

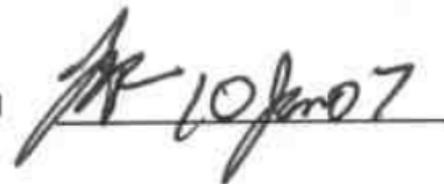
From: Robert Lucht, E. & P.G. – Storage Tank Program Compliance Supervisor



Karen Halvorsen, P.E. –
Storage Tank Program Manager



LeRoy C. Feusner, P.E. BCEE –
Administrator, Solid and Hazardous Waste Management Division

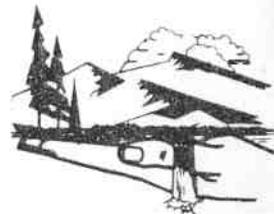


John V. Corra –
Director, Wyoming Department of Environmental Quality





Department of Environmental Quality



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

Dave Freudenthal, Governor

John Corra, Director

January 8, 2007

CERTIFIED 7004 2890 0004 5120 3559

Craig B. Anderson
Sinclair Marketing, Inc.
550 East South Temple
Salt Lake City, UT 84102

Dear Mr. Anderson:

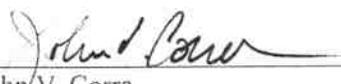
Enclosed you will find a Notice of Violation, Docket Number **3997-07** issued under the provisions of W.S. 35-11-701(c).

On November 22, 2006, our office received annual leak detection documentation for 2006 for underground storage tank (UST) facility 0-000179. This facility is known as Sinclair Retail # 49005 and is located at 820 West 16th Street, Cheyenne, Wyoming. Included in the documentation was the annual SIR report from your provider, USTMAN, which showed "inconclusive" results for August 2006 for the unleaded gasoline UST at this facility. This should have been reported and investigated as a suspected release as soon as the monthly SIR report could not be made to pass. This suspected release was later confirmed when the lines were pressure tested four months later.

All inconclusive results from the SIR provider require an investigation by the owner and/or operator as soon as they are reported. Owners and/or operators shall report a suspected release whenever the SIR provider reports a failure, or whenever an inconclusive result has not been resolved. No suspected releases were reported for this facility. Furthermore, no documentation of any investigation to determine if releases had occurred at this facility was provided.

Failure to report and investigate suspected releases is a violation of Wyoming Water Quality Rules and Regulations Chapter 17, Section 16 (g) and 19 (c). Failure to test the automatic line leak detectors on time is a violation of Chapter 17, Section 14 (g)(1)(B).

If you would like to resolve this matter through a stipulated settlement without the need to go to the district court, this Department is willing to negotiate such a settlement. Please contact Robert Lucht at 777-7095, within thirty (30) days of your receipt of this letter to arrange a mutually agreeable meeting date for the purpose of negotiating the penalty amount.



John V. Corra
Director
Department of Environmental Quality



LeRoy C. Feusner, P.E. BCEE
Administrator
Solid and Hazardous Waste Management Division

Enclosure: Notice of Violation

SCANNED

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

ADMIN/OUTREACH (307) 777-7758 FAX 777-3610	ABANDONED MINES (307) 777-6145 FAX 777-6462	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7369 FAX 777-6937	LAND QUALITY (307) 777-7756 FAX 777-5864	SOLID & HAZ. WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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BEFORE THE
DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING

IN THE MATTER OF THE NOTICE OF)
VIOLATION ISSUED TO:)

Craig B. Anderson)
Sinclair Marketing, Inc.)
550 East South Temple)
Salt Lake City, UT 84102)

DOCKET NUMBER 3997-07

NOTICE OF VIOLATION

NOTICE IS HEREBY GIVEN THAT:

1. Sinclair Marketing, Inc. owns and operates underground storage (UST) facility # 0-000179. This facility is known as Sinclair Retail # 49005 and is located at 820 West 16th Street, Cheyenne, Wyoming. This facility has three steel USTs that were installed on April 1, 1998, and Sinclair uses Statistical Inventory Reconciliation (SIR) as its monthly UST leak detection method.

Annual leak detection documentation for 2006 was received for this facility on November 22, 2006. Included in this documentation was the Monthly/Annual SIR Report from SIR provider, USTMAN, which showed "inconclusive results for August, 2006, for the unleaded gasoline UST. No documentation was provided showing that the inconclusive result was investigated. No suspected release was reported and no documentation of investigations to determine if releases had occurred was provided;

The connected lines at this location are all pressurized lines, and the leak detectors on those lines were required to be tested by October 14, 2006. The leak detectors were not tested until December 4, 2006.

