

SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, Solid and Hazardous Waste Management Division (DEQ) and George Lenz d/b/a Kraft's Service Center (Lenz), enter into this Settlement Agreement to fully and finally resolve without litigation the violations alleged in Notice of Violation No. 4383-08, dated October 28, 2008. Lenz is the owner and operator of the underground storage tanks (USTs) located at 944 Big Horn Avenue, Worland, Wyoming. This UST facility is registered with the DEQ as facility 0-000580. The Notice of Violation alleges that Lenz operated one of the underground gasoline tanks with the overfill device purposely disabled until that was discovered on August 28, 2008. This act is a violation of the Wyoming Water Quality Rules and Regulations (WWQRR), Chapter 17, Section 6 (c) (ii) (B).

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, Lenz 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.
2. WWQRR, Chapter 17, Section 6 (c) (i) (B), states: "(c) Spill and overfill prevention equipment. (i) Except as provided in Section 6 (c) (ii), to prevent spilling and overfilling associated with regulated substance transfer to the UST system, owners and/or operators shall use the following spill and overfill prevention equipment: (B) Overfill prevention equipment that will: (I) Automatically shut off flow into the tank when the tank is no more than ninety-five percent (95%) full; or (II) Alert the transfer operator when the tank is no more than ninety percent (90%) full by restricting the flow into the tank or triggering a high-level alarm."

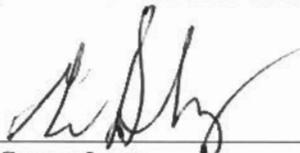
Since receiving Notice of Violation No. 4383-08 on or about June 20, 2008, Lenz has corrected the cited violation.

3. Lenz agrees to pay a total of One Thousand Dollars (\$1,000.00) to the DEQ as a stipulated penalty for the cited violations. Payment of One Thousand Dollars (\$1,000.00) shall be submitted with one executed copy of this Settlement Agreement within thirty (30) days of receipt of this 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.
4. Lenz's full compliance with the terms of this Settlement Agreement shall constitute satisfaction for all claims by the DEQ against Lenz based on the violations alleged in Notice of Violation No. 4383-08. Contingent upon Lenz's compliance with the terms of this Settlement Agreement, the DEQ will refrain from taking further enforcement action against Lenz for this particular violation.
5. Lenz waives any statute of limitations that may apply to an enforcement action by the DEQ involving the specific matters described in Notice of Violation No. 4383-08 in the event that Lenz fails to fulfill its obligations under this Settlement Agreement.
6. This Settlement Agreement shall be admissible by either party without objection by the other party in any subsequent action between these parties.
7. Each party shall bear its own attorney fees and costs, if any, incurred through the date this Settlement Agreement is signed by both parties.
8. This Settlement Agreement is binding upon Lenz and all of its successors and assigns and upon the DEQ.
9. 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.

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

FOR KRAFT'S SERVICE CENTER:



George Lenz

12-25-8

Date

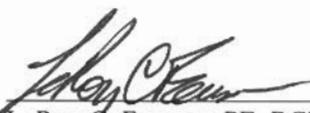
FOR THE WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY:



John V. Corra,
Director

12/8/08

Date



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

4 Dec 08

Date

Check # 17038 drawn on Pinnacle Bank
in the amount of \$1000⁰⁰ (One Thousand
Dollars) was received with this
document.

