SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, Solid and Hazardous Waste Division (DEQ) and Kinnear Store, Inc. (Kinnear Store), enter into this Settlement Agreement to fully and finally resolve without litigation the violations alleged in Notice of Violation (NOV) No. 4689-10, dated June 22, 2010. Kinnear Store is the owner and operator of the underground storage tanks (USTs) located at The Kinnear Store in Kinnear, Wyoming. This UST facility is registered with the DEQ as facility 0-001859. The NOV alleges that Kinnear Store failed to report and investigate suspected releases. These acts are violations of Chapter 17 of the Wyoming Water Quality Rules and Regulations (WWQRR).

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

1. DEQ is responsible for enforcing the Environmental Quality Act and Chapter 17 of the WWQRR.

2. DEQ alleges Kinnear Store committed the following violations of Chapter 17 of the WWQRR:

   Count 1: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an statistical inventory reconciliation(SIR)provider when the inventory control records for the diesel tank failed to balance within 150 gallons during the month of May 2009.

   Count 2: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the diesel tank failed to balance within 150 gallons during the month of June 2009.

   Count 3: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the diesel tank failed to balance within 150 gallons during the month of July 2009.

   Count 4: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the diesel tank failed to balance within 150 gallons during the month of August 2009.

   Count 5: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the diesel tank failed to balance within 150 gallons during the month of February 2010.

   Count 6: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the premium tank failed to balance within 150 gallons during the month of May 2009.

Count 7: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the premium tank failed to balance within 150 gallons during the month of June 2009.

Count 8: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the premium tank failed to balance within 150 gallons during the month of July 2009.

Count 9: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the premium tank failed to balance within 150 gallons during the month of August 2009.

Count 10: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the premium tank failed to balance within 150 gallons during the month of October 2009.

Count 11: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the premium tank failed to balance within 150 gallons during the month of January 2010.

Count 12: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the premium tank failed to balance within 150 gallons during the month of March 2010.

Count 13: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the premium tank failed to balance within 150 gallons during the month of April 2010.

Count 14: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the unleaded tank failed to balance within 150 gallons during the month of June 2009.

Count 15: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store

violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the unleaded tank failed to balance within 150 gallons during the month of July 2009.

Count 16: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the unleaded tank failed to balance within 150 gallons during the month of August 2009.

Count 17: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the unleaded tank failed to balance within 150 gallons during the month of September 2009.

Count 18: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the unleaded tank failed to balance within 150 gallons during the month of October 2009.

Count 19: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the unleaded tank failed to balance within 150 gallons during the month of November 2009.

Count 20: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the unleaded tank failed to balance within 150 gallons during the month of January 2010.

Count 21: Failure to Submit Records to an SIR Provider When Inventory Control Fails to Balance Within 150 Gallons [WWQRR, Chapter 17, Section14(f)(i)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(f)(i) by failing to submit their inventory control records to an SIR provider when the inventory control records for the unleaded tank failed to balance within 150 gallons during the month of February 2010.

Count 22: Failure to Perform Tank Leak Detection [WWQRR, Chapter 17, Section14(a)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(a) by failing to perform tank leak detection on the premium tank during the month of December 2009.

Count 23: Failure to Perform Tank Leak Detection [WWQRR, Chapter 17, Section14(a)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section14(a) by failing to perform tank leak detection on the diesel tank during the month of December 2009.

Count 24: Failure to Report a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section16(viii)(A)]. As owner and operator of underground storage tanks, Kinnear Store, violated WWQRR, Chapter 17, Section16(viii)(A) by failing to report a suspected release when the inventory control records for the diesel tank failed during May and June 2009.

Count 25: Failure to Report a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section16(viii)(A)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section16(viii)(A) by failing to report a suspected release when the inventory control records for the diesel tank failed during August and September 2009.

Count 26: Failure to Report a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section16(viii)(A)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section16(viii)(A) by failing to report a suspected release when the inventory control records for the premium tank failed during May and June 2009.

Count 27: Failure to Report a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section16(viii)(A)]. As owner and operator of underground storage tanks, Kinnear Store, violated WWQRR, Chapter 17, Section16(viii)(A) by failing to report a suspected release when the inventory control records for the premium tank failed during August and September 2009.

Count 28: Failure to Report a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section16(viii)(A)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section16(viii)(A) by failing to report a suspected release when the inventory control records for the unleaded tank failed during June and July 2009.

