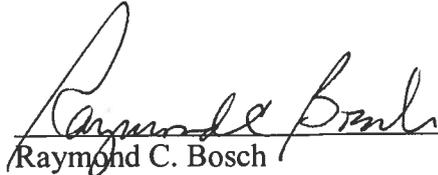




CERTIFICATE OF SERVICE

I hereby certify that the original and one true and correct copy of the foregoing were hand delivered to the Regional Hearing Clerk, U.S. Environmental Protection Agency, Region 7, 901 North Fifth Street, Kansas City, Kansas 66101; and a true and correct copy were sent by U.P.S., receipt information requested, to Mohammed Ali, Registered Agent, M & A Corporation, 215 North Prospect Avenue, Streamwood, ILL 60107 on this 28<sup>th</sup> day of July 2011.

  
\_\_\_\_\_  
Raymond C. Bosch  
Assistant Regional Counsel

**M&A Petroleum Corp - 503 North 33rd St.**

Exhibit 1

**Summary of Violations  
Violations Cited**

Violation #1  
§40 CFR 280.70(a) - Failure to continue operation maintenance of release detection in a temporarily closed tank system. When an UST operators must continue operation and maintenance of any release detection in accordance with subpart D.

Violation #2  
§40 CFR 280.44(a) - Failure to provide adequate testing for piping system. The required annual function test (FT) has not been performed.

Violation #3  
§40 CFR 280.41(b)(1)(ii) - Failure to perform monitoring of pressurized piping. The required annual line tightness test (LTT) has not been performed.

Violation #4  
§40 CFR 280.45 - Failure to maintain records of release detection monitoring. UST system owners and operators must maintain records of compliance with all applicable requirements of this subpart.

Violation #5  
§40 CFR 280.70(b)(2) – Failure to comply with temporary closure requirements for tank systems. The dispensers at the facility were not properly maintained.

Violation #6  
§40 CFR 280.21(b)(1)(ii) - Failure to meet interior lining inspection requirements for tank upgrade. Tank #1 was due for its 10 year interior lining inspection. Interior lining are required to have their lining inspected within 10 years after lining, and every 5 years thereafter. The inspection near the bottom of the tank was not performed in accordance with original design specifications.

**Penalties (see worksheets for specific information)**

Violation #1  
\$6,692.02

Violation #2  
\$13,384.04

Violation #3  
\$13,384.04

Violation #4  
\$6,692.02

Violation #5

\$1,593.34

Violation #6

\$6,373.35

**TOTAL \$48,118.79**

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

**Company Name:** M&A Petroleum Corp. - 503 North 33rd St

**Date of Inspection:** 11/04/2009

**Case Handler:** Wilfredo Rosado-Chaparro

**Penalty Calculation prepared by:** Wilfredo Rosado-Chaparro

**Regulations Violated:** §40 CFR 280.70(a) - Failure to continue operation maintenance of release detection in a temporarily closed tank system.

| Line Item                                  | Citation   | Matrix Value | Comments/Basis  |
|--|------------|--------------|---|
| 1 UST Violation Penalty                    | 280.70(a)  | 1500.00      | <b>Days of Gravity</b> - Given the lack of documentation and compliance history at the site it has been decided to use the statute of limitation (5 years) for the days of gravity calculation<br><b>Degree of cooperation or non cooperation</b> - Not enough information from the owner to justify adjustment |
| 2 # of USTs                                | 1          | 1500.00      |   |
| 3 Start of Violation                       | 3/17/2009  |              |   |
| 4 End of Violation                         | 4/1/2010   |              |   |
| 5 Days of Gravity                          | 380        | 3.00         |   |
| 6 Matrix Value - Extent                    |            |              |   |
| 7 4 of Deviation                           | Major Harm | Major        | <b>History of non-compliance</b> - This is the first time the facility has been inspected by EPA<br><b>Environmental Sensitivity</b> - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.  |
| 8 5 TOTAL Matrix Value                     |            | 1500.00      |   |
| 9 Degree of cooperation or non cooperation |            | 0.00         | <b>Economic Benefit calculation (BEN)</b> - Annually recurring cost of \$300 for inspection of the CP system. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010  |
| 10 Degree of willfulness or negligence     |            | 0.00         |   |
| 11 History of noncompliance                |            | 5%           |   |
| 12 Unique factors                          |            | 0%           |   |
| 13 Sum of Specific Adjustments             |            | 75.00        |   |
| 14 Adjustment Matrix Value                 |            | 1575.00      |   |

|   |     |                   |
|---|-----|-------------------|
| Environmental Sensitivity (ESM)             | 1.0 | \$1,575.00        |
| Multiplier                                  | 3   | \$4,725.00        |
| Days of Noncompliance                       | 3   | \$6,692.02        |
| Inflation Adjustments (see other worksheet) |     | \$6,692.02        |
| TOTAL Gravity Based Component               |     | \$6,692.02        |
| Economic Benefit (BEN) calculation          |     | \$0.00            |
| <b>TOTAL PENALTY</b>                        |     | <b>\$6,692.02</b> |

| Gravity Based Component (GBC) |                      |                         |                   |            |
|-------------------------------|----------------------|-------------------------|-------------------|------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | x Days of NonCompliance | x 2009 Adjustment | GBCPenalty |
| \$1,575                       | 1.00                 | 3.00                    | 1.4163            | \$6,692.02 |

| Violator Specific Adjustment to the Matrix Value |                                       |
|--|---------------------------------------|
| Adjustment Factor                                | Range of Percentage Adjustment        |
| Degree of Cooperation/Noncooperation             | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence              | Between 50% increase and 25% decrease |
| History of Noncompliance                         | Up to 50% increase only               |
| Other Unique Factors                             | Between 50% increase and 25% decrease |

1.0 = LOW  
1.5 = Medium  
2.0 = HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflation adjustment

1.1  
1.2895  
1.4163

# UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

Company Name: **M&A Petroleum Corp. - 503 North 33rd St**

Date of Inspection: **11/04/2009**

Case Handler: **Wilfredo Rosado-Chaparro**

Penalty Calculation prepared by: **Wilfredo Rosado-Chaparro**

Regulations Violated: **\$40 CFR 280.44(a) - Failure to provide adequate testing for piping system, no annual function test (FT)**

| Line Item                                  | Citation  | Matrix Value | Comments/Basis  |
|--|-----------|--------------|---|
| 1 UST Violation Penalty                    | 280.44(a) | 1500.00      | Days of Gravity - 380 days of gravity starting at the date when the Nebraska Fire Marshall inspected the facility on 3/17/2009.                             |
| 2 # of USTs                                | 2         | 3000.00      |   |
| 3 Days of Violation                        | 3/17/2009 |              | Degree of cooperation or non cooperation - Not enough information from the owner to justify adjustment  |
| End of Violation                           | 4/1/2010  |              |   |
| 4 of Deviation                             | Major     | Major        | History of non-compliance - 5% penalty taking into account NE inspection from 3/17/2009.  |
| 5 TOTAL Matrix Value                       | Major     | 3000.00      |   |
| 6 Degree of cooperation or non cooperation |           | 0.00         | Environmental Sensitivity - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material. |
| 7 Degree of willfulness or negligence      |           | 0.00         |   |
| 8 History of noncompliance                 |           | 150.00       | Economic Benefit calculation (BEN) - an annual function test. Non-compliance period starts on March 17,   |
| 9 Unique factors                           |           | 0.00         |   |
| 10 Sum of Specific Adjustments             |           | 150.00       |   |
| 11 Adjustment Matrix Value                 |           | 3150.00      |   |

|   |     |        |                    |
|---|-----|--------|--------------------|
| Environmental                               |     |        |                    |
| Sensitivity (ESM)                           |     |        |                    |
| Multiplier                                  | 1.0 |        | \$3,150.00         |
| Days of Noncompliance Multiplier            | 3   |        | \$9,450.00         |
| Inflation Adjustments (see other worksheet) |     | 1.4163 | \$13,384.04        |
| TOTAL Gravity Based Component               |     |        | \$13,384.04        |
| Economic Benefit (BEN) calculation          |     |        | \$0.00             |
| <b>TOTAL PENALTY</b>                        |     |        | <b>\$13,384.04</b> |

| Gravity Based Component (GBC) |                      |                         |                   |
|-------------------------------|----------------------|-------------------------|-------------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | X Days of NonCompliance | x 2009 Adjustment |
| \$3,150                       | 1.00                 | 3.00                    | 1.4163            |
|                               |                      |                         | GBPenalty         |
|                               |                      |                         | \$13,384.04       |

| Violator Specific Adjustment to the Matrix Value |                                       |
|--|---------------------------------------|
| Adjustment Factor                                | Range of Percentage Adjustment        |
| Degree of Cooperation/Noncooperation             | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence              | Between 50% increase and 25% decrease |
| History of Noncompliance                         | Up to 50% increase only               |
| Other Unique Factors                             | Between 50% increase and 25% decrease |

1.0 =LOW  
1.5 =Medium  
2.0 =HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflatons adjustment

