of the representative who will represent that party. The representatives shall meet at a mutually acceptable time and place within thirty (30) days of the date of the disputing party's notice and thereafter as often as such representatives reasonably deem necessary to exchange relevant information and to attempt to resolve the dispute.

13.3 If the matter has not been resolved pursuant to Paragraphs 13.1 and 13.2 within sixty (60) days of the disputing party's notice, or as the parties may otherwise agree in writing, or if any party hereto will not participate in such procedure, the controversy shall be settled by arbitration in accordance with American Arbitration Association rules and policies pursuant to which three arbitrators (the "Arbitrators") shall be appointed, one by each party hereto and the third by the first two appointed Arbitrators. Judgment upon the award rendered by the Arbitrators may be entered by any court having jurisdiction thereof, or in a U.S. District Court, or in the courts of the State of

New York or the State of Missouri. The place of arbitration shall be the United States of America. The arbitration shall be conducted in the English language. Each party shall bear its own costs and expenses associated with any arbitration.

13.3.1 In the event the controversy is related to a violation by LICENSEE of any of the confidentiality provisions of Paragraph 6.1, or any of the other provisions of this License Agreement, and TEXACO DEVELOPMENT is seeking termination of this License Agreement as part or all of the remedy for any such violation, the Arbitrators first shall determine whether LICENSEE has violated the applicable provision of this License Agreement, and, if so, the Arbitrators shall determine if the remedy sought by TEXACO DEVELOPMENT is the appropriate remedy by considering, among other things, the following:

a) the nature and gravity of such violation;

b) the nature, gravity and similarity of any previous violations by LICENSEE;

c) the steps and/or procedures LICENSEE has implemented or plans to implement to prevent any future violations of the applicable provision;

d) the impact of the remedy on each party; and

e) the harm to TEXACO DEVELOPMENT caused by the violation.

Among other possible remedies, the Arbitrators shall have the authority to award TEXACO DEVELOPMENT double its actual damages in appropriate circumstances. In the event that the Arbitrators grant TEXACO DEVELOPMENT the right to terminate this License Agreement as a fair and appropriate remedy, then the Arbitrators shall grant to TEXACO DEVELOPMENT such right pursuant to a written opinion setting forth their reasons in support of such remedy. In that event, TEXACO DEVELOPMENT shall have the right, but not the obligation, to terminate this License Agreement and revoke all licenses, rights, privileges and authorizations of this License Agreement. The foregoing provisions of this Paragraph shall in no way be deemed to limit, restrict or otherwise modify any rights of TEXACO DEVELOPMENT under Paragraph 13.5.

13.4 Neither TEXACO DEVELOPMENT, LICENSEE, any witness nor the Arbitrators may disclose the contents of any arbitration hereunder without the written consent of both the parties, unless and then only to the extent required to enforce the award, or as may be required by law, or as are normal and necessary for financial and tax reports and audits.

13.5 If TEXACO DEVELOPMENT believes that LICENSEE is using TEXACO DEVELOPMENT's Technical Information or any other data, trade secrets, technical information, know-how, or other proprietary information accessed hereunder by LICENSEE, unlawfully or is treating the same in a manner which could compromise its proprietary value, or if TEXACO DEVELOPMENT believes LICENSEE is not complying with Section 9 (Parties Bound) or Section 10 (Export Control Regulations), then TEXACO DEVELOPMENT shall be permitted to immediately submit the matter to arbitration under Paragraph 13.3. In such case, the parties hereto agree that the Arbitrators shall have full authority to immediately enjoin any further activity of LICENSEE upon a finding by the Arbitrators that LICENSEE is engaging in activity referred to in the immediately preceding sentence, and LICENSEE agrees that it will be fully bound by any injunction or restraining order issued by the Arbitrators respecting such activities. Such injunction or restraining orders shall become effective immediately and shall not have to be entered by any court to become effective and shall not preclude any award of monetary damages. Alternatively, if TEXACO DEVELOPMENT decides that a proper injunction could not be issued expeditiously enough through arbitration, the parties hereto agree that TEXACO DEVELOPMENT may go directly to the courts specified in Paragraph 13.3 to seek injunctive relief.

13.6 The parties hereto agree and agree to use their best efforts to cause their respective Affiliates to seek to adopt Paragraph 13 of this Agreement in various additional agreements that are entered into with third parties and that relate to the subject matter of this Agreement.

13.7 This Section 13 shall survive the termination or expiration of this License Agreement and remain in force so long as there remain outstanding rights or obligations of either party subject to arbitration.

14. ADDITIONAL AGREEMENTS

14.1 In addition to this License Agreement, TEXACO DEVELOPMENT and LICENSEE have entered into a separate Process Information Package Letter Agreement dated March 6, 1997 for engineering services relating to the design basis and process design specification of the Plant. TEXACO DEVELOPMENT and LICENSEE shall enter into a mutually acceptable separate Guarantee Agreement which will cover certain performance guarantees of the process licensed hereunder. TEXACO DEVELOPMENT, or an Affiliate, and LICENSEE shall enter into the O & M Agreement with respect to the Plant.

14.2 In the event LICENSEE considers modification of the Plant for the practice of the TGPS or if LICENSEE considers processing a feedstock other than, or in addition to, coal and/or petroleum coke or if LICENSEE considers making a Fundamental Modification to the Plant, then LICENSEE shall notify TEXACO DEVELOPMENT in writing and TEXACO DEVELOPMENT shall prepare, or arrange to prepare, the process information package relating to the design basis and process design specification for any of the aforementioned modifications or any preliminary studies relating thereto. The process information package contemplated under this Paragraph 14.2 or any preliminary studies shall be prepared under a separate agreement pursuant to a mutually acceptable scope of work and TEXACO DEVELOPMENT shall be compensated as follows:

(i) for any preliminary studies and/or for the TGP portion of the process engineering package, TEXACO DEVELOPMENT shall perform such services at the most favorable rate it has performed similar services within the two (2) calendar years prior to the effective date of the preliminary study or process engineering package letter agreement in question, whichever appropriate; and

(ii) for the THGP and/or TGPS portion of the process engineering package, TEXACO DEVELOPMENT shall perform such services for a fee that is mutually acceptable to LICENSEE and TEXACO DEVELOPMENT, which fee shall be determined through good faith negotiations between LICENSEE and TEXACO DEVELOPMENT. In the event the parties cannot reach mutual agreement, LICENSEE shall be free to have such services performed by a third party(ies)

provided such third party(ies) are acceptable to TEXACO DEVELOPMENT in writing. TEXACO DEVELOPMENT's acceptance shall not be unreasonably withheld.

[***]

16. SEVERABILITY

16.1 If any part, term, or provision of this License Agreement shall be found illegal or in conflict with any valid controlling law, the validity of the remaining provisions shall not be affected thereby.

17. LAW GOVERNING

17.1 THIS LICENSE AGREEMENT SHALL BE CONSTRUED AND THE LEGAL RELATIONS BETWEEN THE PARTIES HERETO SHALL BE DETERMINED IN ACCORDANCE WITH THE SUBSTANTIVE AND PROCEDURAL LAWS OF THE STATE OF NEW YORK, WITHOUT RECOURSE TO THE CONFLICT OF LAWS PRINCIPLES THEREOF.

IN WITNESS WHEREOF, the parties hereto have respectively caused this instrument to be duly executed on the dates hereinafter indicated.

TEXACO DEVELOPMENT CORPORATION

By: /s/ John M. Brady
Title: Vice President
Date: August 26, 1977

FARMLAND INDUSTRIES, INC.

By: /s/ Robert W. Honse
Title: Executive Vice President and
Chief Operating Officer
Date: August 5, 1997

SCHEDULE I
DEFINITIONS

The following terms shall be deemed to have the following meanings as used in this License Agreement of which this Schedule I is a part. The definitions set forth in this Schedule I shall not be construed to define or limit the scope of any patent claim.

(a) "Affiliates" of a company designated herein shall mean all corporations (i) of which such designated company now or hereafter owns or controls, directly or indirectly, not less than fifty percent (50%) of the stock having the right to vote for directors thereof, or (ii) by which such designated company is owned or controlled, directly or indirectly by a parent corporation owning or controlling not less than fifty percent (50%) of the stock having the right to vote for directors thereof, or (iii) which are sister corporations owned or controlled directly or indirectly, by such parent corporation of such designated company, where such parent corporation owns or controls not less than fifty percent (50%) of the stock having the right to vote for directors thereof. For the purpose of this definition, the stock owned or controlled by a company shall be deemed to include all stock owned or controlled, directly or indirectly, by any other company of which it owns or controls not less than fifty percent (50%) of the stock having the right to vote for directors thereof. The foregoing shall include without limitation any organization not in corporate form such as a partnership if the designated company, directly or indirectly, has acquired a proprietary or equity interest, whether as a partner or otherwise, in such organization for not less than fifty percent (50%).

(b) "Daily Average Output" shall mean the aggregate Output during any accounting period divided by the total number of days in such accounting period.

(c) "Exchange Period" shall mean the period of time beginning with the first disclosure of TEXACO DEVELOPMENT's Technical Information to LICENSEE pursuant to this License Agreement and ending with the expiration or termination of this License Agreement.

(d) “Financial Closure” shall mean the time at which funds necessary to proceed with the construction of the Plant are advanced or are available to be advanced without any condition other than the request of the LICENSEE.

(e) “Fundamental Modification” of the Plant shall have the meaning set forth in Paragraph l(d) of Schedule II.

(f) “Gasification” shall have the meaning defined in definitions of this Schedule I for the Texaco Gasification Process.

(g) “Gasifier Feed” shall mean the number of: short tons (each of 2,000 pounds) of moisture-free carbonaceous solids; barrels (equivalent) (each of 64 million BTU or higher heating value) of gaseous carbonaceous substances, and barrels (each of 42 gallons of 231 cubic inches measured at 60°F) of liquid carbonaceous substances, as appropriate, including byproduct streams, charged to the Gasification operations, measured and determined in accordance with methods, procedures and correction factors mutually acceptable to TEXACO DEVELOPMENT and LICENSEE.

(h) “LICENSEE’s Technical Information” shall mean such, but only such, engineering, operating and technical data and operating information, specifications, documents and know-how pertaining to the design, construction, operation and maintenance of equipment for and the operation of the TGP, THGP, and/or TGPS for the production of Synthesis Gas and its use in the production of high purity hydrogen and/or electric power (and ancillary products), and which is in the possession of LICENSEE prior to the end of the Exchange Period, and which LICENSEE is free to disclose to others without obligation to account to a third party therefor.

(i) “MSCF” shall mean One Thousand (1,000) Standard Cubic Feet at 60°F and at atmospheric pressure (29.92 inches of mercury absolute), measured and determined in accordance with methods, procedures and correction factors mutually acceptable to TEXACO DEVELOPMENT and LICENSEE.

(j) “Operations and Maintenance Agreement” or “O & M Agreement” shall mean the agreement that shall be entered into between LICENSEE and an affiliate of TEXACO DEVELOPMENT setting forth the terms and conditions under which said affiliate will provide technical services and operate and maintain the Plant on LICENSEE’s behalf.

(k) [***]

(I) “Output” shall mean the number of MSCF of hydrogen plus carbon monoxide produced as the product of any Gasification operations conducted by LICENSEE.

(m) “Patent Rights” shall mean all such, but only such, claims of Letters Patent of the United States and all countries foreign thereto, and transferable rights thereunder, as cover processes for, or apparatus designed for the practice of TGP, THGP, and/or TGPS and are based upon inventions made prior to the end of the Exchange Period and of which the designated party hereto has ownership or the power to grant licenses thereunder to others without obligation to account to a third party therefor.

(n) “Plant” shall mean the THGP Plant described in Paragraph 3.1 of this License Agreement which, at LICENSEE’s option, may be modified for practice of TGPS in accordance with the terms of this License Agreement.

(o) “Power Systems”, hereinafter “PS”, shall mean the system and parts thereof, including process(es) and equipment for the generation of electric power, such as gas turbine(s), steam turbine(s) and heat recovery steam generator(s) along with any supporting and peripheral equipment.

(p) “Purification” shall mean the separation of the effluent gas from any process step following Gasification into high purity hydrogen for recovery and a reject gas mixture which may or may not be returned to the partial oxidation and/or shift conversion reaction zone(s).

(q) “Shift Conversion” shall mean the reaction of Synthesis Gas with steam in a reaction zone to convert carbon monoxide into a raw gas mixture including carbon dioxide and hydrogen.

(r) “Startup” of the Plant shall occur at the time the Plant has first produced Synthesis Gas for a continuous forty-eight (48) hour period and the first to occur of (i) the Plant having satisfied either of the Guaranteed Performance Standards under the Guarantee Agreement between the parties, of even date herewith, in a Guarantee Test run using the No. 1 Gasification Unit, as such terms are defined and used in said Guarantee Agreement, or (ii) one hundred eighty (180) days has elapsed from such forty-eight (48) hour period, or if LICENSEE is then pursuing the passage of the Guarantee Test for the No. 1 Gasification Unit, such later date upon which LICENSEE is no longer continuing such pursuit. In the event Synthesis Gas is produced for at least a continuous twenty-four (24) hour period, LICENSEE shall not be permitted to cease operating the Plant without a reasonable basis until Startup has occurred.

(s) “Synthesis Gas” shall mean carbon monoxide and hydrogen produced by Gasification.

(t) “TEXACO DEVELOPMENT’s Technical Information” shall mean such, but only such, engineering, operating and technical data and operating information, specifications, documents and know-how which, in TEXACO DEVELOPMENT’s sole opinion, is necessary for the design, construction, operation and maintenance of a facility for the practice of the TGP, THGP, and/or TGPS for the production of Synthesis Gas and its use in the production of high purity hydrogen and/or electric power (and ancillary products) (whichever appropriate) and which is in the possession or control of TEXACO DEVELOPMENT (including that obtained from its licensees) prior to the end of the Exchange Period, and which TEXACO DEVELOPMENT is free to disclose to others without obligation to account to a third party therefor.

(u) “Texaco Gasification Power Systems” or “TGPS” shall mean the process licensed by TEXACO DEVELOPMENT where the TGP is used with PS including any means or methods for integrating and optimizing TGP and PS with any related removal and recovery of byproducts (such as sulfur) and air separation systems, and any modifications or improvements to any or all of the foregoing.

(v) “Texaco Gasification Process” or “Gasification” or “TGP” shall mean the process licensed by TEXACO DEVELOPMENT and improvements therein producing carbon monoxide and hydrogen by partial oxidation of carbonaceous substances, including without limitation refining or chemical plant byproducts streams, using oxygen or an oxygen-containing gas and including, but without limiting the foregoing, any means or methods of (i) preparing such substances to the extent useful in such partial oxidation, (ii) introducing and reacting materials in a partial oxidation reaction zone; (iii) cooling the effluent of said reaction zone and recovering and conserving reaction heat; (iv) removing from said effluent materials which may or may not be returned to said reaction zone; and (v) treating by-product or waste discharges.

(w) “Texaco Hydrogen Generation Process” or “THGP” shall mean the process licensed by TEXACO DEVELOPMENT for producing high purity hydrogen which combines the TGP with one or more of the following process steps: Shift Conversion, Purification as each is hereinafter defined, membrane separation, methanation, and/or acid gas removal including any means or methods for integrating said combination, and any modifications or improvements to any of the foregoing.

SCHEDULE II
ROYALTIES AND TERMS OF PAYMENT

LICENSEE shall pay royalties and fees to TEXACO DEVELOPMENT or its nominee, in U.S. Dollars in immediately available funds in New York, as set forth below:

1. (a) Subject to Paragraph 1(b) of this Schedule II, LICENSEE shall acquire paid-up capacity for the Plant based upon the designed capacity of the Plant set forth in Paragraph 3.1 of this License Agreement by making the following payments, the cumulative total of which shall be [***]:

(i) Within forty-five (45) days of signing this License Agreement, LICENSEE will pay to TEXACO DEVELOPMENT [***] of the total lump-sum royalty for the designed Daily Average Output capacity of the Plant calculated as per the royalty schedule in Paragraph 2 of this Schedule II; and

(ii) Within forty-five (45) days of Financial Closure or by June 30, 1998, whichever first occurs, LICENSEE will pay to TEXACO DEVELOPMENT [***] of the total lump-sum royalty for the designed Daily Average Output capacity of the Plant calculated as per the royalty schedule in Paragraph 2 of this Schedule II; and

(iii) Within forty-five (45) days of Plant Start-up or December 31, 2002, whichever first occurs, LICENSEE will pay to TEXACO DEVELOPMENT [***] of the total lump-sum royalty for the designed Daily Average Output capacity of the Plant calculated as per the royalty schedule in Paragraph 2 of this Schedule II.

(b) LICENSEE shall also pay TEXACO DEVELOPMENT, or its nominee, in immediately available funds in New York, the lesser of [***] of LICENSEE's fee it has received for processing each ton of any imported refinery/chemical plant by-product feedstock or other imported by-product feeds processed in the Plant during each accounting period prescribed in Section 4.3 of this License Agreement; provided, however, that LICENSEE shall not be required to make such payments to TEXACO DEVELOPMENT until the aggregate amount of fees received by LICENSEE for processing such feedstock(s) equals the costs incurred by LICENSEE, if any, to modify the Plant to enable the Plant to process such feedstock(s). The obligations of this Paragraph l(b) shall remain ongoing and shall survive any termination or expiration of this License Agreement.

(c) In the event LICENSEE is unable to achieve Financial Closure by June 30, 1998, LICENSEE shall be permitted to cancel this License Agreement by providing TEXACO DEVELOPMENT with ten (10) days written cancellation notice, and upon the expiration of ten (10) days from the time TEXACO DEVELOPMENT receives such notice, this License Agreement shall be deemed canceled and terminated; provided, however, that LICENSEE shall use all reasonable efforts to achieve Financial Closure and further provided that TEXACO DEVELOPMENT has actually received the payment set forth in Paragraph l(a)(i) of this Schedule II. Upon cancellation of this License Agreement, LICENSEE shall be relieved of its obligation for the remaining royalty payments set forth in Paragraphs l(a)(ii) and (iii) of this Schedule II, and this License Agreement shall be terminated.

(d) LICENSEE shall be permitted to exceed the designed capacity of the Plant by up to [***] (i.e., up to [***] MSCF) of Daily Average Output without having to pay TEXACO DEVELOPMENT any royalties for the [***] additional capacity provided that such additional capacity results from improved operations and does not result from a Fundamental Modification (as defined hereinbelow) of the Plant LICENSEE shall be required to make additional royalty payments in accordance with the royalty schedule of Paragraph 2 of this Schedule II in the event the Daily Average Output exceeds [***] MSCF. It is understood and agreed that a fundamental modification of the Plant shall mean (i) the simultaneous operation of more than one gasifier, (ii) the addition, modification or replacement of

charge pump(s), feed injector(s), or gasifier(s) that increase the designed capacity by [***] or more, (iii) an increase in the capacity of the air separation unit by [***] or more from the capacity of the air separation unit at the time of Plant Start-up; and/or (iv) if the TGPS is practiced at the Plant ("Fundamental Modification") In the event such additional capacity results from a Fundamental Modification, LICENSEE shall be required to make additional royalty payment in accordance with the royalty schedule in Paragraph 2 of this Schedule II. Furthermore, in the event LICENSEE does in fact produce more than Eighty-six Thousand (86,000) MSCF but less than [***] MSCF of Daily Average Output without a Fundamental Modification and then subsequently the Plant undergoes a Fundamental Modification, LICENSEE shall pay TEXACO DEVELOPMENT for all additional capacity beyond the designed capacity in accordance with the royalty schedule of Paragraph 2 of this Schedule II. After TEXACO DEVELOPMENT receives such payment, LICENSEE shall be entitled to further increase the Daily Average Output of the Plant by up to an additional [***] MSCF without any further cost to LICENSEE. Any additional capacity beyond this [***] MSCF shall be subject to the royalty fees in accordance with the royalty schedule of Paragraph 2 of Schedule II of this License Agreement.

(e) [***]

(f) [***]

[***]

2. Lump-sum (viz., paid-up) royalties shall be paid with respect to all Gasification operations conducted by LICENSEE in accordance with the following royalty schedule:

(a) For the first 10,000 MSCF of Daily Average Output or any part thereof, the sum of [***]; and

For the next 15,000 MSCF of Daily Average Output, i.e., over 10,000 and up to and including 25,000 MSCF of Daily Average Output total, at the rate of [***] per MSCF of Daily average Output; and

For the next 175,000 MSCF of Daily Average Output, i.e., over 25,000 and up to and including 200,000 MSCF of Daily Average Output total, at the rate of [***] per MSCF of Daily Average Output; and

For all over 200,000 MSCF of Daily Average Output at the rate of [***] per MSCF of Daily Average Output, and

(b) [***]

[***]

For the next 114,000 MSCF of Daily Average Output, i.e., over 86,000 and up to and including 200,000 MSCF of Daily Average output total, at the rate of [***] per MSCF of Daily Average Output; and

For all over 200,000 MSCF of Daily Average output at the rate of [***] per MSCF of Daily Average Output;

all in accordance with the payment provisions of this Schedule II.

3. At the time specified for the submission of accounting statements under Section 4.3 of this License Agreement, LICENSEE will also pay to TEXACO DEVELOPMENT or its nominee, in U.S. Dollars in immediately available funds in New York, the lump-sum royalties in accordance with the royalty rate schedule set forth in Paragraph 2 above and modified as provided in Paragraph 4 of this Schedule II required to purchase paid-up capacity for that part (if any) of the total Daily Average Output from all Gasification operations conducted by LICENSEE during the accounting period covered by said statement for which paid-up capacity shall not have been theretofore purchased by LICENSEE and, also, the fees specified in Paragraph 2 and modified as provided in Paragraph 4 of this Schedule II for all Gasification operations of LICENSEE during said accounting period.

4. (a) All payments made pursuant to Paragraphs 1 and 3, may, at TEXACO DEVELOPMENT's discretion, be modified by a factor in which the numerator is the average "Producer Price Index for Industrial Commodities" as published by the Bureau of Labor Statistics, U.S. Department of Labor (hereinafter called "BLS Index") for the twelve-month period ending the thirty- first day of October preceding the first day of January of the year in which such payment becomes due

and the denominator is the average of said BLS Index for the twelve-month period ending October 31,1996 (127.2). Such factor shall not apply to the payment set forth in Paragraph l(a)(iii) of this Schedule II, provided such amount is actually received by TEXACO DEVELOPMENT prior to December 31, 2000.

(b) If at any time during the term of the License Agreement publication of the BLS Index shall cease, another appropriate index published in the United States by the U.S. Government, or other organization generally recognized in the United States as authoritative on changes of equivalent or substantially equivalent commodity costs in the United States agreeable to both parties, shall be used.

5. If any payment hereunder, or part thereof, shall become due and remain unpaid for a period in excess of ten (10) days, LICENSEE agrees to pay to TEXACO DEVELOPMENT, in addition to the amount unpaid, interest on such amount at the rate of one percent (1%) per month for each month or portion thereof for the period beginning when such payment becomes due and until payment of such unpaid amount. Such interest shall be in addition to any other rights of TEXACO DEVELOPMENT arising as a result of LICENSEE's failure to make such payment or part thereof within the time specified.

SCHEDULE IV
RELEASE

The undersigned desires to have access to the gasification plant and related facilities (the "Plant") of Farmland Industries, Inc. ("Farmland") located near Coffeyville, Kansas. The undersigned acknowledges that the undersigned's access to the Plant premises is for the sole purpose of participating in a guided tour of the Plant and in activities directly associated with such tour.

The undersigned acknowledges that:

(a) the Plant is an industrial facility that produces synthesis gas from carbonaceous substances; and

(b) the Plant is located adjacent to other industrial facilities (the "Other Facilities") including, without limitation, fertilizer production and storage facilities and a petroleum refinery; and

(c) the operation of the Plant and the Other Facilities involves chemical and other processes that are *inherently dangerous;* and

(d) the operation of the Plant and the Other Facilities involves toxic materials and materials under extremely high pressure and/or at extremely high temperatures, all of which being *inherently dangerous;* and

(e) being industrial facilities, the Plant and the Other Facilities, regardless of whether they currently are operating, are inherently dangerous; and

(f) the undersigned's physical presence at, near or on the premises of the Plant and/or the Other Facilities *INVOLVES THE RISK OF SIGNIFICANT PERSONAL INJURY AND/OR DEATH TO THE UNDERSIGNED.*

The undersigned agrees that in consideration of the undersigned receiving the above-described access to the Plant premises, *THE UNDERSIGNED UNCONDITIONALLY ASSUMES ALL RISKS OF PERSONAL INJURY AND/OR DEATH TO THE UNDERSIGNED* that may occur in connection with the undersigned's physical presence at, near or on the premises of the Plant and/or the Other Facilities, whether during the undersigned's above-described access to the Plant or at any time thereafter and regardless of the direct or indirect cause thereof (including, without limitation, the acts, omissions or negligence of Farmland or its directors, officers, employees, agents or representatives), and *THE UNDERSIGNED DOES HEREBY RELEASE AND FOREVER DISCHARGE FARMLAND AND ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND REPRESENTATIVES* from any and all claims, demands or actions in connection with or otherwise relating to any such personal injury or death to the undersigned.

Also, the undersigned covenants never to make a claim or demand, or pursue any action, against Farmland or its directors, officers, employees, agents and representatives on account of any such personal injury or death to the undersigned.

The undersigned acknowledges and agrees that the undersigned's signing and delivery of this Release to Farmland is the free and voluntary act of the undersigned, that this Release is a legally binding document, and that this Release shall be binding on the undersigned and the undersigned's heirs and personal representatives.

