



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6
1445 ROSS AVENUE, SUITE 1200
DALLAS, TX 75202-2733

James



2000

RECEIVED

Card

May 31, 2000

CERTIFIED MAIL - RETURN RECEIPT REQUESTED P 110 337 056

Mr. Tony Hurst, P.E.
Hurst Engineering Services
153 Camino de Sabinal
P.O. Box 220
Bosque, NM 87006

RE: Financial Assurance
EPA/NMED Comments
Sparton Technology, Inc., Consent Decree
Civil Action No. CIV 97 0206 LH/JHG

Dear Mr. Hurst:

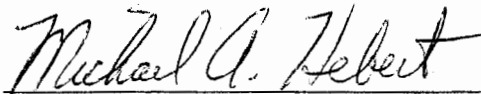
The United States Environmental Protection Agency ("EPA") and the New Mexico Environment Department ("NMED"), have received the Financial Assurance documents submitted by Sparton Technology, Inc. ("Sparton") on March 31, 2000, pursuant to Section XXIV, Paragraph 90, of the March 3, 2000 Consent Decree. EPA and NMED reviewed the Financial Assurance documents to determine if they fulfill the requirements of the Consent Decree and Title 40 of the Code of Federal Regulations, Section 264.145(f).

The Financial Assurance documents satisfies the majority of the Financial Assurance requirements of the Consent Decree; however, the enclosed comments must be addressed to the satisfaction of EPA and NMED prior to approval. Pursuant to Section X, Paragraph 30a, Sparton has forty-five days to address these comments and resubmit the revised Financial Assurance documents for approval. If you have any questions, please contact Michael A. Hebert (EPA) at 214-665-8315 or James Bearzi (NMED) at 505-827-1567.

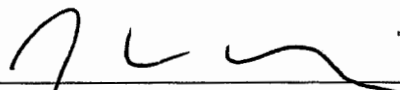
EPA/NMED Financial Assurance comments
on March 31, 2000, Sparton submittal

Albuquerque v. Sparton Technology, Inc.
No. CV 97 0206 (D.N.M.)

Sincerely yours,



Michael A. Hebert
Project Coordinator
U.S. EPA Region 6



James Bearzi
Project Coordinator
New Mexico Environment Department

Enclosure - EPA/NMED Financial Assurance comments

cc: Secretary - Sparton Technology, Inc.

EPA/NMED Financial Assurance Comments

1. The letter from the Chief Financial Officer utilizes the correct format, however, the letter is draft and must be in final form with signature prior to approval of the financial assurance submittal.
2. A special report from the owner's or operator's independent certified public accountant pursuant to 40 CFR 264.145(f)(3)(iii) was not included in the submittal. This special report must be submitted prior to approval of the financial assurance submittal.
3. The Corporate Guarantee for Corrective Action and Any Post-Closure Care utilizes the correct format, however, is draft and must be in final form with signature prior to approval of the financial assurance submittal.
4. A math error was detected in the spread sheet summarizing the costs by five-year intervals, but was deemed to not be significant. Sparton should check the spread sheet entries for addition errors.