

SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, Solid and Hazardous Waste Management Division (DEQ) and Mini Mart, Inc., enter into this Settlement Agreement to fully and finally resolve without litigation the violations alleged in Notice of Violation, Docket Number 4058-07, dated April 26, 2007. DEQ has issued numerous Letters of Violation (Table 1) to Mini Mart, Inc. over the past three (3) years. This Settlement Agreement is intended to cover the violations cited in Docket Number 4058-07, and the violations sited in the following list of Letters of Violation. A Letter of Violation is the first step in the enforcement process, and any of the violations listed could be the subject of a Notice of Violation.

Table 1

Facility	Loaf N' Jug Store Number	Address	City	Date of Letter of Violation
0-001054	Loaf N' Jug #107	703 North McKinley	Casper	May 30, 2007
0-002336	Loaf N' Jug #192	3920 East 12 th	Cheyenne	November 7, 2006
0-002337	Loaf N' Jug #193	2414 Dell Range Boulevard	Cheyenne	January 4, 2006
0-002340	Loaf N' Jug #102	933 North Center	Casper	June 1, 2007
0-002343	Loaf N' Jug #106	4380 South Poplar Street	Casper	June 4, 2007
0-002345	Loaf N' Jug #109	1199 South Beverly	Casper	June 4, 2007
0-002347	Loaf N' Jug #111	3830 East Second Street	Casper	June 4, 2007
0-002350	Loaf N' Jug #116	5539 Yellowstone	Cheyenne	January 3, 2006
0-002352	Loaf N' Jug #118	1922 East Lincolnway	Cheyenne	December 29, 2005
0-002354	Loaf N' Jug #121	352 North Third	Laramie	February 4, 2005
0-002355	Loaf N' Jug #122	818 South Third	Laramie	March 6, 2006
0-002356	Loaf N' Jug #123	2318 Grand Avenue	Laramie	April 11, 2007
0-002358	Loaf N' Jug #125	714 South Fourth	Douglas	June 26, 2007
0-002361	Loaf N' Jug #134	109 Highway 189	Marbleton	October 10, 2006
0-002364	Loaf N' Jug #150	1310 Dewar Drive	Rock Springs	June 4, 2007
0-002365	Loaf N' Jug #151	2558 Foothill Boulevard	Rock Springs	June 4, 2007
0-002367	Loaf N' Jug #153	895 Uinta Drive	Green River	June 4, 2007
0-002370	Loaf N' Jug #156	305 North Federal	Riverton	April 3, 2006
0-003576	Loaf N' Jug #130	938 South Poplar	Casper	June 4, 2007
0-003902	Loaf N' Jug #115	820 Randall Avenue	Cheyenne	December 22, 2005
0-004144	Loaf N' Jug #119	534 Vandehei Avenue	Cheyenne	August 30, 2005
0-005068	Loaf N' Jug #158	40 Yellowcreek Road	Evanston	October 19, 2006
0-005081	Loaf N' Jug #195	4373 Lincolnway	Cheyenne	January 31, 2006

Mini Mart, Inc. is the owner and operator of the underground storage tanks (USTs) located at Loaf N' Jug #121, 352 North Third, Laramie, Wyoming. This UST facility is registered with the DEQ as facility 0-002354. Notice of Violation 4058-07 alleges that: 1) Mini Mart, Inc., failed to obtain a passing inventory control (IC) result for each compartment of each tank for each month; 2) Mini Mart, Inc., failed to properly perform inventory control; and 3) Mini Mart, Inc., failed to report and investigate suspected releases whenever any two consecutive months passed with failing inventory control results. Mini Mart, Inc., is also the owner and operator of the UST facilities shown on Table 1. All of the violations alleged in the letters of violation listed in Table 1 are also covered by this Settlement Agreement. These acts are violations of the Wyoming Water Quality Rules and Regulations (WWQRR), Chapter 17, 16 (c)(i) & (ii), 19(c), and 20.

W.S. 35-11-901(a)(ii) authorizes the DEQ to negotiate a stipulated settlement, including payment of a penalty, in lieu of litigation. To that end, Mini Mart, Inc., and the DEQ hereby stipulate and agree as follows:

1. The DEQ is responsible for enforcing the Storage Tank Act of 2007 and Chapter 17, WWQRR.

WWQRR, Chapter 17, Section 16 (a), states: “(a) *Inventory control*. Inventory control is never acceptable as a leak detection method except when it is combined with another method. Product inventory control (or another test of equivalent performance) shall be conducted monthly to detect a release of at least 1.0 percent (1%) of throughput plus one hundred thirty (130) gallons in the following manner: (i) Inventory volume measurements

