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Mr. Ray Leissner
Environmental Engineer
Groundwater/UIC Section, 6WQ-SG
U.S. Environmental Protection Agency, Region 6
1445 Ross Avenue, Suite 1200
Dallas, Texas 75202

Re: Uranium Energy Corp (UEC) Mine Permit Application

Dear Ray:

Enclosed please find a copy of UEC's Mine Permit Application for the Goliad Project. The Application includes a map entitled EPA Map. I added this map to clearly show where existing water wells are with respect to the Mine Permit Boundary, the Initial Production Areas and the proposed Aquifer Exemption Boundary. The well locations have numbers that are cross-indexed to Table 4.1 Water Well Inventory in Chapter 4.0 of the Application.

As shown on the EPA Map, only one well exists within the proposed Aquifer Exemption Area. This well had never served as a drinking water supply for human consumption. The well was completed as an industrial rig supply well in the 1980s by Moore Energy. The well was used to supply water to rigs during early uranium exploration drilling. Since that time, the well has been used exclusively for livestock watering.

A review of the laboratory analysis shows that the water quality does not meet drinking water standards for two constituents: arsenic and manganese. Arsenic is nearly 3 times the 1.0 mg/l standard and manganese is nearly 5 times the 0.05 mg/l standard. Although the radium-226 level (1.9 pCi/l) is below the 5 pCi/l drinking water standard, radium is somewhat elevated from normal background of <1.0 pCi/l. Approximately 65% of the water wells that were sampled in the Area of Review (AOR), had radium-226 values that were less than 1.0 pCi/l. It is not unusual to find elevated radium-226 levels in some water wells that are near mineralized portions of aquifers.

Please feel free to contact me if you have any questions or need additional information. As I mentioned in my email, I look forward to discussing my views on how aquifer exemption areas should be delineated.

Regards,

Craig W. Holmes

Craig W. Holmes
Regulatory Consultant