MEMORANDUM OF AGREEMENT

This Memorandum of Agreement is entered into this 21 day of October, 2011, by Western Refining Company, L.P. ("Company") and Local 351, International Union of Operating Engineers, AFL-CIO ("Union"), collectively called "the Parties."

The Parties are signatory to a collective bargaining agreement ("Agreement") currently scheduled to expire at midnight on April 6, 2012. Because of government limitations on when changes in benefit plans can be made and the Parties desire to implement agreed upon changes at the earliest possible time, the Parties have agreed to enter into early negotiations in an effort to renew and extend the current collective bargaining agreement so that benefit changes can be made effective January 1, 2012, instead of January 1, 2013. After and as a result of these early negotiations, the Parties agree to renew the current Agreement with the following changes, subject to ratification, which the Union Negotiating Committee recommends be accepted by the Union membership:

1. Extend the current agreement 3 years, from 12:01 a.m. April 7, 2012 to midnight April 6, 2015.

2. The Company agrees to implement (a) the "pattern" wage increases agreed to in the 2012 National Oil Bargaining, (b) the signing bonus, if any, agreed to in the 2012 NOB "pattern" settlement, and (c) the increases, if any, agreed to in the 2012 NOB "pattern" settlement concerning shift differentials, holiday pay, and vacations. Once the 2012 "pattern" NOB wage increase is agreed upon, the Company agrees to increase its existing wages by the "pattern" settlement plus an additional twenty-five cents (.25) an hour in the first year only.

3. The Parties agree to establish a joint committee to discuss and propose to the Union and Company for subsequent discussion and agreement a recommended method of providing Maintenance Department coverage on a seven day basis. Provided an agreement can be reached by the Union and Company, the Company agrees to increase its Maintenance Department workforce by up to 15 additional craft workers. While no absolute deadline exists, the Parties' desire is to complete this process by December 31, 2011. In the event the parties cannot reach agreement on the terms of providing seven day coverage in the Maintenance Department, the terms of the current collective bargaining agreement shall remain unchanged.

4. The Parties also agree to establish a joint committee to study and propose to the Union and Company for subsequent discussion and agreement a recommended method of addressing the issue of employee fatigue. The starting point for these discussions will be the recently published recommended standard by the American Petroleum Institute (API), Recommended Practice 755, Fatigue Risk Management Systems for Personnel in the Refining and Petrochemical Industries. In the event the parties cannot reach agreement on a fatigue policy, the terms of the current collective bargaining agreement shall remain unchanged.

5. The Employer currently has in effect Company-wide benefit plans for health insurance, dental, life, voluntary life, disability, vision, 401(k), and accidental disability and death. Employees covered by this Agreement shall be allowed to participate in these plans on the same basis as non-bargaining unit employees for the duration of this Agreement except:

   a. the 401(k) contribution by the Company shall be a match of 2.5 times the employee's contribution (up to a total of 4%) for a total contribution of 10 percent effective February 1, 2012; and

   b. the Company agrees that bargaining unit employee contributions to medical, dental, and vision insurance coverage, regardless of the coverage selected by the employee (employee only, employee + child(ren), employee + spouse, or employee + family), shall, effective January 1, 2012 and for the duration of this Agreement, be 80% paid by the Company and 20% paid by the employee.

6. The Company agrees to establish an eighth (8th) section in Operations to be called the Filling and Shipping Section. The Company will work with the Union to identify the provisions in the current collective bargaining agreement that will be impacted and/or rendered obsolete by the establishment of this new section. Any disagreements over whether a provision is or is not impacted or rendered obsolete shall result in the provision remaining in effect. The wage rates for employees in Sales Marketing and Loading Rack shall be as proposed by the Union in its Proposal No. 7, a copy of which is attached, but will be implemented in equal amounts each year over the term of the new Agreement so that the hourly rates at the end of the new Agreement will be as set forth in the Union's Proposal No. 7 plus any increase in wages due to the NOB settlement(s).

7. The Company's Attendance Policy as last proposed to the Union, a copy of which is attached, to be effective upon ratification of this Agreement.

8. Revise the Company's PTO Policy to provide for: (a) no cap on accrual, (b) upon separation of employment with two (2) weeks notice, the Company will buy back accrued but unused PTO at 100% of the employee's rate at the time of separation; and (c) revise the buy-back provision to say that the Company will buy back annually accrued but unused PTO over 300 hours. No change in hours granted. Accrued PTO is forfeited if two weeks notice is not given. This buy back provision will replace the current annual 24-hour a year buy back provision. Employees with perfect attendance in any quarter will receive a $25 meal card.

9. Drug and Alcohol Policy as agreed, a copy of which is attached, to be effective upon ratification of this Agreement.

10. Bargaining unit members who are absent on an approved medical leave of absence will not lose seniority and be terminated until they have been absent for two years.

11. All new refinery employees hired after ratification of this Agreement will have a

probationary period of nine (9) months.

12. Short Term Disability. Effective January 1, 2012, the short-term disability benefits applicable to bargaining unit employees shall be as set forth in the attached.

ACCEPTED AND AGREED TO.

WESTERN REFINING COMPANY, L.P.

Victor Rueda

Emmett Reagan

Tessa Aguirre

Blaise Supler

LOCAL 351 IUOE

Randy Griffin

Lauren Titus

Kenneth Gasway

Rolando Escobar

Jaime Alvarez

Robert Villalobos

Lorenzo Gonzalez

Anthony Borrego

Richard Becerra

Robert Baron