1.1  
1.2895  
1.4163

# UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)  
 Company Name: **M&A Petroleum Corp. - 503 North 33rd St**

Date of Inspection: 11/04/2009

Case Handler: Wilfredo Rosado-Chaparro

Penalty Calculation prepared by: Wilfredo Rosado-Chaparro

Regulations Violated: \$40 CFR 280.41(b)(1)(ii) - Failure to perform monitoring of pressurized piping, no annual line tightness test (LTT)

| Line Item                                  | Citation         | Matrix Value | Comments/Basis   |
|--|------------------|--------------|--|
| 1 UST Violation Penalty                    | 280.41(b)(1)(ii) | 1500.00      | Days of Gravity - 345 days of gravity starting at the date when the Nebraska Fire Marshall inspected the facility on 4/21/2009.  |
| 2 # of USTs                                | 2                | 3000.00      |  |
| 3 Days of Violation                        | 3/17/2009        |              | Degree of cooperation or non cooperation - Not enough information from the owner to justify adjustment   |
| 4 of Deviation                             | 4/1/2010         |              |  |
| 5 TOTAL Matrix Value                       |                  | 3000.00      | History of non-compliance - 5% penalty taking into account NE inspection from 4/21/2009.   |
| 6 Degree of cooperation or non cooperation |                  | 0.00         |  |
| 7 Degree of willfulness or negligence      |                  | 0.00         | Environmental Sensitivity - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.  |
| 8 History of noncompliance                 |                  | 150.00       |  |
| 9 Unique factors                           |                  | 0.00         | Economic Benefit calculation (BEN) - Annually recurring cost of \$75 for an annual line tightness test. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010 |
| 10 Sum of Specific Adjustments             |                  | 150.00       |  |
| 11 Adjustment Matrix Value                 |                  | 3150.00      |  |

|   |     |        |                    |
|---|-----|--------|--------------------|
| Environmental                               |     |        |                    |
| Sensitivity (ESM)                           |     |        |                    |
| Multiplier                                  | 1.0 |        | \$3,150.00         |
| Days of Noncompliance Multiplier            | 3   |        | \$9,450.00         |
| Inflation Adjustments (see other worksheet) |     | 1.4163 | \$13,384.04        |
| TOTAL Gravity Based Component               |     |        | \$13,384.04        |
| Economic Benefit (BEN) calculation          |     |        | \$0.00             |
| <b>TOTAL PENALTY</b>                        |     |        | <b>\$13,384.04</b> |

| Gravity Based Component (GBC) |                      |                         |                   |             |
|-------------------------------|----------------------|-------------------------|-------------------|-------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | X Days of NonCompliance | x 2009 Adjustment | GBP Penalty |
| \$3,150                       | 1.00                 | 3.00                    | 1.4163            | \$13,384.04 |

| Adjustment Factor                    | Violator Specific Adjustment to the Matrix Value                        |
|--------------------------------------|---|
| Degree of Cooperation/Noncooperation | Range of Percentage Adjustment<br>Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence  | Between 50% increase and 25% decrease                                   |
| History of Noncompliance             | Up to 50% increase only   |
| Other Unique Factors                 | Between 50% increase and 25% decrease                                   |

1.0 =LOW  
1.5 =Medium  
2.0 =HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflation adjustment

1.1  
1.2895  
1.4163

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

**Company Name:** M&A Petroleum Corp. - 503 North 33rd St

**Date of Inspection:** 11/04/2009

**Case Handler:** Wilfredo Rosado-Chaparro

**Penalty Calculation prepared by:** Wilfredo Rosado-Chaparro

**Regulations Violated:** \$40 CFR 280.45 - Failure to maintain records of release detection monitoring

| Line Item                                  | Citation              | Matrix Value | Comments/Basis   |
|--|-----------------------|--------------|--|
| 1 UST Violation Penalty                    | 280.45                | 1500.00      | <p><b>Days of Gravity</b> - Given the lack of documentation and compliance history at the site it has been decided to use the statute of limitation (5 years) for the days of gravity calculation</p> <p><b>Degree of cooperation or non cooperation</b> - Not enough information from the owner to justify adjustment</p> <p><b>History of non-compliance</b> - This is the first time the facility has been inspected by EPA</p> <p><b>Environmental Sensitivity</b> - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.</p> <p><b>Economic Benefit calculation (BEN)</b> -Annually recurring cost of \$75 for an annual line tightness test. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010</p> |
| 2 # of USTs                                | 1                     | 1500.00      |  |
| 3 Days of Violation                        | 3/17/2009<br>4/1/2010 | 380          |  |
| 4 of Deviation                             | Major                 | Major        |  |
| 5 TOTAL Matrix Value                       | Major                 | 1500.00      |  |
| 6 Degree of cooperation or non cooperation |                       | 0.00         |  |
| 7 Degree of willfulness or negligence      |                       | 0.00         |  |
| 8 History of noncompliance                 |                       | 75.00        |  |
| 9 Unique factors                           |                       | 0.00         |  |
| 10 Sum of Specific Adjustments             |                       | 75.00        |  |
| 11 Adjustment Matrix Value                 |                       | 1575.00      |  |

|   |            |        |                   |
|---|------------|--------|-------------------|
| Environmental Sensitivity (ESM)             | Multiplier | 1.0    | \$1,575.00        |
| Days of Noncompliance                       | Multiplier | 3      | \$4,725.00        |
| Inflation Adjustments (see other worksheet) |            | 1.4163 | \$6,692.02        |
| TOTAL Gravity Based Component               |            |        | \$6,692.02        |
| Economic Benefit (BEN) calculation          |            |        | \$0.00            |
| <b>TOTAL PENALTY</b>                        |            |        | <b>\$6,692.02</b> |

| Gravity Based Component (GBC) |                      |                         |                   |            |
|-------------------------------|----------------------|-------------------------|-------------------|------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | x Days of NonCompliance | x 2009 Adjustment | GBPenalty  |
| \$1,575                       | 1.00                 | 3.00                    | 1.4163            | \$6,692.02 |

| Adjustment Factor                    | Violator Specific Adjustment to the Matrix Value                        |
|--------------------------------------|---|
| Degree of Cooperation/Noncooperation | Range of Percentage Adjustment<br>Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence  | Between 50% increase and 25% decrease                                   |
| History of Noncompliance             | Up to 50% increase only   |
| Other Unique Factors                 | Between 50% increase and 25% decrease                                   |

1.0 = LOW  
1.5 = Medium  
2.0 = HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflation adjustment

1.1  
1.2895  
1.4163

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

**Company Name:** M&A Petroleum Corp. - 603 North 33rd St

**Date of Inspection:** 11/04/2009

**Case Handler:** Wilfredo Rosado-Chaparro

**Penalty Calculation prepared by:** Wilfredo Rosado-Chaparro

**Regulations Violated:** \$40 CFR 280.70(b)(2) - Failure to comply with temporary closure requirements for tank systems.

| Line Item                                  | Citation              | Matrix Value       | Comments/Basis  |
|--|-----------------------|--------------------|---|
| 1 UST Violation Penalty                    | 280.70(b)(2)          | 750.00             | <p><b>Days of Gravity</b> - Given the lack of documentation and compliance history at the site it has been decided to use the statute of limitation (5 years) for the days of gravity calculation</p> <p><b>Degree of cooperation or non cooperation</b> - Not enough information from the owner to justify adjustment</p> <p><b>History of non-compliance</b> - This is the first time the facility has been inspected by EPA</p> <p><b>Environmental Sensitivity</b> - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.</p> <p><b>Economic Benefit calculation (BEN)</b> - Annually recurring cost of \$75 for an annual line tightness test. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010</p> |
| 2 # of USTs                                | 1                     | 750.00             |   |
| 3 Days of Gravity                          | 11/4/2009<br>4/1/2010 | 148                |   |
| 4 of Deviation                             | Major                 | Potential for Harm |   |
| 5 TOTAL Matrix Value                       | Moderate              | 750.00             |   |
| 6 Degree of cooperation or non cooperation |                       | 0.00               |   |
| 7 Degree of willfulness or negligence      |                       | 0.00               |   |
| 8 History of noncompliance                 |                       | 0.00               |   |
| 9 Unique factors                           |                       | 0.00               |   |
| 10 Sum of Specific Adjustments             |                       | 0.00               |   |
| 11 Adjustment Matrix Value                 |                       | 750.00             |   |

|   |     |                   |
|---|-----|-------------------|
| Environmental Sensitivity (ESM)             | 1.0 | \$750.00          |
| Multiplier                                  | 1.5 | \$1,125.00        |
| Days of Noncompliance Multiplier            | 1.5 | \$1,593.34        |
| Inflation Adjustments (see other worksheet) |     | \$1,593.34        |
| TOTAL Gravity Based Component               |     | \$1,593.34        |
| Economic Benefit (BEN) calculation          |     | \$0.00            |
| <b>TOTAL PENALTY</b>                        |     | <b>\$1,593.34</b> |

| Gravity Based Component (GBC) |                      |                         |                   |             |
|-------------------------------|----------------------|-------------------------|-------------------|-------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | X Days of NonCompliance | x 2009 Adjustment | GBP Penalty |
| \$750                         | 1.00                 | 1.50                    | 1.4163            | \$1,593.34  |

| Adjustment Factor                    | Range of Percentage Adjustment        |
|--------------------------------------|---------------------------------------|
| Degree of Cooperation/Noncooperation | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence  | Between 50% increase and 25% decrease |
| History of Noncompliance             | Up to 50% increase only               |
| Other Unique Factors                 | Between 50% increase and 25% decrease |

1.0 =LOW  
1.5 =Medium  
2.0 =HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflation adjustment

1.1  
1.2895  
1.4163

# UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

Company Name: **M&A Petroleum Corp. - 503 North 33rd St**

Date of Inspection: 11/04/2009

Case Handler: Wilfredo Rosado-Chaparro

Penalty Calculation prepared by: Wilfredo Rosado-Chaparro

Regulations Violated: §40 CFR 280.21(b)(1)(ii) - Failure meet interior lining inspection requirements for tank upgrade.