2. Sinclair Marketing, Inc. failed to report and investigate a suspected release of a regulated substance in September when the inconclusive was first reported. Part of the investigation of a suspected release includes performing a pressure test of the connected lines for the tank that was inconclusive. Sinclair Marketing, Inc. failed to perform the annual function tests of the automatic line leak detectors when these tests were due on October 14, 2006. When the pressure test of the unleaded line was done on December 4, 2006, the unleaded line failed to hold pressure.
3. Wyoming Water Quality Rules and Regulations (WWQRR), Chapter 17, Section 16 (g) states: "Statistical Inventory Reconciliation (SIR). All SIR methods shall: (iv) All "inconclusive" results shall be investigated by the owner and/or operator as soon as they are reported by the SIR company, including a complete audit of all input data. The owner and/or operator shall make every effort to resolve all "inconclusive" results as soon as they are reported." Also, WWQRR Chapter 17 Section 16 (g)(v) states: "Owners and/or operators using SIR shall report a suspected release and follow the requirements of Section 19 (c) of this chapter whenever: (A) Any single month is reported as a failure for the UST system by the SIR company; and (B) Any month is reported by the SIR company as "inconclusive" unless that inconclusive result has been resolved by re-submission of audited inventory numbers to the SIR company."

Wyoming Water Quality Rules and Regulations (WWQRR), Chapter 17, Section 14 (g)(i)(B) states: "(B) Be equipped with an automatic line leak detector in accordance with the following: Methods which alert the owner and/or operator to the presence of a leak by restricting or shutting off the flow of regulated substances through piping or triggering an audible or visual alarm, may be used only if they detect leaks of three (3) gallons per hour at ten (10) pounds per square inch

line pressure within one (1) hour. An annual test of the operation of the leak detector shall be conducted. Manufacturers are required to recommend procedures to be used for testing their own equipment, but all automatic line leak detectors shall be tested annually. No manufacturer shall recommend that its equipment not be tested nor interfere with the testing of its equipment in any way. In addition all underground pressurized piping shall: (1) have an annual line tightness test. A periodic test of piping may be conducted only if it can detect a 0.1 gallon per hour leak rate at one and one-half (1 1/2) times the operating pressure. Tests performed by automatic systems are specifically allowed in meeting this requirement; or (2) be tested using any of the methods listed in Section 16 (d), (e), (f), (g), (h) or (j). Methods not specifically named in these regulations shall be approved prior to use by the department, pursuant to Section 33, and that approval must state that the method will detect a leak in lines."

Wyoming Water Quality Rules and Regulations (WWQRR), Chapter 17, Section 19 (c) states: "Section 19. Reporting of Suspected Releases. Owners and/or operators of storage tank systems shall orally report to the department within twenty-four (24) hours all releases or suspected releases in accordance with Section 22 and follow the procedures of Section 22. Owners of sites where storage tanks were formerly located shall also report within seven (7) days after discovering any new evidence of a release. These reports shall be made for any of the following conditions: (c) Monitoring results: Monitoring results from a release detection method required under Section 14 through 17 that indicate a release may have occurred unless the monitoring device is found to be defective, and is immediately repaired, recalibrated or replaced, and additional monitoring does not confirm the initial result."

4. By failing to report and investigate a suspected release, Sinclair Marketing, Inc. has violated WWQRR, Chapter 17, Section 16 (g) and 19 (c). By failing to test the automatic line leak detectors when they were due on October 14, 2006, Sinclair Marketing, Inc. has violated WWQRR, Chapter 17, Section 14 (g)(1)(B).
5. This Notice is being sent to you pursuant to W.S. 35-11-701(c)(i), which requires that in any case of the failure to correct or remedy an alleged violation, the director of the Department of Environmental Quality shall cause a written notice to be issued and served upon the person alleged to be responsible.

NOTHING IN THIS NOTICE OF VIOLATION (NOV) shall be interpreted to in any way limit or contravene any other remedy available under the Environmental Quality Act, nor shall this NOV be interpreted as being a condition precedent to any other enforcement action.

Signed this 17th day of January, 2007.



John V. Corra
Director
Department of Environmental Quality



LeRoy C. Feusner, PE BCEE
Administrator
Solid and Hazardous Waste Management Division

PLEASE DIRECT ALL INQUIRES TO: Robert Lucht, P.E. & P.G., Storage Tank Compliance Supervisor, at 122 West 25th Street, Fourth Floor, West Wing, Cheyenne, WY 82002, (307) 777-7095 or (307) 777-5973 FAX for technical matters.