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for regulated substance inputs, withdrawals, and the amount still remaining in the UST shall be recorded each operating day; (ii) The equipment used shall be capable of measuring the depth of regulated substance over the full range of the USTs height to the nearest one-eighth (1/8) of an inch; (iii) The regulated substance inputs shall be reconciled with delivery receipts by measurement of the UST inventory volume before and after delivery; (iv) Deliveries shall be made through a drop tube that extends to within one (1) foot of the UST bottom; (v) Dispensing of regulated substances shall be metered and recorded within the local standards for meter calibration or an accuracy of six (6) cubic inches for every five (5) gallons of regulated substance withdrawn; and (vi) Water in the bottom of the UST shall be measured to the nearest one-eighth (1/8) of an inch at least once a month. (vii) Owners and/or operators using inventory control may combine this method with tank tightness testing at least every five (5) years until December 22, 2008, or until ten (10) years after the UST itself first met the requirements of Section 6(a), whichever is sooner; (viii) Owners and/or operators using inventory control shall report a suspected release under Section 19(c) of this chapter whenever: (A) the inventory control fails to balance within 1.0 percent (1%) of total throughput plus one hundred thirty (130) gallons for the second consecutive month; (B) More than 20 daily readings are either positive or negative for the second consecutive month; or (C) A graph of the daily over/short readings shows a consistent non-zero trend for two consecutive months. (ix) The following methods are methods of equivalent performance to inventory control: (A) Vapor Monitoring conducted in accordance with section 16(d) of this chapter; (B) Groundwater Monitoring conducted in accordance with section 16(e) of this chapter; (C) Interstitial Monitoring conducted in accordance with Section 16(f) of this chapter; (D) Statistical Inventory Reconciliation conducted in accordance with Section 16(g) of this chapter; (E) Tracer Surveys conducted in accordance with Section 16(h) of this chapter; (F) Passive Acoustical Sensing conducted in accordance with Section 16(k) of this chapter; and (G) Other methods approved under Section 16(j) of this chapter, providing that the approval of the method specifically states that the method is of equivalent performance to inventory control.”

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.”

2. Mini Mart, Inc., owns and operates tanks located at 352 North Third, Laramie, Wyoming, and registered with the DEQ as facility 0-002354. On March 9, 2007, the Wyoming Storage Tank Program conducted an inspection of UST facility 0-002354. During the inspection, there were no passing IC records for the period February 2006 through February 2007. A suspected release must be reported and investigated anytime IC records fail to balance within 1% of throughput plus 130 gallons for two consecutive months. No suspected releases were reported, nor was there any documentation of investigations to determine if releases had occurred.
3. All of the problems with inventory control will be resolved for all Wyoming Loaf N’ Jug locations by October 1, 2007.
4. Mini Mart, Inc., agrees to pay a total of Thirty Thousand Dollars (\$30,000.00) to the Solid and Hazardous Waste Management Division as a stipulated penalty for the cited violations. Payment of Thirty Thousand Dollars (\$30,000.00) shall be made within thirty (30) days after

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execution of this Settlement Agreement. Payment shall be by check made payable to the Wyoming Department of Environmental Quality and addressed to the Wyoming Department of Environmental Quality, Attention: Robert Lucht, Herschler Building, 4th Floor West Wing, 122 W. 25th Street, Cheyenne, WY 82002.

5. Mini Mart, Inc.'s, full compliance with the terms of this Settlement Agreement shall constitute satisfaction for all claims by the DEQ against Mini Mart, Inc., existing as of the date of this Settlement Agreement for violations listed in the Notice of Violation, Docket Number 4058-07 and in Table 1 of this Settlement Agreement. Contingent upon Mini Mart, Inc.'s compliance with the terms of this Settlement Agreement, the DEQ will refrain from taking further enforcement action against Mini Mart, Inc., for these particular violations.
6. Mini Mart, Inc., waives any statute of limitations which may apply to an enforcement action by the DEQ involving the specific matters described in the Notice of Violation, Docket No. 4058-07, or for any of the violations listed in Table 1 of this Settlement Agreement, in the event that Mini Mart, Inc., fails to fulfill its obligations under this Settlement Agreement.
7. This Settlement Agreement shall be admissible by either party without objection by the other party in any subsequent action between these parties.
8. Each party shall bear its own attorney fees and costs, if any, incurred through the date this Settlement Agreement is signed by both parties.
9. This Settlement Agreement is binding upon Mini Mart, Inc., and all of its successors and assigns, and upon the DEQ.
10. Nothing in this Settlement Agreement supersedes any provision found in any Wyoming State law, or any regulation issued by the Department of Environmental Quality or any federal law or regulation.
11. Nothing in this Settlement Agreement supersedes any provision found in any Wyoming State law, or any regulation issued by the Department of Environmental Quality or any federal law or regulation.
12. Violations not specifically covered in Docket Number 4058-07 and Table 1 are not covered by this Settlement Agreement.

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13. The persons signing this Settlement Agreement certify that they are duly authorized to bind their respective parties to this Settlement Agreement.

FOR MINI MART, INC.:

Bill Jones
Bill Jones
Operations Manager

8/3/07
Date

FOR THE WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY:

John V. Corra
John V. Corra,
Director

7/18/07
Date

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

16 Jul 07
Date

Check number 100106637 drawn on Caldwell State Bank, Caldwell, KS in the amount of Thirty Thousand Dollars was received 8/6/07.

[Signature]