

SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, (“DEQ”) and Baker Petrolite Corporation (“Baker Petrolite”), a Delaware Company authorized to do business in Wyoming, enter into this Settlement Agreement to fully and finally resolve without litigation the violations alleged in **Notice of Violation Docket No. 4607-09, dated January 13, 2010**. The Notice of Violation alleges that Baker Petrolite is in violation of the Wyoming Environmental Quality Act (Act) and applicable Hazardous Waste Rules & Regulations.

W.S. 35-11-90 (a)(ii) authorizes the DEQ to negotiate a stipulated settlement, including payment of a penalty, compliance schedules, or other enforcement conditions, in lieu of litigation. To that end, Baker Petrolite and the DEQ hereby stipulate and agree as follows:

1. The DEQ is responsible for enforcing the Act and all rules and regulations promulgated thereunder.
2. Baker Petrolite owns and/or operates a chemical warehouse located at 1205 Metz Drive, in Gillette, WY.
3. On October 20, 2009, the DEQ conducted an inspection of the Baker Petrolite facility.
4. On January 13, 2010, the DEQ filed the above-referenced Notice of Violation wherein it alleged that Baker Petrolite had:
  - (a) failed to properly label four (4) drums of hazardous waste (D001) with the required Hazardous Waste label(s) [HWRR, Chapter 8, Section 3(c)(ii), 8 3(e)(i)(C)];
  - (b) failed to properly and clearly date four (4) drums of hazardous waste to properly measure storage time limitations; [HWRR, Chapter 8, Section 3(e)(i)(B)];
  - (c) stored four (4) drums containing hazardous waste for longer than 270 days, thereby exceeding the hazardous waste accumulation time period [HWRR, Chapter 10, Sections 2(f)(i) and 2(f)(ii)(D) and 2(f)(iii)];





- (d) failed to adequately inspect containers for leakage and corrosion on a weekly basis [HWRR, Chapter 8, Section 3(e)(iv)(B), 11 10(e)]; and
  - (e) failed to post the required information next to the phone to provide for faster emergency response as required by regulations [HWRR, Chapter 8, Section 3(e)(iv)(E)(II)(1.)-(3.)].
5. By entering into this Settlement Agreement, Baker Petrolite neither admits nor denies the allegations contained in Paragraph 4(a)-(e) above.
  6. Within thirty (30) days from the date of this Settlement Agreement, Baker Petrolite shall provide written confirmation that the alleged violations in Paragraph 4(a)-(e) have been adequately addressed and that procedures have been developed to prevent the alleged violations from occurring in the future.
  7. Baker Petrolite, in accordance with this Settlement Agreement, agrees to pay the DEQ a total of Two Thousand One Hundred Twenty and 00/100 Dollars (\$2,120.00). Such payment shall be made no later than April 30, 2010, by check, payable to the Wyoming Department of Environmental Quality and addressed to the Wyoming Department of Environmental Quality, Attention: WDEQ/SHWD, Herschler Building, 4<sup>th</sup> Floor West Wing, 122 W. 25<sup>th</sup> Street, Cheyenne, WY 82002.
  8. In exchange for Baker Petrolite's full compliance with the terms of this Settlement Agreement, the DEQ, on its own behalf and on behalf of the State of Wyoming, its respective divisions, affiliates, agencies, partners, officers, subsidiaries, agents, attorneys, successors, and assigns hereby release, acquit, and forever discharge Baker Petrolite and its officers, directors, employees, managers, members, partners, successors, predecessors, parents, subsidiaries, affiliates, agents, shareholders, attorneys, insurers and all persons or entities, natural or corporate, in privity with it, from any and all claims, demands, suits, or liability, whether arising by statute, common law, in contract, in tort or otherwise, that were asserted in Notice of Violation No. 4615-09. Contingent on Baker Petrolite's compliance with the terms of this Settlement Agreement, DEQ will refrain from taking further enforcement action against Baker Petrolite for the violations specifically alleged in Notice of Violation No. 4607-09.
  9. Baker Petrolite waives any statute of limitations which may apply to an enforcement action by the DEQ involving the specific matters described in



Notice of Violation No. 4607-09 in the event that Baker Petrolite fails to fulfill its obligations under this Settlement Agreement.

10. This Settlement Agreement shall only be admissible by either party without objection by the other party in any subsequent action to enforce the Settlement Agreement.
11. Each party shall bear its own attorney fees and costs, if any, incurred through the date this Settlement Agreement is signed by both parties.
12. This Settlement Agreement is binding upon Baker Petrolite, its successors and assigns, and upon the DEQ.
13. This Settlement Agreement may only be amended in writing, signed by both parties.
14. The State of Wyoming and the Department of Environmental Quality, do not waive sovereign immunity by entering into this Settlement Agreement, and specifically retain all immunity and all defenses to them as sovereigns pursuant to Wyo. Stat. Ann. § 1-39-104(a) and all other state law.
15. The persons signing this Settlement Agreement certify that they are duly authorized to bind their respective parties to this Settlement Agreement.
16. This agreement is not binding until fully executed by all parties to this Agreement.



FOR: **BAKER PETROLITE CORPORATION**

Signed: Joseph W. Brice  
Typed: Joseph W. Brice  
Title: V.P. U.S. Land

Date: 4/6/2010

FOR: **THE WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY:**

James S. Gyll, Director  
Department of Environmental Quality (DEQ)

Date: 3/2/10

CAO, Administrator  
DEQ/Solid & Hazardous Waste Division

Date: 4/29/10

Legal Dept.  
Approval  
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