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State of New Mexico
ENVIRONMENT DEPARTMENT
Office of the Secretary
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DERRITH WATCHMAN-MOORE
DEPUTY SECRETARY

## CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 6, 2006

James B. Harris Thompson & Knight LLP 1700 Pacific Avenue, Suite 3300 Dallas, Texas 75201-4963

RE: NOTICE OF APPEAL OF THE 2006 ANNUAL FEE SPARTON TECHNOLOGY, NMD083212332

Dear Mr. Harris:

The New Mexico Environment Department (NMED) is in receipt of Sparton Technology's November 2, 2006 letter expressing Sparton's intent to appeal the annual hazardous waste fee invoice. Under the provisions of 20.4.2.302.A NMAC, Mandatory Settlement Conference of the Hazardous Waste Fee Regulations, the parties shall have thirty (30) calendar days from NMED's receipt of notification to meet or confer with NMED to attempt to resolve the matters in the dispute. The Secretary may extend deadlines under this section upon a determination that good cause exists.

A determination has been made that good cause exists to grant an extension to attempt to resolve this matter. The NMED and Sparton Technologies, are hereby granted an extension until January 31, 2007. If an agreement is not reached, NMED shall issue a notification to all parties that an agreement has not been reached. Following any notification that an agreement has not been reached, the invoice for fees may be appealed by filing a written request for hearing with the hearing clerk pursuant to 20.4.2.302.B, Administrative Appeal.

Should you have any concerns regarding this letter please contact James Bearzi of the Hazardous Waste Bureau at (505) 428-2512.



cc: James P. Bearzi, NMED HWB
John E. Kieling, NMED HWB
Charles F. Noble, NMED OGC
Erik J. Fabricius-Olsen, Sparton Technologies
Susan Widener, Sparton Technologies