SOLID AND HAZARDOUS WASTE DIVISION

JUN 06 2011

SETTLEMENT AGREEMENT

The Wyoming Department of Environmental Quality, Solid and Hazardous Waste Division (DEQ) and McClintock, Inc., enter into this Settlement Agreement to fully and finally resolve, without litigation, the violations alleged in Notice of Violation No. 4823-11, dated April 13, 2011. McClintock, Inc., is the owner and operator of the underground storage tanks (USTs) located at the Kwik Mart on 203 South 6th Street, Thermopolis, Wyoming. This UST facility is registered with the DEQ as facility 0-001892. The Notice of Violation alleges that McClintock, Inc., failed to inspect the impressed current corrosion protection system (ICCP) every sixty (60) days and, that inventory control was not being conducted properly. These acts are violations of the Wyoming Water Quality Rules and Regulations (WWQRR), Chapter 17. The department discovered the above violations at DEQ facility 0-001892 during a February 2011 compliance inspection.

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, McClintock, Inc., and the DEQ hereby stipulate and agree as follows:

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

2. McClintock, Inc., committed the following violations of WWQRR, Chapter 17:

   Count 1: Failure to inspect an ICCP system every sixty (60) days [WWQRR, Chapter 17, Section 11(c)]. As owner and operator of USTs, McClintock, Inc., has violated WWQRR, Chapter 17, Section 11(c), by failing to inspect the ICCP system every 60 days.

   Count 2: Failure to perform inventory control when performing automatic tank gauging [WWQRR, Chapter 17, Section 16(c)(i)]. As owner and operator of USTs, McClintock, Inc., has violated WWQRR, Chapter 17, Section 16(c)(i), by failing to perform inventory control.

3. The total penalty for the cited violations shall be three thousand dollars ($3,000.00).

   a. McClintock, Inc., 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 two hundred fifty dollars ($250.00) shall be made and returned with 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. McClintock, Inc., also agrees to pay the DEQ two hundred fifty dollars ($250.00) every 60 days after signing this settlement agreement, until which time the full one thousand dollars ($1000.00) has been paid. If this payment schedule is not fully complied with, the DEQ will consider McClintock, Inc., to be in breach of the settlement agreement and the entire penalty will become due and payable. 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.

   c. The DEQ will stay the remaining two thousand dollars ($2,000.00) pending McClintock, Inc.'s, compliance with the payment schedule outlined in paragraph 3.b above and adheres to full compliance with WWQRR, Chapter 17, and the Storage Tank Act of 2007 including, but not limited to: payment of annual tank fees by January 1, performing an operator's annual inspection by June 1, 2011, obtaining a passing automatic tank gauge test each month for each tank, proper performance of monthly inventory control on each tank, and inspecting the ICCP system every 60 days.

4. McClintock, Inc.'s, full compliance with the terms of this settlement agreement shall constitute satisfaction for all claims against McClintock, Inc., based on the violations alleged in Notice of Violation Docket Number 4823-11. Contingent upon McClintock, Inc.'s, compliance with the terms of this settlement agreement, the DEQ will refrain from taking any further action against McClintock, Inc., for these particular violations.

5. McClintock, Inc., 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. 4823-11 in the event that McClintock, Inc., 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 McClintock, Inc., and all 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.

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

FOR McCLINTOCK, INC.:

Signature: Milton McClintock — 5-31-2011
Date

Name: DBA McClintock Inc.
Milton McClintock

FOR THE WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY:

John V. Corra, — 5/24/11
Director — Date

Carl Anderson, PhD — 5/23/11
Administrator — Date
Solid and Hazardous Waste Division

6/6/11 Check # 10579