_____ Date: _____

Print Name: _____

SCHEDULE III

NON-EXHAUSTIVE LIST OF TEXACO U.S. PATENTS

PATENT NO.	DATE OF ISSUE	TITLE
4,261,167	04/14/81	PROCESS FOR THE GENERATION OF POWER FROM SOLID CARBONACEOUS FUELS
4,298,452	11/03/81	COAL LIQUEFACTION
4,351,645	09/28/82	PARTIAL OXIDATION BURNER APARATUS
4,371,378	02/01/83	SWIRL BURNER FOR PARTIAL OXIDATION PROCESS
4,377,132	03/22/83	SYNTHESIS GAS COOLER AND WASTE HEAT BOILER
4,385,906	05/31/83	START-UP METHOD FOR A GASIFICATION REACTOR
4,390,347	06/28/83	TRIM CONTROL PROC. FOR PARTIAL OX. GAS GENERATOR
4,390,348	06/28/83	TRIM CONTROL PROC. FOR PARTIAL OX. GAS GENERATOR
4,411,670	10/25/83	PROD. OF SYNTHESIS GAS FROM HEAVY HYDROCARBON FUELS CONTAINING HIGH METAL CONCENTRATIONS
4,411,817	10/25/83	PRODUCTION OF SYNTHESIS GAS
4,443,228	04/17/84	PARTIAL OXIDATION BURNER
4,462,928	07/31/84	PARTIAL OX. OF HEAVY REFINERY FRACTIONS
4,466,810	08/21/84	PARTIAL OXIDATION PROCESS
4,468,376	08/28/84	DISPOSAL PROC. FOR HALOGENATED ORGANIC MATERIAL
4,474,581	10/02/84	TRIM CONTROL SYSTEM FOR PARTIAL OXIDATION GAS GENERATOR
4,474,582	10/02/84	TRIM CONTROL SYSTEM FOR PARTIAL OXIDATION GAS GENERATOR
4,479,810	10/30/84	PARTIAL OXIDATION SYSTEM
4,483,690	11/20/84	APPARATUS FOR PROD. OF SYNTHESIS GAS FROM HEAVY HYDROCARBON FUELS CONTG. HIGH METAL CONCENTRATIONS
4,490,156	12/25/84	PARTIAL OXIDATION SYSTEM
4,491,456	01/01/85	PARTIAL OXIDATION PROCESS
4,510,057	04/09/85	ROTATING DISK BIOTREATMENT OF SYNGAS WASTE WATER
4,525,176	06/25/85	PREHEATING AND DESLAGGING A GASIFIER
4,533,363	08/06/85	PRODUCTION OF SYNTHESIS GAS
4,545,330	10/08/85	SELF-CLEANING LINER
4,559,061	12/17/85	MEANS FOR SYNTHESIS GAS GENERATION WITH CONTROL OF RATIO STEAM TO DRY GAS

PATENT NO.	DATE OF ISSUE	TITLE
4,581,899	04/15/86	SYNTHESIS GAS GENERATION WITH PREVENTION OF DEPOSIT FORMATION IN EXIT LINES
4,590,326	05/20/86	MULTI-ELEMENT THERMOCOUPLE
4,597,773	07/01/86	PROC. FOR PARTIAL OX. OF HYDROCARBONACEOUS FUEL AND RECOVERY OF WATER FROM DISPERSIONS OF SOOT
4,605,423	08/12/86	APPARATUS FOR GENERATING AND COOLING SYNTHESIS GAS
4,624,683	11/25/86	QUENCH RING AND DIP TUBE COMBINATION WITH IMPROVEMENT
4,637,823	01/20/87	HIGH TEMPERATURE FURNACE
4,639,312	01/27/87	FILTER PRESS FLOW CONTROL SYSTEM FOR DEWATERING SLUDGE
4,647,294	03/03/87	PARTIAL OXIDATION APPARATUS
4,655,792	04/07/87	PARTIAL OXIDATION PROCESS
4,657,698	04/14/87	PARTIAL OXIDATION PROCESS
4,666,463	05/19/87	CONTROLLING TEMPERATURE OF BURNERS
4,668,428	05/26/87	PARTIAL OX. OF PETROLEUM COKE AND/OR HEAVY LIQUID FUEL
4,668,429	05/26/87	PARTIAL OX. OF PETROLEUM COKE AND/OR HEAVY LIQUID FUEL
4,704,137	11/03/87	UPGRADING WATER FOR COOLING AND CLEANING
4,705,536	11/10/87	PARTIAL OXIDATION PROCESS
4,705,542	11/10/87	PRODUCTION OF SYNTHESIS GAS
4,743,194	05/10/88	COOLING SYSTEM FOR GASIFIER BURNER
4,749,381	06/07/88	STABLE SLURRIES OF SOLID CARBONACEOUS FUEL AND WATER
4,776,705	10/11/88	THERMOCOUPLE FOR USE IN HOSTILE ENVIRONMENT
4,776,860	10/11/88	HIGH TEMPERATURE DESULFURIZATION OF SYNTHESIS GAS
4,778,483	10/18/88	GASIFICATION REACTOR WITH INTERNAL GAS BAFFLING AND LIQUID COLLECTOR
4,778,485	10/18/88	POX PROCESS WITH HIGH TEMPERATURE DESULFURIZATION OF SYNGAS
4,781,731	11/01/88	INTEGRATED METHOD OF CHARGE FUEL PRETREATMENT AND TAIL GAS SULFUR REMOVAL
4,784,670	11/15/88	PARTIAL OXIDATION PROCESS
4,788,003	11/29/88	PARTIAL OXIDATION OF ASH-CONTAINING LIQUID HYDROCARBONACEOUS AND SOLID CARBONACEOUS FUELS
4,801,306	01/31/89	QUENCH RING FOR A GASIFIER

PATENT NO.	DATE OF ISSUE	TITLE
4,826,627	05/02/89	PARTIAL OXIDATION PROCESS
4,828,578	05/09/89	INTERNALLY CHANNELLED GASIFIER QUENCH RING
4,828,579	05/09/89	THERMALLY INSULATED QUENCH RING FOR A GASIFIER
4,828,580	05/09/89	QUENCH RING INSULATING COLLAR
4,857,229	08/15/89	PARTIAL OX. OF SULFUR, NICKEL AND VANADIUM-CONTG. FUELS
4,876,031	10/24/89	PARTIAL OXIDATION PROCESS
4,876,987	10/31/89	SYNTHETIC GAS COOLER WITH THERMAL PROTECTION
4,880,439	11/14/89	HIGH TEMPERATURE DESULFURIZATION OF SYNTHESIS GAS
4,889,657	12/26/89	PARTIAL OXIDATION PROCESS
4,889,658	12/26/89	PARTIAL OXIDATION PROCESS
4,891,950	01/09/90	CONTROL SYSTEM AND METHOD FOR A SYNTHESIS GAS PROCESS
4,909,958	03/20/90	PREVENTION OF FORMATION OF NICKEL SUBSULFIDE IN PARTIAL OX. OF HEAVY LIQUID AND/OR SOLID FUELS
4,936,376	06/26/90	SYNTHETIC GAS COOLER WITH THERMAL PROTECTION
4,948,387	08/14/90	SYNTHESIS GAS BARRIER AND REFRACTORY SUPPORT
4,957,544	09/18/90	PARTIAL OXIDATION PROCESS INCL. THE CONCENTRATION OF V/NI IN SLAG PHASE
4,983,296	01/08/91	PARTIAL OXIDATION OF SEWAGE SLUDGE
4,992,081	02/12/91	REACTOR DIP TUBE COOLING SYSTEM
5,000,580	03/19/91	APP. & METH. FOR MEAS. TEMP. INSIDE PROC. VESSELS CONTG. A HOSTILE ENV.
5,005,986	04/09/91	SLAG RESISTANT THERMOCOUPLE SHEATH
5,087,271	02/11/92	PARTIAL OXIDATION PROCESS
5,152,975	10/06/92	PROCESS FOR PRODUCING HIGH PURITY H2
5,152,976	10/06/92	PROCESS FOR PRODUCING HIGH PURITY H2
5,188,741	02/23/93	TREATMENT OF SEWAGE SLUDGE
5,211,723	05/18/93	PROCESS FOR REACTING PUMPABLE HIGH SOLIDS SEWAGE SLUDGE SLURRY
5,211,724	05/18/93	PARTIAL OXIDATION OF SEWAGE SLUDGE
5,233,943	08/10/93	SYNTHETIC GAS RADIANT COOLER WITH INTERNAL QUENCHING AND PURGING FACILITIES
5,234,468	08/10/93	PROCESS FOR UTILIZING A PUMPABLE FUEL FROM HIGHLY DEWATERED SEWAGE SLUDGE
5,234,469	08/10/93	PROCESS FOR DISPOSING OF SEWAGE SLUDGE

PATENT NO.	DATE OF ISSUE	TITLE
5,250,083	10/05/93	PROCESS FOR PRODUCTION OF DESULFURIZED SYNTHESIS GAS
5,251,433	10/12/93	POWER GENERATION PROCESS
5,261,602	11/16/93	PARTIAL OXIDATION PROCESS AND BURNER WITH POROUS TIP
5,265,635	11/30/93	CONTROL MEANS AND METHOD FOR CONTROLLING FEED GASES
5,295,350	03/22/94	COMBINED POWER CYCLE WITH LIQUEFIED NATURAL GAS (LNG) AND SYNTHESIS OR FUEL GAS
5,319,924	06/14/94	PARTIAL OXIDATION POWER SYSTEM
5,324,336	06/28/94	PARTIAL OXIDATION OF LOW RANK COALS AND RESIDUAL OIL
5,345,756	09/13/94	PARTIAL OXIDATION PROCESS WITH PRODUCTION OF POWER
5,358,696	10/25/94	PRODUCTION OF H2-RICH GAS
5,364,996	11/15/94	PARTIAL OXIDATION OF SCRAP RUBBER TIRES AND USED MOTOR OIL
5,394,686	03/07/95	COMBINED POWER CYCLE WITH LIQUEFIED NATURAL GAS (LNG) AND SYNTHESIS OR FUEL GAS
5,401,282	03/28/95	PARTIAL OXIDATION PROCESS FOR PRODUCING A STREAM OF HOT PURIFIED GAS
5,403,366	04/04/95	PARTIAL OXIDATION PROCESS FOR PRODUCING A STREAM OF HOT PURIFIED GAS
5,415,673	05/16/95	ENERGY EFFICIENT FILTRATION OF SYNGAS COOLING AND SRUBBING WATER
5,423,992	06/08/95	CHEMICALLY DISINFECTED SEWAGE SLUDGE-CONTAINING MATERIALS
5,423,894	06/13/95	PARTIAL OXIDATION OF LOW-RANK COALS
5,441,990	08/15/95	CLEANED H^2-ENRICHED SYNGAS MADE USING WATER-GAS SHIFT REACTION
5,445,669	08/29/95	PARTIAL OXIDATION OF PRODUCTS OF LIQUEFACTION OF PLASTIC MATERIALS
5,496,859	03/05/96	GASIFICATION PROCESS COMBINED WITH STEAM METHANE REFORMING TO PRODUCE SYNGAS SUITABLE FOR METHANOL PRODUCTION
5,515,794	05/14/96	PARTIAL OXIDATION PROCESS BURNER WITH RECESSED TIP AND GAS BLASTING
5,534,040	07/09/96	PARTIAL OXIDATION OF PARTIALLY LIQUIFIED PLASTIC MATERIALS
5,554,202	09/10/96	GASIFIER MONITORING APPARATUSGASIFIER MONITORING APPARATUS
5,578,094	11/26/96	VANADIUM ADDITION TO PETROLEUM COKE SLURRIES TO FACILITATE DESSLAGGING FOR CONTROLLED OXIDATION

PATENT NO.	DATE OF ISSUE	TITLE
4,218,423	08/19/80	QUENCH RING AND DIP TUBE ASSEMBLY FOR A REACTOR VESSEL
4,247,302	01/27/81	PROCESS FOR GASIFICATION AND PRODUCTION BY-PRODUCT SUPERHEATED STEAM
4,248,604	02/03/81	GASIFICATION PROCESS
4,251,228	02/17/81	PRODUCTION OF CLEANED AND COOLED SYNTHESIS GAS
4,252,539	02/24/81	SOLID FUEL COMPOSITION
4,255,278	03/10/81	PARTIAL OXIDATION PROCESS WITH RECOVERY OF UNCOVERTED SOLID FUEL FROM SUSPENSION IN WATER
4,261,167	04/14/81	PROCESS FOR THE GENERATION OF POWER FROM CARBONACEOUS FUELS WITH MINIMAL ATMOSPHERIC POLLUTION
4,265,407	05/05/81	METH. OF PRODUCING A COAL-WATER SLURRY OF PREDETERMINED CONSISTENCY
4,277,365	07/07/81	PRODUCTION OF REDUCING GAS
4,279,622	07/21/81	GAS-GAS QUENCH COOLING AND SOLIDS SEPARATION PROCESS
4,289,502	09/15/81	APPARATUS FOR THE PROD. OF CLEANED AND COOLED SYNTHESIS GAS
4,304,571	12/08/81	COAL BENEFICIATION
4,304,572	12/08/81	PRODUCTION OF SOLID FUEL-WATER SLURRIES
4,312,637	01/26/82	SLAG OUTLET FOR GASIFICATION GENERATOR
4,324,563	04/13/82	GASIFIC. APPARATUS WITH MEANS FOR COOLING AND SEPARATING SOLIDS WITH PRODUCT GAS
4,326,856	04/27/82	PRODUCTION OF CLEANED AND COOLED SYNTHESIS GAS
4,326,948	04/27/82	LIQUEFACTION AND GASIFICATION OF LOW RANK COALS
4,328,006	05/04/82	APP. FOR THE PROD. OF CLEANED AND COOLED SYNGAS
4,328,008	05/04/82	METHOD FOR THE PRODUCTION OF CLEANED AND COOLED SYNTHESIS GAS
4,351,645	09/28/82	PARTIAL OXIDATION BURNER APPARATUS
4,364,744	12/21/82	BURNER FOR THE PARTIAL OX. OF SLURRIES OF SOLID CARBONACEOUS FUELS
4,371,378	02/01/83	SWIRL BURNER FOR PARTIAL OX. PROCESS
4,377,132	03/22/83	SYNTHESIS GAS COOLER AND WASTE HEAT BOILER
4,377,394	03/22/83	APP. FOR THE PROD. OF CLEANED AND COOLED SYNGAS
4,385,906	05/31/83	START-UP METHOD FOR A GASIFICATION REACTOR

PATENT NO.	DATE OF ISSUE	TITLE
4,386,941	06/07/83	PROC. FOR THE PARTIAL OX. OF SLURRIES OF SOLID CARBONACEOUS FUEL
4,390,347	06/28/83	TRIM CONTROL PROCESS FOR PARTIAL OX. GAS GENERATOR
4,390,348	06/28/83	TRIM CONTROL PROCESS FOR PARTIAL OX. GAS GENERATOR
4,390,957	06/28/83	COAL SLURRY MONITOR MEANS AND METHOD
4,411,533	10/25/83	SYSTEM FOR MEASURING TEMPERATURE OF HOT GASES LADEN WITH ENTRAINED SOLIDS
4,411,670	10/25/83	PROD. OF SYNTHESIS GAS FROM HEAVY HYDROCARBON FUELS CONTG. HIGH METAL CONCENTRATIONS
4,411,817	10/25/83	PRODUCTION OF SYNTHESIS GAS
4,436,530	03/13/84	PROC. FOR GASIFYING SOLID CARBON CONTG. MATERIALS
4,436,531	03/13/84	COAL. GASIFICATION: PROMOTING THE REACTION OF CARBON IN THE EFFLUENT
4,443,228	04/17/84	PARTIAL OXIDATION BURNER
4,443,230	04/17/84	PARTIAL OX. PROCESS FOR SLURRIES OF SOLID FUEL
4,445,444	05/01/84	BURNER FOR COMBUSTING OXYGEN-COAL MIXTURE
4,465,496	08/14/84	REMOVAL OF SOUR WATER FROM COAL GASIFICATION SLAG
4,466,808	08/21/84	METH. OF COOLING PRODUCT GASES OF INCOMPLETE COMBUSTION CONTAINING ASH AND CHAR WHICH PASS THROUGH A VISCOUS STICKY PHASE
4,466,810	08/21/84	PARTIAL OXIDATION PROCESS
4,468,376	08/28/84	DISPOSAL PROC. FOR HALOGENATED ORGANIC MATERIAL
4,474,581	10/02/84	TRIM CONTROL SYSTEM FOR PARTIAL OX. GAS GENERATOR
4,474,582	10/02/84	TRIM CONTROL SYSTEM FOR PARTIAL OX. GAS GENERATOR
4,479,810	10/30/84	PARTIAL OXIDATION SYSTEM
4,483,690	11/20/84	APPARATUS FOR PROD. OF SYNTHESIS GAS FROM HEAVY HYDROCARBON FUELS CONTG. HIGH METAL CONCENTRATIONS
4,490,156	12/25/84	PARTIAL OXIDATION SYSTEM
4,491,456	01/01/85	PARTIAL OXIDATION PROCESS
4,510,057	04/09/85	ROTATING DISK BIOTREATMENT OF SYNGAS WASTE WATER
4,525,175	06/25/85	BURNER FOR PARTIAL OXIDATION PROCESS FOR SLURRIES
4,525,176	06/25/85	PREHEATING AND DESLAGGING A GASIFIER
4,526,676	07/02/85	INTEGRATED H-OIL PROCESS INCLUDING RECOVERY AND TREATMENT OF VENT AND PURGE GAS STREAMS AND SOOT NAPHTHA STREAM

PATENT NO.	DATE OF ISSUE	TITLE
4,533,363	08/06/85	PRODUCTION OF SYNTHESIS GAS
4,545,330	10/08/85	SELF-CLEANING LINER
4,559,061	12/17/85	MEANS FOR SYNTHESIS GAS GENERATION WITH CONTROL OF RATIO OF STEAM TO DRY GAS
4,581,899	04/15/86	SYNTHESIS GAS GENERATION WITH PREVENTION OF DEPOSIT FORMATION IN EXIT LINES
4,590,326	05/20/86	MULTI-ELEMENT THERMOCOUPLE
4,597,773	07/01/86	PROCESS FOR PARTIAL OXIDATION OF HYDROCARBONACEOUS FUEL AND RECOVERY OF WATER FROM DISPERSIONS OF SOOT AND WATER
4,605,423	08/12/86	APPARATUS FOR GENERATING AND COOLING SYNTHESIS GAS
4,624,683	11/25/86	QUENCH RING AND DIP TUBE COMBINATION WITH IMPROVEMENT
4,637,823	01/20/87	HIGH TEMPERATURE FURNACE
4,639,312	01/27/87	FILTER PRESS FLOW CONTROL SYSTEM FOR DEWATERING SLUDGE
4,647,294	03/03/87	PARTIAL OXIDATION APPARATUS
4,650,497	03/17/87	QUENCH CHAMBER FOR HIGH PRESSURE
4,655,792	04/07/87	PARTIAL OXIDATION PROCESS
4,657,698	04/14/87	PARTIAL OXIDATION PROCESS
4,666,462	05/19/87	CONTROL PROCESS FOR SOLID FUELS
4,666,463	05/19/87	CONTROLLING TEMPERATURE OF BURNERS
4,668,428	05/26/87	PARTIAL OX. OF PETROLEUM COKE AND/OR HEAVY LIQUID FUEL
4,668,429	05/26/87	PARTIAL OX. OF PETROLEUM COKE AND/OR HEAVY LIQUID FUEL
4,671,803	06/09/87	SYNGAS FREE FROM VOLATILE METAL HYDRIDES
4,676,805	06/30/87	PROCESS FOR OPERATING GAS GENERATOR
4,704,137	11/03/87	UPGRADING WATER FOR COOLING AND CLEANING PARTIAL OX. PROCESS
4,705,536	11/10/87	PARTIAL OXIDATION PROCESS
4,705,542	11/10/87	PRODUCTION OF SYNTHESIS GAS
4,743,194	05/10/88	COOLING SYSTEM FOR GASIFIER BURNER
4,749,381	06/07/88	STABLE SLURRIES OF CARBONACEOUS FUEL AND WATER
4,774,021	09/27/88	PARTIAL OX. OF SULFUR-CONTG. SOLID FUEL
4,776,860	10/11/88	HIGH-TEMPERATURE DESULFURIZATION OF SYNGAS

PATENT NO.	DATE OF ISSUE	TITLE
4,778,483	10/18/88	QUENCH CHAMBER WITH TROUGH AT BOTTOM OF BAFFLE
4,778,485	10/18/88	PARTIAL OXIDATION WITH SECOND STAGE ADDITION OF ADDITIVE
4,781,731	11/01/88	INTEGRATED METHOD OF CHARGE FUEL PRETREATMENT AND TAIL GAS SULFUR REMOVAL IN A PARTIAL OXIDATION PROCESS
4,784,670	11/15/88	PARTIAL OXIDATION PROCESS
4,788,003	11/29/88	PARTIAL OXIDATION OF ASH-CONTAINING LIQUID HYDROCARBONACEOUS AND SOLID CARBONACEIOUS FUELS
4,801,306	01/31/89	QUENCH RING FOR GASIFIER
4,826,627	05/02/89	PARTIAL OXIDATION PROCESS
4,828,578	05/09/89	INTERNALLY CHANNELLED GASIFIER QUENCH RING
4,828,579	05/09/89	THERMALLY INSULATED QUENCH RING FOR A GASIFIER
4,828,580	05/09/89	QUENCH RING INSULATING COLLAR
4,857,229	08/15/89	PARTIAL OX. OF SULFUR, NICKEL AND VANADIUM-CONTG. FUELS
4,863,489	09/05/89	PROD. OF DEMERCURIZED SYNTHESIS GAS
4,875,906	10/24/89	PARTIAL OX. OF LOW HEATING VALUE WASTE PETROLEUM PRODUCTS
4,876,031	10/24/89	PARTIAL OXIDATION PROCESS
4,876,987	10/31/89	SYNTHETIC GAS COOLER WITH THERMAL PROTECTION
4,880,439	11/14/89	HIGH TEMPERATURE DESULFURIZATION OF SYNTHESIS GAS
4,889,657	12/26/89	PARTIAL OXIDATION PROCESS
4,889,658	12/26/89	PARTIAL OXIDATION PROCESS
4,889,699	12/26/89	PARTIAL OXIDATION PROCESS
4,904,277	02/27/90	REHYDRATING INHIBITORS FOR PREPARATION OF HIGH-SOLIDS CONCENTRATION LOW RANK COAL SLURRIES
4,909,958	03/20/90	PREVENTION OF FORMATION OF NICKEL SUBSULFIDE IN PARTIAL OX. OF HEAVY LIQUID AND/OR SOLID FUELS
4,919,688	04/24/90	GASIFIER WITH GAS SCROURED THROAT
4,936,376	06/26/90	SYNTHETIC GAS COOLER WITH THERMAL PROCTECTION
4,946,476	08/07/90	PARTIAL OX. OF BITUMINOUS COAL
4,948,387	08/14/90	SYNTHESIS GAS BARRIER AND REFRACTORY SUPPORT
4,957,544	09/18/90	PARTIAL OX. PROCESS INCLUDING THE CONCENTRATION OF V/NI IN SLAG PHASE
4,983,296	01/08/91	PARTIAL OXIDATION OF SEWAGE SLUDGE

PATENT NO.	DATE OF ISSUE	TITLE
4,992,081	02/12/91	REACTOR DIP TUBE COOLING SYSTEM
5,000,580	03/19/91	APPARATUS AND METHOD FOR MEASURING TEMPERATURES INSIDE PROCESS VESSELS CONTG. A HOSTILE ENVIRONMENT
5,005,986	04/09/91	SLAG RESISTANT THERMOCOUPLE SHEATH
5,087,271	02/11/92	PARTIAL OXIDATION PROCESS
5,183,478	02/02/93	PROCESS AND APPARATUS FOR DEWATERING QUENCHED SLAG
5,188,739	02/23/93	DISPOSAL OF SEWAGE SLUDGE
5,188,740	02/23/93	PUMPABLE FUEL SLURRY OF SEWAGE SLUDGE & LOW GRADE SOLIDS CARBONACEOUS FUELS
5,188,741	02/23/93	TREATMENT OF SEWAGE SLUDGE
5,211,723	05/18/93	PROCESS FOR REACTING PUMPABLE HIGH SOLIDS SEWAGE SLUDGE SLURRY
5,211,724	05/18/93	PARTIAL OXIDATION OF SEWAGE SLUDGE
5,217,625	06/08/93	PROCESS FOR DISPOSING OF SEWAGE SLUDGE
5,230,211	07/27/93	PARTIAL OXIDATION OF SEWAGE SLUDGE
5,233,943	08/10/93	SYNTHETIC GAS RADIANT COOLER WITH INTERNAL QUENCHING AND PURGING FACILITIES
5,234,469	08/10/93	PROCESS FOR DISPOSING OF SEWAGE SLUDGE
5,250,083	10/05/93	PROCESS FOR PRODUCTION OF DESULFURIZED SYNTHESIS GAS
5,251,433	10/12/93	POWER GENERATION PROCESS
5,261,602	11/16/93	PARTIAL OXIDATION PROCESS AND BURNER WITH POROUS TIP
5,264,009	11/23/93	PROCESSING OF SEWAGE SLUDGE FOR USE AS A FUEL
5,266,085	11/30/93	PROCESS FOR DISPOSING OF SEWAGE SLUDGE
5,273,556	12/28/93	PROCESS FOR DISPOSING OF SEWAGE SLUDGE
5,281,243	01/25/94	TEMPERATURE MONITORING BURNER MEANS AND METHOD
5,292,442	03/08/94	PROCESS FOR DISPOSING OF SEWAGE SLUDGE
5,295,350	03/22/94	COMBINED POWER CYCLE WITH LIQUEFIED NATURAL GAS (LNG) AND SYNTHESIS OR FUEL GAS
5,319,924	06/14/94	PARTIAL OXIDATION POWER SYSTEM
5,324,336	06/28/94	PARTIAL OXIDATION OF LOW RANK COALS
5,338,489	08/16/94	DESLAGGING GASIFIERS BY CONTROLLED HEAT AND DERIVATIZATION
5,345,756	09/13/94	PARTIAL OXIDATION PROCESS WITH PRODUCTION OF POWER
5,356,540	10/18/94	PUMPABLE OXIDATION PROCESS WITH PRODUCTION OF POWER

PATENT NO.	DATE OF ISSUE	TITLE
5,358,696	10/25/94	PRODUCTION OF H2 RICH GAS
5,394,686	03/07/95	COMBINED POWER CYCLE WITH LIQUEFIED NATURAL GAS (LNG) AND SYNTHESIS OR FUEL GAS
5,401,282	03/28/95	PARTIAL OXIDATION PROCESS FOR PRODUCING A STREAM OF HOT PURIFIED GAS
5,403,366	04/04/95	PARTIAL OXIDATION PROCESS FOR PRODUCING A STREAM OF HOT PURIFIED GAS
5,415,673	05/16/95	ENERGY EFFICIENT FILTRATION OF SYNGAS COOLING AND SCRUBBING WATER
5,423,992	06/08/95	CHEMICALLY DISINFECTED SEWAGE SLUDGE-CONTAINING MATERIALS
5,423,894	06/13/95	PARTIAL OXIDATION OF LOW-RANK COALS
5,441,990	08/15/95	CLEANED, H_2-ENRICHED SYNGAS MADE USING WATER-GAS SHIFT REACTION
5,464,592	11/07/95	GASIFIER THROAT
5,464,503	11/07/95	TIRE LIQUEFYING PROCESS REACTOR DISCHARGE SYSTEM AND METHOD
5,484,554	01/16/96	OXIDANT INJECTION FOR IMPROVED CONTROLLED OXIDATION
5,498,827	03/12/96	HYDROTHERMAL TREATMENT AND PARTIAL OXIDATION OF PALSTIC MATERIALS
5,515,794	05/14/96	PARTIAL OXIDATION PROCESS BURNER WITH RECESSED TIP AND GAS BLASTING
5,534,040	07/09/96	PARTIAL OXIDATION OF PARTIALLY LIQUIFIED PLASTIC MATERIALS
5,545,238	08/13/96	METHOD OF MONITORING SLAG REMOVAL DURING CONTROLLED OXIDATION OF PARTIAL OXIDATION REACTOR
5,554,202	09/10/96	GASIFIER MONITORING APPARATUS
5,566,891	10/22/96	METHOD FOR GRINDING HOT MATERIAL AND RECOVERING GASES ENITTED THEREFROM
5,578,094	11/26/96	VANADIUM ADDITION TO PETROLEUM COKE SLURRIES TO FACILITATE DESLAGGING FOR CONTROLLED OXIDATION

AMENDMENT AGREEMENT

THIS AMENDMENT AGREEMENT, made and entered into this 11th day of December, 1997, by and between TEXACO DEVELOPMENT CORPORATION ("TEXACO DEVELOPMENT") and FARMLAND INDUSTRIES, INC. ("LICENSEE").

WHEREAS, the parties entered into a License Agreement, dated as of May 30, 1997 (the "License Agreement") and now desire to amend the License Agreement to provide for certain "at risk" elements to the payment of a portion of the royalty fees payable thereunder;

NOW, THEREFORE, the parties hereto do hereby agree as follows:

I. All initial capitalized terms used herein shall have the meaning given them in the License Agreement.

II. Paragraph 1(a) of Schedule II to the License Agreement is hereby amended to read in its entirety as follows:

1. (a)(i) The parties acknowledge that LICENSEE has paid to Texaco Development the [***] royalty payment anticipated in Section 1(a)(i) of this Schedule II;

(ii) Within forty-five (45) days of Financial Closure or by June 30, 1998, whichever first occurs, LICENSEE will pay TEXACO DEVELOPMENT a royalty payment of [***];

(iii) LICENSEE will pay TEXACO DEVELOPMENT running royalty payments, contingent on production of Synthesis Gas by the Plant, as follows:

(1) The maximum aggregate of the payments required under this clause (iii)(1) shall be [***];

(2) as to any accounting period (as defined in Section 4.3 of the License Agreement), other than an accounting period that is less than a full six calendar months, (x) if the Daily Average Output for such accounting period is more than [***] MSCF, then [***] shall be required to be paid with respect to such accounting period, (y) if the Daily Average Output for such accounting period is less than [***] MSCF, then no amount shall be required to be paid with respect to such accounting period, and (z) if the Daily Average Output for such accounting period is from [***] MSCF, then an amount equal to [***], times a fraction, the numerator of which is such Daily Average Output for such accounting period minus [***], and the denominator of which is [***], shall be required to be paid with respect to such accounting period; and

(3) Payments required under this clause (iii) shall accompany the annual statement required under Section 4.3 of the License Agreement.