Count 29: Failure to Report a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section16(viii)(A)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section16(viii)(A) by failing to report a suspected release when the inventory control records for the unleaded tank failed during August and September 2009.

Count 30: Failure to Report a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section16(viii)(A)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section16(viii)(A) by failing to report a suspected release when the inventory control records for the unleaded tank failed during October and November 2009.

Count 31: Failure to Report a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section16(viii)(A)]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section16(viii)(A) by failing to report a suspected release when the inventory control records for the unleaded tank failed during January and February 2010.

Count 32: Failure to Investigate a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section 20]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section 20 by failing to investigate a suspected release when the inventory control records for the diesel tank failed during May and June 2009.

Count 33: Failure to Investigate a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section 20]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section 20 by failing to investigate a suspected release when the inventory control records for the diesel tank failed during July and August 2009.

Count 34: Failure to Investigate a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section 20]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section 20 by failing to investigate a suspected release when the inventory control records for the premium tank failed during May and June 2009.

Count 35: Failure to Investigate a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section 20]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section 20 by failing to investigate a suspected release when the inventory control records for the premium tank failed during July and August 2009.

Count 36: Failure to Investigate a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section 20]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section 20 by failing to investigate a suspected release when the inventory control records for the unleaded tank failed during June and July 2009.

Count 37: Failure to Investigate a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section 20]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section 20 by failing to investigate a suspected release when the inventory control records for the unleaded tank failed during August and September 2009.

Count 38: Failure to Investigate a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section 20]. As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section 20 by failing to investigate a suspected release when the inventory control records for the unleaded tank failed during October and November 2009.

3. **Count 39: Failure to Investigate a Suspected Release When Inventory Control Fails for Two Consecutive Months [WWQRR, Chapter 17, Section 20].**As owner and operator of underground storage tanks, Kinnear Store violated WWQRR, Chapter 17, Section 20 by failing to investigate a suspected release when the inventory control records for the unleaded tank failed during January and February 2010. The total stipulated penalty for the alleged violations shall be eleven thousand five hundred dollars ($11,500.00).

   a. Kinnear Store agrees to pay a total of three hundred dollars ($300.00) to the DEQ as a stipulated penalty for the alleged violations listed above in Count 1 through 39. Payment of three hundred dollars ($300.00) of the stipulated penalty shall be made within thirty (30) days of the effective date 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: Oma Gilbreth, Herschler Building, 4th Floor West Wing, 122 W. 25th Street, Cheyenne, WY 82002.

   b. Kinnear Store agrees to install and connect a new automatic tank gauging (ATG) system to all of the USTs at DEQ facility 0-001859, by July 1, 2011. The ATG system must be third party approved. In return for installing the ATG system on all of the tanks, which is not required by regulation, DEQ will credit eleven thousand, two

hundred dollars ($11,200.00) as a supplemental environmental project toward the total stipulated penalty. In the event that Kinnear Store fails to install and connect the ATG system by July 1, 2011, Kinnear Store agrees to pay to DEQ the remaining $11,200.00. Such payment must be made no later than September 1, 2011. The requirements of this subparagraph may only be modified in writing upon mutual agreement of the parties.

4. Kinnear Store's full compliance with the terms of this settlement agreement shall constitute satisfaction for all claims against Kinnear Store based on the violations alleged in NOV No. 4689-10. Contingent upon Kinnear Store compliance with the terms of this settlement agreement, the DEQ will refrain from taking any further action against Kinnear Store for the alleged violations.

5. This settlement does not constitute an admission by Kinnear Store of the allegations in NOV No. 4689-10.

6. Kinnear Store waives any statute of limitations that may apply to an enforcement action by the DEQ involving the specific matters described in NOV No. 4689-10 in the event that Kinnear Store 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 Kinnear Store and all 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. The persons signing this Settlement Agreement certify that they are duly authorized to bind their respective parties to this Settlement Agreement.

12. This agreement is not binding until fully executed by both the Parties to this Settlement Agreement.

13. The effective date of this Settlement Agreement will be the date of the final signature below.

SETTLEMENT AGREEMENT

FOR KINNEAR STORE, INC.:

Signature: _____ 2-9-11
Date

Name: FRED NELSON

FOR THE WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY:

_____ 4/1/11
John V. Corra, Date
Director

_____ 4/1/11
Carl Anderson, PhD Date
Administrator
Solid and Hazardous Waste Division