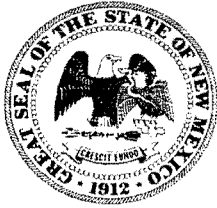


TASO

State of New Mexico
ENVIRONMENT DEPARTMENT



BILL RICHARDSON
GOVERNOR

Hazardous Waste Bureau
2905 Rodeo Park Drive East, Building 1
Santa Fe, New Mexico 87505-6303
Telephone (505) 476-6000
Fax (505) 476-6030
www.nmenv.state.nm.us



RON CURRY
SECRETARY

CINDY PADILLA
DEPUTY SECRETARY

CERTIFIED MAIL
RETURN RECEIPT REQUIRED

April 11, 2007

Daniel Glenn, Acting Manager
Los Alamos Site Office-Department of Energy
528 35th Street, Mail Stop A316
Los Alamos, NM 87544

Richard Watkins, Director
Environment, Safety, Health, & Quality
Los Alamos National Security, LLC
Los Alamos Research Park
4200 Jemez Road, Suite 400
Los Alamos, NM 87545

RE: DEMAND FOR PAYMENT
STIPULATED PENALTY FOR THE INVESTIGATION REPORT FOR
MATERIAL DISPOSAL AREA C, SOLID WASTE MANAGEMENT UNIT 50-009,
AT TECHNICAL AREA 50, LOS ALAMOS NATIONAL LABORATORY (LANL),
EPA ID NM0890010515
HWB-LANL-06-028

Dear Messrs. Glenn and Watkins:

This letter constitutes written notice of the New Mexico Environment Department's (Department) demand for payment of stipulated penalties pursuant to Section III.G of the March 1, 2005 Order on Consent (Order). This notice is for the Department of Energy (DOE) and the Los Alamos National Security, LLC's (the Respondents) failure to substantially comply with the specifications set forth in the Order concerning the Respondents' *Investigation Report for Material Disposal Area C, Solid Waste Management Unit 50-009, at Technical Area 50* (Investigation Report), dated December 6, 2006.

In accordance with Section III.G.3 of the Order, the Respondents shall pay \$1,000 per day for the first thirty (30) days of noncompliance, and \$3,000 per day thereafter. On December 20, 2006, the Department issued written notice of its intent to assess stipulated penalties. On January 8, 2007, the Department issued a demand for payment for the first 30 days of noncompliance. On February 7, 2007, the Department issued a demand for payment for the second 30 days of noncompliance. On March 8, 2007, the Department issued a demand for payment for the third 30 days of noncompliance.



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Messrs. Glenn & Watkins
April 11, 2007
Page 2

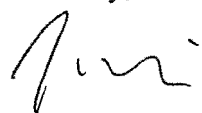
This demand for payment is for the fourth 30 days of noncompliance (March 7, 2007 through April 6, 2007). Therefore, in accordance with Section III.G.5, \$90,000.00 is due to the Department within 45 days of the date of this letter.

The Respondents must follow the procedures for payment outlined in Section III.G.5 of the Order.

As of the date of this letter, the Permittees have paid stipulated penalties for the first 30 days of noncompliance. Payment for the second 30 days of noncompliance was due to the Department on March 24, 2007. In accordance with Section III.G.6 of the Order interest shall accrue at the rate specified in 28 U.S.C. § 1961. Interest shall accrue from the date the penalty is due until the date it is actually paid.

Should you have any questions, please contact Kathryn Chamberlain at 476-6046.

Sincerely,



James P. Bearzi
Chief
Hazardous Waste Bureau

JPB:kmc

cc: K. Chamberlain, NMED HWB
N. Dhawan, NMED HWB
B. Pippin, NMED HWB
A. Vollmer, NMED HWB
C. de Saillan, NMED OGC
S. Yanicak, NMED DOE OB, MS J993
L. King, EPA 6PD-N
V. George, ENVP-DO, MS J978
G. Rael, DOE LASO, MS A316
D. Gregory, DOE LASO, MS A316
D. Woitte, LANS, MS A187
L. Cummings, DOE LASO, MS A316
file: Reading and ~~LANE~~ 07 (Permit)