(iv) The balance of the royalty payments shall be paid, at LICENSEE's election, either (A) within forty-five (45) days of Plant Start-up or December 31, 2002, whichever first occurs, a lump sum royalty of [***], or (B) running royalty payments, contingent on the production of Synthesis Gas by the Plant, as follows:

(1) the maximum aggregate of the payments required to be paid under this clause (iv)(B) shall be [***];

(2) as to any accounting period, other than an accounting period that is less than a six full calendar months, (x) if the Daily Average Output for such accounting period is more than [***] MSCF, then [***] shall be required to be paid with respect to such accounting period, (y) if the Daily Average Output for such accounting period is less than [***] MSCF, then no amount shall be required to be paid with respect to such accounting period, and (z) if the Daily Average Output for such accounting period is from [***] MSCF, to and including [***] MSCF, then an amount equal to [***] times a fraction, the numerator of which is such Daily Average Output for such accounting period minus [***], and the denominator of which is [***], shall be required to be paid with respect to such accounting period; and

(3) Payments required under this clause (iv)(B) shall accompany the annual statement required under Section 4.3 of the License Agreement.

Upon payment to Texaco Development by LICENSEE of [***] under the above clause (ii), the [***] under the above clause (iii) and either the [***] under the above clause (iii)(A) or the [***] under the above clause (iv)(B), all royalties for the designed Daily Average Output of the Plant calculated per the royalty schedule in Paragraph 2 of this Schedule II shall be fully paid.

III. Paragraph 2 of Schedule II to the License Agreement is hereby amended to read in its entirety as follows:

2. Royalties shall be paid with respect to all Gasification operations conducted by LICENSEE in accordance with the following royalty schedule:

(a) For the first 86,000 MSCF of Daily Average Output or any part thereof, the royalties provided in Paragraph 1(a) of this Schedule II;

For the next 114,000 MSCF of Daily Average Output (i.e., over 86,000) and up to and including 200,000 MSCF of Daily Average Output total, lump-sum royalties at the rate of [***] per MSCF of Daily Average Output; and

For all over 200,000 MSCF of Daily Average Output lump-sum royalties at the rate of [***] per MSCF of Daily Average Output; and

[***]

For the next 114,000 MSCF of Daily Average Output, i.e., over 86,000 and up to and including 200,000 MSCF of Daily Average Output total, lump-sum royalties at the rate of [***] per MSCF of Daily Average Output; and

For all over 200,000 MSCF of Daily Average Output lump-sum royalties at the rate of [***] per MSCF of Daily Average Output;

all in accordance with the payment provisions of this Schedule II.

IV. The last sentence of paragraph 4(a) of Schedule II to the License Agreement is hereby amended to read in its entirety as follows:

"Such factor shall not apply to (a) any running royalty payments to be made under paragraph 1(a)(iii) or paragraph 1(a)(iv)(B) of Schedule II to the License Agreement, or (b) the payment (which may be made at LICENSEE's election) set forth in paragraph 1(a)(iv)(A) of Schedule II to the License Agreement, provided such amount in paragraph 1(a)(iv)(A) is actually received by TEXACO DEVELOPMENT prior to December 31, 2000."

V. Section 4.3.2 of the License Agreement is hereby amended to read in its entirety as follows:

4.3.2 The excess (in daily averages), if any, of the total Daily Average Output from the Gasification section of the Plant reported under Subparagraph 4.3.1 above, over the total Daily Average Output for all operations conducted by LICENSEE for which a license has been granted to LICENSEE under this License Agreement;

VI. The last sentence of Section 7.2 of the License Agreement is hereby amended by deleting "Paragraphs 1(a)(i), (ii) and (iii)" and inserting in lieu thereof "Paragraphs 1(a)(i) and (ii)".

VII. Section 8.3.4 and the first sentence of Section 8.6 of the License Agreement are hereby amended by adding, immediately following the phrase "due and actually received by" appearing in each such provision, the following:

", whether received prior or subsequent to the incurrence of such liability,"

VIII. Except as provided herein, the License Agreement is not otherwise being amended or modified and the provisions thereof shall continue in full force and effect, as amended and modified herein.

IN WITNESS WHEREOF, the undersigned have executed this Amendment Agreement as of the day and year first above written.

FARMLAND INDUSTRIES, INC.

By: /s/ Allan D. Holiday
Name: Allan D. Holiday
Title: Project Manager
Date: December 11, 1997

TEXACO DEVELOPMENT CORPORATION

By: /s/ John M. Brady
Name: John M. Brady
Title Vice President
Date: December 11, 1997

Texaco Development Corporation

1111 Bagby Street
Houston, TX 77002

ChevronTexaco

October 24, 2003

Coffeyville Resources, LLC
c/o Pegasus Investors
99 River Road
Cos Cob, Connecticut 06807

Re: Texaco Gasification Process, Texaco Hydrogen Generation Process and Texaco Gasification Power Systems
License Agreement Effective May 30, 1997
Amendment No. Two

Gentlemen,

Reference is made to the license agreement referenced above ("License Agreement") effective as of May 30, 1997, between Texaco Development Corporation ("TDC") and Farmland Industries, Inc. ("Former Licensee"). Reference is also made to the Consent agreement dated December 11, 1997 wherein TDC consented to certain assignments by Former Licensee, the Amendment Agreement dated December 11, 1997 which amended the License Agreement, and the Consent to Assignment and Assignment of License Agreement dated October 24, 2003 wherein the License Agreement was assigned by the Former Licensee to Coffeyville Resources, LLC ("Licensee").

TDC and Licensee wish to amend the License Agreement as indicated below to reflect the new royalty payment schedule agreed to by the parties.

License Agreement

1. Section 7.1, first line, delete "or canceled and, hence, terminated under Paragraph l(c) of Schedule II,".

2. Section 7.2, last sentence, delete in its entirety.

3. Schedule II of the License Agreement is hereby amended as follows:

i. Paragraph 1(a), is hereby amended to read in its entirety as follows:

1(a) The parties acknowledge and agree that the Former Licensee, Farmland, has paid to Texaco Development all royalties and fees due and owing to TDC through December 31, 2003. For royalties and fees due and owing to TDC after December 31, 2003, the parties further acknowledge and agree that the LICENSEE shall pay additional royalties and fees in the total sum of Five Million Five Hundred Thousand United States Dollars ($5,500,000 USD) according to the payment schedule listed below:

(i) An initial payment of [***] shall be paid to TDC on or before June 1, 2004;

(ii) A second payment of [***] shall be paid to TDC on or before June 1, 2005;

(iii) A third payment of [***] shall be paid to TDC on or before June 1, 2006; and

(iv) A fourth and final payment of [***] shall be paid to TDC on or before June 1, 2007.

ii. Paragraph 1(c) is hereby deleted in its entirety.

iii. Paragraph 1(e) is hereby deleted in its entirety.

iv. Paragraph 1(f), last sentence, delete “Paragraph 2(b)”and insert in lieu “Paragraph 2”.

v. Paragraph 2 is hereby amended to read in its entirety as follows:

2. Royalties shall be paid with respect to all Gasification operations conducted by Licensee in accordance with the following royalty schedule:

For the next 114,000 MSCF of Daily Average Output, i.e., over 86,000 and up to and including 200,000 MSCF of Daily Average Output total lump-sum royalties, at the rate of [***] per MSCF of Daily Average Output; and

For all over 200,000 MSCF of Daily Average Output lump-sum royalties at the rate of [***] per MSCF of Daily Average Output;

all in accordance with the payment provisions of this Schedule II.

vi. Paragraph 4(a) is hereby amended by deleting the last sentence.

All other terms and conditions of the License Agreement shall remain in full force and effect.

The obligations under this Letter Agreement are conditioned upon the following: (i) Licensee becoming the "Successful Bidder" as such term is defined pursuant to the Order Approving Bid Procedures entered by the Bankruptcy Court ("Bankruptcy Court") in Former Licensee's Bankruptcy Chapter 11 Case No. 02-50557-JWV, (ii) closing of the transaction pursuant to that certain Asset Sale and Purchase Agreement dated September 25, 2003 between Former Licensee as "Seller" and Licensee as " Buyer" (the "APA") on or before March 31, 2004, (iii) the entry of an appropriate order by the Bankruptcy Court approving the sale of the "Transferred Assets", as such term is defined under the APA, and (iv) the entry of a final and non-appealable order by the Bankruptcy Court approving the compromise and settlement agreement between TDC and Former Licensee pursuant to the letter agreement dated October 17, 2003.

If you are agreeable to the foregoing conditions, please indicate your acceptance and agreement by having a duly authorized representative of Licensee execute both duplicate originals of the Letter Agreement and returning both signed copies to us for completion by TDC.

Very truly yours,

TEXACO DEVELOPMENT CORPORATION

By /s/ W. E. Preston
Vice President

ACCEPTED AND AGREED TO:

COFFEYVILLE RESOURCES, LLC

By: /s/ Philip L. Rinaldi

Print Name: Philip L. Rinaldi

Tittle: CEO

Date: 10/24/03

PORTIONS OF THIS EXHIBIT DENOTED WITH THREE ASTERISKS (***) HAVE BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT.

AMENDED AND RESTATED

ON-SITE PRODUCT SUPPLY AGREEMENT

BETWEEN

THE BOC GROUP, INC.

AND

COFFEYVILLE RESOURCES NITROGEN FERTILIZERS, LLC

DATED AS OF June 1, 2005

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AMENDED AND RESTATED ON-SITE PRODUCT SUPPLY AGREEMENT

THIS AMENDED AND RESTATED ON-SITE PRODUCT SUPPLY AGREEMENT ("Agreement"), made and effective as of the 1st day of June, 2005, by and between THE BOC GROUP, INC., a Delaware corporation, acting by and through its BOC Gases Division ("BOC"), COFFEYVILLE RESOURCES NITROGEN FERTILIZERS, LLC, a Delaware limited liability company ("Coffeyville Resources").

WITNESSETH:

WHEREAS, Farmland Industries, Inc. ("Farmland") and BOC originally entered into the On-Site Product Supply Agreement ("Original Agreement") dated December 3, 1997; and

WHEREAS, Farmland and BOC entered into Amendment No. 1 to the Original Agreement dated December 31, 1999; and

WHEREAS, Farmland assigned the Original Agreement, as amended, to Coffeyville Resources effective March 4, 2004; and

WHEREAS, Coffeyville Resources and BOC desire to further amend the Original Agreement to incorporate Amendment No. 1 and to incorporate such further amendments into this Amended and Restated On-Site Product Supply Agreement, which replaces and supersedes the Original Agreement, as amended by Amendment No. 1.

IN CONSIDERATION OF THE PROMISES HEREINAFTER CONTAINED, BOC AND COFFEYVILLE RESOURCES HEREBY AGREE WITH EACH OTHER AS FOLLOWS:

SECTION 1 DEFINITIONS

For purposes of this Agreement, the following terms shall have the meanings indicated below:

(a) "Argon" — a by-product liquid product produced by the BOC Facility.

(b) "BOC Entities" shall have the meaning given such term in Section 19(c) hereof.

(c) "BOC Facility" — a plant for the production of Product and Argon (the "BOC Plant"), including metering and related facilities, together with interconnected liquid Oxygen Product and liquid Nitrogen Product storage vessels and vaporization equipment (the "Liquid Product Storage Facility"), all connected to the BOC Pipelines and having the production, delivery, liquid storage and vaporization capabilities or capacities stated in Paragraphs II and III of Exhibit A hereto, which shall be owned or leased, maintained and operated by BOC on the BOC Plant Site.

(d) “BOC Pipelines” — pipelines suitable for use in connection with the delivery of Product hereunder, that shall be owned or leased and maintained by BOC, connecting the BOC Facility with the respective Coffeyville Resources Pipelines.

(e) “BOC Plant” shall have the meaning given such term in Section l(c) hereof.

(f) “BOC Plant Site” — a parcel of land located on the Coffeyville Plant Site on which the BOC Facility is located, which parcel is more particularly identified on Exhibit E hereto.

(g) “Bona Fide Offer” — a written offer, made in good faith and setting forth commercially reasonable terms for the purchase of CO_2 Byproduct produced at the Coffeyville Facilities, which offer shall set forth, in reasonable detail, all information which is reasonably required to evaluate the economics of the deal, including, at a minimum, if applicable, information relating to the: (i) distribution or percentage of ownership and/or entitlement to profits, losses, tax credits, carbon sequestration credits earned in connection with the sale of CO_2 Byproduct, as between BOC, Coffeyville Resources and any third party or parties; (ii) project costs; (iii) project capacity; (iv) project schedule; (v) raw CO_2 gas pricing; (vi) finished product pricing; (vii) marketing rights; and (viii) operating and maintenance responsibility.

(h) “CDA Product” — clean, dry air product conforming to the product specifications set forth in Paragraph I of Exhibit A hereto.

(i) “CO_2 Byproduct” — the gaseous carbon dioxide produced by the Coffeyville Facilities as a byproduct and made available as contemplated by Section 5 hereof.

(j) “Coffeyville Entities” shall have the meaning given such term in Section 19(a) hereof.

(k) “Coffeyville Facilities” — those facilities and plants (including the gasification plant, ammonia synthesis loop and UAN plant) located at the Coffeyville Plant Site, but not including the Facilities.

(1) “Coffeyville Pipelines” — pipelines suitable for use in connection with the delivery of Product hereunder, that shall be owned or leased by Coffeyville Resources and operated and maintained by or for the benefit of Coffeyville Resources, connecting the Coffeyville Facilities with the BOC Pipelines at respective points on the boundary of the BOC Plant Site, as agreed upon by Coffeyville Resources and BOC.

(m) “Coffeyville Plant Site” — the parcel of land near Coffeyville, Kansas on which Coffeyville Resources’ fertilizer complex (including the Facilities) is located, which parcel is more particularly identified on Exhibit D hereto.

(n) “Environmental Laws” — any now-existing or hereafter enacted or promulgated federal, state, local, or other law, statute, ordinance, rule, regulation or court order pertaining to (i) environmental protection, regulation, contamination or clean-up, (ii) toxic waste, (iii)

underground storage tanks, (iv) asbestos or asbestos-containing materials, or (v) the handling, treatment, storage, use or disposal of Hazardous Substances, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, or state lien or state superlien or environmental protection, regulation, contamination or clean-up statutes, all as exist from time to time.

(o) "Environmental Loss" — all (i) claims, demands, judgments, liabilities, losses, damages, civil penalties and civil fines, (ii) attorneys', experts', consultants', contractors', or accountants' fees, expenses, court costs and other out-of-pocket expenses, and (iii) costs of investigation, characterization, remediation, clean-up and disposal, which arise as a result of a violation of any Environmental Law or the presence, use, handling, storage, disposal, release, treatment, processing or utilization of any Hazardous Substances.

(p) "Facilities" — together, the BOC Facility and the BOC Pipelines.

(q) "Force Majeure" — "Force Majeure" shall have the meaning given such term in Section 11(a) hereof.

(r) "Gasification Project" — the gasification to ammonia project at the Coffeyville Plant Site including, but not limited to, a gasification plant, an ammonia synthesis loop and related storage facilities, a UAN plant and related storage facilities, coke handling and storage facilities, and interconnecting piping and related off-site support facilities, including utilities.

(s) "Hazardous Substance" — any of the substances that are defined or listed in, or otherwise classified, or which may come to be so defined, listed or classified pursuant to, any applicable statutes, laws, rules or regulations, as "hazardous substances," "hazardous materials," "hazardous wastes" or "toxic substances," or any other formulation intended to define, list or classify substances by reason of deleterious properties, including but not limited to any chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or which may or could pose a hazard to the health and safety of any person in the vicinity of the Coffeyville Plant Site.

(t) "High Pressure Air Product" — clean, dry air product conforming to the product specifications set forth in Paragraph I of Exhibit A hereto.

(u) "Liquid Product Storage Facility" shall have the meaning given such term in Section l(c) hereof.

(v) "Minimum Product Charge" — the minimum monthly charge payable by Coffeyville Resources to BOC hereunder with respect to Product as more specifically described on Exhibit G hereto, subject to adjustment as provided herein.

(w) "Nitrogen Product" — nitrogen gas (including vaporized liquid) and liquid conforming to the product specifications set forth in Paragraph I of Exhibit A hereto.

(x) “Oxygen Product” — oxygen gas (including vaporized liquid) and liquid conforming to the product specifications set forth in Paragraph I of Exhibit A hereto.

(y) “Permits” — licenses, permits and approvals of third parties, governmental agencies or authorities, including licenses, permits and approvals of governmental agencies or authorities respecting health, safety and the environment.

(z) “Product” — collectively CDA product, Oxygen Product and Nitrogen Product.

(aa) “Standard Cubic Foot” — the quantity of Product which would occupy a cubic foot of space at a pressure of 14.7 pounds per square inch absolute and a temperature of 70°F (the phrases “Standard Cubic Foot” and “Standard Cubic Feet” are sometimes hereinafter abbreviated “scf”).

(bb) “Supply Period” — that period of time commencing on June 1, 2005 and ending on April 30, 2020 (subject to extension or earlier termination pursuant to the provisions hereof).

SECTION 2 THE BOC FACILITY AND THE PIPELINES

(a) BOC shall indemnify and hold Coffeyville Resources and the other Coffeyville Entities harmless from and against any and all claims, damages, liabilities, losses, costs and expenses (including reasonable attorneys’ fees), arising from (i) noncompliance by BOC or BOC Entities with any Environmental Laws or (ii) conditions on, at or under the BOC Plant Site, in each case, caused by BOC’s construction of the Facilities or other operations from and after the date that BOC occupies the BOC Plant Site. Coffeyville Resources shall indemnify and hold BOC and the other BOC Entities harmless from and against any and all claims, damages, liabilities, losses, costs and expenses (including reasonable attorneys’ fees), arising from (i) noncompliance by Coffeyville Resources or Coffeyville Entities with any Environmental Laws caused by Coffeyville Resource’s occupation, use or operation of the Coffeyville Facilities or the Coffeyville Plant Site (whether prior to, on, or following the date that BOC occupies the BOC Plant Site) or (ii) conditions on, at or under the BOC Plant Site prior to the date that BOC occupies the BOC Plant Site. All indemnification obligations pursuant to this Section 2(a) shall be subject to the provisions of Section 19(e) and 19(f) hereof.

(b) Subject to section 2(d), the BOC Plant Site shall be occupied exclusively by BOC solely for the construction, use, operation and maintenance of the Facilities for the supply of Products as contemplated hereunder and the retention and sale of certain other industrial gases as set forth in Sections 3 and 5 hereof, without cost for such occupancy, until the Facilities are removed in accordance with the terms hereinafter provided.

(c) Commencing on the date of execution and delivery of this Agreement, Coffeyville Resources grants to BOC and its directors, officers, employees, agents, contractors and subcontractors, with or without vehicles, equipment, materials and machinery, the following easements, rights-of-way and licenses over the Coffeyville Plant Site (provided that any such use shall not unreasonably interfere with the use or occupancy by or on behalf of Coffeyville

Resources of the Coffeyville Plant Site and that BOC will cooperate with Coffeyville Resources and any and all third parties at the Coffeyville Plant Site to coordinate such use):

(i) at all times by day or by night to enter upon and use all or any of the Coffeyville Plant Site for the purpose of installing, maintaining, repairing, reconstructing, renovating, replacing, modifying, operating or removing all or any portion of the BOC Facilities located thereon;

(ii) in locations reasonably satisfactory to BOC and Coffeyville Resources and subject to Coffeyville Resource's reasonable direction at all times by day or by night for road purposes, to enter upon, cross, pass and repass over and exit from all or any of the Coffeyville Plant Site to the extent reasonably necessary for access and egress to and from the BOC Plant Site; and

(iii) in locations reasonably satisfactory to BOC and Coffeyville Resources and subject to Coffeyville Resource's reasonable direction, at all times by day or by night, to enter upon and use all or any of the Coffeyville Plant Site for other purposes to the extent reasonably necessary to enable BOC to perform its obligations under this Agreement;

all of which easements, rights-of-way and licenses are granted subject to BOC's compliance with the reasonable security and safety requirements and rules of Coffeyville Resources, and shall remain in full force and effect until the earlier of: (i) 360 days after the expiration or other termination of this Agreement; or (ii) the date the Facilities are removed from the BOC Plant Site. Farmland previously delivered to BOC a Memorandum of License in the form attached hereto as Exhibit J, which remains in effect.

(d) Coffeyville Resources hereby reserves for itself and for its agents, contractors, tenants, licensees and employees: (i) the non-exclusive right to use the BOC Plant Site for such ingress, egress, utility facilities and other connections and uses as may be reasonably necessary in connection with the ownership, use, enjoyment, repair, maintenance and expansion of the Coffeyville Facilities; (ii) the non-exclusive right to use a 12-feet-wide portion of the BOC east-west pipe rack within the BOC Plant Site with a loading capacity up to 30 pounds per square foot for the installation, operation and maintenance by Coffeyville Resources of its cable tray and cables; provided, however, that Coffeyville Resources shall not exercise its rights with respect to any such reserved rights in any manner that unreasonably interferes with the use of the BOC Plant Site by BOC in accordance with the terms of this Agreement (except that Coffeyville Resources may interfere with BOC's use of the BOC Plant Site to the extent necessary to comply with any Environmental Laws or that certain Resource Conservation and Recovery Act (RCRA) Facility Investigation Order dated October 24, 1995, issued to Farmland Industries, Inc., Coffeyville Resources' predecessor, by the United States Environmental Protection Agency, which interference shall not be deemed a Force Majeure for purposes of this Agreement).

(e) The BOC Facilities are not intended to be or to become a fixture or otherwise part of the BOC Plant Site, or of any other property owned by Coffeyville Resources or its assigns notwithstanding the manner in which it, or any part of it, is installed or affixed, but said Facilities are intended to remain the personal property of BOC (or its lessor) at all times. Coffeyville

Resources shall indemnify and hold BOC harmless from and against any and all losses, costs, damages, claims and liabilities arising out of any inability (including any delay) on the part of BOC to remove all or any part of the Facilities from the BOC Plant Site, pursuant to Section 2(j) or otherwise, because of any right on the part of Coffeyville Resources or its assigns to the effect that the same is a fixture or otherwise part of the BOC Plant Site and may not be removed from the BOC Plant Site (including any assertion of any such right), together with all costs and expenses (including reasonable legal fees) incurred by BOC in resisting any such right or assertion, whether or not such resistance was successful, such indemnification to be subject to the provisions of Sections 19(e) and 19(f) hereof.

(f) Coffeyville Resources shall provide, at the BOC Facility, sufficient quantities of the items listed on Exhibit F as may, from time to time, be reasonably required for the construction, operation and maintenance of the BOC Facility, all of which shall be, except as set forth in Exhibit F or otherwise specified herein, without cost to BOC. Coffeyville Resources acknowledges that BOC intends to operate the BOC Plant at all times during the Supply Period, including those times when Coffeyville Resources does not desire to take delivery of any Product, and Coffeyville Resources shall provide sufficient quantities of the items listed on Exhibit F as may be reasonably required to operate the BOC Plant at all such times during the Supply Period.

(g) BOC shall not do or permit others under its control to do any work in or about the BOC Plant Site, or related to any repair, rebuilding, restoration, replacement, alteration of or addition to the BOC Plant Site, unless BOC shall have first procured and paid for all necessary Permits in accordance with the provisions of Section 9(d) hereof.

(h) In the event that any of the contaminant levels of the atmosphere at the BOC Plant Site exceed the applicable amount set forth on Exhibit C hereto after the date hereof and, in the reasonable opinion of BOC, operation of the BOC Facility may be hazardous or the BOC Facility may be damaged, or BOC's ability to meet the product specifications set forth in Paragraph I of Exhibit A hereto may be impaired as a result of such condition (a "Hazardous Condition"), Coffeyville Resources and BOC shall proceed as set forth in this Section 2(h). BOC shall promptly notify Coffeyville Resources thereof, specifying the particular contaminant levels and the effect thereof. Upon receipt of such notice, Coffeyville Resources shall, at its election within sixty (60) days thereafter proceed to do one of the following: (i) correct such condition by removal or modification of the contaminant source; (ii) request BOC to make such additions or modifications to the BOC Facility as BOC deems reasonably necessary to compensate for such Hazardous Condition, whereupon BOC shall undertake to do the same; or (iii) terminate this Agreement by providing written notice to BOC and paying to BOC the applicable termination fee listed on Exhibit I hereto. The cost of any action taken pursuant to the preceding sentence other than the payment of a termination fee by Coffeyville Resources pursuant to clause (iii) of such sentence shall be (x) borne by Coffeyville Resources if Coffeyville Resources was the cause of the Hazardous Condition, (y) borne by BOC if BOC was the cause of the Hazardous Condition, and (z) in all other cases borne equally by BOC and Coffeyville Resources.

(i) Neither Coffeyville Resources nor BOC shall do or suffer anything to be done whereby the BOC Plant Site or the Facilities or any part thereof may be encumbered by any mechanics' lien or other similar lien and if whenever and as often as any mechanics' lien, or other similar lien is filed against the BOC Plant Site or the Facilities or any part thereof purporting to be for or on account of any labor, materials or services furnished in connection with any work in or about the BOC Plant Site or the Facilities done by, for or under the authority of either party hereto or anyone claiming by, through or under such party, such party shall discharge the same of record within sixty (60) days after the date of filing. Notwithstanding the above, each party hereto shall have the right to contest any such mechanics' lien or other similar lien if within said sixty (60) day period stated above it notifies the other party in writing of its intention so to do and, if requested by the other party, deposits with such party a bond in favor of such party, with a surety company acceptable to such party as surety, in the total sum of at least one hundred twenty-five percent (125%) of the amount of the lien claim so contested, indemnifying and protecting such party from and against any liability, loss, damage, cost and expense of whatever kind or nature growing out of or in any way connected with said lien and the contest thereof, and if, and provided further, such party diligently prosecutes such contest, at all times effectively stays or prevents any official or judicial sale of the BOC Plant Site or the Facilities, or any part thereof or interest therein, under execution or otherwise, and pays or otherwise satisfies any final judgment adjudging or enforcing such contested lien claim and thereafter promptly procures record release or satisfaction thereof.

(j) BOC shall have 360 days from and after any expiration or termination of this Agreement to remove the Facilities from the BOC Plant Site. BOC shall restore the BOC Plant Site to the condition it was in immediately prior to the time it was made available to BOC by Coffeyville Resources' predecessor, Farmland Industries, Inc., but not including removing any foundations or other underground installations, and upon said removal of the Facilities, such foundation and underground installations shall become the property of Coffeyville Resources.

(k) Coffeyville Resources, for itself and its duly authorized representatives and agents, reserves the right, upon reasonable notice to BOC, to enter the BOC Plant Site during the term of this Agreement for the purpose of (i) examining and inspecting the same as permitted hereunder and for the purpose of exercising any and all of Coffeyville Resource's other rights under this Agreement, (ii) performing, at Coffeyville Resources' option, such work in and about the BOC Plant Site as may be made necessary by reason of BOC's default under any of the provisions of this Agreement, (iii) conducting environmental assessment, monitoring or compliance activities, and (iv) for such other purposes as Coffeyville Resources may reasonably determine to be necessary or appropriate. Coffeyville Resources may, during the progress of said work and activities mentioned in (ii) and (iii) above, keep and store on the BOC Plant Site all necessary materials, supplies and equipment, and Coffeyville Resources shall not be liable for any inconvenience, annoyances, disturbance, loss of business or other damage suffered by reason of the performance of any such work or by the storage of materials, supplies and equipment or by Coffeyville Resources' exercise of any of its rights under this Agreement, except to the extent caused by the negligence of Coffeyville Resources or its representatives or agents.