| Line Item                                    | Citation         | Matrix Value | Comments/Basis   |
|--|------------------|--------------|--|
| 1 UST Violation Penalty                      | 280.21(b)(1)(ii) | 750.00       | <p><b>Days of Gravity</b> - Given the lack of documentation and compliance history at the site it has been decided to use the statute of limitation (5 years) for the days of gravity calculation</p> <p><b>Degree of cooperation or non cooperation</b> - Not enough information from the owner to justify adjustment</p> <p><b>History of non-compliance</b> - This is the first time the facility has been inspected by EPA</p> <p><b>Environmental Sensitivity</b> - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.</p> <p><b>Economic Benefit calculation (BEN)</b> -Annually recurring cost of \$75 for an annual line tightness test. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010</p> |
| 2 # of USTs                                  | 1                | 750.00       |  |
| 3 Start of Violation                         | 1/1/2006         |              |  |
| 4 End of Violation                           | 4/1/2010         |              |  |
| 5 Days of Gravity                            | 1551             | 6.00         |  |
| 6 Matrix Value - Extent                      |                  |              |  |
| 7 4 of Deviation                             | Major            | Harm         |  |
| 8 5 TOTAL Matrix Value                       | Moderate         | Moderate     |  |
| 9 6 Degree of cooperation or non cooperation |                  | 750.00       |  |
| 10 7 Degree of willfulness or negligence     |                  | 0.00         |  |
| 11 8 History of noncompliance                |                  | 0.00         |  |
| 12 9 Unique factors                          |                  | 0.00         |  |
| 13 10 Sum of Specific Adjustments            |                  | 0.00         |  |
| 14 11 Adjustment Matrix Value                |                  | 750.00       |  |

|   |     |        |                   |
|---|-----|--------|-------------------|
| Environmental                               |     |        |                   |
| Sensitivity (ESM)                           |     |        |                   |
| Multiplier                                  | 1.0 |        | \$750.00          |
| Days of Noncompliance Multiplier            | 6   |        | \$4,500.00        |
| Inflation Adjustments (see other worksheet) |     | 1.4163 | \$6,373.35        |
| TOTAL Gravity Based Component               |     |        | \$6,373.35        |
| Economic Benefit (BEN) calculation          |     |        | \$0.00            |
| <b>TOTAL PENALTY</b>                        |     |        | <b>\$6,373.35</b> |

| Gravity Based Component (GBC) |                      |                         |                   |             |
|-------------------------------|----------------------|-------------------------|-------------------|-------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | X Days of NonCompliance | x 2009 Adjustment | GBP Penalty |
| \$750                         | 1.00                 | 6.00                    | 1.4163            | \$6,373.35  |

| Violator Specific Adjustment to the Matrix Value |                                       |
|--|---------------------------------------|
| Adjustment Factor                                | Range of Percentage Adjustment        |
| Degree of Cooperation/Noncooperation             | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence              | Between 50% increase and 25% decrease |
| History of Noncompliance                         | Up to 50% increase only               |
| Other Unique Factors                             | Between 50% increase and 25% decrease |

1.0 =LOW  
1.5 =Medium  
2.0 =HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflatons adjustment

1.1  
1.2895  
1.4163

| Days of Gravity                                 |     |
|---|-----|
| 0-90  | 1.0 |
| 91-180  | 1.5 |
| 181-270   | 2.0 |
| 271-365   | 2.5 |
| Each additional 6 months<br>or fraction thereof | 0.5 |

| Each Additional Year Multiplier |   |
|---------------------------------|---|
| Year 2                          | 1 |
| Year 3                          | 1 |
| Year 4                          | 1 |
| Year 5                          | 1 |

From and including: Start date 3/17/2009 to 4/01/2010, except for violations 280.70(b)(2) and 280.21(b)(1)(ii)

Total number of days of Non-compliance: 380

<http://www.timeanddate.com/date/durationresult.html?m1=08&d1=26&y1=1993&m2=08&d2=26&y2=2009&ti=on>

**M&A Petroleum Corp - 1222 South 24th St.**  
**Summary of Violations**  
**Violations Cited**

**Violation #1**

\$40 CFR 280.31(d) - Failure to maintain records of corrosion protection (CP) inspections for tank #1 and #2.

**Violation #2**

\$40 CFR 280.31(b) - Failure to ensure proper operation of corrosion protection system. The three year CP test has not been performed.

**Violation #3**

\$40 CFR 280.44(a) - Failure to provide adequate testing for piping system. The required annual function test (FT) has not been performed.

**Violation #4**

\$40 CFR 280.41(b)(1)(ii) - Failure to perform monitoring of pressurized piping. The required annual line tightness test (LTT) has not been performed.

**Violation #5**

\$40 CFR 280.41(a) - Failure to monitor tanks at least every 30 days. Tanks must be monitored at least every 30 days for releases using

**Violation #6**

\$40 CFR 280.45 - Failure to maintain records of release detection monitoring. UST system owners and operators must maintain records of compliance with all applicable requirements of this subpart.

**Violation #7**

\$40 CFR 280.31(c) - Failure to inspect impressed current system every 60 days

**Violation #8**

\$40 CFR 280.21(d) - Failure to provide spill or overflow prevention system for existing tank. The facility's overflow alarm was not working. (

**Violation #9**

\$40 CFR 280.41(b)(1)(i) - Failure to equip pressurized piping with automatic line leak detector system. EPA inspector observed during mechanical line leak detector in Tank 1 was disconnected. (See Photo 5)

**Penalties (see worksheets for specific information)**

**Violation #1**

\$446.13

**Violation #2**

\$3,346.01

Violation #3  
                      
**\$13,384.04**

Violation #4  
                      
**\$13,384.04**

Violation #5  
                      
**\$13,384.04**

Violation #6  
                      
**\$6,692.02**

Violation #7  
                      
**\$3,857.01**

Violation #8  
                      
**\$3,186.68**

Violation #9  
                      
**\$3,186.68**

**TOTAL      \$60,866.62**

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

**Company Name:** M&A Petroleum Corp. - 1222 South 24th St

**Date of Inspection:** 11/05/2009

**Case Handler:** Wilfredo Rosado-Chaparro

**Penalty Calculation prepared by:** Wilfredo Rosado-Chaparro

**Regulations Violated:** \$40 CFR 280.31(d) - Failure to maintain records of corrosion protection (CP) inspections for tank #1 and #2

| Line Item                                    | Citation  | Matrix Value | Comments/Basis   |
|--|-----------|--------------|--|
| 1 UST Violation Penalty                      | 280.31(d) | 100.00       | <p><b>Days of Gravity</b> - Given the lack of documentation and compliance history at the site it has been decided to use the statute of limitation (5 years) for the days of gravity calculation</p> <p><b>Degree of cooperation or non cooperation</b> - Not enough information from the owner to justify adjustment</p> <p><b>History of non-compliance</b> - This is the first time the facility has been inspected by EPA</p> <p><b>Environmental Sensitivity</b> - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.</p> <p><b>Economic Benefit calculation (BEN)</b> - Annually recurring cost of \$300 for inspection of the CP system. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010</p> |
| 2 # of USTs                                  | 1         | 100.00       |  |
| 3 Start of Violation                         | 3/17/2009 |              |  |
| 4 End of Violation                           | 4/1/2010  |              |  |
| 5 Days of Gravity                            | 380       | 3.00         |  |
| 6 Matrix Value - Extent                      |           |              |  |
| 7 4 of Deviation                             | Moderate  |              |  |
| 8 5 TOTAL Matrix Value                       | Moderate  | 100.00       |  |
| 9 6 Degree of cooperation or non cooperation |           | 0.00         |  |
| 10 7 Degree of willfulness or negligence     |           | 0.00         |  |
| 11 8 History of noncompliance                |           | 5.00         |  |
| 12 9 Unique factors                          |           | 0.00         |  |
| 13 10 Sum of Specific Adjustments            |           | 5.00         |  |
| 14 11 Adjustment Matrix Value                |           | 105.00       |  |

|   |     |        |                 |
|---|-----|--------|-----------------|
| Environmental Sensitivity (ESM)             |     |        |                 |
| Multiplier                                  | 1.0 |        | \$105.00        |
| Days of Noncompliance Multiplier            | 3   |        | \$315.00        |
| Inflation Adjustments (see other worksheet) |     | 1.4163 | \$446.13        |
| TOTAL Gravity Based Component               |     |        | \$446.13        |
| Economic Benefit (BEN) calculation          |     |        | \$0.00          |
| <b>TOTAL PENALTY</b>                        |     |        | <b>\$446.13</b> |

| Gravity Based Component (GBC) |                      |                          |                   |             |
|-------------------------------|----------------------|--------------------------|-------------------|-------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | X Days of Non Compliance | x 2009 Adjustment | GBC Penalty |
| \$105                         | 1.00                 | 3.00                     | 1.4163            | \$446.13    |

| Violator Specific Adjustment to the Matrix Value |                                       |
|--|---------------------------------------|
| Adjustment Factor                                | Range of Percentage Adjustment        |
| Degree of Cooperation/Noncooperation             | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence              | Between 50% increase and 25% decrease |
| History of Noncompliance                         | Up to 50% increase only               |
| Other Unique Factors                             | Between 50% increase and 25% decrease |

1.0 = LOW  
1.5 = Medium  
2.0 = HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflation adjustment

