

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

STATE OF IOWA, ex rel., IOWA)
DEPARTMENT OF)
NATURALRESOURCES,)
)
Plaintiff,)
)
vs.)
)
BULK PETROLEUM CORPORATION,)
)
Defendant.)

NO. CV6490

**CONSENT ORDER, JUDGMENT
AND DECREE**

The Court is presented with Plaintiff's petition seeking civil penalties and injunctive relief pursuant to Iowa Code sections 455B.477(1) and (3). The Court having read the petition and being otherwise advised by the parties finds:

1. The Court has jurisdiction over the parties and the subject matter of this action and the parties have stipulated and agreed to resolve this action in the manner provided by this Consent Order, Judgment and Decree.

2. On January 30, 2009, the Court entered partial summary judgment against Defendant. In that order, the Court found Defendant is liable for civil penalties pursuant to Iowa Code section 455B.477(1) for the violations alleged in Counts I through XXVIII of Plaintiff's Petition not to exceed five thousand dollars (\$5,000) per day, per violation.

3. Defendant Bulk Petroleum admits it committed the violations alleged in Claims I through XXVIII of Plaintiff's Petition.

THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

4. Bulk Petroleum shall pay a civil penalty pursuant to Iowa Code section 455B.477(1) of two hundred fifty thousand and no/100 dollars (\$250,000.00) for the violations alleged in

Plaintiff=s Petition. Plaintiff understands that this amount will be considered a pre-petition obligation of Defendant, Bulk.

5. On February 18, 2009, Defendant filed a voluntary petition for bankruptcy under Chapter 11 of the bankruptcy code in the United States Bankruptcy Court in the Eastern District of Wisconsin (Case No. 09-21782-svk). Accordingly, the claim of the plaintiff shall be deemed an allowed pre-petition unsecured claim in the Chapter 11 Bankruptcy proceeding of the defendant and the penalty agreed to herein shall be paid in accordance with the provisions of the bankruptcy code upon approval of this Consent order by the Bankruptcy court as required by applicable law Defendant shall also pay interest pursuant to Iowa Code section 535.3(1) on any balance remaining unpaid after the date the payment is due. Payments of the civil penalty and interest shall be made payable to the State of Iowa and submitted to plaintiff's attorney, David S. Steward, at the address noted below.

6. Within 120 days of entry of this Consent Order, Judgment and Decree, Bulk Petroleum shall provide training to all supervisory personnel who are not already adequately trained, and who work at UST sites that are owned or operated by it in the State of Iowa, including, but not limited to, lessees and Bulk Petroleum agents and employees. The training shall be sufficient to assure supervisory personnel understand Iowa DNR rules applicable to release detection, corrosion protection, inspection of all UST system components, record-keeping and procedures for detecting and reporting a suspected leak.

7. Within 180 days of entry of this Consent Order, Judgment and Decree, Bulk Petroleum shall provide the Iowa DNR with written documentation of the following: (1) the names of the people trained pursuant to this Order; (2) the date(s) they were trained; (3) the name of the individual(s) conducting the training; and (4) an itemization of the subject matter of the training.

8. Within 180 days of this order, Bulk Petroleum shall develop and maintain standard procedures for UST sites that are owned or operated by it in the State of Iowa providing for the maintenance of all required UST records at the site, or at a readily available alternative site, so the records are available to the Iowa DNR for inspection within upon request.

9. Bulk Petroleum shall have all UST systems owned or operated by it in Iowa bi-annually inspected by a UST compliance inspector certified by the Iowa DNR as provided in 567 I.A.C. 134, Part B, pursuant to the inspection and reporting requirements provided in 567 Iowa Admin. Code 134-135, and annually inspected by Bulk's internal compliance officials or retained compliance professional.

10. Bulk Petroleum is hereby permanently enjoined from further violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.3(1)"c"(1)"1", 135.3(2)"b"(1), 135.3(2)"d", 135.3(5)"c", 135.4(1)"a", 135.4(2)"a", 135.4(2)"b"(1), 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2) and (4), 135.4(5)"c"(1)-(2), 135.5(1)"a"(1)-(2), 135.5(1)"b", 135.5(2)"a", 135.5(2)"a" (1), 135.5(2)"b"(1)"1"-2", 135.5(4)"a"(6), 135.5(4)"d"(1), 135.5(5)"a", 135.5(5)"b", 135.5(6), 135.6(1), 135.6(1)"c", 135.6(3), 135.8(1), and 135.15(1)"a"-b".

11. This Consent Order, Judgment, and Decree is in full compromise and settlement of all violations alleged in the petition to have been committed by Bulk Petroleum.

12. Willful failure to comply with the terms of this Order may subject Bulk Petroleum to punishment for contempt of court as well as other penalties and sanctions provided by law. The Court, therefore, retains jurisdiction over this matter to ensure compliance with the terms of this Order.

13. Costs of this action are taxed to Bulk Petroleum in the amount of \$ _____
(Clerk to enter).

Dated this _____ day of _____, 2010.

JUDGE, Fifth Judicial District of Iowa

Approved as to form:

IOWA DEPARTMENT OF NATURAL
RESOURCES

BULK PETROLEUM CORPORATION

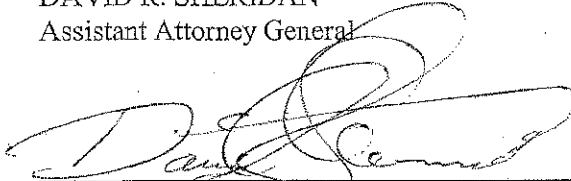
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