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RAILROAD COMMISSION OF TEXAS

SURFACE MINING AND RECLAMATION DIVISION

February 4, 2009

Mr. Josh Leftwich
Environmental Manager
Uranium Energy Corporation (UEC)
400 Mann Street, Suite 900
Corpus Christi, Texas 78401

RE: Weesatche Project, Goliad County
Uranium Exploration Permit No. 123B
Inspection Report

Dear Mr. Leftwich:

Enclosed is a copy of the report for the inspection completed on January 27, 2009, at UEC's Weesatche Project, Goliad County.

If you have any questions, please contact me at (512) 305-8813.

Sincerely,

Mark Schlimgen, Manager
Inspection and Enforcement

MS/sdj
Enclosure

RAILROAD COMMISSION OF TEXAS
SURFACE MINING AND RECLAMATION DIVISION
URANIUM EXPLORATION INSPECTION REPORT

Project Name: Weesatche Permit Number: 123B

Permittee: UEC County: Goliad

Industry Representative(s) Present: John Pollock

Inspector: Steve Meadows Date of Inspection: January 27, 2009

I. Field Conditions and Data Collection

Samples Collected: No ☒ Yes ☐ Sample Type: Water ☐ Soil ☐ Vegetation ☐

Average Temperature 75 Soil Condition Dry Date Last Rainfall N/A Wind Direction/ Velocity (Est.) Calm

Photographs Attached: No ☐ Yes ☒ (Complete Section IV)

II. Enforcement Action Taken

Notice of Violation Issued: No ☒ Yes ☐ NOV No. _____

Cessation Order Issued: No ☒ Yes ☐ CO No. _____

✓ Steve Meadows 02/04/2009

Inspector Signature Date

Mark Schlinger 2-4-2009

Reviewing Supervisor Signature Date

The Railroad Commission of Texas complies with Federal and State laws applicable to race, religion, national origin, sex, and disability. Information is available upon request by calling (512) 463-7288 or 1-800-735-2989 if special assistance is required.

Project Name: Weesatche
Permit Number: 123B
Inspection Date: January 27, 2009

III. Comments – Inspection Narrative

- *Document the area of the permit inspected*
- *Discuss observations made during the inspection*
- *Document the results of any field tests taken*
- *Provide a summary of any discussions with industry representatives, along with results, and expectations from those discussions*
- *Describe any enforcement action taken during the inspection, along with facts or evidence supporting the enforcement action*

This inspection of UEC Permit No. 123B found operations underway on a TCEQ required monitor well referred to as the Lagarto well #32201 by UEC. Photos 1-2 document these operations. No other drilling operation were underway on Permit No. 123B at the time of this inspection and site restorations complete thru out the project area.

Project Name: Weesatche
Permit Number: 123B
Inspection Date: January 27, 2009

VI. Photographs

Photo 1: Drilling of TCEQ monitor well - Lagarto No. 32201

Photo 2: Drilling of TCEQ monitor well - Lagarto No. 32201