(1) BOC will consult with Coffeyville Resources and use all reasonable efforts to coordinate scheduled maintenance and other temporary scheduled interruptions in the operations of the Facilities during periods of scheduled down time for the Coffeyville Facilities.

(m) BOC shall cooperate with Coffeyville Resources and any and all third parties at the Coffeyville Plant Site to coordinate the activities of all parties working at the Coffeyville Plant Site. Coffeyville Resources shall have the right, from time to time, to designate a contractor, agent or other representative of Coffeyville Resources' choice to coordinate the activities of all contractors working on or near the BOC Plant Site or in connection with the Gasification Project. BOC shall cooperate with all such coordination efforts and shall take such steps as may be reasonably required for the orderly progress of the Gasification Project without interruption or disruption attributable to the acts or omissions of BOC. Coffeyville Resources and BOC shall, in general, and to the best of their ability, conduct their respective operations on or near the BOC Plant Site in such a manner as to cause no interference or disruption with the other's operations. BOC acknowledges that Coffeyville Resources intends to operate the Coffeyville Facilities twenty-four (24) hours a day, seven days a week, during the time that BOC is performing its obligations hereunder, and BOC shall undertake its obligations hereunder in a manner that does not interrupt or disrupt the operations of the Coffeyville Facilities.

SECTION 3 PURCHASE AND SALE OF PRODUCT

(a) It is anticipated that the BOC Plant will be operated on a continuous basis during the Supply Period and will produce a uniform volume of Product. From time to time Coffeyville Resources will advise BOC of the volume of Product it will purchase from BOC, such advice to be effective until new advice is given by Coffeyville Resources. Coffeyville Resources shall pay BOC for such Product in accordance with the provisions of Section 4 hereof. In the event Coffeyville Resources desires to take delivery of less Product than that amount described in Paragraph II of Exhibit A hereto, then Coffeyville Resources will continue to pay BOC for such Product in accordance with the provisions of Section 4 hereof, provided, however, that in the event that Coffeyville Resources desires to purchase less Product than that amount described in Paragraph II of Exhibit A for a period of more than twenty-four (24) hours, then the Supply Period shall be extended by that number of hours that is equal to the number of hours for which Coffeyville Resources desires to take delivery of less Product than that amount described in Paragraph II of Exhibit A, but not to exceed 180 days, and there shall be no Minimum Product Charge during such extension period.

(b) (i) During the Supply Period, BOC shall sell and deliver to Coffeyville Resources, and Coffeyville Resources shall purchase and accept from BOC, Coffeyville Resources' requirements of Product for its Gasification Project located at the Coffeyville Plant Site; provided, however, that BOC shall not be obligated to supply gaseous Oxygen Product or gaseous Nitrogen Product from the BOC Plant to Coffeyville Resources at an instantaneous flow rate in excess of the applicable rate that is stated in Paragraph II of Exhibit A or vaporized liquid Oxygen Product or vaporized liquid Nitrogen Product from the Liquid Product Storage Facility at a rate in excess of the applicable vaporization capacity set forth in Paragraph III of Exhibit A.

Delivery and transfer of title to all Product shall be made at the point where each of the Coffeyville Pipelines are connected to the corresponding BOC Pipelines.

(ii) BOC's delivery commitments to Coffeyville Resources, as stated in Paragraph 3(b) (i) above, shall be satisfied, primarily, by the delivery of gaseous Product produced at the BOC Plant; however, if the BOC Plant is not operating, or Coffeyville Resources' requirements exceed the capacity of the BOC Plant, BOC will then supply Coffeyville Resources with vaporized liquid Product delivered from the inventory of the Liquid Product Storage Facility. If requested by Coffeyville Resources, BOC will replenish the inventory of the Liquid Product Storage Facility with hauled-in liquid product to the extent available from outside sources ("Supplemental Product"). Supplemental Product shall be billed to Coffeyville Resources as set forth in Paragraphs IV and V of Exhibit G.

(iii) During the Supply Period, Coffeyville Resources shall not purchase any Oxygen Products or Nitrogen Products for any other use at the Coffeyville Plant Site from any third party except as set forth in section 3(d) below.

(c) In the event that during the Supply Period BOC elects to produce Product in excess of the amount of Product to be purchased by Coffeyville Resources hereunder for the purpose of retaining, marketing and selling such Product for its own account pursuant to Section 5 hereof, BOC shall pay Coffeyville Resources any incremental cost Coffeyville Resources incurs in order to provide sufficient quantities of those items provided by Coffeyville Resources pursuant to Section 2(f) hereof to allow BOC to produce such excess Product.

For the purposes of this Section 3(c), Coffeyville Resources' incremental costs for liquid Oxygen Product and liquid Nitrogen Product retained by BOC for its own account and sold to third parties shall be deemed paid in full upon the credit to Coffeyville Resources by BOC of the following amounts:

(***) per ton of such liquid Oxygen Product
(***) per ton of such liquid Nitrogen Product

BOC shall meter all quantities of such liquid Product on BOC's truck scales and shall calculate and provide to Coffeyville Resources all credits due to Coffeyville Resources therefor on a monthly basis. Coffeyville Resources will apply those credits against BOC's invoices for the Minimum Product Charge.

(d) If at any time during the Supply Period Coffeyville Resource's requirements for Product exceed, or are expected to exceed, any of the instantaneous flow rates set forth in Paragraph II of Exhibit A by an amount which exceeds such instantaneous flow rate by at least 10 percent (the amount of such excess over and above 10% defined herein as "Excess Product"), then:

i. Coffeyville Resources shall promptly provide BOC with written notice ("Excess Product Notice") of the need for such Excess Product in accordance with Section 15 of this Agreement. Such Excess Product Notice shall include the approximate quantity of Excess

Product and the approximate date by which Coffeyville Resources requires such Excess Product ("Excess Product Date"); and

ii. For 60 days following BOC's receipt of such Excess Product Notice, BOC and Coffeyville Resources shall work together to jointly develop and request for Proposal ("RFP") for the purpose of soliciting bids from third parties and BOC for supplying Excess Product to the Coffeyville Facilities by the Excess Product Date. BOC and Coffeyville Resources agree that it is their mutual intention that the RFP will not provide for the solicitation of bids for the sale of equipment, but will be limited to contracts for the supply of Excess Product; and

iii. Coffeyville Resources shall have 60 days from the date BOC and Coffeyville Resources complete preparation of the RFP to distribute the RFP and solicit bids from BOC and any third party bidders ("Bidding Period"); provided, however, that if BOC and Coffeyville fail to complete the RFP by the time described in Section 3(d)(ii) above, then Coffeyville Resources may submit its own RFP to BOC and third parties and the 60 day Bidding Period would then start on the date of Coffeyville Resources' distribution of such RFP; and

iv. Within 7 days after the conclusion of the Bidding Period, Coffeyville Resources shall provide BOC with written notice ("Bid Decision Notice"), in accordance with Section 15 of this Agreement, as to whether: (a) it agrees to accept BOC's bid; or (b) intends to accept one of the bids submitted by a third party; and

v. If Coffeyville Resources accepts BOC'S bid, then Coffeyville Resources shall purchase its Excess Product from BOC as of the Excess Product Date in accordance with the terms and conditions of BOC's bid; and

(***)

(***)

SECTION 4 PRICING AND PAYMENT

(a) Except as otherwise provided herein, Coffeyville Resources shall pay BOC in accordance with the pricing schedule set forth on Exhibit G hereto.

(b) On or before the 10th day of each month, BOC shall submit an invoice (each, a "Minimum Product Charge Invoice") to Coffeyville Resources covering the Minimum Product Charge applicable to such month. All Minimum Product Charge Invoices shall be on a net cash basis, payable by Coffeyviile Resources within twenty (20) days after receipt thereof. In the event BOC has not received payment within forty (40) days of the date of a Minimum Product Charge Invoice, BOC at its sole option may assess interest thereon at an annual rate equal to the prime rate then in effect at Chase Manhattan Bank, N.A., plus two percent (2%) from and after the date such payment was due to the date when paid.

(c) On or before the 10th of each month, BOC shall submit an invoice (each, an "Other Charges Invoice") to Coffeyville Resources covering all charges and other sums other than the Minimum Product Charge, if any, applicable to the immediately preceding month as well as all Product delivered prior to such month that was not covered by a prior invoice. All Other Charges Invoices shall be on a net cash basis, payable by Coffeyville Resources within ten (10) days after receipt thereof. In the event BOC has not received payment within thirty (30) days of the date of an Other Charges Invoice, BOC at its sole option may assess interest thereon at an annual rate equal to the prime rate then in effect at Chase Manhattan Bank, NA, plus two percent (2%) from and after the date such payment was due to the date when paid.

(d) From time to time during the term of this Agreement, BOC shall have the right to increase the applicable unit prices for liquid Products in the pricing schedule set forth on Exhibit G hereto pursuant to this Section 4(d) by giving Coffeyville Resources written notice thereof. Said increased prices shall become effective thirty (30) days after the date of said notice; provided, however, that if Coffeyville Resources, within fifteen (15) days after the date of said notice, furnishes BOC with a bona fide, firm, written offer from a responsible seller offering to sell Coffeyville Resources comparable Product, in like quantities, under similar conditions and at a lower price, BOC shall within fifteen (15) days thereafter agree to either: (i) meet said lower price; or (ii) reinstate the price thereof in effect at the time of said notice of increase, whichever BOC, in its sole discretion, may elect.

(e) During the Supply Period, Coffeyville Resources will provide a monthly credit to BOC for Lost Liquid Production (as "Lost Liquid Production" is defined below). The credit shall be calculated on a monthly basis using the following formula:

($46/ton)[(Operating Days in Month)(120) — (Actual Tons Liquid Production)] = Credit

and will be capped at $70,000 in any single month. The $46/ton price and $70,000/month cap will adjust (up or down) on a monthly basis based upon the actual total power cost as billed to Coffeyville Resources by the City of Coffeyville, Kansas (expressed as $/KWH) compared to the actual total power cost in June 2005 (expressed as $/KWH). The actual total power cost in June

2005 was $.03965/KWH. As an example, attached as Exhibit K is the adjustment calculation per this paragraph for July 2005. For purposes of this Section 4(e), the following terms shall have the meanings set forth below:

(i) “Operating Day” shall mean hours of operation in any calendar day during which BOC is providing all Products at the purity volumes and pressures provided for herein divided by 24.

(ii) “Liquid Production” shall mean the sum of liquid Nitrogen Product and liquid Oxygen Product as determined by BOC scale tickets.

(iii) “Lost Liquid Production” shall mean Liquid Production which is not realized by BOC solely due to the supply of High Pressure Air Product by BOC to Coffeyville Resources pursuant to this Agreement.

SECTION 5 ARGON, CO_2 BYPRODUCT AND OTHER BYPRODUCTS

(a) During the Supply Period, BOC shall be entitled to retain, market and sell for its own account: (i) all Argon produced by the BOC Plant; (ii) all CO_2 Byproduct, except to the extent retained by Coffeyville Resources or its affiliates and except to the extent otherwise provided in or pursuant to Section 5(b) herein; and (iii) all other byproducts and other industrial gases, in liquid or gaseous form, produced by the BOC Plant, including Product in excess of BOC’s obligations to supply same to Coffeyville Resources hereunder. BOC shall be solely responsible for the proper disposal, in accordance with all applicable Environmental Laws and Permits of any and all byproducts and other emissions and wastes generated by the BOC Plant (including from CO_2 Byproduct delivered to BOC) other than Products delivered to Coffeyville Resources hereunder. Except as permitted by Section 5(b) herein, Coffeyville Resources agrees that it will not sell or deliver CO_2 Byproduct to anyone other than BOC, its affiliates and affiliates of Coffeyville Resources.

(b) Subject to Paragraph 5(a) above, BOC and Coffeyville Resources hereby agree as follows:

(i) For a period of no less than 90 days, commencing as of the effective date of this Agreement, which period shall be referred to as the “Initial Negotiating Period,” BOC and Coffeyville Resources shall negotiate in good faith to jointly develop projects relating to the marketing and sale of CO_2 Byproduct produced by the Coffeyville Facilities (“CO_2 Projects”) which are mutually acceptable to both parties. BOC and Coffeyville Resources further agree that each party can own up to a maximum of 50% of any individual CO_2 Project.

(ii) If BOC and Coffeyville fail to jointly develop CO_2 Projects mutually acceptable to both parties during the Initial Negotiating Period, then, at any time after the expiration of the Initial Negotiating Period, either BOC or Coffeyville Resources (the “Proposing Party”) shall provide the other party (the “Receiving Party”) with written Notice of a Bona Fide Offer setting forth all terms of said Bona Fide Offer. Said Notice shall be provided in accordance with

Section 15 of this Agreement. A Bona Fide Offer may come from a third party, Coffeyville Resources or BOC.

(iii) For a period of no less than 90 days, commencing as of the date written Notice of a Bona Fide Offer is received by the Receiving Party, BOC and Coffeyville Resources shall negotiate in good faith to consider the Bona Fide Offer. If BOC and Coffeyville Resources agree to accept the Bona Fide Offer, then, unless the parties agree otherwise, all profits, losses, tax credits and carbon sequestration credits earned in connection with the sale of CO_2 Byproduct associated with the Bona Fide Offer shall be shared between BOC and Coffeyville Resources in the same proportion as the ownership proposed in connection with the related Bona Fide Offer. If, at the expiration of 90 days, BOC and Coffeyville Resources have not reached agreement as to whether to accept or reject the Bona Fide Offer, then the Proposing Party shall be authorized to accept the Bona Fide Offer, and shall have the exclusive right to retain 100% of all profits, tax credits and losses earned in connection with the sale of CO_2 Byproduct to such Third Party Buyer. In that event, the Proposing Party shall indemnify and hold the Receiving Party, its directors, officers, agents, employees, subsidiaries, and affiliates, harmless from and against any and all claims, demands, judgments, liabilities or expenses arising out of or in any way connected with the Proposing Party's use, transportation, marketing or sale of such CO_2 Byproduct.

SECTION 6 TAXES

(a) Coffeyville Resources shall pay the amount of all Federal, state and local taxes, however denominated (except taxes on BOC's net income or for its general privilege to conduct business in any state), arising in connection with the production, sale or delivery of any Product hereunder, including, without limitation, all real and personal property taxes (and any payments associated with such taxes) applicable to the Facilities, or any part thereof. BOC agrees to use its commercially reasonable best efforts to secure such exemptions from real and personal property taxes as may be available now and from time to time with respect to the BOC Facilities. BOC will cooperate with Coffeyville Resources should Coffeyville Resources desire to contest any sales or other tax assessed by any governmental unit, all at Coffeyville Resources' expense.

(b) In the event that any tax covered by this Section 6 should be assessed against and paid by a party other than the party required hereunder to pay such tax, such other party shall promptly reimburse such party for such payment

(c) Upon request, a properly completed exemption certificate (where appropriate) for any tax from which a party claims exemption shall be provided to the other party.

SECTION 7 PRODUCT SPECIFICATIONS

BOC warrants that all Products and gas sold and delivered to Coffeyville Resources under this Agreement shall conform to the product specifications set forth in Paragraph I of Exhibit A hereto. THE WARRANTY SET FORTH IN THIS PARAGRAPH 7 IS IN LIEU OF ALL OTHER WARRANTIES, REPRESENTATIONS OR CONDITIONS OF ANY KIND OR

NATURE, EXPRESS OR IMPLIED, IN FACT OR BY LAW, RESPECTING THE PRODUCTS AND GAS SOLD TO COFFEYVILLE RESOURCES.

SECTION 8 CLAIMS

Written notice of all claims having anything to do with any Products delivered by BOC to the Coffeyville Pipelines or for failure to make timely delivery, shall be made within forty-five (45) days of such delivery, or of the date on which such delivery was to have been made, as the case may be. Written notice of all claims with respect to billing matters shall be made within one (1) year of the date of the relevant invoice. Failure by Coffeyville Resources to give such written notice within such time shall constitute a complete defense for BOC against such claims by Coffeyville Resources, except as otherwise specifically provided in Section 9 hereof.

SECTION 9 ALLOCATIONS OF RESPONSIBILITY

(a) BOC shall bear the risk of loss with respect to all Product until Product is delivered by BOC to Coffeyville Resources under Section 3(b) hereof, at which time risk of loss shall pass to Coffeyville Resources.

(b) Coffeyville Resources acknowledges that there are hazards associated with the use of Product. BOC will provide Coffeyville Resources with Material Safety Data Sheets setting forth the general hazards and safety information relating to Product. Coffeyville Resources hereby assumes all responsibility for warning its employees and its independent contractors exposed to Product of all such hazards and shall hold harmless and indemnify BOC from and against all liability arising from any failure to make such warnings, such indemnification to be subject to the provisions of Sections 19(e) and 19(f) hereof. BOC shall promptly notify Coffeyville Resources of any additional hazards of which BOC may, from time to time, become aware.

(c) Final determination of the suitability of the Product (assuming such Product conforms to the specifications and other requirements of this Agreement) for any use contemplated by Coffeyville Resources is the sole responsibility of Coffeyville Resources, and BOC shall have no responsibility in connection therewith. Coffeyville Resources shall avail itself of testing devices to determine the purity of Product before Coffeyville Resources uses it at Coffeyville Resources' discretion, but no error in, or failure to make, any such test shall impair any right on the part of Coffeyville Resources to pursue its remedies for breach of warranty hereunder.

(d) BOC shall obtain, comply with and preserve in full force and effect all Permits necessary for the maintenance and operation of the BOC Facility. BOC shall cause all such Permits to be made available for inspection by Coffeyville Resources. Coffeyville Resources shall cooperate with BOC in obtaining and preserving all Permits necessary for the maintenance and operation of the BOC Facility and shall reimburse BOC for the actual cost of such Permits. BOC shall cooperate with Coffeyville Resources in obtaining and preserving any Permits necessary for the maintenance and operation of the Coffeyville Facilities. Prior to obtaining any Permit necessary for the maintenance or operation of the BOC Facility, BOC shall give

Coffeyville Resources notice thereof. If obtaining any Permit necessary for the maintenance or operation of the BOC Facility would have the direct or indirect effect of impairing Coffeyville Resources' ownership, maintenance, operation and/or reasonably contemplated expansion of the Coffeyville Facilities, Coffeyville Resources shall give BOC notice thereof; and the parties shall cooperate to arrive at a fair and equitable resolution of such impairment.

(e) BOC agrees to make such modifications to the BOC Facility as are required by governmental agencies or authorities, by the modification or change in interpretation of any applicable laws or Permits, or by the enactment or adoption of any new laws, so as to ensure that BOC's maintenance and operation of the BOC Facility and Coffeyville Resources' ownership, maintenance and operation of the Coffeyville Facilities, are in compliance therewith.

(f) Other than any termination right Coffeyville Resources may have pursuant to the provisions of Section 13 hereof, Coffeyville Resources' exclusive remedy for each unexcused failure on the part of BOC to deliver gaseous Product produced at the BOC Plant to Coffeyville Resources when required hereunder (including the delivery of gas that does not conform to the product specifications set forth in Paragraph I of Exhibit A hereto), whether or not such failure was caused, in whole or in part by any negligence, shall be to receive an abatement of the fees (together with any then applicable price adjustment) which Coffeyville Resources would otherwise have been obligated to pay to BOC pursuant to Section 4(a) of this Agreement from the date such failure occurs until such time as BOC resumes delivery of gaseous Product as required hereunder and all Products so delivered conform to the product specifications set forth in Paragraph I of Exhibit A hereto.

(g) Other than any termination right Coffeyville Resources may have pursuant to the provisions of Section 13 hereof, Coffeyville Resources' exclusive remedy for each unexcused failure on the part of BOC to deliver liquid Product from the Liquid Product Storage Facility or vaporized liquid product to Coffeyville Resources when required hereunder, whether or not such failure was caused, in whole or in part by any negligence, shall be to recover from BOC the difference between the cost to Coffeyville Resources of any reasonable purchase of Product in substitution for the Product that BOC so failed to deliver and the price of such quantity of Product hereunder, increased by any expenses incurred by Coffeyville Resources in connection with the procurement of the substitute Product and reduced by any expenses saved by Coffeyville Resources due to procurement of the substitute Product.

(h) Other than any termination right Coffeyville Resources may have pursuant to the provisions of Section 13 hereof, Coffeyville Resources' exclusive remedy for each unexcused failure or act on the part of BOC whereby liquid product or vaporized liquid product that does not conform to the product specifications set forth in Paragraph I of Exhibit A hereto is delivered from the Liquid Product Storage Facility to Coffeyville Resources, whether or not such failure or act was, in whole or in part, negligent, shall be to receive a refund of the price of such quantity of non-conforming product, or the replacement thereof with Product that does conform to said product specifications at no additional charge to Coffeyville Resources.

(i) Except to the extent that BOC's rights and obligations are materially adversely affected thereby, BOC shall provide all documents, reports, acknowledgments, consents to

assignments, certifications and other information reasonably requested by any person or entity, or group of persons or entities, extending credit or making any financial accommodations directly or indirectly to Coffeyville Resources, or for Coffeyville Resources' benefit, for purposes of financing or refinancing in any manner any costs or expenses related to the construction, commissioning or operation of all or any part of the Gasification Project (each, a "Finance Party"). BOC shall cooperate with all Finance Parties to the fullest extent possible. BOC shall also enter into such amendments to this Agreement as Coffeyville Resources may reasonably request in order to comply with any requirements imposed by any Finance Party to the extent that BOC's rights and obligations are not materially adversely affected thereby.

SECTION 10 METERS

BOC shall install and maintain such metering as may be necessary hereunder. Such metering shall be inspected by BOC for accuracy at least once per year. In addition, such metering shall also be inspected and tested for accuracy at such other times as either party may reasonably elect. Coffeyville Resources shall be notified of the times such tests are to be made and may observe such tests. BOC shall bear the cost of all such tests, except those requested by Coffeyville Resources that show that the meter tested was accurate within two percent (2%). If any meter is found to be inaccurate by more than two percent (2%), any billings based on such meter shall be adjusted to offset such inaccuracy with respect to only those deliveries made during the thirty (30) day period prior to such test or during the latter half of the period of time since the said meter was last previously tested, whichever period of time is shorter.

SECTION 11 EXCUSED NON-PERFORMANCE

(a) Any failure, in whole or in part, by either party timely to perform any obligation on its part to be performed under this Agreement (except the obligation to pay monies when due) shall be excused to the extent that such failure is caused by any circumstance which is not within the reasonable control of the party whose performance is prevented, restricted or otherwise interfered with, including without limitation, by any act of God, flood, storm, earthquake, fire, explosion, strikes, lockouts, industrial disputes or disturbances or other labor difficulty (regardless of the reasonableness of the demands of labor or the power of the party concerned to concede), riot, war, blockades, civil disorder, equipment breakdown or malfunction that was unavoidable through proper maintenance, failure of product machinery or transportation facilities that was unavoidable through proper maintenance, failure of or interference with utilities or other sources of supply, accident or by any order, request or decree of any governmental body or agency (each, a "Force Majeure"). Upon the occurrence of a Force Majeure, the party affected thereby shall give prompt written notice thereof to the other party.

(b) Each time that, due to any Force Majeure, BOC delivers less Product than is required by Coffeyville Resources under Section 3(a) or Coffeyville Resources is unable to take any Product for five (5) or more consecutive full days, that portion of the Minimum Product Charge (together with any then applicable price adjustment) which Coffeyville Resources would otherwise have been obligated to pay to BOC pursuant to this Agreement that is apportionable to such full days shall be abated. (Said number of full days shall be determined by dividing twenty-four into the number of hours during which any such failure to deliver continued and

disregarding any fractional remainder). If either BOC or Coffeyville Resources so elects in writing, the Supply Period shall be extended for two times the number of full days with respect to which such Minimum Product Charge was so abated.

(c) Subject to BOC's obligations pursuant to Paragraph 2(1) hereof, BOC shall perform routine maintenance (scheduled and unscheduled) on the BOC Facility in accordance with generally accepted industry practices, and any such maintenance shall not be deemed a breach under this Agreement.

SECTION 12 PRICE ADJUSTMENTS

Annually during the Supply Period, the Minimum Product Charge and the unit prices for gaseous Product purchased by Coffeyville Resources hereunder shall be subject to price adjustment by BOC as set forth in Exhibit B hereto.

SECTION 13 TERM

(a) This Agreement shall be in effect from the date first set forth above to the expiration or termination of the Supply Period.

(b) Either party shall have the right to terminate this Agreement in accordance with this Section 13(b) at any time in the event the other party fails to perform any material obligation hereunder for reasons other than a Force Majeure or as a direct result of a breach by the other party (a "Material Breach"). If either party (the "Other Party") considers the other party (a "Breaching Party") to have committed a Material Breach, the Other Party may give to the Breaching Party a notice of Material Breach stating the act or circumstances contended to be a Material Breach and the section of the Agreement alleged to have been breached, and demanding that the Material Breach be cured. If the Breaching Party fails to cure the Material Breach within thirty (30) days after receipt of the notice of Material Breach, the Other Party may terminate this Agreement upon thirty (30) days' notice to the Breaching Party. If the nature of the Material Breach is such that it cannot be cured in thirty (30) days but a cure is commenced during such thirty (30) day period and diligently pursued thereafter, then such cure must be completed within 180 days from the date of notice of Material Breach, or the Other Party may terminate this Agreement on notice at any time after the expiration of such 180-day period unless such breach is then cured.

(c) Either party shall have the right to terminate this Agreement upon written notice to the other party upon (i) any failure by the other party to satisfy any final judgment, decree or order against the other party which has not been stayed or appealed within thirty (30) days after the entry thereof and which would materially adversely affect the other party's ability to perform its obligations under this Agreement if not so satisfied, stayed or appealed, or (ii) the other party shall (A) be or become insolvent or generally fail to pay its debts as they become due, or (B) voluntarily file a petition in bankruptcy or for reorganization under the United States Bankruptcy Code, or (C) have filed involuntarily against it a petition in bankruptcy or for reorganization under the United States Bankruptcy Code, which petition has not been stayed or dismissed within sixty (60) days after the filing thereof, or (D) voluntarily initiate any act, process or

proceeding under any insolvency law or other statute or law providing for the modification or adjustment of the rights of creditors, or (E) have initiated involuntarily against it any act, process or proceeding under any insolvency law or other statute or law providing for the modification or adjustment of the rights of creditors; which act, process or proceeding has not been stayed or dismissed within sixty (60) days after the initiation thereof, or (iii) the other party is a party to any merger or consolidation in which it is not the surviving entity or is dissolved or liquidated.

(d) In the event that this Agreement is terminated by Coffeyville Resources pursuant to Section 13(b) or 13(c) hereof, Coffeyville Resources shall have the right and option to purchase the Facilities on an "as is" and "where is" basis from BOC at the applicable purchase price listed on Exhibit H hereto (such option shall be referred to herein as the "Option"). The term of the Option shall commence on the date of such termination and shall expire 180 days thereafter. Coffeyville Resources may exercise the Option by providing written notice to BOC of its election to exercise the Option. In the event that Coffeyville Resources elects to exercise the Option, BOC shall sell and convey to Coffeyville Resources, and Coffeyville Resources shall purchase from BOC, the Facilities. The closing of the purchase of the Facilities shall take place on a mutually agreeable business day within sixty (60) days following the date BOC receives Coffeyville Resources' notice of its election to exercise the Option. At the closing, Coffeyville Resources shall pay BOC the purchase price (as calculated above), and BOC shall transfer and assign the Facilities to Coffeyville Resources and shall deliver to Coffeyville a bill of sale and such other appropriate instruments of transfer and physical possession as shall, in the reasonable opinion of counsel for Coffeyville Resources, be effective to vest in Coffeyville Resources good and marketable title to the Facilities.

SECTION 14 ASSIGNMENT

This Agreement is not assignable by either BOC or Coffeyville Resources except upon the written consent of the other party; provided, however, that such consent shall not be unreasonably withheld. Notwithstanding the foregoing sentence, Coffeyville Resources may assign this Agreement as contemplated or required by its financing scheme or to an affiliate without the consent of BOC so long as BOC's rights and obligations are not materially adversely affected thereby. The Parties agree that for purposes of this Section 14, BOC's rights and obligations shall not be deemed to be materially adversely affected by an assignment so long as Coffeyville Resources remains secondarily liable under this Agreement following such assignment.

SECTION 15 NOTICES

Any notice or other communication required or permitted to be given pursuant to this Agreement shall be deemed to have been duly given if delivered personally or sent by telex, telecopy, facsimile transmission or certified mail (postage prepaid, return receipt requested), addressed as provided below. Until another address or addresses shall be furnished in writing by either party, notices to BOC shall be given in duplicate, addressed as follows:

The BOC Group, Inc.
575 Mountain Avenue
Murray Hill, NJ 07974
Attention: General Counsel

And a copy also sent to:

BOC Gases
575 Mountain Avenue
Murray Hill, NJ 07974
Attention: Vice President — Product Management

and notices to Coffeyville Resources shall be addressed as follows:

Coffeyville Resources Nitrogen Fertilizers, LLC
10 East Cambridge Circle Drive
Suite 250
Kansas City, Kansas 66103

Attention: Chief Operating Officer

And a copy also sent to:

Coffeyville Resources Nitrogen Fertilizers, LLC
P.O. Box 5000
701 E. Martin Street
Coffeyville, Kansas 67337

Attention: Plant Manager

SECTION 16 GENERAL REPRESENTATIONS AND WARRANTIES

(a) Each of the parties hereto make the following representations and warranties to the other party hereto, each of which is true and correct on the date hereof:

(i) Such party is a corporation or limited liability company duly organized, validly existing and in good standing under the laws of the state of its organization, and is duly qualified to transact business in the State of Kansas.

(ii) Such party has the corporate power to execute and deliver this Agreement and to carry out the transactions contemplated hereby, and perform its obligations hereunder. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not violate, nor constitute a breach or default under, the constituent documents of such party or any provision of any

mortgage, lien, lease, agreement, instrument, order, judgment, decree, law, Permit or other restriction of any kind or character to which such party is subject.

(iii) There is no claim, litigation or proceeding pending or, to the best knowledge of such party, threatened against such party which, if decided adversely to such party, would preclude it from consummating the transactions contemplated hereby or performing the obligations hereunder or would subject the other party to any liability.

(iv) This Agreement has been duly authorized, executed and delivered by such party and is valid, binding and enforceable against it in accordance with its terms.

(b) EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED HEREIN, NEITHER PARTY HAS MADE ANY WARRANTIES, EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIMS ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

SECTION 17 CONFIDENTIALITY

The parties acknowledge and agree that to the extent either party receives any proprietary or confidential information regarding operations of the other ("Confidential Information"), such Confidential Information represents valuable information to the party disclosing such Confidential Information (the "Disclosing Party'), and the party receiving such Confidential Information (the "Receiving Party') agrees (a) not to disclose any Confidential Information of the Disclosing Party to any third party without the written consent of the Disclosing Party, (b) not to use any Confidential Information of the Disclosing Party for any purpose, other than to accomplish the transactions contemplated under this Agreement, without the prior written consent of the Disclosing Party, (c) to limit access to the Disclosing Party's Confidential Information to the Receiving Party's employees who are directly involved with the transactions described in this Agreement, (d) to inform each employee to whom the Disclosing Party's Confidential Information is disclosed of the restrictions as to the use and disclosure of such confidential Information and to ensure that each such employee shall observe such restrictions, and (e) to return all of the Disclosing Party's Confidential Information upon termination of this Agreement. The restrictions on use and disclosure described above shall not apply to information that (i) was known to either party prior to disclosure by the other party, (ii) is or becomes part of the public knowledge or literature, through no fault of the party to which it was disclosed, (iii) is subsequently received as a matter of right without restriction or disclosure from a third party lawfully having possession thereof, or (iv) in the reasonable opinion of counsel to the Disclosing Party, is required to be disclosed by applicable law or regulation, by order of court or other governmental authority, or pursuant to any listing agreement with, or the rules or regulations of any national securities exchange on which securities of such party are listed or traded; provided, however, that prior to any such disclosure, the Receiving Party shall provide the Disclosing Party with reasonable notice and an opportunity to dispute or otherwise object to the required disclosure.

SECTION 18 RESOLUTION OF DISPUTES

Except as otherwise specifically provided herein, the parties will in good faith attempt to resolve promptly and amicably any dispute (which term includes the failure to reach any agreement or grant any approval contemplated hereunder) between the parties arising out of or relating to this Agreement pursuant to this Section 18. In the event that a party to this Agreement has reasonable grounds to believe that the other party hereto has failed to fulfill any obligation hereunder, that its expectation of receiving due performance under this Agreement may be impaired, or that any other type of dispute between the parties arising out of or relating to this Agreement exists, such party will promptly notify the other in writing of the substance of its belief. The party receiving such notice must respond in writing within thirty (30) of receipt of such notice, which response must (i) provide evidence of cure of the condition specified or provide an explanation of why it believes that its performance is in accordance with the terms and conditions of this Agreement, and (ii) specify three (3) proposed dates, all of which must be within thirty (30) days from the date of the response, for a meeting to resolve the dispute. The claiming party will then select one (1) of the three (3) dates, and a dispute resolution meeting will be held on that date, which meeting shall be attended by a representative of each party with the power to settle the dispute and at which time the representatives shall engage in good faith discussions in an effort to resolve the dispute. If such representatives fail to resolve the dispute at such meeting, they will work together to resolve the dispute for a fifteen (15) day period following the meeting. If the dispute is not resolved within such fifteen (15) day period, the representatives shall refer the matter to the two individuals with primary operational responsibility for the respective parties at the level immediately subordinate to the respective chief executive officers of the parties. If such individuals fail to resolve the dispute within thirty (30) days, despite good faith attempts to do so, the parties will be free to pursue the remedies allowed under applicable law without prejudice. Regardless of the nature of the dispute that exists between the parties, both parties must continue to perform their obligations under this Agreement during any dispute resolution efforts.

SECTION 19 INDEMNIFICATION

(a) BOC agrees to indemnify and hold Coffeyville Resources, its directors, officers, agents, employees, subsidiaries and affiliates (collectively, “Coffeyville Entities”) harmless from and against any and all claims, demands, judgments, liabilities or expenses for injury, sickness, disease or death to employees or other persons, or damage to property (subject to the limitations of Section 19(f) hereof) arising out of or in any way connected with BOC’s design, engineering, construction, installation, operation or maintenance of the BOC Facility or failure to comply with applicable laws or Permits related thereto or breach of any of the provisions of this Agreement. BOC agrees to defend, on behalf of the Coffeyville Entities, any suits, actions or proceedings arising out of or in any manner connected with any of the aforesaid causes and to reimburse the Coffeyville Entities for reasonable attorneys’ fees, settlements, losses, damages, satisfactions, costs or other expenses incurred by the Coffeyville Entities arising out of or in any manner connected with such suits, actions or proceedings. BOC’s obligation to indemnify, defend, reimburse and hold the Coffeyville Entities harmless shall extend to and include, but not be limited to, claims, demands, judgments, liabilities and expenses resulting from the personal injury, sickness, disease or death of any persons, regardless of whether BOC has paid the person

under the provisions of any workers' compensation statute or law, or other similar federal or state legislation for the protection of employees. BOC's indemnification obligations hereunder shall exclude any liabilities (i) arising from any breach for which exclusive remedies are otherwise provided hereunder or (ii) to the extent caused by the negligence of Coffeyville Resources, its employees, agents or subcontractors.

(b) BOC shall, at its sole expense, defend any claims, suits, actions or proceedings brought against the Coffeyville Entities based on a claim that the design, engineering, construction, installation, operation or maintenance of the Facilities or the use of any equipment, process or technology, or any part thereof, furnished or manufactured by BOC or any of BOC's agents or subcontractors under this Agreement constitutes any infringement of U.S. patents or copyrights or constitutes an improper use of any other proprietary rights (except where such infringement or improper use is caused by the use of the Facilities in combination with any other equipment or process not supplied by, on behalf, or at the request of BOC or any of BOC's agents or subcontractors or previously agreed in writing by BOC) (an "Alleged Infringement"), and BOC shall pay all damages and costs awarded by a court of competent jurisdiction unappealed or unappealable against Coffeyville Resources, provided that BOC is notified promptly in writing of any such claim (except that the failure to promptly provide such notice shall not release BOC from such obligations except to the extent BOC is materially prejudiced thereby), shall be given adequate authority, information and assistance for the defense of same and shall have the full control of the defense of any such suit, action or proceeding. BOC's obligation to pay damages and costs under the foregoing sentence shall only apply to the extent the Alleged Infringement is caused by BOC. Coffeyville Resources shall have the right to participate at its own expense. BOC agrees to reimburse the Coffeyville Entities for any claims, settlements, losses, damages, satisfactions, costs or other expenses incurred by the Coffeyville Entities arising out of or in any manner connected with such claims, suits, actions or proceedings, to the extent the Alleged Infringement is caused by BOC. At BOC's option, and at its expense, BOC may: (a) procure the right to continue using the Facilities as contemplated under this Agreement; or (b) replace the Facilities with non-infringing equipment (or modify the Facilities), provided that such replaced or modified Facilities shall not differ functionally from the original Facilities in any material way.

(c) Coffeyville Resources agrees to indemnify and hold BOC, its directors, officers, agents, employees, subsidiaries and affiliates (collectively, "BOC Entities") harmless from and against any and all claims, demands, judgments, liabilities and expenses for injury, sickness, disease or death to employees or other persons, or damage to property owned by parties other than BOC Entities, arising out of or in any way connected with Coffeyville Resources' design, engineering, construction, installation, operation or maintenance of the Coffeyville Facilities or failure to comply with applicable laws or Permits related thereto or breach of any of the provisions of this Agreement. Coffeyville Resources agrees to defend, on behalf of the BOC Entities, any suits, actions or proceedings arising out of or in any manner connected with any of the aforesaid causes and to reimburse the BOC Entities for reasonable attorneys' fees, settlements, losses, damages, satisfactions, costs or other expenses incurred by the BOC Entities arising out of or in any manner connected with such suits, actions or proceedings. Coffeyville Resources' obligation to indemnify, defend, reimburse and hold the BOC Entities harmless shall extend to and include, but not be limited to, claims, demands, judgments, liabilities and expenses

resulting from the personal injury, sickness, disease or death of any persons, regardless of whether Coffeyville Resources has paid the person under the provisions of any workers' compensation statute or law, or other similar federal or state legislation for the protection of employees. Purchaser's indemnification obligations hereunder shall exclude any liabilities (i) arising from any breach for which exclusive remedies are otherwise provided hereunder or (ii) to the extent caused by the negligence of BOC, its employees, agents or subcontractors.

(d) Each Party agrees to defend, indemnify, and hold harmless the other Party from any loss, expense, claim, liability, demand or judgment arising out of or resulting from bodily injury to its employees while on property controlled by, and with the permission of, the other Party, except to the extent caused by the negligence of the other Party, its employees, agents or subcontractors.

(e) A party entitled to indemnification under any provision of this Agreement is referred to herein as an "Indemnified Party," and a party required to provide such indemnification is referred to herein as an "Indemnifying Party." Promptly after receipt by an Indemnified Party of notice of the commencement of any action or the making of any claim, such Indemnified Party will, if a claim in respect thereof is to be made against the Indemnifying Party, notify the Indemnifying Party in writing thereof. In case any such action or claim is brought against any Indemnified Party, and it notifies the Indemnifying Party of the commencement or making thereof, the Indemnifying Party will be entitled to participate therein and, to the extent that the Indemnifying Party may elect by written notice to the Indemnified Party promptly after receiving the aforesaid notice from such Indemnified Party, to assume the defense thereof. Upon receipt of notice from the Indemnifying Party to such Indemnified Party of its election so to assume the defense of such action or claim, the Indemnifying Party will not be liable to such Indemnified Party under such indemnification for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof.

(f) NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES UNDER ANY CIRCUMSTANCES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS OR DAMAGES DUE TO LOSS OF USE OF A FACILITY OR INDIRECT OR CONSEQUENTIAL DAMAGES CAUSED BY OR ARISING OUT OF, IN WHOLE OR IN PART, ANY NEGLIGENT ACT OR OMISSION.

SECTION 20 INSURANCE

BOC, at its sole cost and expense, shall secure and maintain during the term of this Agreement, the following minimum insurance coverage with respect to the BOC Plant and its operations:

(1) Workers' compensation insurance which fully complies with applicable workers' compensation and occupational disease laws and which shall cover all of BOC's employees performing services in connection with matters contemplated by this Agreement. BOC shall obtain and provide to Coffeyville Resources a valid waiver of any right of subrogation against Coffeyville Resources or its employees

for any injury or death to a person covered by or compensated under BOC's workers' compensation insurance, which waiver shall be executed by each of BOC's workers' compensation insurance carriers.

(2) Employer's liability insurance with limits of not less than $1,000,000 per occurrence.

(3) Comprehensive commercial general liability insurance including products and completed operations, broad form property damage and broad form contractual liability, with a limit for bodily injury or death of not less than $10,000,000 per occurrence and a limit for property damage of not less than $10,000,000 per occurrence, or a combined single limit for bodily injury, death and property damage of not less $10,000,000 per occurrence. The annual aggregate limit shall not be less than $20,000,000. Coffeyville Resources shall be listed as an additional insured on such policies.

(4) Automobile liability insurance with a combined single limit for bodily injury, death and property damage of not less than $2,000,000 per occurrence.

(5) Property insurance for loss or damage to any property of BOC located within the Facilities, with limits of not less than $20,000,000.

(6) Such other insurance as required by law.

BOC shall obtain and provide to Coffeyville Resources a valid waiver of any right of subrogation against Coffeyville Resources for damage to any property of BOC covered by BOC's property insurance, which waiver shall be executed by each of BOC's property insurance carriers. Similarly, Coffeyville Resources shall obtain and provide to BOC a valid waiver of any right of subrogation against BOC for damage to the property of Coffeyville Resources covered by Coffeyville Resources' property insurance, which waiver shall be executed by each of Coffeyville Resources' property insurance carriers. The insurance requirements listed above are the minimum requirements that are acceptable to Coffeyville Resources as of the date hereof and shall not be considered indicative of the ultimate amounts and types of insurance needed by BOC. Neither failure to comply nor full compliance with the insurance provisions of this Agreement shall limit or relieve BOC from its obligations under this Agreement. Upon request of Coffeyville Resources, BOC shall promptly furnish Coffeyville Resources certificates of insurance on forms reasonably approved by Coffeyville Resources listing all policies required of BOC above. Such certificates must provide for not less than 30 days' prior written notice to Coffeyville Resources in the event of cancellation, nonrenewal or material change of any of such policies.

SECTION 21 TAKING & CASUALTY

(a) In the event that the Facilities, or any material part thereof, shall be taken by any public authority or for any public use, or by the action of any public authority, then this Agreement may be terminated at the election of either BOC or Coffeyville Resources. Such

election shall be made by the giving of notice by one party to the other within thirty (30) days after the right of election accrues. For purposes of this subsection (a), what constitutes a “material part” of the Facilities shall be reasonably determined by BOC.

In the event of such a taking, Coffeyville Resources shall be entitled to the entire award, except that BOC shall be entitled to receive any portion of the award made specifically for damages sustained to BOC’s equipment, trade fixtures, moving expenses, the unamortized cost of its leasehold improvements, or loss of any portion of its business.

If neither BOC nor Coffeyville Resources exercises any right of election provided in this subsection (a), this Agreement shall continue in full force and effect and BOC shall proceed to diligently and expeditiously repair or rebuild the Facilities to as nearly as possible the same condition as prior to the taking; provided, however, that the Minimum Product Charge (together with any then applicable price adjustment) which Coffeyville Resources would otherwise have been obligated to pay to BOC pursuant to this Agreement shall be abated from the date of the taking until such time as the Facilities are so repaired or rebuilt. To the extent that the awards or payments are insufficient to repair or rebuild the Facilities, BOC shall bear all excess costs of repairing and rebuilding the Facilities.

(b) In the event that the Facilities, or any material part thereof, shall be destroyed or damaged by fire or casualty, and such destruction or damage is so severe that, based on any reasonable estimates (which BOC shall deliver to Coffeyville Resources within thirty (30) days of such destruction or damage), the Facilities cannot be placed in proper condition for use within sixteen (16) months of the date of the fire or casualty, then this Agreement may be terminated at the election of BOC or Coffeyville Resources. Such election shall be made by the giving of notice by one party to the other within sixty (60) days after the right of election accrues. For purposes of this subsection (b), what constitutes a “material part” of the Facilities shall be reasonably determined by BOC.

In the event of termination pursuant to this subsection (b), BOC shall be entitled to the entire sum of insurance proceeds attributable to the buildings, fixtures and other property which is not owned by Coffeyville Resources, which proceeds are received by either BOC or Coffeyville Resources in connection with the fire or other casualty. BOC shall be entitled to receive the proceeds of any insurance purchased by BOC to cover its personal property, equipment and business operations.

If neither BOC nor Coffeyville Resources exercises any right of election provided in this subsection (b), this Agreement shall continue in full force and effect and BOC shall proceed to diligently and expeditiously repair or rebuild the Facilities to as nearly as possible the same condition as prior to the taking, damage or destruction, provided, however, that the Minimum Product Charge (together with any then applicable price adjustment) which Coffeyville Resources would otherwise have been obligated to pay to BOC pursuant to this Agreement shall be abated from the date of the fire or casualty until such time as the Facilities are so repaired or rebuilt. To the extent that the proceeds of insurance are insufficient to repair or rebuild the Facilities, BOC shall bear all excess costs of repairing and rebuilding the Facilities.

SECTION 22 LIAISONS

BOC and Coffeyville Resources shall each appoint and notify the other of a representative who shall be responsible for coordination and liaison between the parties. Either party may change its representative upon written notice to the other party.

SECTION 23 GENERAL PROVISIONS

(a) The section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement or of any provision hereof.

(b) All of the Exhibits attached hereto are incorporated herein and made a part of this Agreement by reference thereto.

(c) This Agreement, and the Settlement Agreement and Mutual Release which the parties have entered into contemporaneously herewith, set forth the entire agreement between BOC and Coffeyville Resources with respect to the production, purchase and sale of Product for use at the Coffeyville Facilities. This Agreement supersedes and cancels all prior and contemporaneous agreements and understandings between the parties, whether oral or written, relating to the subject matter hereof, including, without limitation, (a) that certain letter agreement between BOC and Farmland Industries, Inc., dated May 14, 1997; (b) the December 3, 1997 On-Site Product Supply Agreement between The BOC Group, Inc. and Farmland Industries, Inc.; (c) Amendment No. 1 to the On-Site Product Supply Agreement between The BOC Group, Inc. and Farmland Industries, Inc., dated December 31, 1999 and (d) that certain letter agreement between BOC and Coffeyville Resources dated August 31, 2005.

(d) No amendment, modification, change, waiver or discharge of, or addition to, any provision of this Agreement shall be effective unless the same is in writing and is signed or otherwise assented to in writing by an authorized individual on behalf of each party, and unless such writing specifically states that the same constitutes such an amendment, modification, change, waiver or discharge of, or addition to, one or more provisions of this Agreement.

(e) The parties may, from time to time, use purchase orders, acknowledgments or other instruments to order, acknowledge or specify delivery times, suspensions, quantities or other similar specific matters concerning the Product or relating to performance hereunder, but the same are intended for convenience and record purposes only and any provisions which may be contained therein are not intended to (nor shall they serve to) add to or otherwise amend or modify any provision of this Agreement, even if signed or accepted on behalf of either party with or without qualification.

(f) If any provision of this Agreement shall be declared void or unenforceable by any judicial or administrative authority, the validity of any other provision and of the entire Agreement shall not be affected thereby and it is the intention of the parties that any such provision be reformed so as to make it enforceable to the maximum extent permissible under applicable law.

(g) This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(h) THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF KANSAS WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES OF SAID STATE. Any legal action or proceeding with respect to this Agreement or any document related hereto shall be brought exclusively in the courts of the State of Kansas or of the United States of America for the District of Kansas, and, by execution and delivery of this Agreement, the parties hereto hereby accept, generally and unconditionally, the exclusive jurisdiction of the aforesaid courts. The parties hereto hereby irrevocably waive any objection, including, without limitation, any objection to the laying of venue or based on the grounds of *forum non conveniens*, which any of them may now or hereafter have to the bringing of any such action or proceeding in such respective jurisdictions.

(i) The parties will comply with all applicable law and regulations in the performance of this Amended and Restated On-Site Product Supply Agreement.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT AS OF THE DAY AND YEAR FIRST ABOVE WRITTEN.

THE BOC GROUP, INC.

By: /s/ Trevor Burt
Name: Trevor Burt
Title: PRESIDENT
Date: 13 JUNE 06

COFFEYVILLE RESOURCES NITROGEN FERTILIZERS, LLC

By: /s/ Stanley A. Riemann
Name:
Title: C.O.O.
Date: 6/9/06

EXHIBIT A

CERTAIN SPECIFICATIONS, CAPABILITIES AND CAPACITIES

The product specifications set forth below specify normal operating specifications and, accordingly, the parties agree that delivery of Product not meeting the indicated specifications shall not be deemed a breach by BOC and BOC shall not be required to shut down the BOC Plant unless Coffeyville Resources expressly instructs BOC to do so in writing.* From time to time Coffeyville Resources may instruct BOC to decrease the normal operating specifications for Product by written notice, accepted by BOC.

*except as otherwise set forth below for Nitrogen Product

I. Product Specifications

A. Purity:

Oxygen Product: 99.60 mol.% (normal operating)

Nitrogen Product, with inerts:

99.99 mol.%

not more than 5 ppm of oxygen (normal operating, 10 ppm trip point)

CDA Product: Dew point -40°F (normal operating)

High Pressure Air Product: Dew Point -40°F (normal operating)

B. Pressure at BOC Plant Battery Limits:

To the Gasification Project:

gaseous Oxygen Product: 850 psig ± 10 psi

gaseous Nitrogen Product: 500 psig ± 10 psi

CDA Product: 135 psig ± 10 psi

High Pressure Air Product: 900 psig ± 10 psi

To the adjacent refinery facility owned by Coffeyville Resources Refining & Marketing LLC or its successors or assigns (the “Refinery”):

gaseous Nitrogen Product: 200 psig ± 10 psi

gaseous Oxygen Product: 70 psig ± 10 psi

Notwithstanding that the above referenced Products may ultimately be used by the Refinery, it is strictly understood that BOC's delivery hereunder is fulfilled by delivery to Coffeyville Resources at the point where each of the Coffeyville Pipelines are connected to the corresponding BOC Pipelines.

II. Production and Delivery Capabilities:

A. High-Pressure (850 +/-10 psig) gaseous Oxygen Product:

(***) scf per hour (maximum instantaneous flow rate at 14.3 psia and 105°F dry bulb and 78°F wet bulb and cooling water at 85°F).

B. Low Pressure (70 +/- 5 psig) gaseous Oxygen Product to Refinery:

(***) scf per hour (maximum instantaneous flow rate at 14.3 psia and 105°F dry bulb and 78°F wet bulb and cooling water at 85°F

C. High-Pressure Air Product (900 +/-10 psig) for use in Urea Process #1 Decomposer Exchanger:

(***) scf per hour (maximum instantaneous flow rate at 14.3 psia and 105°F dry bulb and 78°F wet bulb and cooling water at 85°F).

D. gaseous Nitrogen Product (both 500 +/- 10 psig and 200 +/-10 psig, but excluding 1300 and 120 psig referred to in Section III A immediately below):

1,240,000 total scf per hour (maximum instantaneous flow rate at 14.3 psia and 105°F dry bulb and 78°F wet bulb and cooling water at 85°F).

E. CDA Product:

351,000 scf per hour (maximum instantaneous flow rate at 14.3 psia and 105°F dry bulb and 78°F wet bulb and cooling water at 85°F)

III. Liquid Product Capacity

A. liquid Nitrogen Product

Storage:	11,000 gallons (allocated)
Vaporization:	(***) scf per hour at 120 psig
	(***) scf per hour at 1300 psig for up to 8 hours of continuous service

B. liquid Oxygen Product

Storage:	11,000 gallons (allocated)

Vaporization:	(***) scf per hour at 850 psig for up to 8 hours of continuous service

EXHIBIT B

PRICE ADJUSTMENTS

I. PROCEDURES

A. Price adjustments shall be determined annually by BOC preparing a statement setting forth the change in the relevant index referred to below which may have occurred during the preceding calendar year and the price adjustment resulting therefrom, together with supporting computations prepared in the manner set forth in Paragraph II of this Exhibit B. Each such price adjustment shall be effective for the entire calendar year during which such statement is so prepared, upon notice to Coffeyville Resources by BOC.

B. If the index referred to below is modified in any significant way or is no longer published, a new, substantially equivalent index shall be selected by mutual agreement of the parties.

II. COMPUTATIONS

The following computations determine whether the monthly Minimum Product Charge and the unit prices for gaseous Product sold hereunder shall be increased or decreased:

The monthly Minimum Product Charge and the unit prices for gaseous Product will increase or decrease based upon the change in the annual average hourly earnings for the Series ID - ceu3232500006 (as reported by the U.S. Department of Labor, Bureau of Labor Statistics and hereafter referred to as "CAPI") above a base level, which shall be the 2005 Annual Average CAPI. The applicable monthly Minimum Product Charge for a given year will be calculated in accordance with the formula below:

$$CMPC = BMPC \times \left(1 + \frac{CAPI_2 - CAPI_1}{CAPI_1} \right)$$

where:

CMPC = Current monthly Minimum Product Charge, and each gaseous Product price, individually

BMPC = Base monthly Minimum Product Charge, and each gaseous Product price, individually, as follows:

$313,885 — Base Monthly Minimum Product Charge
$0.085 — Base Gaseous Oxygen
$0.097 — Base Gaseous Nitrogen
$0.019 — Base CDA Product

$CAPI_1$ = 2005 Annual Average CAPI

$CAPI_2$ = Most recent Annual Average CAPI

EXHIBIT C

ACCEPTABLE AIR CONTAMINANT LEVELS

COMPONENT	MAXIMUM CONTINUOUS CONCENTRATION (VPM)
Carbon Dioxide	500.00
Methane	20.00
Ethane	0.20
Acetylene	5.00
Ethylene	0.10
Propane	0.03
Propylene	1.00
Butane	1.00
$>C_4$ (non-aromatic)	1.00
Sulfur Compounds	Nil
Chlorides	Nil
NO and NO_2	1.00
N_2O	0.50

EXHIBIT D

THE COFFEYVILLE PLANT SITE

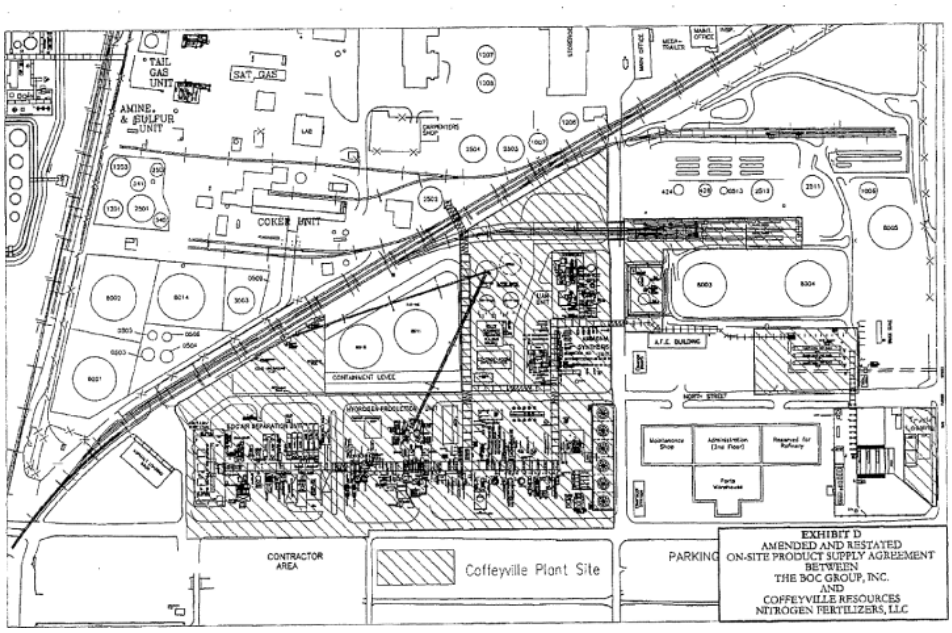
TAIL GAS UNIT
SAT. GAS
AMINE & SULFUR UNIT
COKER UNIT
CONTAINMENT LEVEL
A.F.E. BUILDING
NORTH STREET
Maintenance Shop
Administration (2nd Floor)
Reserved for Refinery
Parts Warehouse
CONTRACTOR AREA
Coffeyville Plant Site
PARKING
EXHIBIT D
AMENDED AND RESTATED
ON-SITE PRODUCT SUPPLY AGREEMENT
BETWEEN
THE BOC GROUP, INC.
AND
COFFEYVILLE RESOURCES
NITROGEN FERTILIZERS, LLC

EXHIBIT E

THE BOC PLANT SITE

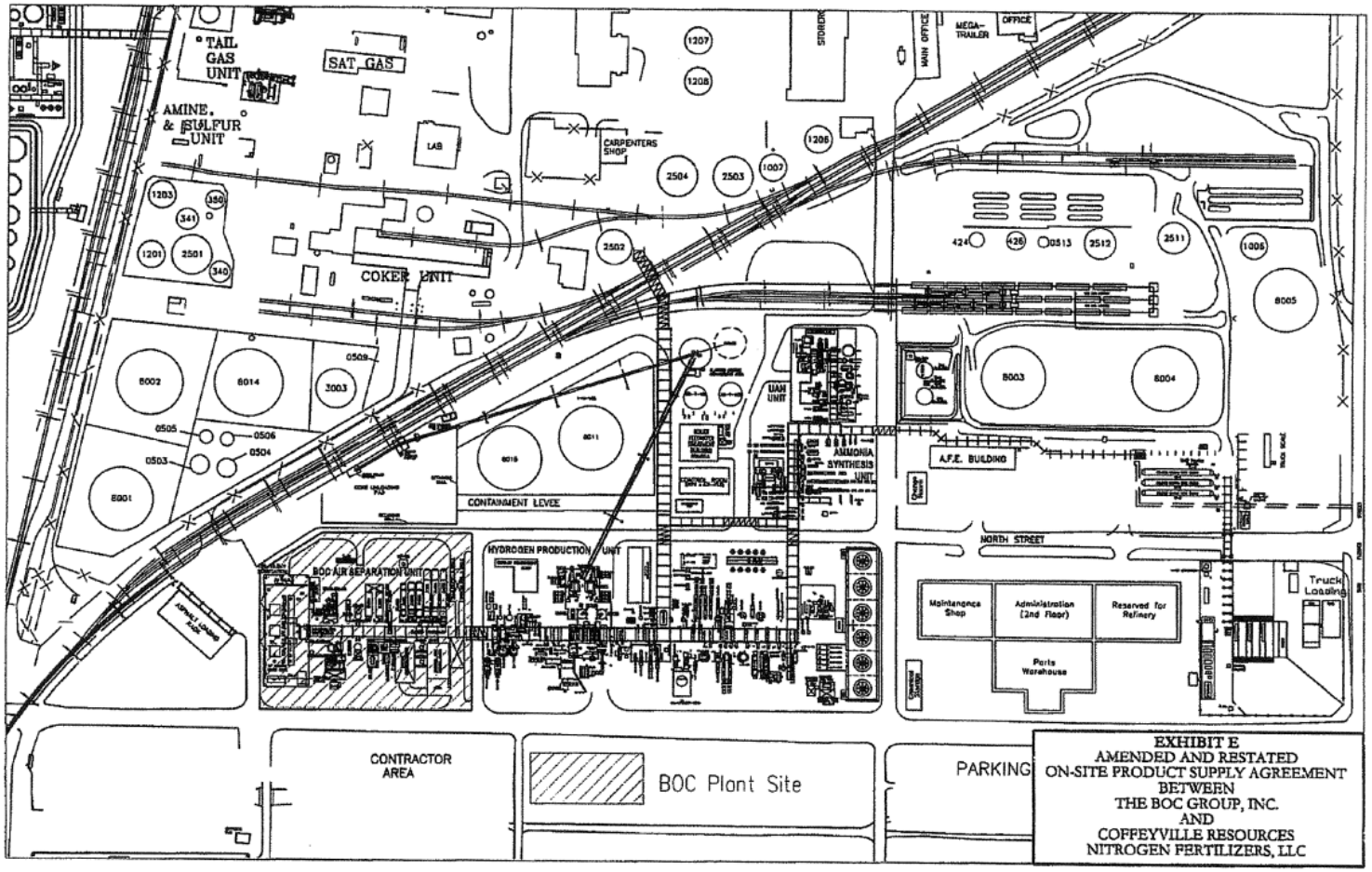

EXHIBIT E
AMENDED AND RESTATED
ON-SITE PRODUCT SUPPLY AGREEMENT
BETWEEN
THE BOC GROUP, INC.
AND
COFFEYVILLE RESOURCES
NITROGEN FERTILIZERS, LLC

EXHIBIT F

ITEMS TO BE PROVIDED BY COFFEYVILLE RESOURCES

Except as otherwise provided in this Agreement, the following items shall be provided by Coffeyville Resources:

Permanent Utilities

Power, 13.8 kv*

Steam

ASU 5,480 LB/hr average,
15,330 LB/hr peak;
primary 600 psig minimum,
490°F; secondary 550 psig
minimum, 550°F

Reactor 6,200 LB/hr when
Vaporizing
100 psig minimum, 330°F

Hydrogen, 1875 scfh average
(within specifications
listed on Exhibit F-2)

Telephone Line

Cooling water supply (within specifications listed on Exhibit F-1)
and return (15,175 gpm)
Steam and condensate drain
Sewer services, oil/water, storm and sanitary
Potable water
Fire water
Instrument air

All Tie-Ins (including final Pipeline and utility pipeline tie-ins)

Permanent security and site access

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* While permanent power is intended to be provided at Coffeyville Resources' cost, the following shall apply:

BOC and Coffeyville Resources shall split the cost of power above 29.092 MW and below 35.00 MW ("Excess Power") on a 50/50 basis. The Excess Power will be calculated on a monthly basis in accordance with the methodology set forth in Exhibit F-3, using actual demand, coincident peak, MWH usage, and energy and PCA charges set forth on the invoices issued by the City of Coffeyville to Coffeyville Resources.

EXHIBIT F-1

COOLING WATER SPECIFICATIONS

The following are the requirements for the cooling water being provided by Coffeyville Resources:

- Pressure at battery limits — 55 psig
- Allowable pressure drop at battery levels — 25 psi
- Maximum temperature rise at battery levels — 20°F
- Specifications:

	Circulating Water
Total Alkalinity (methyl orange)	250 ppm
Total Suspended Solids	5 ppm
Total Dissolved Solids	3500 ppm
Iron	3 ppm
Calcium Hardness (as $CaCO_3$)	1000 ppm
Silica (SiO_2)	200 ppm
Sulfates (SO_4)	500 ppm
Chlorides (CI)	350 ppm
Chlorine (free)	0.5 ppm
Total Phosphates (as P)	10 ppm
pH	7.0-8.5*
Corrosives (H_2S, organic acids, etc.)	Nil
Organic matter	Nil
Copper	1 ppm
Zinc	1 ppm

* Infrequent and short-interval excursions up to 8.9 are possible, and Coffeyville Resources will alarm at 8.5.

EXHIBIT F-2

HYDROGEN SPECIFICATIONS

The hydrogen being provided by Coffeyville Resources shall have a minimum purity of 99.3% hydrogen and shall conform to the following additional purity requirements:

Component	Maximum Amount
Oxygen	0.1%
Nitrogen	0.6%
Carbon Monoxide	2 ppm
Carbon Dioxide	2 ppm
Water	0.1%
Methane	2 ppm
Total Hydrocarbons	2 ppm
Argon	0.2%

EXHIBIT F-3

Excess Power Calculation Methodology, June 2005

Demand Allocation	29.092 MW per Contract
Coincident Demand	34.620 MW City of Coffeyville Invoice
Excess Demand	5.528 MW
Actual Usage	23.818 MW City of Coffeyville Invoice

Excess Usage

Actual Usage — (Demand Allocation x Operating Days in Month x 24 Hrs.)

23,818,000 — (29,092 x 30 x 24)

23,818,000—20,946,240 = 2,871,760 KWH

Demand Charge

Excess Demand	x $8670 per MW	
5.528	x $8670	= $48,425.28
Schedule 5	5.528 x $73.12	= $404.21
Schedule 6	5.528 x $72.80	= $402.44

Usage Charge

Base Energy	2,871,760 x .01870	= $53,701.91
PCA	2,871,760 x .00271	= $7,782.47
Wheeling	2,871,760 x .00200	= $5,743.52
	TOTAL	$116,459.83
	50/50 Split	$58,229.92

Excess Power Charge to be reimbursed by BOC to Coffeyville Resources

EXHIBIT G

PRICING SCHEDULE

I. During the Supply Period, Coffeyville Resources shall pay BOC $313,855 per month as a monthly Minimum Product Charge for the commitment of the Facilities and the availability during each calendar month of high pressure gaseous Oxygen Product from the output of the BOC Plant at instantaneous flow rates not exceeding (***) scf per hour, low pressure gaseous Oxygen Product at instaneous flow rates not exceeding (***) scf per hour, gaseous Nitrogen Product (both 500 psi and 200 psi) from the output of the BOC Plant at instantaneous flow rates not exceeding a total of 1,240,000 scf per hour, and High Pressure Air Product at instantaneous flow rates not exceeding (***) scf per hour and CDA Product at instantaneous flow rates not exceeding 351,000 scf per hour.

II. During the Supply Period, Coffeyville Resources shall pay BOC $.085 per 100 scf for all quantities of gaseous Oxygen Product delivered to Coffeyville Resources during a calendar month from the output of the BOC Plant, at total instantaneous flow rates exceeding 1,618,700 scf per hour.

III. During the Supply Period, Coffeyville Resources shall pay BOC $0.097 per 100 scf for all quantities of gaseous Nitrogen Product delivered to Coffeyville Resources during a calendar month from the output of the BOC Plant, at instantaneous flow rates exceeding a total of 1,240,000 scf per hour.

IV. During the Supply Period, Coffeyville Resources shall pay BOC (***) per 100 scf for the gaseous equivalent of all liquid Oxygen Product delivered from the inventory of the Liquid Product Storage Facility. Supplemental Product delivered to Coffeyville Resources at Coffeyville Resources' request in accordance with Paragraph 3b(ii) shall be billed to Coffeyville Resources FOB point of origin.

V. During the Supply Period, Coffeyville Resources shall pay BOC (***) per 100 scf for the gaseous equivalent of all liquid Nitrogen Product delivered from the inventory of the Liquid Product Storage Facility. Supplemental Product delivered to Coffeyville Resources at Coffeyville Resources' request in accordance with Paragraph 3b(ii) shall be billed to Coffeyville Resources FOB point of origin.

VI. During the Supply Period, Coffeyville Resources shall pay BOC (***) per 100 scf for all quantities of CDA Product delivered to Coffeyville Resources during a calendar month at instantaneous flow rates exceeding 351,000 scf per hour.

The Minimum Product Charge and the unit prices for gaseous Product set forth above in Paragraphs I, II, III and VI of this Exhibit G shall be subject to adjustment as more specifically set forth in Section 12 of the Agreement and on Exhibit B to the Agreement.

EXHIBIT H

PURCHASE PRICE

Paragraph 13(d)

Year of Supply Period During Which Purchase Occurs	Purchase Price
1. June 1, 2005 - May 31, 2006	(***)
2. June 1, 2006-May 31, 2007	(***)
3. June 1, 2007-May 31, 2008	(***)
4, June 1, 2008-May 31, 2009	(***)
5. June l, 2009-May 31, 2010	(***)
6. June 1, 2010-May 31, 2011	(***)
7. June l, 2011-May 31, 2012	(***)
8. June 1, 2012-May 31, 2013	(***)
9. June 1, 2013-May 31, 2014	(***)
10. June 1, 2014-May 31, 2015	(***)
11. June 1, 2015-May 31, 2016	(***)
12. June 1, 2016-May 31, 2017	(***)
13. June 1, 2017-May 31, 2018	(***)
14. June 1, 2018-May 31, 2019	(***)
15. June 1, 2019-April 30, 2020	(***)

BOC retains ownership of the liquid oxygen and liquid nitrogen storage tanks.

EXHIBIT I

TERMINATION FEE

Paragraph 2(h)

Year of Supply Period During Which Termination Occurs	Termination Fee
1. June 1, 2005-May 31, 2006	(***)
2. June 1, 2006-May 31, 2007	(***)
3. June 1, 2007-May 31, 2008	(***)
4. June 1, 2008-May 31, 2009	(***)
5. June 1, 2009-May 31, 2010	(***)
6. June 1, 2010-May 31, 2011	(***)
7. June 1, 2011-May 31, 2012	(***)
8. June l, 2012-May 31, 2013	(***)
9. June 1, 2013-May 31, 2014	(***)
10. June 1, 2014-May 31, 2015	(***)
11. June 1, 2015-May 31, 2016	(***)
12. June l, 2016-May 31, 2017	(***)
13. June 1, 2017-May 31, 2018	(***)
14. June 1, 2018-May 31, 2019	(***)
15. June 1, 2019-April 30, 2020	(***)

EXHIBIT J

FARMLAND MEMORANDUM OF LICENSE

MEMORANDUM OF LICENSE

THIS MEMORANDUM, made and entered into as of this 23rd day of December, 1997, by and between Farmland Industries, Inc., a Kansas cooperative corporation, hereinafter called "Farmland," and The BOC Group, Inc., a Delaware corporation, hereinafter called "BOC".

WITNESSETH:

1. Farmland hereby grants to BOC and its directors, officers, employees, agents, contractors and subcontractors, (a) a non-exclusive license, in common with Farmland, its employees, agents, contractors and licensees, for ingress, egress and access, with or without vehicles, equipment, materials and machinery over and across the lands and property owned by Farmland in Montgomery County, Kansas, to and from the parcel of land which is more particularly described on Exhibit A attached hereto and by this reference made a part hereof (the "BOC Site"), and (b) an exclusive license to occupy, use and construct on the BOC Site (subject to the reservation by Farmland for itself and its employees, agents, contractors, tenants and licensees of the right to use the BOC Site for certain designated purposes), and to install, modify, improve, operate and remove any and all equipment, machinery and other facilities installed thereon during the term of such license, all of which equipment, machinery and facilities shall be deemed to be, and shall remain, the personal property of BOC, all as more fully set forth in and subject to the provisions of that certain On-Site Product Supply Agreement (the "Agreement"), dated as of December 3, 1997 and effective as of December 12, 1997, by and between Farmland and BOC. The Agreement is hereby incorporated by reference and made a part hereof as if fully set forth herein.

2. The term of the Agreement commences on December 12, 1997, and ends as provided in Section 13(a) of the Agreement.

3. In the event of any conflict or inconsistency between the terms of this Memorandum and the terms of the Agreement, the terms of the Agreement shall control.

IN WITNESS WHEREOF, Farmland and BOC have executed this Memorandum as of the date first above written,

The BOC Group, Inc.

By: /s/ Glenn Fischer
Name: Glenn Fischer
Title: Pres. – BOC Gases Americas

Date: 1/19/98

Farmland Industries, Inc.

By: /s/Allan D. Holiday
Name: ALLAN D. HOLIDAY
Title: PROJECT MANAGER

Date: 12-23-97

Harriette Mitchem
The Bcc Group
575 Mountain ave
Murray Hill, NJ 07974-2082

ISDA®

$12.00 MISCELLANEOUS DOCUMENT 11 MAR 98 2:08 P.M. RECEIPT 21 STATE OF KANSAS MONTGOMERY COUNTY RECORDED BOOK 468 PAGE 93 JEANNE BURTON — REGISTER OF DEEDS

STATE OF MISSOURI)
) SS.
COUNTY OF CLAY)

This instrument was acknowledged before me this 23rd day of December, 1997, by Allan D. Holiday, as Project Manager of Farmland Industries, Inc., a Kansas corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Goldman Sachs

/s/ Mary E. Mockridge
Printed Name: Mary E. Mockridge
Notary Public in and for said County and State

My Commission Expires:

MARY E. MOCKRIDGE
Notary Public — State of Missouri
Commissioned In Clay County
My Commission Expires June 2, 2001

STATE OF New Jersey)
) SS.
COUNTY OF Union)

This instrument was acknowledged before me this 19th day of January, 1998, by Glenn Fischer as Vice President of The BOC Group, Inc., a Delaware corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/ Dolores M. Forziati
Printed Name: DOLORES M. FORZIATI
Notary Public in and for said County and State

My Commission Expires:
DOLORES M. FORZIATI
Notary Public of New Jersey
My Commission Expires August 24, 19[ILLEGIBLE]

Exhibit A

A PART OF BLOCK 9 OF MONTGOMERY'S ADDITION TO THE CITY OF COFFEYVILLE, MONTGOMERY COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE SE CORNER OF SAID BLOCK 9; THENCE ON AN ASSUMED BEARING OF N89°18'05"W ALONG THE SOUTH LINE OF SAID BLOCK 9 A DISTANCE OF 63.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING N89°18'05"W ALONG SAID SOUTH LINE A DISTANCE OF 300.03 FEET; THENCE N°00'00"E A DISTANCE OF 290.64 FEET; THENCE N90°00'00"E A DISTANCE OF 300.00 FEET; THENCE S00°00'00"E A DISTANCE OF 294.30 FEET TO THE POINT OF BEGINNING.

Record and return to:
Harriette Mitchem
The Boc Group
575 Mountain Avenue
Murray Hill, NJ 07974-2082

EXHIBIT K

Calculation of Lost Liquid Adjustment Factor, July 2005

June 2005 Total Power Bill	$1,675,534.28
June 2005 Total Usage (KWH)	42,263,000.00
June 2005 Total Power Cost ($/KWH)	$1,675,534.28 /42,263,000 =$.03965/KWH
July 2005 Total Power Bill	$1,674,041.22
July 2005 Total Usage (KWH)	44,069,000.00
July 2005 Total Power Cost ($/KWH)	$1,674,041.22 /44,069,000 = $.03799/KWH
July 2005 Adjustment Factor	July Total Cost / June Total Cost = $.03799 / $.03965 = .9581
July 2005 Liquid Margin/Ton	$46 × .9581 = $44.07
July Cap	$70,000 × .9581 = $67,067

THIRD AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIRD AMENDED AND RESTATED EMPLOYMENT AGREEMENT, dated as of January 1, 2011 (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") and an amended and restated employment agreement dated January 1, 2010 (the "Second 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, 2011 (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 $362,000 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 2011, the target Annual Bonus shall be 100% of the Executive's Base Salary as in effect at the beginning of the Term in fiscal year 2011 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; provided, however, that if the Annual Bonus is payable pursuant to a plan that is intended to provide for the payment of bonuses that constitute "performance-based compensation" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), the Annual Bonus shall be paid at such time as is provided in the applicable plan.

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 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 (or, in the case of a resignation for Good Reason, at the rate in effect immediately prior to the occurrence of the event constituting Good Reason, if greater) 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) a Pro-Rata Bonus and (z) 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") (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 or such continued participation in any plan would result in the imposition of an excise tax to the Company pursuant to Section 4980D of the Code, 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 (as defined below), 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 the foregoing and Section 3.2(e), the Severance Payments will commence to be paid to the Executive on the forty-fifth (45th) day following the Executive's termination of employment, except that the Pro-Rata Bonus shall be paid at the time when annual bonuses are paid generally to the Company's senior executives for the year in which the Executive's termination of employment occurs.

(b) Change in Control Termination. If (A) (i) the Executive's employment is terminated by the Company other than for Cause or Disability, or (ii) the Executive resigns for Good Reason, and such termination or resignation described in (i) or (ii) of this Clause (A) occurs 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, in addition to the Severance Payments described in Section 3.2(a), 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 (determined without regard to any reduction in Base Salary subsequent to the Change in Control or in connection with the Change in Control Related Termination) for a period of twelve (12) months (or, if earlier, until and including the month in which the Executive attains age 70) commencing on the one (1) year anniversary of the date of termination or resignation (the "Additional Severance Period"), (II) a payment each month during the Severance Period and the Additional 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 (determined without regard to any reduction in Base Salary or target Annual Bonus percentage subsequent to the Change in Control or in connection with the Change in Control Related Termination) 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"). Amounts received pursuant to this Section 3.2(b) shall be deemed to be included in the term Severance Payments for purposes of this Employment Agreement.

(c) Retirement. Upon Retirement, the Executive, whether or not Section 3.2(a) also applies but without duplication of benefits, shall be entitled to (i) a Pro-Rata Bonus, (ii) 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. 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 or such continued participation in any plan would result in the plan being discriminatory within the meaning of Section 4980D of the Code, 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. The Pro-Rata Bonus shall be paid at the time when annual bonuses are paid generally to the Company's senior executives for the year in which the Executive's Retirement occurs.

(d) 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 either or both are applicable, Section 3.2(b) and Section 3.2(c), 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) "Pro-Rata Bonus" shall mean, the product of (A) a fraction, the numerator of which is the number of days the Executive is employed by the Company during the year in which the Executive's employment terminates pursuant to Section 3.2(a) or (c) prior to and including the date of the Executive's termination and the denominator of which is 365 and (B)(i) if the Annual Bonus is payable pursuant to a plan that is intended to provide for the payment of bonuses that constitute "performance-based compensation" within the meaning of Section 162(m) of the Code, an amount for that year equal to the Annual Bonus the Executive would have been entitled to receive had his employment not terminated, based on the actual performance of the Company or the Executive, as applicable, for the full year, or (ii) if the Annual Bonus is not payable pursuant to a plan that is intended to provide for the payment of

bonuses that constitute "performance-based compensation", the target Annual Bonus for that year.

(7) "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.

(e) 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 4.2or 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. Payments Following Executive's Death. Any amounts payable to the Executive pursuant to this Employment Agreement that remain unpaid at the Executive's death shall be paid to the Executive's estate.

8.6. 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.

8.7. 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.

8.8. 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.

8.9. 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 and the Second Amended and Restated Agreement.

8.10. 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.

8.11. 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.

8.12. 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.

8.13. 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.

8.14. 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 Third 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.

THIRD AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIRD AMENDED AND RESTATED EMPLOYMENT AGREEMENT, dated as of January 1, 2011 (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") and an amended and restated employment agreement dated January 1, 2010 (the "Second Amended and Restated Agreement");

WHEREAS, the Company and the Executive desire to further amend and restate the Second 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, 2011 (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 2011, 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 2011 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; provided, however, that if the Annual Bonus is payable pursuant to a plan that is intended to provide for the payment of bonuses that constitute "performance-based compensation" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), the Annual Bonus shall be paid at such time as is provided in the applicable plan.

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 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 (or, in the case of a resignation for Good Reason, at the rate in effect immediately prior to the occurrence of the event constituting Good Reason, if greater) 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"), (y) a Pro-Rata Bonus and (z) 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")(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 or such continued participation in any plan would result in the imposition of an excise tax on the Company pursuant to Section 4980D of the Code, 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 the foregoing and Section 3.2(g), the Severance Payments will commence to be paid to the Executive on the forty-fifth (45th) day following the Executive's termination of employment, except that the Pro Rata Bonus shall be paid at the time when annual bonuses are paid generally to the Company's senior executives for the year in which the Executive's termination of employment occurs.

(b) Change in Control Termination. If (A) (i) the Executive's employment is terminated by the Company other than for Cause or Disability, or (ii) the Executive resigns for Good Reason, and such termination or resignation described in (i) or (ii) of this Clause (A) occurs 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, in addition to the Severance Payments described in Section 3.2(a), 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 (determined without regard to any reduction in Base Salary or target Annual Bonus percentage subsequent to the Change in Control or in connection with the Change in Control Related Termination) and such amounts shall be deemed to be included in the term Severance Payments for purposes of this Agreement.

(c) 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(c) 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 shall also pay to the Executive a Pro-Rata Bonus in the event of a termination of employment described in this Section 3.2(c). The Company's obligations to make the Supplemental Disability Payments and the Pro-Rata Bonus 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 that becomes effective not later than forty-five (45) days after the date of such termination 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 Supplemental Disability Payments and the Pro-Rata Bonus that have been paid to the Executive pursuant to this Section 3.2(c). Subject to the foregoing and Section 3.2(g), the Supplemental Disability Payments will commence to be paid to the Executive on the forty-fifth (45th) day following the Executive's termination of employment. The Pro-Rata Bonus shall be paid at the time when annual bonuses are paid generally to the Company's senior executives for the year in which the Executive's termination of employment occurs.

(d) 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), (i) 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(d) (which for the avoidance of doubt shall not include insurance provided by the Company under its group life insurance plan covering employees generally) and the Executive shall cooperate to assist the Company in obtaining such insurance and (ii) a Pro-Rata Bonus.

(e) Retirement. Upon Retirement, the Executive, whether or not Sections 3.2(a) or 3.2(c) also apply but without duplication of benefits, shall be entitled to (i) a Pro-Rata Bonus, (ii) 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 (iii) 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 or such continued participation in any plan would result in the plan being discriminatory within the meaning of Section 4980D of the Code, 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(e), 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. The Pro-Rata Bonus shall be paid at the time when annual bonuses are paid generally to the Company's senior executives for the year in which the Executive's Retirement occurs.

(f) 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 (each a "Good Reason Event"): (i) the assignment of duties or responsibilities to the Executive that reflect a material diminution of the Executive's position with the Company; provided, however, that the hiring of a chief executive officer by CVR GP, LLC shall not be a Good Reason Event if, immediately thereafter, the Executive is the chairman of the board of directors of CVR GP, LLC, (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. Notwithstanding the foregoing, if a Good Reason Event occurs upon or following a Change in Control and prior to the tenth (10^{th}) business day prior to the first (1^{st}) anniversary of the Change in Control, a resignation for Good Reason (i) may not be effective prior to the ninetieth (90^{th}) day after the date of the occurrence of the Change in Control and (ii) may be effective at any time within the period commencing ninety (90) days after the date of the occurrence of the Change in Control and ending on the first anniversary of the date of the occurrence of the Change in Control; provided, however, that the Executive must provide the Company with notice of the occurrence of the Good Reason Event 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 either or both are applicable, Section 3.2(b) and Section 3.2(e), 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) "Pro-Rata Bonus" shall mean, the product of (A) a fraction, the numerator of which is the number of days the Executive is employed by the

Company during the year in which the Executive's employment terminates pursuant to Section 3.2(a), (c), (d) or (e) prior to and including the date of the Executive's termination and the denominator of which is 365 and (B)(i) if the Annual Bonus is payable pursuant to a plan that is intended to provide for the payment of bonuses that constitute "performance-based compensation" within the meaning of Section 162(m) of the Code, an amount for that year equal to the Annual Bonus the Executive would have been entitled to receive had his employment not terminated, based on the actual performance of the Company or the Executive, as applicable, for the full year, or (ii) if the Annual Bonus is not payable pursuant to a plan that is intended to provide for the payment of bonuses that constitute "performance-based compensation", the target Annual Bonus for that year.

(7) "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.

(g) 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. Payments Following Executive's Death. Any amounts payable to the Executive pursuant to this Agreement that remain unpaid at the Executive's death shall be paid to the Executive's estate.

