

HURST ENGINEERING SERVICES

1022 Monaco Parkway, Denver, CO 80220

Email: tonyhurst@q.com



May 24, 2013

→ John E. Kieling, Chief
Hazardous Waste Bureau
New Mexico Environment Department
2905 Rodeo Park Drive East, Bldg 1
Santa Fe, NM 87505

Chuck Hendrickson, Project Coordinator,
U.S. EPA Region 6
1445 Ross Avenue, Suite 1200
Dallas, Texas 75202-2733



RE: Second Agreement to modify schedules for Completion of Work
Sparton Technology, Inc., Consent Decree
Civil Action No. CIV 97 0206 LH/JHG

Dear Mr. Kieling and Mr. Hendrickson:

Enclosed is the proposed agreement between the United States Environmental Protection Agency ("EPA"), the New Mexico Environmental Department ("NMED"), and Sparton Technology, Inc., (Sparton) concerning modifications to schedules pursuant to Section XXVIII, Paragraph 104 of the subject Consent Decree concerning the schedule for the completion of the Annual Reports and for the update of the numerical groundwater flow and transport model developed under the requirements of the Consent Decree. Please sign where required and return a copy to me for Sparton files.

If you have any questions, please contact Tony Hurst (HES) at 719-649-1944.

Sincerely

Tony Hurst, P.E.

Project Coordinator, Sparton Technology, Inc., (Sparton)

Cc: Ernesto Martinez, Sparton Technology, Inc.,

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW MEXICO

THE CITY OF ALBUQUERQUE and
THE BOARD OF COUNTY
COMMISSIONERS OF THE COUNTY
OF BERNALILLO,

Plaintiffs,

v.

SPARTON TECHNOLOGY, INC.,

Defendant.

Civil Action No.
CIV 97 0206 LH/JHG

Consolidated with:
CIV 97 0208 JC/RLP
CIV 97 0210 M/DJS
CIV 97 0981 LH/JHG

**SECOND AGREEMENT
TO MODIFY SCHEDULES FOR THE COMPLETION OF THE WORK
UNDER THE MARCH 3, 2000 CONSENT DECREE**

Pursuant to Section XXVIII Paragraph 104 of the March 3, 2000 Consent Decree, the United States Environmental Protection Agency (“EPA”), the New Mexico Environment Department (“NMED”), and Sparton Technology, Inc. (“Sparton”) hereby agree to the following modifications to the schedule for the completion of the Annual Reports and for the update of the numerical groundwater flow and transport model developed under the requirements of the Consent Decree.

1. Deadline for submission of Annual Reports

Section 3.6 of the Work Plan for the Off-Site Containment System (Attachment C to the Consent Decree) requires Sparton to Submit an Annual Report “within four months after the

anniversary date of the startup of the continuous system operation.” Between 2000 and 2012, Sparton has every year requested an extension to this deadline for the submission of the Annual Reports, and EPA and NMED have granted the requested extensions. The extended submission deadline for the Annual Reports during the last several years has been the 30th of June following the end of the report year. EPA, NMED, and Sparton now agree that hereafter the date of June 30 of each year would formally be the new deadline for the submission of the Annual Report for the previous calendar year.

2. Frequency of Model Update

A numerical groundwater flow and transport model of the aquifer system underlying Sparton’s former Coors Road Plant was developed in 1999 following the general outline described in Attachment D of the Consent Decree. Several modifications and recalibrations were made to the model since its initial development, and a discussion of the model and of evaluations conducted with the model was presented in each past Annual Report. In 2009 the model was deemed reliable for making future predictions and was used to carry out evaluations of alternative systems for aquifer restoration as specified in Attachment D of the Consent Decree. Based on these evaluations Sparton recommended and EPA and NMED approved the increase of the off-site containment system pumping rate to about 300 gallons per minute. This new pumping rate was implemented in November 2010 and a model evaluation of a full year of operation at this pumping rate was presented in the 2011 Annual Report that was issued on June 29, 2012. EPA, NMED, and Sparton now believe that annual updates of the model are no longer required and agree that hereafter the model will be updated once every three (3) years with the

next model evaluation to occur in 2015, to be reported in the 2014 Annual Report which will be issued in June 2015.

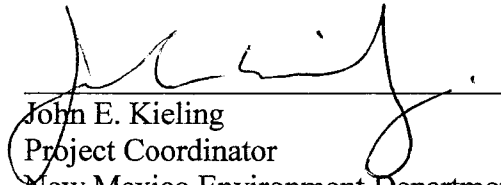
This document is not intended for filing in the United States District Court but the requirements specified within are enforceable under the Consent Decree. The undersigned representative of Sparton certifies that he is fully authorized to execute and legally bind Sparton to the conditions in this document.

FOR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY:

Chuck Hendrickson
Project Coordinator
U.S. EPA Region 6

Date: _____

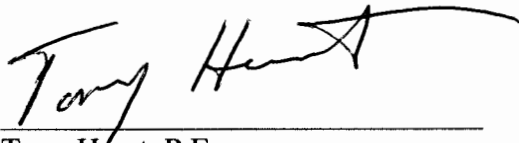
FOR THE NEW MEXICO ENVIRONMENT DEPARTMENT:



John E. Kieling
Project Coordinator
New Mexico Environment Department

Date: 6/3/2013

FOR SPARTON TECHNOLOGY, INC.:



Tony Hurst, P.E.
Project Coordinator
Hurst Engineering Services
1022 Monaco Parkway
Denver, CO 80220

Date: 5/24/2013