

July 3, 2006

Will Grant, Esq., General Counsel's Office
U.S. Department of Energy
Forrestal Building Room 6A211, (GC-77)
1000 Independence Avenue, SW
Washington, DC, 20585

Re: Pajarito Plateau Homesteader's
Second Special Master's submitted
Initial payment documents-NMFDC
#00CV00060

Dear Mr. Grant:

I have sent you and Teresa Baldwin the following documents electronically:

1. An Excel Spreadsheet in DOE format with payment information for 491 claimants. This is the number of claimants who returned ACH Vendor forms and disclaimers to my by July 1, 2006.
2. My Initial Findings and Conclusions filed on April 14, 2006 in the NM Federal District Court Cause 00-CV-060 with the accompanying Exhibits 1 (undisputed tracts) and 2 (Disputed tracts resolved). These exhibits and findings list all of the claimants and the awards for approval by the District Judge.
3. Judge William Johnson's May 16, 2006 Order Approving these Findings and Conclusions. Under the settlement procedure in the court case, claimants had thirty days to object to the findings. There were no objections filed, so the Findings and Conclusions, and therefore that Order, are no longer appealable, and therefore it is final.

Please note that some claimants in the Exhibits I and II for which payment is approved now appear with the claimant's name and the words "Estate" or "Trust". The oldest generation is indeed very old. A number of them have died since I received the information on which I made my findings, and I have documents in my file reflecting those changes.

Under the legislation and the findings of fact, the awards go to the eligible claimants living at the time the award is paid, so the the estates or trusts are listed only for the determination of the rightful claimants, which they are charged with doing. It did not seem necessary to seek amended orders in these cases, although at the close of the proceeding a final last order will provide for these adjustments, but I didn't think payment needed to be interrupted.

4. PDF files for Tracts containing the completed Vendor form information that each claimant has provided, in alphabetical order. Teresa, please note that some tracts were combined because there were persons awarded claims in both tracts, but the tract combinations are clear in the titles. Also, Tracts which appear with a "070306"

Joseph E. Caldwell, Special Master, Pajarito Plateau Homesteaders Settlement

designation are those for which all of the claimants have not yet submitted forms, so that the Tract information will not be complete until all of the persons eligible for a tract have done so. This should not delay the payment for those who have.

Also note that you will see numerous adjustments in these forms. My experience in this case has demonstrated a need for some bank officer training in form filling out before signing, but, from my point of view, the idea of returning each of the dozens that were incomplete or erroneously completed was daunting. Therefore, I verified with the claimants or the bank the information which was either entered or altered, and have initialed this verification in each instance.

Regretfully, after I sent the documents, I received a message saying that any document over 15 MG cannot be uploaded in the DOE computer system, and therefore they were being rejected. It seems out plan to send them by direct email has not worked.

My plan B is to make a CD and mail it to you FEDEX. I am enclosing the CD with this letter. Could you please make sure that Terry Baldwin receives the documents she should need. In particular, the EXCEL spreadsheet in the DOE format has been sent, and I am waiting to see if she can confirm its receipt.

I trust that this will suffice to begin to initiate payments. I will be available only by email from July 5-August 10, but will be glad to provide any information you should need.

Most cordially yours,

Joseph E. Caldwell

Cc: Matt Buck