8.6. 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.

8.7. 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.

8.8. 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.

8.9. 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 and the Second Amended and Restated Agreement.

8.10. 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.

8.11. 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.

8.12. 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.

8.13. 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(e), 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.

8.14. 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
JOHN J. LIPINSKI

By: /s/ Stanley A. Riemann
Name: Stanley A. Riemann
Title: Chief Operating Officer

[Signature Page to Third 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.

SECOND AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT, dated as of January 1, 2011 (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") and an amended and restated employment agreement dated January 1, 2010 (the "Amended and Restated 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, 2011 (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 $335,000 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 2011, 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 2011 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; provided, however, that if the Annual Bonus is payable pursuant to a plan that is intended to provide for the payment of bonuses that constitute "performance-based compensation" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), the Annual Bonus shall be paid at such time as is provided in the applicable plan.

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 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 (or, in the case of a resignation for Good Reason, at the rate in effect immediately prior to the occurrence of the event constituting Good Reason, if greater) 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) a Pro-Rata Bonus and (z) 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") (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 or such continued participation in the plan would result in the imposition of an excise tax to the Company pursuant to Section 4980D of the Code, 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 (as defined below), 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 the foregoing and Section 3.2(e), the Severance Payments will commence to be paid to the Executive on the forty-fifth (45th) day following the Executive's termination of employment, except that the Pro-Rata Bonus shall be paid at the time when annual bonuses are paid generally to the Company's senior executives for the year in which the Executive's termination of employment occurs.

(b) Change in Control Termination. If (A) (i) the Executive's employment is terminated by the Company other than for Cause or Disability, or (ii) the Executive resigns for Good Reason, and such termination or resignation described in (i) or (ii) of this Clause (A) occurs 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, in addition to the Severance Payments described in Section 3.2(a), 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 (determined without regard to any reduction in Base Salary subsequent to the Change in Control or in connection with the Change in Control Related Termination) for a period of twelve (12) months (or, if earlier, until and including the month in which the Executive attains age 70) commencing on the one (1) year anniversary of the date of termination or resignation (the "Additional Severance Period"), (II) a payment each month during the Severance Period and the Additional 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 (determined without regard to any reduction in Base Salary or target Annual Bonus percentage subsequent to the Change in Control or in connection with the Change in Control Related Termination) 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"). Amounts received pursuant to this Section 3.2(b) shall be deemed to be included in the term Severance Payments for purposes of this Employment Agreement.

(c) Retirement. Upon Retirement, the Executive, whether or not Section 3.2(a) also applies but without duplication of benefits, shall be entitled to (i) a Pro-Rata Bonus, (ii) 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. 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 or such continued participation in any plan would result in the plan being discriminatory within the meaning of Section 4980D of the Code, 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. The Pro-Rata Bonus shall be paid at the time when annual bonuses are paid generally to the Company's senior executives for the year in which the Executive's Retirement occurs.

(d) 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 either or both are applicable, Section 3.2(b) and Section 3.2(c), 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) "Pro-Rata Bonus" shall mean, the product of (A) a fraction, the numerator of which is the number of days the Executive is employed by the Company during the year in which the Executive's employment terminates pursuant to Section 3.2(a) or (c) prior to and including the date of the Executive's termination and the denominator of which is 365 and (B)(i) if the Annual Bonus is payable pursuant to a plan that is intended to provide for the payment of bonuses that constitute "performance-based compensation" within the meaning of Section 162(m) of the Code, an amount for that year equal to the Annual Bonus the Executive would have been entitled to receive had his employment not terminated, based on the actual performance of the Company or the Executive, as applicable, for the full year, or (ii) if the Annual Bonus is not payable pursuant to a plan that is intended to provide for the payment of

bonuses that constitute “performance-based compensation”, the target Annual Bonus for that year.

(7) “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.

(e) 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. Payments Following Executive's Death. Any amounts payable to the Executive pursuant to this Employment Agreement that remain unpaid at the Executive's death shall be paid to the Executive's estate.

8.6. 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.

8.7. 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.

8.8. 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.

8.9. 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 and the Amended and Restated Agreement.

8.10. 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.

8.11. 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.

8.12. 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.

8.13. 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.

8.14. 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
EDWARD MORGAN

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 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 AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIRD AMENDED AND RESTATED EMPLOYMENT AGREEMENT, dated as of January 1, 2011 (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") and an amended and restated employment agreement dated January 1, 2010 (the "Second Amended and Restated Agreement").

WHEREAS, the Company and the Executive desire to further amend and restate the Second 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, 2011 (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 $425,000 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 2011, 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 2011 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; provided, however, that if the Annual Bonus is payable pursuant to a plan that is intended to provide for the payment of bonuses that constitute "performance-based compensation" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), the Annual Bonus shall be paid at such time as is provided in the applicable plan.

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 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 (or, in the case of a resignation for Good Reason, at the rate in effect immediately prior to the occurrence of the event constituting Good Reason, if greater) for a period of eighteen (18) months (or, if earlier, until and including the month in which the Executive attains age 70) (the "Severance Period") and (y) a Pro-Rata Bonus and (z) 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") (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 or such continued participation in any plan would result in the imposition of an excise tax to the Company pursuant to Section 4980D of the Code, 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 (as defined below), 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 the foregoing and Section 3.2(e), the Severance Payments will commence to be paid to the Executive on the forty-fifth (45th) day following the Executive's termination of employment, except that the Pro-Rata Bonus shall be paid at the time when annual bonuses are paid generally to the Company's senior executives for the year in which the Executive's termination of employment occurs.

(b) Change in Control Termination. If (A) (i) the Executive's employment is terminated by the Company other than for Cause or Disability, or (ii) the Executive resigns for Good Reason, and such termination or resignation described in (i) or (ii) of this Clause (A) occurs 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, in addition to the Severance Payments described in Section 3.2(a), 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 (determined without regard to any reduction in Base Salary subsequent to the Change in Control or in connection with the Change in Control Related Termination) for a period of twelve (12) months (or, if earlier, until and including the month in which the Executive attains age 70) commencing on the eighteen (18) month anniversary of the date of termination or resignation (the "Additional Severance Period"), (II) a payment each month during the Severance Period and the Additional 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 (determined without regard to any reduction in Base Salary or target Annual Bonus percentage subsequent to the Change in Control or in connection with the Change in Control Related Termination) and (III) the continuation of the Welfare Benefits for the twelve (12) month period commencing on the eighteen (18) month 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"). Amounts received pursuant to this Section 3.2(b) shall be deemed to be included in the term Severance Payments for purposes of this Employment Agreement.

(c) Retirement. Upon Retirement, the Executive, whether or not Section 3.2(a) also applies but without duplication of benefits, shall be entitled to (i) a Pro-Rata Bonus, (ii) 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 (iii) 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 or such continued participation in any plan would result in the plan being discriminatory within the meaning of Section 4980D of the Code, 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. The Pro-Rata Bonus shall be paid at the time when annual bonuses are paid generally to the Company's senior executives for the year in which the Executive's Retirement occurs.

(d) 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 either or both are applicable, Section 3.2(b) and Section 3.2(c), 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) "Pro-Rata Bonus" shall mean, the product of (A) a fraction, the numerator of which is the number of days the Executive is employed by the Company during the year in which the Executive's employment terminates pursuant to Section 3.2(a) or (c) prior to and including the date of the Executive's termination and the denominator of which is 365 and (B)(i) if the Annual Bonus is payable pursuant to a plan that is intended to provide for the payment of bonuses that constitute "performance-based compensation" within the meaning of Section 162(m) of the Code, an amount for that year equal to the Annual Bonus the Executive would have been entitled to receive had his employment not terminated, based on the actual performance of the Company or the Executive, as applicable, for the full year, or (ii) if the Annual Bonus is not payable pursuant to a plan that is intended to provide for the payment of

bonuses that constitute "performance-based compensation", the target Annual Bonus for that year.

(7) "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.

(e) 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. Payments Following Executive's Death. Any amounts payable to the Executive pursuant to this Employment Agreement that remain unpaid at the Executive's death shall be paid to the Executive's estate.

8.6. 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.

8.7. 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.

8.8. 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.

8.9. 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 and the Second Amended and Restated Agreement.

8.10. 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.

8.11. 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.

8.12. 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.

8.13. 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.

8.14. 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
STANLEY A. RIEMANN

By: /s/ John J. Lipinski
Name: John J. Lipinski
Title: Chief Executive Officer and President

[Signature Page to Third 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 AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIRD AMENDED AND RESTATED EMPLOYMENT AGREEMENT, dated as of January 1, 2011 (the "Employment Agreement"), by and between **CVR ENERGY, INC.**, a Delaware corporation (the "Company"), and **KEVAN A. VICK** (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") and an amended and restated employment agreement dated January 1, 2010 (the "Second Amended and Restated Agreement");

WHEREAS, the Company and the Executive desire to further amend and restate the Second 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, 2011 (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 and Fertilizer General Manager 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 $253,000 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 2011, the target Annual Bonus shall be 80% of the Executive's Base Salary as in effect at the beginning of the Term in fiscal year 2011 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; provided, however, that if the Annual Bonus is payable pursuant to a plan that is intended to provide for the payment of bonuses that constitute "performance-based compensation" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), the Annual Bonus shall be paid at such time as is provided in the applicable plan.

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 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 (or, in the case of a resignation for Good Reason, at the rate in effect immediately prior to the occurrence of the event constituting Good Reason, if greater) 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"), (y) a Pro-Rata Bonus and (z) 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") (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 or such continued participation in any plan would result in the imposition of an excise tax on the Company pursuant to Section 4980D of the Code, 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 the foregoing and Section 3.2(e), the Severance Payments will commence to be paid to the Executive on the forty-fifth (45th) day following the Executive's termination of employment, except that the Pro Rata Bonus shall be paid at the time when annual bonuses are paid generally to the Company's senior executives for the year in which the Executive's termination of employment occurs.

(b) Change in Control Termination. If (A) (i) the Executive's employment is terminated by the Company other than for Cause or Disability, or (ii) the Executive resigns for Good Reason, and such termination or resignation described in (i) or (ii) of this Clause (A) occurs 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, in addition to the Severance Payments described in Section 3.2(a), 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 (determined without regard to any reduction in Base Salary or target Annual Bonus percentage subsequent to the Change in Control or in connection with the Change in Control Related Termination) and such amounts shall be deemed to be included in the Severance Payments for purposes of this Agreement.

(c) Retirement. Upon Retirement, the Executive, whether or not Section 3.2(a) also applies but without duplication of benefits, shall be entitled to (i) a Pro-Rata Bonus and (ii) to the extent permitted pursuant to the applicable plans, 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 or such continued participation in any plan would result in the plan being discriminatory within the meaning of Section 4980D of the Code, 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(c), 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. The Pro-Rata Bonus shall be paid at the time when annual bonuses are paid generally to the Company's senior executives for the year in which the Executive's Retirement occurs.

(d) 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 either or both are applicable, Section 3.2(b) and Section 3.2(c), 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) "Pro-Rata Bonus" shall mean, the product of (A) a fraction, the numerator of which is the number of days the Executive is employed by the Company during the year in which the Executive's employment terminates pursuant to Section 3.2(a) or (c) prior to and including the date of the Executive's termination and the denominator of which is 365 and (B)(i) if the Annual Bonus is payable pursuant to a plan that is intended to provide for the payment of bonuses that constitute "performance-based compensation" within the meaning of Section 162(m) of the Code, an amount for that year equal to the Annual Bonus the Executive would have been entitled to receive had his employment not terminated, based on the actual performance of the Company or the Executive, as applicable, for the full year, or (ii) if the Annual Bonus is not payable pursuant to a plan that is intended to provide for the payment of bonuses that constitute "performance-based compensation", the target Annual Bonus for that year.

(7) "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.

(e) 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. Payments Following Executive's Death. Any amounts payable to the Executive pursuant to this Employment Agreement that remain unpaid at the Executive's death shall be paid to the Executive's estate.

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:	Kevan A. Vick 10 E. Cambridge Circle, Suite 250 Kansas City, KS 66103 Facsimile: (913) 981-0000

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 and the Second 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/ Kevan A. Vick
KEVAN A. VICK

By: /s/ John J. Lipinski
Name: John J. Lipinski
Title: Chief Executive Officer and President

[Signature Page to Third 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.

Consent of Independent Registered Public Accounting Firm

The Board of Directors of CVR GP, LLC
and
The Managing General Partner of CVR Partners, LP:

We consent to the use of our report included herein and to the reference to our firm under the headings “Summary Historical and Pro Forma Consolidated Financial Information,” “Selected Historical Consolidated Financial Information,” and “Experts” in the prospectus.

/s/ KPMG LLP

Houston, Texas
January 28, 2011

Exhibit 23.4

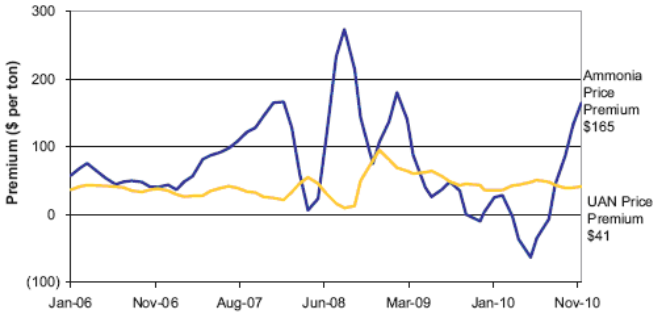
Consent of Blue, Johnson & Associates, Inc.

To Whom it May Concern:

We hereby consent to the use of our information, as properly attributed to us, in the registration statement on Form S-1 of CVR Partners, LP with respect to the following:

1. A statement that global nitrogen fertilizer demand has shown a compound annual growth rate of 2.1% over the last ten years and is expected to grow 1.0% per year through 2020.
2. The assumption that 33 MMbtu of natural gas is representative for a U.S. Gulf natural gas based plant to produce a ton of ammonia.
3. The assumption that $27 is representative of the operating cost to produce a ton of ammonia for a U.S. Gulf Coast natural gas based plant.
4. The assumption that $18 per ton is a representative cash cost to convert ammonia to UAN at a plant in the U.S. Gulf Coast.
5. The use of our nitrogen price report in connection with your preparation of price projections regarding the average plant gate price estimate for urea ammonium nitrate and ammonia.
6. A statement that U.S. potash and phosphate fertilizer volumes for 2009 both fell by 43%, from 2008 levels, whereas nitrogen fertilizer volumes fell by 12% during such period.
7. A statement that CVR Partners, LP's UAN production in 2009 (677,700 tons) represented approximately 6.4% of the total U.S. UAN demand and CVR Partners, LP's net ammonia for sale (156,636 tons) represented less than 1.0% of the total U.S. ammonia demand.
8. A statement that Southern Plains spot ammonia and corn belt spot UAN prices averaged $436/ton and $274/ton, respectively, for the 2006 through September, 2010 period, which represents an average 25% and 21% premium, respectively, over U.S. Gulf prices.
9. The premium per ton for Southern Plains ammonia and Cornbelt UAN to U.S. Gulf Coast prices from January 2006 to November 2010, shown in the table below.

Premium of Southern Plains Ammonia and Cornbelt UAN to U.S. Gulf Coast Prices ($ per ton)



Note: Three month rolling premium of Southern Plains ammonia and Cornbelt UAN to U.S. Gulf Coast NOLA Barge ammonia and UAN prices.
Source: Blue, Johnson & Associates, Inc. Report, 2009, Green Markets data for U.S. Gulf Coast prices after September 2010.

10. A statement that UAN fertilizer consumption has increased 8.5% from 2000 through 2010 (estimated) on a nitrogen content basis and ammonia fertilizer consumption decreased by 2.4% for the same period.

11. A statement that CVR Partners, LP's nitrogen fertilizer facility is the newest in North America.

12. A statement that CVR Partners' LP's nitrogen fertilizer operation is the only in North America that utilizes pet coke gasification to produce ammonia.

Submitted by:

/s/ Thomas A. Blue

Thomas A. Blue
President
Blue, Johnson & Associates, Inc.
6101 Marble NE, Suite 8
Albuquerque, NM 87110
Tel 505-254-2157
Fax 505-254-2159
blucabq@qest.net

January 27 , 2011

Direct Line: (212) 859-8735
Fax: (212) 859-4000
michael.levitt@friedfrank.com
January 28, 2011

Justin Dobbie
John Stickel
Division of Corporate Finance
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: CVR Partners, LP
Registration Statement on Form S-1
File No.: 333-171270

Dear Mr. Dobbie and Mr. Stickel:

This letter sets forth the response of CVR Partners, LP (the "Partnership" or "CVR") to the comment letter, dated January 14, 2011, of the staff of the Division of Corporation Finance (the "Staff") with respect to CVR's Registration Statement on Form S-1 filed on December 20, 2010 (the "Registration Statement"). This letter is being filed with Amendment No. 1 to the Registration Statement (the "Amended Registration Statement"); all references to page numbers in the responses below are to page numbers in the Amended Registration Statement. In order to facilitate your review, we have repeated each comment in its entirety in the original numbered sequence. We have also sent to your attention via courier four courtesy copies of the Amended Registration Statement marked to show changes from the Registration Statement.

General

1. *Please confirm that you have provided all disclosure that may be required by Securities Act Industry Guide 5. Note that Release No. 33-6900 states that the requirements of Guide 5 "should be considered, as appropriate, in the preparation of all other limited partnership offerings." Refer to Sections II.A.3.f. and II.B.2 of Securities Act Release 33-6900 for guidance and revise as appropriate.*

Response:

The Partnership has carefully considered Industry Guide 5 and Release No. 33-6900 and believes it has satisfied all relevant requirements of the Guide and Release No. 33-6900 as applied by the Staff to offerings of common units in publicly-traded limited partnerships.

With respect to the information required by II.B.2 of Release No. 33-6900, the Partnership notes that:

- Information relating to “compensation to the general partner and its affiliates” is discussed on pages 50-51 of the Amended Registration Statement.
- Information relating to “conflicts of interest and fiduciary duties” is discussed on pages 143-150 of the Amended Registration Statement.
- Information relating to “management” is discussed on pages 112-127 of the Amended Registration Statement.
- The Partnership’s partnership agreement is summarized beginning on page 153 of the Amended Registration Statement.
- Information relating to “distributions and allocations” is described on pages 56-66.

The Partnership believes that disclosure of prior performance as referenced in Section II.A.3.f of Securities Act Release 33-6900 is not warranted because the Partnership, although structured as a limited partnership, is not a “program” as that term is used in Industry Guide 5 or Securities Act Release 33-6900. For instance, the Partnership is not a commodity pool or an equipment leasing, oil and gas or real estate investment program. In addition, the Partnership does not, and does not intend to, engage in trading activities or purchase real estate properties for investment. To the contrary, the Partnership is an operating business that owns and operates a nitrogen fertilizer manufacturing plant. In contrast to “programs,” the Partnership will not generate income from trading activities or passive investments; instead, the Partnership generates substantially all of its income from manufacturing and selling nitrogen fertilizer products (mainly ammonia and UAN).

2. *Please advise us as to whether you intend to use additional sales material, in addition to the prospectus, to sell the common units. If this is the case, please provide the staff with copies of any sales literature you intend to use, prior to use. These materials are subject to our review and comment. Refer to Item 19.D. of Securities Act Industry Guide 5 and Release No, 33-6900 regarding disclosure in offerings of limited partnership interests.*

Response:

The Partnership acknowledges that sales materials are subject to the Staff’s review and comment. No sales materials will be given to any prospective investors in connection with the offering other than a preliminary prospectus and any material provided in connection with the directed unit program described on page 185 of the Amended Registration Statement. The Partnership intends to conduct a “road show” in connection with the offering that will include a slide presentation. Hard copies of the slide presentation will not be distributed.

3. *Please revise to eliminate the marketing language throughout the prospectus. For example, revise or remove the following assertions:*

- *Pages 1, 71 and 97: The "significant" experience of your management.*
- *Page 113: Mr. Vick is "one of the most highly respected executives in the nitrogen fertilizer industry, known for both his technical expertise and his in-depth knowledge of the commercial marketplace."*

Response:

The Partnership has removed the language cited above on pages 1, 71, 99 and 115 of the Amended Registration Statement in response to the Staff's comment. Additionally, the Partnership has removed references to its "significant" transportation cost advantage on pages 4, 74, 102 and 103 (and in each place has indicated that the Partnership shares the cost advantage with other competitors located in its regions) and has deleted references to the "attractive" U.S. farm belt agricultural market on pages 4, 74 and 102.

4. *Please revise your disclosure to provide a basis for the follow assertions or beliefs, or revise to remove the relevant statements:*

- *Page 1: You are the lowest cost producer and marketer of ammonia and UAN fertilizers in North America.*
- *Page 4: UAN is the fastest growing fertilizer among nitrogen fertilizer products in the United States.*
- *Page 4: A significant portion of your competitors' revenues are derived from the lower margin industrial market.*
- *Page 4: Your nitrogen fertilizer facility is the newest such facility in North America.*

Response:

With respect to the statement on page 1 of the Amended Registration Statement that the nitrogen fertilizer business has historically been the lowest cost producer and marketer of ammonia and UAN fertilizers in North America, the Partnership has submitted to the Staff, on a supplemental basis, backup materials in Exhibit A-1 that support the statement. The Partnership also respectfully informs the Staff that CVR Energy, Inc. ("CVR Energy") responded to a similar comment from the Staff in connection with its initial public offering in 2007.

With respect to the second statement above, the Partnership has revised the disclosure to state that UAN fertilizer consumption is estimated to have increased by 8.5% from 2000 through 2010 on a nitrogen content basis, whereas ammonia fertilizer consumption decreased by 2.4% for the same period. See pages 4, 6, 95 and 101 of the Amended Registration Statement. The revised statement is based on data provided by Blue, Johnson & Associates, Inc. ("Blue Johnson"), an independent consulting company not affiliated with CVR Energy or the Partnership that specializes in the nitrogen fertilizer industry. The Amended Registration Statement notes that Blue Johnson is the source of the information, and includes an updated consent from Blue Johnson as an exhibit to the Amended Registration Statement in which Blue

Johnson specifically consents to such statement. See Item 10 in Blue Johnson's consent, which is filed as Exhibit 23.4 to the Amended Registration Statement.

With respect to the third statement above, the Partnership has submitted to the Staff, on a supplemental basis, publicly available backup materials in Exhibit A-2 that support the statement. The Partnership has also revised the disclosure on pages 4 and 102 in the Amended Registration Statement to indicate that the source of the statement is publicly available information prepared by our competitors.

With respect to the fourth statement above, the Partnership has revised the disclosure on pages 4 and 102 of the Amended Registration Statement to indicate that Blue Johnson is the source of the information. The Partnership has also included an updated consent from Blue Johnson as an exhibit to the Amended Registration Statement in which Blue Johnson specifically consents to the Partnership's statement that its nitrogen fertilizer facility is the newest such facility in North America. See Item 11 in Blue Johnson's consent, which is filed as Exhibit 23.4 to the Amended Registration Statement.

5. *We note that you emphasize in the summary and throughout that you are the only operation in North America that utilizes a pet coke gasification process to produce ammonia. Please tell us why you believe this to be the case. Please also tell us whether there are any differences in regards to the environmental impact from using pet coke versus using natural gas.*

Response:

The source of the statement that the Partnership is the only operation in North America that utilizes a pet coke gasification process to produce ammonia is Blue Johnson. The Partnership has modified the disclosure on page 1 of the Amended Registration Statement to identify Blue Johnson as the source of this statement. In addition, the Partnership has included an updated consent from Blue Johnson as an exhibit to the Amended Registration Statement in which Blue Johnson specifically consents to the Partnership's statement that it is the only facility in North America that utilizes pet coke gasification to produce ammonia and to the citation of Blue Johnson as the source for this statement. See Item 12 in Blue Johnson's consent.

In the Partnership's view, the reason why its facility is the only nitrogen fertilizer facility currently operating in North America that produces ammonia via pet coke gasification instead of natural gas is that it would be extremely expensive for another manufacturer to build a gasifier complex, and there would be a long learning curve needed to operate such equipment.

The environmental impact from using pet coke to produce ammonia is significantly lower compared to the impact from using natural gas to produce ammonia. The main reason for this distinction is that the pet coke gasification process involves less fuel consumption.

The natural gas ammonia production process consumes approximately 33 million BTU/ton of natural gas, and 40% of that gas is consumed as fuel in continuously fired indirect process heaters that heat and thermally crack the steam and natural gas mixture to form syngas. In gasification, when pet coke and oxygen are combined in the hot preheated gasifier, they spontaneously combust to directly form the syngas without the need for additional external heat. The heat created by the spontaneous combustion is continuous and does not require any external heat as long as the pet coke and oxygen are being supplied. The Partnership's gasification method only uses

natural gas for flares and startup preheaters. Consequently, the gasification process uses less than 3% of the amount of natural gas used by natural gas nitrogen fertilizer producers. Given this significant disparity in fuel combustion, NOx and SOx emissions (which are by-products of the combustion of fuel) are dramatically lower per ton of ammonia production using the pet coke gasification process as compared to natural gas based plants.

Furthermore, although pet coke gasification plants produce more CO_2 per ton of ammonia than natural gas based plants, it is more economical to capture the CO_2 from the gasification process because the CO_2 streams from the gasification process are highly concentrated. By contrast, CO_2 produced in a combustion stream associated with natural gas based plants is typically a low concentration component of a high temperature gas stream. Isolating and capturing CO_2 from a combustion gas stream is currently uneconomical.

6. *Please provide us with any artwork that you intend to use with your next amendment.*

Response:

The Partnership acknowledges the Staff's comment and will submit to the Staff the artwork that it intends to include in the preliminary prospectus in a subsequent amendment.

Prospectus Summary, page 1

7. *We note that several sections of the summary are identical to the Business section beginning on page 97. However, Item 503(a) of Regulation S-K requires that the summary provide a brief overview of the key aspects of the offering, not merely repeat the text of the prospectus. Please carefully consider and identify those aspects of the business and offering that are the most significant and revise so as to highlight these points in a clear and concise manner.*

Response:

The Partnership has revised the disclosure on pages 1-5 of the Amended Registration Statement in response to the Staff's comment.

8. *We note that you highlight your relationship with CVR Energy in numerous places throughout the summary section. Consistent with the risk factor on page 36, please also disclose in an appropriate section of the summary that CVR Energy's financial condition could impact your business due to these relationships, and that the ratings assigned to its senior secured indebtedness are below investment grade.*

Response:

The Partnership has added incremental disclosure on page 6 in response to the Staff's comment.

Our Competitive Strengths, page 2

9. *Please expand the table on page 2 (and page 98) to present illustrative sales and cash available for distributions in addition to EBITDA.*

Response:

The Partnership has revised the tables on pages 2 and 100 of the Amended Registration Statement to present illustrative sales and cash available for distribution in response to the Staff's comment.

10. *Please add reference points to the table on page 2 (and page 98). In this regard, we suggest you show (i) actual amounts for the year ended December 31, 2009, based on the average plant gate price per ton for UAN and ammonia of $198 and $314, respectively, (ii) actual amounts for the twelve months ended September 30, 2010, based on the average plant gate price per ton for UAN and ammonia of $168 and $305, respectively, and (iii) forecasted amounts for the year ended December 31, 2011, based on your estimated average plant gate price per ton for UAN and ammonia of $252 and $523, respectively.*

Response:

The Partnership has added the requested reference points to the tables on pages 2 and 100 of the Amended Registration Statement in response to the Staff's comment.

High Margin Nitrogen Fertilizer Producer, page 3

11. *The cost advantage illustrated by the table on page 3 is based entirely upon assumptions about your competitors' costs and is limited to the U.S. Gulf Coast subset of your competition. Please explain why you believe that this type of disclosure is appropriate for inclusion in the prospectus, and the summary in particular. In the alternative, please eliminate the table or revise to limit the presentation to factual information about your cost structure and how it impacts your margins.*

Response:

The Partnership believes that the table on page 3 of the Amended Registration Statement provides investors with a meaningful comparison of its costs to those of competitors operating in the U.S. Gulf Coast region.