1.1  
1.2895  
1.4163

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

**Company Name:** M&A Petroleum Corp. - 1222 South 24th St

**Date of Inspection:** 11/05/2009

**Case Handler:** Wilfredo Rosado-Chaparro

**Penalty Calculation prepared by:** Wilfredo Rosado-Chaparro

**Regulations Violated:** §40 CFR 280.31(b) - Failure to ensure proper operation of corrosion protection system, no three year CP test on tanks #1 and #2

| Line Item                                   | Citation  | Matrix Value             |
|---|-----------|--------------------------|
| 1 UST Violation Penalty                     | 280.31(b) | Major-Moderate<br>750.00 |
| 2 # of USTs                                 | 1         | 750.00                   |
| Start of Violation                          | 3/17/2009 |                          |
| End of Violation                            | 4/1/2010  |                          |
| 3 Days of Gravity                           | 380       | Potential for<br>3.00    |
| Matrix Value - Extent                       |           |                          |
| 4 of Deviation                              | Major     | Harm                     |
| 5 TOTAL Matrix Value                        | Moderate  | Moderate<br>750.00       |
| 6 Degree of cooperation or non cooperation  |           | 0.00                     |
| 7 Degree of willfulness or negligence       |           | 0.00                     |
| 8 History of noncompliance                  |           | 5%<br>37.50              |
| 9 Unique factors                            |           | 0.00                     |
| 10 Sum of Specific Adjustments              |           | 37.50                    |
| 11 Adjustment Matrix Value                  |           | 787.50                   |
| Environmental                               |           |                          |
| Sensitivity (ESM)                           |           |                          |
| Multiplier                                  | 1.0       | \$787.50                 |
| Days of Noncompliance Multiplier            | 3         | \$2,362.50               |
| Inflation Adjustments (see other worksheet) | 1.4163    | \$3,346.01               |
| TOTAL Gravity Based Component               |           | \$3,346.01               |
| Economic Benefit (BEN) calculation          |           | \$0.00                   |
| <b>TOTAL PENALTY</b>                        |           | <b>\$3,346.01</b>        |

| Gravity Based Component (GBC) |                      |                         |                   |            |
|-------------------------------|----------------------|-------------------------|-------------------|------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | X Days of NonCompliance | x 2009 Adjustment | GBPenalty  |
| \$788                         | 1.00                 | 3.00                    | 1.4163            | \$3,346.01 |

**Comments/Basis**  
**Days of Gravity** - Given the lack of documentation and compliance history at the site it has been decided to use the statute of limitation (5 years) for the days of gravity calculation  
**Degree of cooperation or non cooperation** - Not enough information from the owner to justify adjustment

**History of non-compliance** - This is the first time the facility has been inspected by EPA  
**Environmental Sensitivity** - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.  
**Economic Benefit calculation (BEN)** - One time capital cost of \$2,361.00 to repair or replace CP system and an Annually recurring cost of \$300 for inspection of the CP system. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010.

| Violator Specific Adjustment to the Matrix Value |                                       |
|--|---------------------------------------|
| Adjustment Factor                                | Range of Percentage Adjustment        |
| Degree of Cooperation/Noncooperation             | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence              | Between 50% increase and 25% decrease |
| History of Noncompliance                         | Up to 50% increase only               |
| Other Unique Factors                             | Between 50% increase and 25% decrease |

1.0 =LOW  
1.5 =Medium  
2.0 =HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflatons adjustment

1.1  
1.2895  
1.4163

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

**Company Name:** M&A Petroleum Corp. - 1222 South 24th St.

**Date of Inspection:** 11/05/2009

**Case Handler:** Wilfredo Rosado-Chaparro

**Penalty Calculation prepared by:** Wilfredo Rosado-Chaparro

**Regulations Violated:** §40 CFR 280.44(a) - Failure to provide adequate testing for piping system, no annual function test (FT)

| Line Item                                      | Citation  | Matrix Value       | Comments/Basis  |
|--|-----------|--------------------|---|
| 1 UST Violation Penalty                        | 280.44(a) | 1500.00            | <b>Days of Gravity</b> - 380 days of gravity starting at the date when the Nebraska Fire Marshall inspected the facility on 3/17/2009.  |
| 2 # of USTs                                    | 2         | 3000.00            |   |
| 3 Start of Violation                           | 3/17/2009 |                    | <b>Degree of cooperation or non cooperation</b> - Not enough information from the owner to justify adjustment   |
| 4 End of Violation                             | 4/1/2010  |                    |   |
| 5 Days of Gravity                              | 380       | 3.00               | <b>History of non-compliance</b> - 5% penalty taking into account NE inspection from 3/17/2009.<br><b>Environmental Sensitivity</b> - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.<br><b>Economic Benefit calculation (BEN)</b> - an annual function test. Non-compliance period starts on March 17, |
| 6 Matrix Value - Extent                        |           |                    |   |
| 7 TOTAL Matrix Value                           | Major     | Major              |   |
| 8 Degree of cooperation or non cooperation     | Major     | 3000.00            |   |
| 9 Degree of willfulness or negligence          |           | 0.00               |   |
| 10 History of noncompliance                    |           | 0.00               |   |
| 11 Unique factors                              |           | 5%                 |   |
| 12 Sum of Specific Adjustments                 |           | 0%                 |   |
| 13 Adjustment Matrix Value                     |           | 150.00             |   |
| 14 Environmental                               |           | 3150.00            |   |
| 15 Sensitivity (ESM)                           |           |                    |   |
| 16 Multiplier                                  |           | 1.0                |   |
| 17 Days of Noncompliance Multiplier            |           | 3                  |   |
| 18 Inflation Adjustments (see other worksheet) |           | 1.4163             |   |
| 19 TOTAL Gravity Based Component               |           | \$13,384.04        |   |
| 20 Economic Benefit (BEN) calculation          |           | \$0.00             |   |
| <b>TOTAL PENALTY</b>                           |           | <b>\$13,384.04</b> |   |

| Gravity Based Component (GBC) |                      |                          |                   |             |
|-------------------------------|----------------------|--------------------------|-------------------|-------------|
| Adjusted Matrix Value         | X Enviro Sensitivity | X Days of Non Compliance | X 2009 Adjustment | GBC Penalty |
| \$3,150                       | 1.00                 | 3.00                     | 1.4163            | \$13,384.04 |

| Violator Specific Adjustment to the Matrix Value |                                       |
|--|---------------------------------------|
| Adjustment Factor                                | Range of Percentage Adjustment        |
| Degree of Cooperation/Noncooperation             | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence              | Between 50% increase and 25% decrease |
| History of Noncompliance                         | Up to 50% increase only               |
| Other Unique Factors                             | Between 50% increase and 25% decrease |

1.0 =LOW  
1.5 =Medium  
2.0 =HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflation adjustment

1.1  
1.2895  
1.4163

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

**Company Name:** M&A Petroleum Corp. - 1222 South 24th St

**Date of Inspection:** 11/05/2009

**Case Handler:** Wilfredo Rosado-Chaparro

**Penalty Calculation prepared by:** Wilfredo Rosado-Chaparro

**Regulations Violated:** \$40 CFR 280.41(b)(1)(ii) - Failure to perform monitoring of pressurized piping, no annual line tightness test (LTT)

| Line Item                                    | Citation         | Matrix Value | Comments/Basis  |
|--|------------------|--------------|---|
| 1 UST Violation Penalty                      | 280.41(b)(1)(ii) | 1500.00      | <b>Days of Gravity</b> - 345 days of gravity starting at the date when the Nebraska Fire Marshall inspected the facility on 4/21/2009.  |
| 2 # of USTs                                  | 2                | 3000.00      |   |
| 3 Start of Violation                         | 3/17/2009        |              | <b>Degree of cooperation or non cooperation</b> - Not enough information from the owner to justify adjustment   |
| 4 End of Violation                           | 4/1/2010         |              |   |
| 5 Days of Gravity                            | 380              | 3.00         |   |
| 6 Matrix Value - Extent                      |                  |              |   |
| 7 4 of Deviation                             | Major            | Major        |   |
| 8 5 TOTAL Matrix Value                       | Major            | 3000.00      | <b>History of non-compliance</b> - 5% penalty taking into account NE inspection from 4/21/2009.   |
| 9 6 Degree of cooperation or non cooperation |                  | 0.00         | <b>Environmental Sensitivity</b> - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.  |
| 10 7 Degree of willfulness or negligence     |                  | 0.00         | <b>Economic Benefit calculation (BEN)</b> - Annually recurring cost of \$75 for an annual line tightness test. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010 |
| 11 8 History of noncompliance                |                  | 150.00       |   |
| 12 9 Unique factors                          |                  | 0.00         |   |
| 13 10 Sum of Specific Adjustments            |                  | 150.00       |   |
| 14 11 Adjustment Matrix Value                |                  | 3150.00      |   |

|   |                    |
|---|--------------------|
| <b>Sensitivity (ESM)</b>                    |                    |
| Multiplier                                  | 1.0                |
| Days of Noncompliance Multiplier            | 3                  |
| Inflation Adjustments (see other worksheet) | 1.4163             |
| TOTAL Gravity Based Component               | \$13,384.04        |
| Economic Benefit (BEN) calculation          | \$0.00             |
| <b>TOTAL PENALTY</b>                        | <b>\$13,384.04</b> |

| Gravity Based Component (GBC) |                      |                         |                   |             |
|-------------------------------|----------------------|-------------------------|-------------------|-------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | X Days of NonCompliance | x 2009 Adjustment | GBP Penalty |
| \$3,150                       | 1.00                 | 3.00                    | 1.4163            | \$13,384.04 |

| Adjustment Factor                    | Violator Specific Adjustment to the Matrix Value                        |
|--------------------------------------|---|
| Degree of Cooperation/Noncooperation | Range of Percentage Adjustment<br>Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence  | Between 50% increase and 25% decrease                                   |
| History of Noncompliance             | Up to 50% increase only   |
| Other Unique Factors                 | Between 50% increase and 25% decrease                                   |

1.0 = LOW  
1.5 = Medium  
2.0 = HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflatons adjustment

1.1  
1.2895  
1.4163

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

**Company Name:** M&A Petroleum Corp. - 1222 South 24th St

Date of Inspection: 11/05/2009

Case Handler: Wilfredo Rosado-Chaparro

Penalty Calculation prepared by: Wilfredo Rosado-Chaparro

Regulations Violated: \$40 CFR 280.41(a) - Failure to monitor tanks at least every 30 days

| Line Item                                      | Citation  | Matrix Value       |
|--|-----------|--------------------|
| 1 UST Violation Penalty                        | 280.41(a) | 1500.00            |
| 2 # of USTs                                    | 2         | 3000.00            |
| 3 Start of Violation                           | 3/17/2009 |                    |
| 4 End of Violation                             | 4/1/2010  |                    |
| 5 Days of Gravity                              | 380       | 3.00               |
| 6 Matrix Value - Extent                        |           |                    |
| 7 4 of Deviation                               | Major     | Potential for      |
| 8 5 TOTAL Matrix Value                         | Major     | Major              |
| 9 6 Degree of cooperation or non cooperation   |           | 3000.00            |
| 10 7 Degree of willfulness or negligence       |           | 0.00               |
| 11 8 History of noncompliance                  |           | 0.00               |
| 12 9 Unique factors                            |           | 150.00             |
| 13 10 Sum of Specific Adjustments              |           | 0.00               |
| 14 11 Adjustment Matrix Value                  |           | 150.00             |
| 15 Environmental                               |           | 3150.00            |
| 16 Sensitivity (ESM)                           |           |                    |
| 17 Multiplier                                  | 1.0       | \$3,150.00         |
| 18 Days of Noncompliance Multiplier            | 3         | \$9,450.00         |
| 19 Inflation Adjustments (see other worksheet) |           | \$13,384.04        |
| 20 TOTAL Gravity Based Component               |           | \$13,384.04        |
| 21 Economic Benefit (BEN) calculation          |           | \$0.00             |
| <b>TOTAL PENALTY</b>                           |           | <b>\$13,384.04</b> |

**Comments/Basis**  
**Days of Gravity** - Given the lack of documentation and compliance history at the site it has been decided to use the statute of limitation (5 years) for the days of gravity calculation  
**Degree of cooperation or non cooperation** - Not enough information from the owner to justify adjustment  
**History of non-compliance** - This is the first time the facility has been inspected by EPA  
**Environmental Sensitivity** - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.  
**Economic Benefit calculation (BEN)** - Annually recurring cost of \$75 for an annual line tightness test. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010

| Gravity Based Component (GBC) |                      |                         |                   |             |
|-------------------------------|----------------------|-------------------------|-------------------|-------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | x Days of NonCompliance | x 2009 Adjustment | GBCPenalty  |
| \$3,150                       | 1.00                 | 3.00                    | 1.4163            | \$13,384.04 |

| Violator Specific Adjustment to the Matrix Value |                                       |
|--|---------------------------------------|
| Adjustment Factor                                | Range of Percentage Adjustment        |
| Degree of Cooperation/Noncooperation             | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence              | Between 50% increase and 25% decrease |
| History of Noncompliance                         | Up to 50% increase only               |
| Other Unique Factors                             | Between 50% increase and 25% decrease |

1.0 = LOW  
1.5 = Medium  
2.0 = HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflatons adjustment

1.1  
1.2895  
1.4163

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

**Company Name:** M&A Petroleum Corp. - 1222 South 24th St

**Date of Inspection:** 11/05/2009

**Case Handler:** Wilfredo Rosado-Chaparro

**Penalty Calculation prepared by:** Wilfredo Rosado-Chaparro

**Regulations Violated:** §40 CFR 280.45 - Failure to maintain records of release detection monitoring

| Line Item                                   | Citation  | Matrix Value        |
|---|-----------|---------------------|
| 1 UST Violation Penalty                     | 280.45    | 1500.00             |
| 2 # of USTs                                 | 1         | 1500.00             |
| 3 Start of Violation                        | 3/17/2009 |                     |
| 4 End of Violation                          | 4/1/2010  |                     |
| 5 Days of Gravity Matrix Value - Extent     | 380       | 3.00                |
| 6 4 of Deviation                            | Major     | Potential for Major |
| 7 5 TOTAL Matrix Value                      | Major     | 1500.00             |
| 8 Degree of cooperation or non cooperation  |           | 0.00                |
| 9 Degree of willfulness or negligence       |           | 0.00                |
| 10 History of noncompliance                 |           | 5%                  |
| 11 Unique factors                           |           | 0%                  |
| 12 Sum of Specific Adjustments              |           | 75.00               |
| 13 Adjustment Matrix Value                  |           | 1575.00             |
| Environmental Sensitivity (ESM)             |           |                     |
| Multiplier                                  | 1.0       | \$1,575.00          |
| Days of Noncompliance Multiplier            | 3         | \$4,725.00          |
| Inflation Adjustments (see other worksheet) |           | \$6,692.02          |
| TOTAL Gravity Based Component               |           | \$6,692.02          |
| Economic Benefit (BEN) calculation          |           | \$0.00              |
| <b>TOTAL PENALTY</b>                        |           | <b>\$6,692.02</b>   |

| Gravity Based Component (GBC) |                      |                         |                   |
|-------------------------------|----------------------|-------------------------|-------------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | x Days of NonCompliance | x 2009 Adjustment |
| \$1,575                       | 1.00                 | 3.00                    | 1.4163            |
|                               |                      |                         | GBPenalty         |
|                               |                      |                         | \$6,692.02        |

**Comments/Basis**  
**Days of Gravity** - Given the lack of documentation and compliance history at the site it has been decided to use the statute of limitation (5 years) for the days of gravity calculation  
**Degree of cooperation or non cooperation** - Not enough information from the owner to justify adjustment  
**History of non-compliance** - This is the first time the facility has been inspected by EPA  
**Environmental Sensitivity** - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.  
**Economic Benefit calculation (BEN)** - Annually recurring cost of \$75 for an annual line tightness test. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010

| Violator Specific Adjustment to the Matrix Value |                                       |
|--|---------------------------------------|
| Adjustment Factor                                | Range of Percentage Adjustment        |
| Degree of Cooperation/Noncooperation             | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence              | Between 50% increase and 25% decrease |
| History of Noncompliance                         | Up to 50% increase only               |
| Other Unique Factors                             | Between 50% increase and 25% decrease |

1.0 =LOW  
1.5 =Medium  
2.0 =HIGH

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

Company Name: **M&A Petroleum Corp. - 1222 South 24th St**

Date of Inspection: **11/05/2009**

Case Handler: **Wilfredo Rosado-Chaparro**

Penalty Calculation prepared by: **Wilfredo Rosado-Chaparro**

Regulations Violated: **\$40 CFR 280.31(c) - Failure to inspect impressed current system every 60 days**

| Line Item                                    | Citation   | Matrix Value      | Comments/Basis  |
|--|------------|-------------------|---|
| 1 UST Violation Penalty                      | 280.31 (c) | 750.00            | <p><b>Days of Gravity</b> - Given the lack of documentation and compliance history at the site it has been decided to use the statute of limitation (5 years) for the days of gravity calculation</p> <p><b>Degree of cooperation or non cooperation</b> - Not enough information from the owner to justify adjustment</p> <p><b>History of non-compliance</b> - This is the first time the facility has been inspected by EPA</p> <p><b>Environmental Sensitivity</b> - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.</p> <p><b>Economic Benefit calculation (BEN)</b> - Annually recurring cost of \$75 for an annual line tightness test. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010</p> |
| 2 # of USTs                                  | 1          | 750.00            |   |
| 3 Start of Violation                         | 3/17/2009  |                   |   |
| 4 End of Violation                           | 4/1/2010   |                   |   |
| 5 Days of Gravity                            | 380        | 3.00              |   |
| 6 Matrix Value - Extent                      |            |                   |   |
| 7 4 of Deviation                             | Major      | Major             |   |
| 8 5 TOTAL Matrix Value                       | Major      | 750.00            |   |
| 9 6 Degree of cooperation or non cooperation |            | 0.00              |   |
| 10 7 Degree of willfulness or negligence     |            | 0.00              |   |
| 11 8 History of noncompliance                |            | 37.50             |   |
| 12 9 Unique factors                          |            | 0.00              |   |
| 13 10 Sum of Specific Adjustments            |            | 37.50             |   |
| 14 11 Adjustment Matrix Value                |            | 787.50            |   |
| <b>Environmental</b>                         |            |                   |   |
| <b>Sensitivity (ESM)</b>                     |            |                   |   |
| Multiplier                                   | 1.0        | \$787.50          |   |
| Days of Noncompliance Multiplier             | 3          | \$2,362.50        |   |
| Inflation Adjustments (see other worksheet)  |            | \$3,346.01        |   |
| TOTAL Gravity Based Component                |            | \$3,346.01        |   |
| Economic Benefit (BEN) calculation           |            | \$511.00          |   |
| <b>TOTAL PENALTY</b>                         |            | <b>\$3,857.01</b> |   |

| Gravity Based Component (GBC) |                      |                         |                   |             |
|-------------------------------|----------------------|-------------------------|-------------------|-------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | x Days of NonCompliance | x 2009 Adjustment | GBC Penalty |
| \$788                         | 1.00                 | 3.00                    | 1.4163            | \$3,346.01  |

| Violator Specific: Adjustment to the Matrix Value |                                       |
|---|---------------------------------------|
| Adjustment Factor                                 | Range of Percentage Adjustment        |
| Degree of Cooperation/Noncooperation              | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence               | Between 50% increase and 25% decrease |
| History of Noncompliance                          | Up to 50% increase only               |
| Other Unique Factors                              | Between 50% increase and 25% decrease |

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflation adjustment

1.1  
1.2895  
1.4163

1.0 =LOW  
1.5 =Medium  
2.0 =HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflation adjustment

1.1  
1.2895  
1.4163

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

Company Name: **M&A Petroleum Corp. - 1222 South 24th St**

Date of Inspection: **11/05/2009**

Case Handler: **Wilfredo Rosado-Chaparro**

Penalty Calculation prepared by: **Wilfredo Rosado-Chaparro**

Regulations Violated: **\$40 CFR 280.21(d) - Failure to provide spill or overflow prevention system for existing tank, no overflow alarm system installed**

| Line Item                                      | Citation  | Matrix Value      |
|--|-----------|-------------------|
| 1 UST Violation Penalty                        | 280.21(d) | Major Moderate    |
| 2 # of USTs                                    | 2         | 750.00            |
| 3 Start of Violation                           | 11/4/2009 | 1500.00           |
| 4 End of Violation                             | 4/1/2010  |                   |
| 5 Days of Gravity                              | 148       | 1.50              |
| 6 Matrix Value - Extent                        |           |                   |
| 7 of Deviation                                 | Major     | Harm              |
| 8 TOTAL Matrix Value                           | Moderate  | Moderate          |
| 9 Degree of cooperation or non cooperation     |           | 1500.00           |
| 10 Degree of willfulness or negligence         |           | 0.00              |
| 11 History of noncompliance                    |           | 0.00              |
| 12 Unique factors                              |           | 0.00              |
| 13 Sum of Specific Adjustments                 |           | 0.00              |
| 14 Adjustment Matrix Value                     |           | 1500.00           |
| 15 Environmental Sensitivity (ESM)             |           |                   |
| 16 Multiplier                                  | 1.0       | \$1,500.00        |
| 17 Days of Noncompliance Multiplier            | 1.5       | \$2,250.00        |
| 18 Inflation Adjustments (see other worksheet) |           | \$3,186.68        |
| 19 TOTAL Gravity Based Component               |           | \$3,186.68        |
| 20 Economic Benefit (BEN) calculation          |           | \$0.00            |
| <b>TOTAL PENALTY</b>                           |           | <b>\$3,186.68</b> |

**Comments/Basis**  
**Days of Gravity** - Given the lack of documentation and compliance history at the site it has been decided to use the statute of limitation (5 years) for the days of gravity calculation  
**Degree of cooperation or non cooperation** - Not enough information from the owner to justify adjustment  
**History of non-compliance** - This is the first time the facility has been inspected by EPA  
**Environmental Sensitivity - Low** - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.  
**Economic Benefit calculation (BEN)** - Annually recurring cost of \$75 for an annual line tightness test. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010

| Gravity Based Component (GBC) |                      |                         |                   |             |
|-------------------------------|----------------------|-------------------------|-------------------|-------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | x Days of NonCompliance | x 2009 Adjustment | GBC Penalty |
| \$1,500                       | 1.00                 | 1.50                    | 1.4163            | \$3,186.68  |

| Violator Specific Adjustment to the Matrix Value |                                       |
|--|---------------------------------------|
| Adjustment Factor                                | Range of Percentage Adjustment        |
| Degree of Cooperation/Noncooperation             | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence              | Between 50% increase and 25% decrease |
| History of Noncompliance                         | Up to 50% increase only               |
| Other Unique Factors                             | Between 50% increase and 25% decrease |

1.0 =LOW  
1.5 =Medium  
2.0 =HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflation adjustment

1.1  
1.2895  
1.4163

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

**Company Name:** M&A Petroleum Corp. - 1222 South 24th St

Date of Inspection: 11/05/2009

Case Handler: Wilfredo Rosado-Chaparro

Penalty Calculation prepared by: Wilfredo Rosado-Chaparro

Regulations Violated: §40 CFR 280.41(b)(1)(i) - Failure to equip pressurized piping with automatic line leak detector system.

| Line Item                                   | Citation        | Matrix Value      |
|---|-----------------|-------------------|
| 1 UST Violation Penalty                     | 280.41(b)(1)(i) | 1500.00           |
| 2 # of USTs                                 | 1               | 1500.00           |
| Start of Violation                          | 11/4/2009       |                   |
| End of Violation                            | 4/1/2010        |                   |
| 3 Days of Gravity                           | 148             | 1.50              |
| Matrix Value - Extent                       |                 |                   |
| 4 of Deviation                              | Major           |                   |
| 5 TOTAL Matrix Value                        | Major           | 1500.00           |
| 6 Degree of cooperation or non cooperation  |                 | 0.00              |
| 7 Degree of willfulness or negligence       |                 | 0.00              |
| 8 History of noncompliance                  |                 | 0.00              |
| 9 Unique factors                            |                 | 0.00              |
| 10 Sum of Specific Adjustments              |                 | 0.00              |
| 11 Adjustment Matrix Value                  |                 | 1500.00           |
| Environmental                               |                 |                   |
| Sensitivity (ESM)                           |                 |                   |
| Multiplier                                  | 1.0             | \$1,500.00        |
| Days of Noncompliance Multiplier            | 1.5             | \$2,250.00        |
| Inflation Adjustments (see other worksheet) |                 | \$3,186.68        |
| TOTAL Gravity Based Component               |                 | \$3,186.68        |
| Economic Benefit (BEN) calculation          |                 | \$0.00            |
| <b>TOTAL PENALTY</b>                        |                 | <b>\$3,186.68</b> |

**Comments/Basis**  
**Days of Gravity** - Given the lack of documentation and compliance history at the site it has been decided to use the statute of limitation (5 years) for the days of gravity calculation  
**Degree of cooperation or non cooperation** - Not enough information from the owner to justify adjustment  
**History of non-compliance** - This is the first time the facility has been inspected by EPA  
**Environmental Sensitivity** - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.  
**Economic Benefit calculation (BEN)** - Annually recurring cost of \$75 for an annual line tightness test. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010

| Gravity Based Component (GBC) |                      |                         |                   |            |
|-------------------------------|----------------------|-------------------------|-------------------|------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | x Days of NonCompliance | x 2009 Adjustment | GBCPenalty |
| \$1,500                       | 1.00                 | 1.50                    | 1.4163            | \$3,186.68 |

| Violator Specific Adjustment to the Matrix Value |                                       |
|--|---------------------------------------|
| Adjustment Factor                                | Range of Percentage Adjustment        |
| Degree of Cooperation/Noncooperation             | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence              | Between 50% increase and 25% decrease |
| History of Noncompliance                         | Up to 50% increase only               |
| Other Unique Factors                             | Between 50% increase and 25% decrease |

1.0 = LOW  
1.5 = Medium  
2.0 = HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflation adjustment

1.1  
1.2895  
1.4163

|   | Days of Gravity |
|---|-----------------|
| 0-90  | 1.0             |
| 91-180  | 1.5             |
| 181-270   | 2.0             |
| 271-365   | 2.5             |
| Each additional 6 months<br>or fraction thereof | 0.5             |

|        | Each Additional Year Multiplier |
|--------|---------------------------------|
| Year 2 | 1                               |
| Year 3 | 1                               |
| Year 4 | 1                               |
| Year 5 | 1                               |

From and including: Start date 3/17/2009 to 4/01/2010, except for violation 280.41(b)(1)(i)

Total number of days of Non-compliance: 380

<http://www.timeanddate.com/date/durationresult.html?m1=08&d1=26&y1=1993&m2=08&d2=26&y2=2009&i=on>

| Extent of Deviation from Requirement |      | Potential for Harm |
|--------------------------------------|------|--------------------|
| Major                                | 1500 | Major              |
|                                      | 750  | Moderate           |
|                                      | 200  | Minor              |
| Major                                | 1000 | Major              |
|                                      | 500  | Moderate           |
|                                      | 100  | Minor              |
| Major                                | 500  | Major              |
|                                      | 250  | Moderate           |
|                                      | 50   | Minor              |

**M&A Petroleum Corp - 2401 Leavenworth St.**  
**Summary of Violations**  
**Violations Cited**

**Violation #1**

\$40 CFR 280.70(a) - Failure to continue operation maintenance of release detection in a temporarily closed tank system. When an UST operators must continue operation and maintenance of any release detection in accordance with subpart D.

**Violation #2**

\$40 CFR 280.44(a) - Failure to provide adequate testing for piping system. The required annual function test (FT) has not been performed.

**Violation #3**

\$40 CFR 280.41(b)(1)(ii) - Failure to perform monitoring of pressurized piping. The required annual line tightness test (LTT) has not been performed.

**Violation #4**

\$40 CFR 280.45 - Failure to maintain records of release detection monitoring. UST system owners and operators must maintain records: compliance with all applicable requirements of this subpart.

