

## SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, Solid and Hazardous Waste Management Division (DEQ) and Don St. Joer (St. Joer) as Owner, and Truckers, Tankers, Inc.(TTI) as Operator, enter into this Settlement Agreement to fully and finally resolve without litigation the violations alleged in Notice of Violation No. 4173-07, dated November 13, 2007. St. Joer is the owner and TTI is the operator of the underground storage tanks located at Feehan Country Store, Urie, WY 82937. This underground storage tank facility is registered with the DEQ as facility 0-002938. The Notice of Violation alleges that: 1) A storage tank compliance inspection was conducted on October 26, 2007, by personnel from the DEQ. 2) It was discovered that Statistical Inventory Reconciliation (SIR) records that were submitted showed either a failing result or an inconclusive result for every month for the past 12 months. 3) St. Joer and TTI are required to investigate all inconclusive results, audit and resubmit the records for re-evaluation by the provider, and treat inconclusive results as failures if they cannot be resolved during the investigation. and 4) No report of a suspected release was made for any of these failures, nor was any investigation done for any of these failures. These acts are violations of the Wyoming Water Quality Rules and Regulations (WWQRR) Chapter 17 Section 16 (g).

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, St. Joer, TTI and the DEQ hereby stipulate and agree as follows:

1. The DEQ is responsible for enforcing the Act and Chapter 17, WWQRR.
2. 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."
3. St. Joer owns and TTI operates tanks located at Feehan Country Store, Urie, Wyoming and registered with the DEQ, as facility 0-002938. As part of the Operator's Annual Inspection St. Joer and TTI submitted SIR results for 12 months showing failures and inconclusive results.
4. Since receiving the Notice of Violation No. 4173-07 on or about November 15, 2007, St. Joer and TTI have corrected the cited violations.
5. St. Joer and TTI agree to pay a total of Thirty Six Thousand Dollars (\$36,000.00) to the Solid and Hazardous Waste Division as a stipulated penalty for the cited violations. Payment of One Thousand Dollars (\$1,000.00) shall be made within 30 days after execution of this Settlement Agreement. Payment shall be made 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, 4<sup>th</sup> Floor West Wing, 122 W. 25<sup>th</sup> Street, Casper, WY 82002.
6. Thirty Five Thousand Dollars (\$35,000.00) of this penalty is stayed pending full compliance with Chapter 17 for one (1) year from the date of this Settlement Agreement. For purposes of this Settlement Agreement only, full compliance means:

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a. Payment in full of all storage tank fees no later than January 1 of each year;

b. Performance of any one of the tank leak detection methods found in Chapter 17, Section 16 within thirty days of the date of this settlement agreement and again every thirty days thereafter. At this facility, automatic tank gauging (ATG) and inventory control (IC) are the current methods of tank leak detection. This means that St. Joer and/or TTI have to have obtain a passing ATG result for each tank for each month. This also means that St. Joer and/or TTI and must perform IC in accordance with Chapter 17, Section 17. Records of all of these tests shall also be maintained by St. Joer and TTI for three (3) years;

c. Provide an Operator's Annual Inspection (OAI) of this facility no later than September 20 of each year. The OAI includes: having a functional test of the Automatic Line Leak Detectors on the pressurized lines. Records of these tests shall be maintained by St. Joer and TTI for three (3) years;

e. In the event that the ATG fails to produce a passing result for any tank for any calendar month, or the IC shows a failure for two consecutive months, a suspected release is indicated, as defined by Chapter 17, Section 16. St. Joer and/or TTI agree to immediately report a suspected release and follow all procedures called for in Chapter 17, Section 19(c) and Section 20;

f. If these tanks are removed, notification of the department and inspection by the department as required by statute. If, as a result of the removal the site is a contaminated site, payment of all contaminated site fees by January 1 of each year.

If St. Joer and TTI comply fully with Chapter 17 for one (1) year from the date of this Settlement Agreement, then Thirty Five Thousand Dollars (\$35,000.00) of this penalty shall be forgiven.

7. St. Joer's and TTI's full compliance with the terms of this Settlement Agreement shall constitute satisfaction for all claims by the DEQ against St. Joer and TTI based on the violations alleged in Notice of Violation No. 4173-07. Contingent upon St. Joer's and TTI's compliance with the terms of this Settlement Agreement, the DEQ will refrain from taking further enforcement action against St. Joer and TTI for these particular violations.
8. St. Joer and TTI waive any statute of limitations which may apply to an enforcement action by the DEQ involving the specific matters described in Notice of Violation No. 4173-07 in the event that St. Joer and TTI fail to fulfill their obligations under this Settlement Agreement.
9. This Settlement Agreement shall be admissible by either party without objection by the other party in any subsequent action between these parties.
10. Each party shall bear its own attorney fees and costs, if any, incurred through the date this Settlement Agreement is signed by both parties.

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- 11. This Settlement Agreement is binding upon St. Joer and TTI, Inc. and all of its successors and assigns, and upon the DEQ.
- 12. 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.
- 13. The persons signing this Settlement Agreement certify that they are duly authorized to bind their respective parties to this Settlement Agreement.

FOR FEEHAN'S COUNTRY STORE

Donald H. St. Joer  
Don St. Joer, Owner

12.31.07  
Date

FOR TRUCKERS, TANKERS, INC.

Clint and Sylvia Feehan  
Clint and Sylvia Feehan

12.31.07  
Date

FOR THE WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY:

John V. Corra  
John V. Corra,  
Director

1/19/08  
Date

LeRoy C. Feusner  
LeRoy C. Feusner  
Administrator  
Solid and Hazardous Waste Management Division

10 Jan 08  
Date

Check # 2432 drawn on Wyochem Federal credit union was received with this document. The check is in the amount of One Thousand Dollars (\$1000<sup>00</sup>).  
*[Signature]*