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October 18, 1999

VIA FACSIMILE

Ana Marie Ortiz
Special Assistant Attorney General
Assistant General Counsel
New Mexico Environment Department
P. O. Box 26110
Santa Fe, New Mexico 87502-6110

Re: Sparton Technology, Inc.;
Post Closure Care Permit Application

Dear Ana:

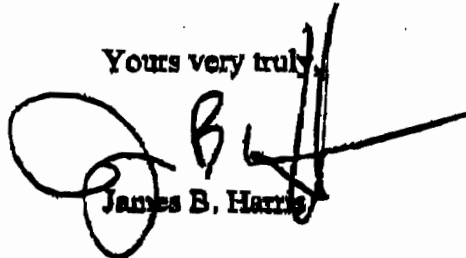
This letter is written to confirm two issues related to Sparton Technology, Inc.'s Application for a Post Closure Care Permit.

First, as we have previously agreed, the total application, preparation, and document review fee for Sparton's Post Closure Care Permit is \$12,000.00. This amount will be due once the application is deemed administratively complete.

Secondly, based on the language in the Consent Decree, the only items we need to modify in the application submitted February 15, 1995, which is currently on file, are items 1-11 included in a memorandum attached to your April 2, 1999, letter to me under the heading "Outstanding Items Required to be Submitted". Once we have made those modifications to NMED's satisfaction, the application will be administratively complete.

I would very much appreciate it if you would let me know by return letter that the understanding set forth in this correspondence is correct.

Yours very truly,



James B. Harris

JBH/tks

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