Fw: response to October 22 letter

Art Dohmann to: Jose Torres, Ray Leissner, Stacey Dwyer, Philip Dellinger 11/13/2012 09:01 AM

From: "Art Dohmann" <artdohmann@gmail.com>

To: Jose Torres/R6/USEPA/US@EPA, Ray Leissner/R6/USEPA/US@EPA, Stacey Dwyer/R6/USEPA/US@EPA, Philip Dellinger/R6/USEPA/US@EPA

This is a courtesy copy in case you have not seen the GCGCD reply to water quality testing.
Art Dohmann

----- Original Message -----
From: Barbara Smith
To: hanthony@uraniumenergy.com
Cc: Honker.William@epa.gov ; Curry.Ron@epa.gov ; Coleman.Sam@epa.gov ; geanie.morrison@house.state.tx.us ; district18.hegar@senate.state.tx.us ; ac@tceq.texas.gov ; rbaimonte8313@gmail.com ; Jackson.lisa@epa.gov
Sent: Tuesday, November 06, 2012 3:05 PM
Subject: response to October 22 letter

Mr. Anthony, Attached you will find Goliad County Groundwater Conservation District response to your letter of October 22, 2012. This response will also be sent to you by Certified Mail.

Barbara Smith, Manager, GCGCD letter to UEC 11-5-1211062012_00000.pdf

REQUIREMENTS FOR URANIUM MINING IN GOLIAD COUNTY.doc

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GOLIAD COUNTY GROUNDWATER CONSERVATION DISTRICT
118 S. Market St., P.O. Box 562, Goliad, Texas 77963-0562
Telephone: (361) 645-1716 Facsimile: (361) 645-1772
www.goliadcogcd.org

Board of Directors:
President – Art Dohmann
Vice-President – Joe Kozielski
Secretary/Treasurer – Barbara Smith
Directors – Wesley Ball, John Dreier, John B. Duke, Raulie Irwin

Mr. Harry Anthony P. E.
Chief Operating Officer
Uranium Energy Corp.
500 N. Shoreline Blvd.
Suite 800N
Corpus Christi, TX 78401

November 5, 2012

Re: Proposed Monitoring Agreement

Dear Mr. Anthony,

At the Goliad County Groundwater Conservation District (GCGCD) meeting held on October 29, 2012, the Board reviewed your proposed monitoring agreement dated October 22, 2012. After review with legal counsel, the Board voted 7-0 to decline participation in this agreement. The Board has done extensive water quality monitoring since 2006 and is committed to continue an independent water quality monitoring program in the future. This is one component of GCGCD meeting the task of maintaining a sustainable supply of good quality drinking water for Goliad County residents.

UEC has stated that protection of groundwater is important to every uranium company, including UEC. If UEC wishes to do additional water quality monitoring, GCGCD encourages UEC to install monitor wells in the "C" Sand associated with PAA-1. This is one of the requirements noted in item 1 of the attached document adopted by GCGCD in March, 2009, applicable to all potential uranium mining operations in Goliad County. These monitor wells would be an additional safeguard to detecting an escape of the mining fluid from the mining zone. The attached document has been previously distributed and GCGCD is advising that this document was revised by Board action on October 29, 2012 by deleting the option of a "bond" relating to a reserve fund.

A comprehensive water quality monitoring program is necessary to provide for early detection of groundwater contamination and to provide for the protection of human, livestock and wildlife health. However, a comprehensive water quality monitoring program cannot take the place of providing the scientific data that answers questions associated with the evaluation for granting an aquifer exemption and a high assurance that the drinking water supply is protected.

The two faults associated with UR-03075 have not been tested to determine vertical and or horizontal transmissivity. Testing of the south-east fault may play a major role in answering if the aquifer exemption water supply currently serves as a source of drinking water as defined in the EPA letter to Mr. