SOLID AND
WASTE DIVISION

SETTLEMENT AGREEMENT

FEB 0 1 2012

The Wyoming Department of Environmental Quality, Solid and Hazardous Waste Division (DEQ) and Pilot Travel Centers LLC (PTC), enter into this Settlement Agreement to fully and finally resolve without litigation the violations alleged in Notice of Violation No. 4780-10, dated December 23, 2010. PTC is the owner and operator of the underground storage tanks (USTs) located at 650 Stagecoach Drive, Rock Springs, Wyoming. This UST facility is registered with the DEQ as facility 0-003710. The Notice of Violation alleges that PTC failed to notify the DEQ of modifications performed on the UST systems at the Rock Springs Flying J and operated the modified systems without authorization by the DEQ. These acts are violations of WS 35-11 Article 14, also known as the Storage Tank Act of 2007.

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, PTC 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. PTC neither admits nor denies any alleged violation of the Storage Tank Act of 2007; however, in order to avoid further litigation, PTC accepts civil liability for the following alleged violations of the Storage Tank Act of 2007:

   Count 1: Failure to notify the Department of modification to the UST system [W.S. 35-11-1420(b)]. As owner and operator of underground storage tanks, PTC violated W.S. 35-11-1420(b) by not notifying the department of the modification of the tank gauge system prior to installation or following installation.

   Count 2: Operating an UST system without authorization [W.S. 35-11-1420(b)]. As owner and operator of underground storage tanks, PTC violated W.S. 35-11-1420(b) by operating the modified system without department authorization.

3. PTC agrees to pay a total of Thirteen Thousand and No/100 Dollars ($13,000.00) to the DEQ as a stipulated penalty for the cited violations. Payment of Five Thousand and No/100 Dollars ($5,000.00) 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.

4. PTC's full compliance with the terms of this Settlement Agreement shall constitute satisfaction for all claims by the DEQ against PTC, based on the violations alleged in Notice of Violation No. 4780-10. Contingent upon PTC's compliance with the terms of this Settlement Agreement, the DEQ will refrain from taking further enforcement action against PTC for these particular violations.

5. PTC 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. 4780-10 in the event that PTC 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 PTC and all its successors and assigns and upon the DEQ.

9. Payment of Eight Thousand and No/100 Dollars ($8,000.00) is stayed for one (1) year from the date of this Settlement Agreement. If PTC complies with WWQRR, Chapter 17, and the Storage Tank Act of 2007 for one (1) year from the date this agreement has been signed by both parties, the Eight Thousand and No/100 Dollars ($8,000.00) of this penalty shall be waived. PTC's full compliance with WWQRR, Chapter 17, and the Storage Tank Act of 2007 includes, but is not limited to, payment of annual tank fees by January 1, performing an

operator's annual inspection by June 9, 2012, function testing of the line leak detectors by June 9, 2012, and reporting and investigating a suspected release whenever a month goes by and the facility's Continuous In Tank Leak Detection System (CITLDS) provider does not issue a passing tank monitoring result.

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. This Agreement may not be amended except by a written order signed by both parties.

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

FOR PILOT TRAVEL CENTERS LLC:

Signature: _____ 1/23/12
Date

Name: Mitchell D. Steenrod
Pilot Travel Centers LLC

REVIEWED BY PTC LEGAL DEPARTMENT

FOR THE WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY:

_____ 1/10/12
John V. Corra, Date
Director

_____ 1/6/2012
Carl Anderson, PhD Date
Administrator
Solid and Hazardous Waste Division