**Violation #5**

\$40 CFR 280.41(b)(1)(i) - Failure to equip pressurized piping with automatic line leak detector system. EPA inspector observed that the mechanical line leak detector. (See Photo 6)

**Penalties (see worksheets for specific information)**

**Violation #1**

\$3,186.68

**Violation #2**

\$20,204.05

**Violation #3**

\$20,268.05

**Violation #4**

\$6,692.02

**Violation #5**

\$3,186.68

**TOTAL \$53,537.47**

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

**Company Name:** M&A Petroleum Corp. - 2401 Leavenworth St

**Date of Inspection:** 11/04/2009

**Case Handler:** Wilfredo Rosado-Chaparro

**Penalty Calculation prepared by:** Wilfredo Rosado-Chaparro

**Regulations Violated:** §40 CFR 280.70(a) - Failure to continue operation maintenance of release detection in a temporarily closed tank system.

| Line Item                                   | Citation  | Matrix Value      |
|---|-----------|-------------------|
| 1 UST Violation Penalty                     | 280.70(a) | 1500.00           |
| 2 # of USTs                                 | 1         | 1500.00           |
| 3 Start of Violation                        | 11/4/2009 |                   |
| 4 End of Violation                          | 4/1/2010  |                   |
| 5 Days of Gravity Matrix Value - Extent     | 148       | 1.50              |
| 6 of Deviation                              | Major     | Major             |
| 7 TOTAL Matrix Value                        | Major     | 1500.00           |
| 8 Degree of cooperation or non cooperation  |           | 0.00              |
| 9 Degree of willfulness or negligence       |           | 0.00              |
| 10 History of noncompliance                 |           | 0.00              |
| 11 Unique factors                           |           | 0.00              |
| 12 Sum of Specific Adjustments              |           | 0.00              |
| 13 Adjustment Matrix Value                  |           | 1500.00           |
| <b>Environmental</b>                        |           |                   |
| Sensitivity (ESM)                           |           |                   |
| Multiplier                                  | 1.0       | \$1,500.00        |
| Days of Noncompliance Multiplier            | 1.5       | \$2,250.00        |
| Inflation Adjustments (see other worksheet) |           | \$3,186.68        |
| TOTAL Gravity Based Component               |           | \$3,186.68        |
| Economic Benefit (BEN) calculation          |           | \$0.00            |
| <b>TOTAL PENALTY</b>                        |           | <b>\$3,186.68</b> |

**Comments/Basis**  
**Days of Gravity** - Given the lack of documentation and compliance history at the site it has been decided to use the statute of limitation (5 years) for the days of gravity calculation  
**Degree of cooperation or non cooperation** - Not enough information from the owner to justify adjustment  
**History of non-compliance** - This is the first time the facility has been inspected by EPA  
**Environmental Sensitivity** - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.  
**Economic Benefit calculation (BEN)** - Annually recurring cost of \$300 for inspection of the CP system. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010

| Gravity Based Component (GBC) |                      |                          |                   |            |
|-------------------------------|----------------------|--------------------------|-------------------|------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | x Days of Non Compliance | x 2009 Adjustment | GBCPenalty |
| \$1,500                       | 1.00                 | 1.50                     | 1.4163            | \$3,186.68 |

| Violator Specific Adjustment to the Matrix Value |                                       |
|--|---------------------------------------|
| Adjustment Factor                                | Range of Percentage Adjustment        |
| Degree of Cooperation/Noncooperation             | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence              | Between 50% increase and 25% decrease |
| History of Noncompliance                         | Up to 50% increase only               |
| Other Unique Factors                             | Between 50% increase and 25% decrease |

1.0 =LOW  
1.5 =Medium  
2.0 =HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflation adjustment

1.1  
1.2895  
1.4163

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

**Company Name:** M&A Petroleum Corp. - 2401 Leavenworth St

**Date of Inspection:** 1/10/4/2009

**Case Handler:** Wilfredo Rosado-Chaparro

**Penalty Calculation prepared by:** Wilfredo Rosado-Chaparro

**Regulations Violated:** \$40 CFR 280.44(a) - Failure to provide adequate testing for piping system, no annual function test (FT)

| Line Item                                      | Citation   | Matrix Value       |
|--|------------|--------------------|
| 1 UST Violation Penalty                        | 280.44(a)  | 1500.00            |
| 2 # of USTs                                    | 3          | 4500.00            |
| 3 Start of Violation                           | 3/17/2009  |                    |
| 4 End of Violation                             | 4/1/2010   |                    |
| 5 Days of Gravity Matrix Value - Extent        | 380        | 3.00               |
| 6 of Deviation                                 | Major Harm |                    |
| 7 TOTAL Matrix Value                           | Major      | 4500.00            |
| 8 Degree of cooperation or non cooperation     |            | 0.00               |
| 9 Degree of willfulness or negligence          |            | 0.00               |
| 10 History of noncompliance                    |            | 5%                 |
| 11 Unique factors                              |            | 0.00               |
| 12 Sum of Specific Adjustments                 |            | 225.00             |
| 13 Adjustment Matrix Value                     |            | 4725.00            |
| 14 Environmental Sensitivity (ESM)             |            |                    |
| 15 Multiplier                                  | 1.0        | \$4,725.00         |
| 16 Days of Noncompliance Multiplier            | 3          | \$14,175.00        |
| 17 Inflation Adjustments (see other worksheet) |            | \$20,076.05        |
| 18 TOTAL Gravity Based Component               |            | \$20,076.05        |
| 19 Economic Benefit (BEN) calculation          |            | \$128.00           |
| <b>TOTAL PENALTY</b>                           |            | <b>\$20,204.05</b> |

**Comments/Basis**

**Days of Gravity** - 380 days of gravity starting at the date when the Nebraska Fire Marshall inspected the facility on 3/17/2009.

**Degree of cooperation or non cooperation** - Not enough information from the owner to justify adjustment

**History of non-compliance** - 5% penalty taking into account NE inspection from 3/17/2009.

**Environmental Sensitivity** - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.

**Economic Benefit calculation (BEN)** - an annual function test. Non-compliance period starts on March 17,

| Gravity Based Component (GBC) |                      |                         |                    |
|-------------------------------|----------------------|-------------------------|--------------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | x Days of NonCompliance | x 2009 Adjustment  |
| \$4,725                       | 1.00                 | 3.00                    | 1.4163             |
|                               |                      |                         | <b>\$20,076.05</b> |

**Violator Specific Adjustment to the Matrix Value**

| Adjustment Factor                    | Range of Percentage Adjustment        |
|--------------------------------------|---------------------------------------|
| Degree of Cooperation/Noncooperation | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence  | Between 50% increase and 25% decrease |
| History of Noncompliance             | Up to 50% increase only               |
| Other Unique Factors                 | Between 50% increase and 25% decrease |

1.0 = LOW  
1.5 = Medium  
2.0 = HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflation adjustment

1.1  
1.2895  
1.4163

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

**Company Name:** M&A Petroleum Corp. - 2401 Leavenworth St

**Date of Inspection:** 11/04/2009

**Case Handler:** Wilfredo Rosado-Chaparro

**Penalty Calculation prepared by:** Wilfredo Rosado-Chaparro

**Regulations Violated:** §40 CFR 280.41(b)(1)(ii) - Failure to perform monitoring of pressurized piping, no annual line tightness test (LTT)

| Line Item                                   | Citation         | Matrix Value       | Comments/Basis  |
|---|------------------|--------------------|---|
| 1 UST Violation Penalty                     | 280.41(b)(1)(ii) | 1500.00            | <b>Degree of Gravity</b> - 345 days of gravity starting at the date when the Nebraska Fire Marshall inspected the facility on 4/21/2009.<br><br><b>Degree of cooperation or non cooperation</b> - Not enough information from the owner to justify adjustment<br><br><b>History of non-compliance</b> - 5% penalty taking into account NE inspection from 4/21/2009.<br><br><b>Environmental Sensitivity</b> - Low - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.<br><br><b>Economic Benefit calculation (BEN)</b> - Annually recurring cost of \$75 for an annual line tightness test. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010 |
| 2 # of USTs                                 | 3                | 4500.00            |   |
| 3 Start of Violation                        | 3/17/2009        |                    |   |
| End of Violation                            | 4/1/2010         |                    |   |
| 3 Days of Gravity                           | 380              | 3.00               |   |
| Matrix Value - Extent                       |                  |                    |   |
| 4 of Deviation                              | Major            |                    |   |
| 5 TOTAL Matrix Value                        | Major            | 4500.00            |   |
| 6 Degree of cooperation or non cooperation  | Major            | 0.00               |   |
| 7 Degree of willfulness or negligence       |                  | 0.00               |   |
| 8 History of noncompliance                  |                  | 225.00             |   |
| 9 Unique factors                            |                  | 0.00               |   |
| 10 Sum of Specific Adjustments              |                  | 225.00             |   |
| 11 Adjustment Matrix Value                  |                  | 4725.00            |   |
| <b>Environmental</b>                        |                  |                    |   |
| <b>Sensitivity (ESM)</b>                    |                  |                    |   |
| Multiplier                                  | 1.0              | \$4,725.00         |   |
| Days of Noncompliance Multiplier            | 3                | \$14,175.00        |   |
| Inflation Adjustments (see other worksheet) |                  | \$20,076.05        |   |
| TOTAL Gravity Based Component               |                  | \$20,076.05        |   |
| Economic Benefit (BEN) calculation          |                  | \$192.00           |   |
| <b>TOTAL PENALTY</b>                        |                  | <b>\$20,268.05</b> |   |

| Gravity Based Component (GBC) |                      |                         |                   |             |
|-------------------------------|----------------------|-------------------------|-------------------|-------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | x Days of NonCompliance | x 2009 Adjustment | GBPENALTY   |
| \$4,725                       | 1.00                 | 3.00                    | 1.4163            | \$20,076.05 |

| Violator Specific Adjustment to the Matrix Value |                                       |
|--|---------------------------------------|
| Adjustment Factor                                | Range of Percentage Adjustment        |
| Degree of Cooperation/Noncooperation             | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence              | Between 50% increase and 25% decrease |
| History of Noncompliance                         | Up to 50% increase only               |
| Other Unique Factors                             | Between 50% increase and 25% decrease |

