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Via Facsimile

Ana Marie Ortiz
Assistant General Counsel
State of New Mexico Environment Department
Harold Runnels Building
1190 St. Francis Drive
P.O. Box 26110
Santa Fe, New Mexico 87502-6110

Re: **Sparton's Post-Closure Care Permit Application**

Dear Ana:

It is my understanding that Robert Warder of NMED and Gary Richardson of Metric Corporation have resolved the two remaining concerns of Sparton about what supplemental information is needed in connection with Sparton's Post-Closure Care Permit Application. By letter dated July 23, 2001, Sparton had objected to Requests 3, 4, 6, 8, a portion of 11 relating to and including corrective action areas in the inspection checklist, 12, 13, 14, 15, and 16. In a subsequent telephone conversation between you and me, I understood NMED had decided that Sparton did not need to respond to Items 3, 4, 8, that portion of 11 relating to and including corrective action areas in the inspection checklist, 12, 13, 14, and 15. Gary and Robert discussed items 6 and 16 and reached the following understanding. With respect to Item 6, Sparton will include in the application a section entitled "Permits Obtained in Connection with Corrective Action Governed by the Consent Decree," and list in that section all applicable permits. Item 16 will be satisfied by including in the application a section entitled "Maps of the Groundwater Impacts and Corrective Action Systems Governed by the Consent Decree," which will then list applicable maps from the annual report.

I would appreciate your confirming for me in writing that this letter correctly sets forth the resolution of the dispute.

Yours very truly,

James B. Harris

JBH/tks

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