The Staff notes that the data on U.S. Gulf Coast competitors is based upon assumptions about competitors' costs. However, the assumptions were not generated by the Partnership, but, instead, were provided by Blue Johnson, which has consented to the use of its data in the table on page 3 of the Amended Registration Statement.

The Staff notes that the table is limited to the U.S. Gulf Coast subset of the Partnership's competitors. However, the Partnership believes that comparing its plant, located in the U.S. Farm Belt, with U.S. Gulf Coast producers is meaningful for investors because the price floor in the U.S. Farm Belt region (where the Partnership sells most of its nitrogen fertilizer) is set by U.S. Gulf Coast producers. The U.S. Farm Belt does not produce enough nitrogen fertilizer to

meet demand and is therefore required to import nitrogen fertilizer from other domestic and international sources to meet its nitrogen fertilizer needs. Because of proximity, producers in the U.S. Gulf Coast are able to supply farmers in the U.S. Farm Belt at the next-lowest cost, and therefore their cost to produce nitrogen fertilizers sets the price floor in the U.S. Farm Belt region. As long as the Partnership's costs are lower than the costs of U.S. Gulf Coast competitors and these competitors set the minimum prices in our industry, the Partnership will be as profitable or more profitable than these competitors. We believe this is relevant information for investors seeking to evaluate our company against our competitors.

Strategically Located Asset, page 4

12. *We note your disclosure here and elsewhere referencing the advantage of your being located in the farm belt. However, consistent with your disclosure on page 105 regarding competitors, please clarify here and throughout to that there are other nitrogen fertilizer producers that are also strategically located in the farm belt that share the same location advantages.*

    Response:

The Partnership has revised the disclosure on pages 4, 74 and 102 of the Amended Registration Statement in response to the Staff's comment.

Experienced Management Team, page 4

13. *Please balance your disclosure here to clarify that your management team dedicates only a percentage of their time to your business.*

    Response:

The Partnership has revised the disclosure on page 4 in response to the Staff's comment.

Expand UAN Capacity, page 5

14. *Please quantify the expected remaining cost of the UAN expansion and how much of the proceeds from this offering you intend to allocate to the expansion. Please revise the "Use of Proceeds" and "Capital Spending" sections accordingly.*

    Response:

The Partnership has revised the disclosure on page 5 of the Amended Registration Statement, under "Use of Proceeds," on page 52 and under "Management's Discussion and Analysis of Financial Condition and Results of Operation—Liquidity and Capital Resources—Capital Spending" on page 87 in response to the Staff's comment.

Industry Overview, page 6

15. *Please disclose the source for the statement that fertilizer use is projected to increase by 17% over the next 20 years and file the consent required by Rule 436 if appropriate.*

Response:

The Partnership has revised the disclosure on pages 6 and 93 of the Amended Registration Statement in response to the Staff's comment to indicate that global fertilizer use is expected to increase by 45% from 2005-2030. See Table 3 on page 8 of the source material showing global demand of 153.8 million Mt in 2005 and forecasted demand of 223.1 million Mt in 2030, an increase of 45%. The source for this statement, a paper entitled Forecasting Long-term Global Fertilizer Demand, published under the auspices of the Food and Agriculture Organization of the United Nations, is publicly available at https://cours.etsmtl.ca/gol502/Notes%20de%20cours/globalfertdemand.pdf and, accordingly, the Partnership believes that a consent is not required.

Call Right, page 9

16. *Please disclose the percentage of the common units your general partner and its affiliates will own at the closing of this offering.*

Response:

The Partnership has revised the disclosure on page 9 of the Amended Registration Statement in response to the Staff's comment.

Summary Historical and Pro Forma Consolidated Financial Information, page 12

17. *Please expand the disclosure with respect to your presentation of EBITDA to address (i) its inclusion in the determination of cash available for distributions, as discussed on pages 56-65, and (ii) its inclusion in covenant compliance calculations under the terms of your proposed credit facility, if applicable.*

Response:

The Partnership has revised the disclosure on pages 17 and 59 of the Amended Registration Statement in response to part (i) of the Staff's comment. The scope and content of the covenants that will govern the Partnership's proposed credit facility have not yet been determined, including the role of EBITDA therein. The Partnership will revise its disclosure in response to part (ii) of the Staff's comment to provide relevant covenant compliance calculations in future filings when such information is available.

18. *We note that you operate under an apparently favorable pet coke supply agreement with CVR Energy. As part of your discussion of forecasted cost of product sold, please include a discussion of the impact such supply agreement has on forecasted net income and forecasted cash available for distribution; that is, please disclose how much pet coke you expect to obtain from CVR Energy in tons, and the impact on your forecasted results of obtaining 100% of your raw material in the open market.*

Response:

The Partnership has revised the disclosure on page 64 in response to the Staff's comment.

There is no assurance that our competitors' transportation costs will not decline, pages 31

19. *Please revise to remove the mitigating language from the heading and narrative section of this risk factor. We believe it is inappropriate to reference competitive advantages in the risk factors section.*

Response:

The Partnership has revised the disclosure on page 31 of the Amended Registration Statement in response to the Staff's comment.

Limited partners may not have limited liability, page 40.

20. *Clarify those jurisdictions where you currently do business where the limitations on the liability of holders of limited partnership interests for the obligations of the partnership have not been clearly established.*

Response:

The Partnership has modified the disclosure on pages 40 and 156 of the Amended Registration Statement in response to the Staff's comment. The Partnership does not do business in any jurisdictions where the limitations on liability of holders of LP interests have not been clearly established.

Unitholders have liability to repay distributions, page 41

21. *Revise to disclose every circumstance under which a unitholder may be liable to repay a distribution.*

Response:

The Partnership has revised the disclosure on pages 40-41 of the Amended Registration Statement in response to the Staff's comment.

Cautionary Note Regarding Forward-Looking Statements, page 48.

22. *Because you must have a reasonable basis for all forward-looking statements, in future filings, please remove language suggesting that investors may not place any reliance on such information, such as "reliance should not be placed on forward-looking statements." Although you may caution investors about their reliance on such information, you may not limit it entirely.*

Response:

The Partnership has revised the disclosure on page 49 of the Amended Registration Statement in response to the Staff's comment.

Use of Proceeds, page 52

23. *We note that some of the proceeds will be used to make a special distribution to Coffeyville Resources. Please briefly explain the nature and purpose of this special distribution or advise.*

Response:

We have revised the disclosure on pages 7, 50, 52, 53, 132-133 and P-6 of the Amended Registration Statement in response to the Staff's comment.

Forecasted Available Cash, page 60

Net Sales, page 63

24. *Please provide us with a discussion of how management estimated the average plant gate prices and tonnage to be sold in 2011 for UAN and ammonia. Please include management's analysis of the data that was considered and how management arrived at the conclusion that the estimates included in the prospectus are reasonable.*

Response:

The amount of ammonia and UAN to be sold in the Partnership's 2011 sales forecast is based on the Partnership's forecasted production. The United States is a net importer of nitrogen fertilizers (see *Exhibit B* to this letter with support from The Fertilizer Institute) — this means that demand is high and domestic production is not adequate to meet this demand. In addition, the U.S. Department of Agriculture recently announced that the corn stocks-to-use ratio, the ratio of amount of corn in inventory to the amount of corn consumed, is at a 15 year low (see *Exhibit C* to this letter) — this causes corn prices to rise and increases the demand for nitrogen fertilizer in order for farmers to increase their yield to take advantage of the higher prices. As a mid-continent based producer, the Partnership has always been able to sell all of the ammonia and UAN it produces and believes that will be the case in 2011 given the market environment described above. As a result, the Partnership believes that the amount it can produce will equal the amount it can sell.

The Partnership's pricing forecasts evaluate pricing on a monthly basis (see *Exhibit D* to this letter). Exhibit D shows the Partnership's monthly pricing forecast as compared to Blue Johnson's monthly pricing forecast. As you can see in Exhibit D, the plant gate prices the Partnership prepared in connection with the forecast that appears on pages 61-62 of the Amended Registration Statement are more conservative (i.e., lower for each period) than the estimates included in Blue Johnson's pricing forecast dated January 7, 2011. The average plant gate prices included in our forecast through April 2011 for ammonia and through May 2011 for UAN are based on our current book of orders (i.e., actual contracts for the sale of ammonia and UAN the Partnership has entered into). The Partnership's actual average plant gate prices through April 2011 for ammonia and through May 2011 for UAN are substantially lower than the Blue Johnson forecast because they reflect sale contracts that were entered into in prior periods, when ammonia and UAN prices were lower than the period in which the product was delivered. For the balance of the year the average monthly plant gate price is based on (1) a review of Blue Johnson's price forecast (attached as *Exhibit E* to this letter), (2) market intelligence acquired through customer meetings, and (3) the Partnership's analysis of optimal product distribution

patterns, which is based on its knowledge of the ammonia and UAN needs of existing customers, and tailored to take advantage of favorable freight rates for product delivery.

Agreements with CVR Energy, page 75

25. *We note your discussion on page 73 of the volatility advantages of your pet coke production process over the natural gas production process used by a majority of the nitrogen fertilizer producers. Please revise this discussion to also include an in-depth discussion of the risks to you due to changes in the price of pet coke and the risks to your supply of pet coke due to your relationship with CVR Energy. You should include an in-depth discussion of your pricing agreement with CVR Energy. Such a discussion should include an explanation of the nature of the relationship between the price you can obtain for UAN and the price paid to CVR Energy for pet coke. Please consider supplementing such a discussion with a chart showing the UAN-based ceiling and floor and how the price paid by you to CVR Energy relates to the price paid by you in the open market.*

Response:

The Partnership has revised the disclosure on page 75 of the Amended Registration Statement to include an in-depth discussion of the pricing agreement with CVR Energy and the factors identified in the Staff's comment. The Partnership notes that the penultimate paragraph of page 74 of the Amended Registration Statement (as well as the last risk factor beginning on page 24 of the Amended Registration Statement) discuss the risks associated with changes in pet coke prices. The Partnership believes the narrative disclosure added on page 75 of the Amended Registration Statement provides investors with a clear description of the UAN-based ceiling and floor and how the price paid by the Partnership relates to the price paid in the open market.

Results of Operations, page 75

26. *Please review your discussion of period to period operating results and revise your explanations of changes to include specific facts and circumstances surrounding such changes. For example, on page 80, you discuss the increase in cost of product sold as attributable to an increase in sales volume, but do not disclose the underlying reasons surrounding such increases in volume. On the same page, in your discussion of changes in Selling, General, and Administrative expenses, you cite increases in payroll costs and decreases in costs of outside services without discussing the business events leading to these changes. You also discuss the increase in depreciation expense as the result of an increase in assets placed into service in 2008 and 2009, but do not discuss why these assets were necessary. Please review this entire section and revise, as appropriate, as these examples are not meant to be all-inclusive. Please similarly review and revise your discussion of cash flows under Liquidity and Capital Resources.*

Response:

The Partnership has revised the disclosure on pages 79—85, 88 and 91 of the Amended Registration Statement in response to the Staff's comment.

27. *When presenting comparative information for your net sales, please consider using tables to summarize the separate effects of changes in price and volume on your net sales of UAN and ammonia.*

Response:

The Partnership has revised the disclosure on pages 78, 80 and 82 of the Amended Registration Statement to include the requested tables in response to the Staff's comment.

28. *We note that you provide separate operating statistics on page 77 for UAN and ammonia production and pricing. Accordingly, please present separately your net sales attributable to UAN and ammonia throughout your MD&A.*

Response:

The Partnership has revised the disclosure on pages 78, 80 and 83 of the Amended Registration Statement in response to the Staff's comment.

Capital Spending, page 85

29. *Please revise either your tabular disclosure or the related narrative to indicate the amount of capital expenditures that are related to the UAN plant expansion.*

Response:

The Partnership has added additional disclosure on page 88 of the Amended Registration Statement in response to the Staff's comment.

New Credit Facility, page 85

30. *If EBITDA is expected to be used in the determination of compliance with the covenants under your proposed credit facility, please disclose that fact and describe the related covenant compliance calculations.*

Response:

The scope and content of the covenants that will govern the Partnership's proposed credit facility have not yet been determined, including the role of EBITDA. The Partnership will update its disclosure to provide relevant covenant compliance calculations in future filings when such information is available.

Compensation Discussion and Analysis, page 115

31. *We note that you have not included any disclosure in response to Item 402(s) of Regulation S-K. Please advise us of the basis for your conclusion that disclosure is not necessary and describe the process you undertook to reach that conclusion.*

Response:

The Partnership's executive officers, together with the CVR Energy compensation committee, have considered risks arising from CVR Energy's compensation policies and practices in which employees of the Partnership participate and have concluded that the compensation policies and practices are not reasonably likely to have a material adverse effect on the Partnership because (a) the nature of the Partnership's business generally does not involve short term compensation payments for services that relate to products or tasks that are expected to generate long term income and risk and (b) our employees cannot engage in speculative transactions and do not have the ability to put significant amounts of capital at risk.

32. *Please remove the disclaimer on page 116 that the discussion does not purport to be a complete discussion and analysis of CVR Energy's compensation policies and practices.*

Response:

The Partnership has removed the language cited above on page 118 of the Amended Registration Statement in response to the Staff's comment.

33. *We note your disclosure that the compensation committee takes into account peer or market survey information for comparable public companies. Please identify the companies that you have relied upon for benchmarking purposes. If you have benchmarked different elements of your compensation against different benchmarking groups, please identify the companies that comprise each group. Refer to Item 402(b)(2)(xiv) of Regulation S-K.*

Response:

The Partnership has revised the Compensation Discussion and Analysis on pages 118-119 of the Amended Registration Statement in response to the Staff's comment.

34. *Please revise to disclose the name of the compensation consultant utilized by the compensation committee.*

Response:

The Partnership has revised the Compensation Discussion and Analysis on pages 118-119 of the Amended Registration Statement in response to the Staff's comment.

35. *We note the general discussion of the factors that are taken into account by the compensation committee in making annual bonus determinations. Please discuss how the compensation committee arrived at the specific annual bonus awards for 2009 for each of the named executive officers. Please also address why certain named executive officers received target bonuses while others received above-target bonuses.*

Response:

The Partnership acknowledges the Staff's comment and will include such information regarding annual bonus determinations in a subsequent amendment to the Registration Statement. Compensation for 2010 is not included in the Amended Registration Statement

because the compensation paid to the executive officers of the Partnership's general partner with respect to the Partnership during 2010 has not yet been determined at this time.

Summary Compensation Table, page 118

36. *Please explain why you have included the annual bonus amounts in the "Bonus" column rather than the "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table. Please discuss, in particular, how you concluded that annual cash performance bonuses provided for in each of the named executive officers' employment agreements do not constitute awards under non-equity incentive plans as defined in Item 402 (a)(6)(iii) of Regulation S-K.*

Response:

Item 402(a)(6)(iii) of Regulation S-K defines an "incentive plan" as any plan providing compensation intended to serve as incentive for performance to occur over a specified period, whether such performance is measured by reference to financial performance of the registrant or an affiliate, the registrant's stock price, or any other performance measure. The Partnership has included the annual bonus amounts in the "Bonus" column rather than the "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table because it believes annual bonuses are not made pursuant to an incentive plan given the discretionary nature of these awards, which are not tied to achievement of a specified performance measure or criteria. Rather, CVR Energy's compensation committee determines whether and the extent to which the target bonus amounts provided for in the employment agreements should be paid based on a consideration of several factors, each of which are subjectively applied by the committee and none of which is dispositive.

These factors include the individual's level of performance, the individual's level of responsibilities, a peer group assessment and the individual's total overall compensation package. The performance determination takes into account overall operational performance, financial performance, factors affecting shareholder value, including growth initiatives, and the individual's personal performance. The determination of annual bonuses by CVR Energy's compensation committee is not based on specific quantitative and qualitative performance criteria or pre-set formulas, but rather a general assessment of how the business performed as compared to the business plan developed for the year. At its discretion, CVR Energy's compensation committee may determine that bonuses may be paid in an amount equal to the target percentage, less than the target percentage or greater than the target percentage (or not at all), regardless of the achievement of a particular element of performance. The annual bonus program is structured this way because, due to the nature of the business, financial performance alone may not dictate or be a fair indicator of the performance of the executive officers. Conversely, financial performance may exceed all expectations, but it could be due to outside forces in the industry rather than true performance by an executive that exceeds expectations. In order to take these differing impacts and related results into consideration and to assess the executive officers' performance on their own merits, the compensation committee of CVR Energy makes an assessment of the executive officers' performance separate from the actual financial performance of CVR Energy, although such measurement is not based on any specific metrics.

The Partnership is cognizant of its disclosure obligations under Item 402(b)(2)(v) of Regulation S-K and, should CVR Energy's compensation committee determine annual bonuses by reference to financial performance or any other performance measure in the future, it will provide responsive disclosure.

Certain Relationships and Related Party Transactions, page 130

37. *Please quantify the amounts loaned to Coffeyville Resources and the interest rates you received on those borrowings. Please also quantify the cash on your balance sheet to be distributed to Coffeyville Resources before the closing date of the offering.*

Response:

The Partnership has revised the disclosure on page 132 of the Amended Registration Statement to include the amounts loaned to Coffeyville Resources and the interest rates received in response to the Staff's comment. The Partnership will update its disclosure to provide the estimated amount of balance sheet cash to be distributed to Coffeyville Resources in a future filing when such amount can reasonably be estimated.

38. *Please revise the first paragraph on page 133 to disclose the total amounts you paid for pet coke in the time periods referenced.*

Response:

The Partnership has revised the disclosure on page 135 of the Amended Registration Statement in response to the Staff's comment.

Real Estate Transactions, page 135

39. *Please discuss in greater detail those "certain parcels of land" that CVR Energy has transferred to you, including, for example, the date of transfer, any consideration for the transfer and the size and general nature of the land.*

Response:

The Partnership has revised the disclosure on page 137 of the Amended Registration Statement in response to the Staff's comment.

Material Tax Consequences, page 165

40. *We note that Vinson & Elkins L.L.P. has not rendered an opinion with respect to the treatment of a unitholder whose common units are loaned to a short seller to cover a short sale of common units. Please state why counsel is not able to opine on that tax consequence.*

Response:

Counsel is unable to opine regarding the tax treatment of a unitholder whose common units are loaned to a short seller to cover a short sale of common units due to a lack of controlling authority. The Partnership has revised the disclosure on pages 46 and 172 of the Amended Registration Statement in response to the Staff's comment.

Financial Statements

General

41. *Please revise the face of your financial statements to present related party items separately on the face of the financial statements. Refer to Rule 4-08(k) of Regulation S-X.*

Response:

Although Rule 4-08(k) of Regulation S-X requires that the dollar amount of all material related party transactions be disclosed on the face of the financial statements, the Partnership believes that comprehensive footnote disclosure should be acceptable if, after giving consideration to the magnitude and nature of the transaction and the relationship of the parties, prominent display of the related party transaction is not warranted.

The only material transactions the Partnership has entered into with a related party are the amounts that were loaned to its affiliate, Coffeyville Resources, LLC. This balance was disclosed on the face of the balance sheet as "Due from Affiliate." This also was disclosed in the footnotes to the financial statements in the related party transaction footnote. See the last subsection of Note 14 on page F-31 of the Amended Registration Statement.

All other related party transactions were appropriately disclosed in the footnotes to the financial statements in the related party transactions footnote. See Note 14 on pages F-27 to F-31 of the Amended Registration Statement. The Partnership believes that the footnote disclosure is appropriate, provides full transparency and satisfies the requirements of Regulation S-X. Accordingly, the Partnership respectfully submits that its current presentation should be satisfactory.

Consolidated Balance Sheets, page F-2

42. *We note from disclosure elsewhere in your filing that, as part of the Transactions, you intend to pay CVR Energy all of the cash on hand immediately prior to the offering ($28.7 million at September 30, 2010) and distribute the $160.5 million Loan to Affiliate. This distribution, in the aggregate, appears to be significant to your reported equity. As such, please revise your balance sheet to present a pro-forma balance sheet reflecting the distribution accrual alongside the historical balance sheet, or tell us why you feel such revision is unnecessary. Refer to SAB Topic 1B3.*

Response:

The Partnership will provide annual audited financial statements as of December 31, 2010 in a future amendment. As of December 31, 2010, the distribution of the balance of the

Due from Affiliate has occurred, so the December 31, 2010 annual audited financials will no longer have the Due from Affiliate balance reflected on the balance sheet. The expected cash on hand to be distributed immediately prior to the offering is not anticipated to be significant to the reporting entity. As such, the Partnership has not revised the balance sheet to present a pro forma balance sheet alongside the historical balance sheet as the Partnership does not believe this will be necessary upon the filing of the future amendment with the December 31, 2010 annual audited financials.

43. *As a related matter, for purposes of SAB Topic 1B3, a dividend declared in the latest year would be deemed to be in contemplation of the offering with the intention of repayment out of the offering proceeds to the extent that the dividend exceeds the earnings during the previous twelve months. In this regard, we note that the distribution, as calculated at September 30, 2010 of $189.2 million is most likely greater than net income for the twelve-months ended September 30, 2010, as net income for the nine-months ended September 30, 2010 as presented in your quarterly financial statements on page F-34 is approximately $39.5 million. Please revise your presentation on the face of the income statement to present pro forma per unit data for the latest year and interim period, as applicable, giving effect to the number of units whose proceeds would be necessary to pay the dividend to the extent that the dividend is in excess of current year's earnings, or tell us why you believe such revision is unnecessary.*

Response:

The Partnership considered the guidance presented within the SEC Financial Reporting Manual—Division of Corporation Finance Section 3420.2, which provides interpretive guidance on distributions at or prior to the closing of an initial public offering. In light of the fact that the Due from Affiliate balance was distributed on December 31, 2010, the Partnership evaluated the need to disclose pro forma per unit data based upon the anticipated distribution of cash on hand that will be distributed immediately prior to the offering, and determined that the disclosure would not be necessary, as the Partnership's earnings for the preceding 12 months at December 31, 2010 are anticipated to exceed the expected cash distribution. As the Partnership will provide annual audited financial statements as of December 31, 2010 in a future amendment, the Partnership has not revised the presentation of the face of the income statement to present pro forma per unit data.

44. *Please tell us whether the $18.4 million is considered net in the $160.5 million Due from Affiliate balance. If it is not included, please revise your pro forma per unit data further to reflect the number of units whose proceeds will be used for debt repayment.*

Response:

The $18.4 million is not considered net in the $160.5 million Due from Affiliate balance. The Due from Affiliate amount only represents the collective amount of funds loaned to the Affiliate. Based upon the review and conclusions reached by the Partnership as discussed in its response to comment 43, the Partnership does not believe that pro forma per unit data is necessary.

45. *Finally, please ensure your footnote regarding this pro forma presentation makes the computations of these pro forma earnings per unit transparent to investors. Please ensure similar disclosures throughout your filing are revised, as appropriate.*

Response:

The Partnership acknowledges that computation of pro forma earnings per unit must be transparent to investors. As the Partnership has not provided pro forma per unit data for the reasons discussed in its responses to comments 43 and 44, the Partnership believes that no revisions are necessary at this time.

Note 14 — Related Party Transactions

Feedstock and Shared services Agreement, page F-27

46. *We note from your disclosure here that, as part of your shared services agreements, you sell excess hydrogen, high pressure steam, excess nitrogen, and instrument air. We also note that while sales of hydrogen are included in net sales and purchases of hydrogen are included in cost of sales, the treatment of steam, nitrogen, and instrument air appears to be recorded on a net basis through direct operating expenses. Please revise your income statement presentation to record all revenues and expenses associated with the shared services agreement on a gross basis, or tell us why such revision is inappropriate. Please ensure such amounts are identified as related party items in compliance with Rule 4-08(k) of Regulation S-X.*

Response:

The Partnership records the reimbursement under the shared services agreement for the transfer of steam, nitrogen and instrument air to the related party in direct operating expenses, as the receipt from the related party is in fact a direct reimbursement of costs the Partnership incurs in association with these items. The Partnership does not receive a margin associated with the provision of these items to the related party, nor does the Partnership view steam, nitrogen or instrument air as products that are held for sale.

The Partnership does sell hydrogen to the related party, which is based upon a product pricing and is not exclusively a reimbursement of costs associated with its production. Sales of hydrogen do generate a margin. The Partnership believes the treatment of reimbursement of costs associated with its transfer of steam, nitrogen and instrument air to the related party is appropriate, and, accordingly, the Partnership has not revised the presentation on the income statement.

The Partnership further believes that the footnote disclosure associated with these related party transactions is appropriate, provides full transparency and satisfies the requirements of Regulation S-X. Accordingly, the Partnership has not revised the disclosure as included in the footnotes to the financial statements.

Note 9 — Nitrogen Fertilizer Incident, page F-40

47. *In the last paragraph on page F-40, you note the receipt of $3.7 million in insurance proceeds. Please tell us the nature of the insurance policy under which you have recovered the $3.7 million and how you intend to reflect these proceeds in your December 31, 2010 financial statements.*

Response:

The Partnership is covered for property damage under CVR Energy's property insurance policy, which has a deductible of $2.5 million. The Partnership's receipt of $3.7 million of insurance proceeds was recovered as an advance payment under the property insurance policy.

Proceeds received and agreed to under the interim proof of loss with the adjuster as representative of the insurers will be recorded to the extent of costs incurred as an offset against the costs reducing total operating expenses on the statement of operations for the period ended December 31, 2010. Any gains associated with recoveries from insurers under the property insurance policy in excess of costs recorded on the statement of operations will be recognized as a reduction of operating expenses. The insurance recoveries associated with the destruction of property, plant and equipment will be included in investing activities on the Partnership's statement of cash flows. Insurance recoveries for repairs and maintenance and other associated costs that are not for investing will be included in operating activities on the Partnership's statement of cash flows. Appropriate disclosures associated with the recorded recoveries will also be provided in the footnotes to the annual audited financial statements as of December 31, 2010.

General

48. *Please update your financial statements and consent in accordance with Rule 3-12 of Regulation S-X in your next amendment.*

Response:

The Partnership acknowledges the updating requirements of Rule 3-12 of Regulation S-X. The Partnership has included a new consent from KPMG LLP in the Amended Registration Statement. The Partnership will update its financial statements in subsequent amendments to the extent required by Regulation S-X.

Exhibit Index, page II-2

49. *Please file the employment agreements with your executive officers as exhibits to the registration statement.*

The Partnership has filed the employment agreements with its executive officers as exhibits 10.15-10.19 to the Amended Registration Statement in response to the Staff's comment.

Response:

50. *If material, please file the letter of intent between you and the third party related to the CO_2 capture and storage referenced on page 5.*

Response:

The Partnership respectfully advises the Staff that it believes the letter of intent is not material to the Partnership. The Partnership currently believes that it will derive less than $1.0 million per year in revenue from the sale of CO_2, and that the value of the carbon credits cannot currently be estimated (because regulations related to carbon credits have not yet been finalized) but are not expected to be material to the Partnership.

51. *You are not entitled to rely upon another registrant's confidential treatment request. Please refile Exhibits 10.1 and 10.2 accordingly.*

Response:

The Partnership acknowledges the Staff's comment and has refiled Exhibits 10.1 and 10.2 with redactions. The Partnership has sent a confidential treatment request with respect to Exhibits 10.1 and 10.2 along with unredacted copies of the agreements to the Secretary of the Securities and Exchange Commission.

Should you have any questions or comments with respect to this filing, please call me at (212) 859-8735.

Sincerely,

/s/ Michael A. Levitt

Michael A. Levitt

cc: John J. Lipinski (CVR Partners, LP)
Edmund S. Gross (CVR Partners, LP)
Edward A. Morgan (CVR Partners, LP)
Susan M. Ball (CVR Partners, LP)
Stuart H. Gelfond (Fried, Frank, Harris, Shriver & Jacobson LLP)
Michael Rosenwasser (Vinson & Elkins L.L.P.)
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Michael O'Leary (Andrew Kurth LLP)