1.0 = LOW  
1.5 = Medium  
2.0 = HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflatons adjustment

1.1  
1.2895  
1.4163

## UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

**Company Name:** M&A Petroleum Corp. - 2401 Leavenworth St

**Date of Inspection:** 1/10/2009

**Case Handler:** Wilfredo Rosado-Chaparro

**Penalty Calculation prepared by:** Wilfredo Rosado-Chaparro

**Regulations Violated:** §40 CFR 280.45 - Failure to maintain records of release detection monitoring

| Line Item                                   | Citation  | Matrix Value       |
|---|-----------|--------------------|
| 1 UST Violation Penalty                     | 280.45    | 1500.00            |
| 2 # of USTs                                 | 1         | 1500.00            |
| Start of Violation                          | 3/17/2009 |                    |
| End of Violation                            | 4/1/2010  |                    |
| 3 Days of Gravity                           | 380       | Potential for 3.00 |
| Matrix Value - Extent                       |           |                    |
| 4 of Deviation                              | Major     |                    |
| 5 TOTAL Matrix Value                        | Major     | 1500.00            |
| 6 Degree of cooperation or non cooperation  |           | 0.00               |
| 7 Degree of willfulness or negligence       |           | 0.00               |
| 8 History of noncompliance                  |           | 5%                 |
| 9 Unique factors                            |           | 0%                 |
| 10 Sum of Specific Adjustments              |           | 75.00              |
| 11 Adjustment Matrix Value                  |           | 1575.00            |
| <b>Environmental</b>                        |           |                    |
| Sensitivity (ESM)                           |           |                    |
| Multiplier                                  | 1.0       | \$1,575.00         |
| Days of Noncompliance Multiplier            | 3         | \$4,725.00         |
| Inflation Adjustments (see other worksheet) |           | \$6,692.02         |
| TOTAL Gravity Based Component               |           | \$6,692.02         |
| Economic Benefit (BEN) calculation          |           | \$0.00             |
| <b>TOTAL PENALTY</b>                        |           | <b>\$6,692.02</b>  |

| Gravity Based Component (GBC) |                      |                          |                   |            |
|-------------------------------|----------------------|--------------------------|-------------------|------------|
| Adjusted Matrix Value         | X Enviro Sensitivity | X Days of Non Compliance | X 2009 Adjustment | GBCPenalty |
| \$1,575                       | 1.00                 | 3.00                     | 1.4163            | \$6,692.02 |

**Comments/Basis**  
**Days of Gravity** - Given the lack of documentation and compliance history at the site it has been decided to use the statute of limitation (5 years) for the days of gravity calculation  
**Degree of cooperation or non cooperation** - Not enough information from the owner to justify adjustment

**History of non-compliance** - This is the first time the facility has been inspected by EPA  
**Environmental Sensitivity - Low** - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.  
**Economic Benefit calculation (BEN)** - Annually recurring cost of \$75 for an annual line tightness test. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010

| Adjustment Factor                    | Violator Specific Adjustment to the Matrix Value                        |
|--------------------------------------|---|
| Degree of Cooperation/Noncooperation | Range of Percentage Adjustment<br>Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence  | Between 50% increase and 25% decrease                                   |
| History of Noncompliance             | Up to 50% increase only   |
| Other Unique Factors                 | Between 50% increase and 25% decrease                                   |

1.0 =LOW  
1.5 =Medium  
2.0 =HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflatons adjustment

1.1  
1.2895  
1.4163

# UST Penalty Policy Calculation

Based on 1990 UST Penalty Policy (per UST)

Company Name: **M&A Petroleum Corp. - 2401 Leavenworth St**

Date of Inspection: 11/04/2009

Case Handler: Wilfredo Rosado-Chaparro

Penalty Calculation prepared by: Wilfredo Rosado-Chaparro

Regulations Violated: §40 CFR 280.41(b)(1)(i) – Failure to equip pressurized piping with automatic line leak detector system.

| Line Item                                   | Citation        | Matrix Value        |
|---|-----------------|---------------------|
| 1 UST Violation Penalty                     | 280.41(b)(1)(i) | 1500.00             |
| 2 # of USTs                                 | 1               | 1500.00             |
| Start of Violation                          | 11/4/2009       |                     |
| End of Violation                            | 4/1/2010        |                     |
| 3 Days of Gravity Matrix Value - Extent     | 148             | 1.50                |
| 4 of Deviation                              | Major           | Potential for Major |
| 5 TOTAL Matrix Value                        | Major           | 1500.00             |
| 6 Degree of cooperation or non cooperation  |                 | 0.00                |
| 7 Degree of willfulness or negligence       |                 | 0.00                |
| 8 History of noncompliance                  |                 | 0.00                |
| 9 Unique factors                            |                 | 0.00                |
| 10 Sum of Specific Adjustments              |                 | 0.00                |
| 11 Adjustment Matrix Value                  |                 | 1500.00             |
| Environmental Sensitivity (ESM)             |                 |                     |
| Multiplier                                  | 1.0             | \$1,500.00          |
| Days of Noncompliance Multiplier            | 1.5             | \$2,250.00          |
| Inflation Adjustments (see other worksheet) |                 | \$3,186.68          |
| TOTAL Gravity Based Component               |                 | \$3,186.68          |
| Economic Benefit (BEN) calculation          |                 | \$0.00              |
| <b>TOTAL PENALTY</b>                        |                 | <b>\$3,186.68</b>   |

**Comments/Basis**  
**Days of Gravity** - Given the lack of documentation and compliance history at the site it has been decided to use the statute of limitation (5 years) for the days of gravity calculation  
**Degree of cooperation or non cooperation** - Not enough information from the owner to justify adjustment

**History of non-compliance** - This is the first time the facility has been inspected by EPA  
**Environmental Sensitivity - Low** - There are no surface water bodies nearby, no drinking water wells and site geology consists mostly of clay like material.  
**Economic Benefit calculation (BEN)** - Annually recurring cost of \$75 for an annual line tightness test. Non-compliance period starts on December 28, 2007 (date when current owner acquired the property) and goes through April 1, 2010

| Gravity Based Component (GBC) |                      |                         |                   |             |
|-------------------------------|----------------------|-------------------------|-------------------|-------------|
| Adjusted Matrix Value         | x Enviro Sensitivity | X Days of NonCompliance | x 2009 Adjustment | GBP Penalty |
| \$1,500                       | 1.00                 | 1.50                    | 1.4163            | \$3,186.68  |

| Violator Specific Adjustment to the Matrix Value |                                       |
|--|---------------------------------------|
| Adjustment Factor                                | Range of Percentage Adjustment        |
| Degree of Cooperation/Noncooperation             | Between 50% increase and 25% decrease |
| Degree of Willfulness or Negligence              | Between 50% increase and 25% decrease |
| History of Noncompliance                         | Up to 50% increase only               |
| Other Unique Factors                             | Between 50% increase and 25% decrease |

1.0 =LOW  
1.5 =Medium  
2.0 =HIGH

Major  
Moderate  
Minor

-25%  
-20%  
-15%  
-10%  
-5%  
0%

5%  
10%  
15%  
20%  
25%  
30%  
35%  
40%  
45%

50% Inflatons adjustment

1.1  
1.2895  
1.4163

| Days of Gravity                                 |     |
|---|-----|
| 0-90  | 1.0 |
| 91-180  | 1.5 |
| 181-270   | 2.0 |
| 271-365   | 2.5 |
| Each additional 6 months<br>or fraction thereof | 0.5 |

| Each Additional Year Multiplier |   |
|---------------------------------|---|
| Year 1                          | 1 |
| Year 2                          | 1 |
| Year 3                          | 1 |
| Year 4                          | 1 |
| Year 5                          | 1 |

From and including: Start date 3/17/2009 to 4/01/2010, except for violation 280.41(b)(1)(i)

Total number of days of Non-compliance: 380

<http://www.timeanddate.com/date/durationresult.html?m1=08&d1=26&y1=1993&m2=08&d2=26&y2=2009&it=on>

**Extent of Deviation from Requirement**

**Potential  
for Harm**

| Major | Moderate | Minor        |
|-------|----------|--------------|
| 1500  | 1000     | 500 Major    |
| 750   | 500      | 250 Moderate |
| 200   | 100      | 50 Minor     |

EPA's Civil Penalty Policy Inflation Adjustments

UST Penalty Policy issued 11/14/1990

2009 Inflation Adjustment Policy

- 1 Calculate Gravity Component
- 2 For violations after 1/30/1997 through 3/15/2004
- 3 For violations after 3/15/2004 through 1/12/2009
- 4 For violations after 1/12/2009

Factor      Explanation

- 1.1 Initial Inflation rate
- 1.2895 base Inflation rate 1.1 + 17.23% increase
- 1.4163 Base Inflation rate + 17.23% + 9.83% increase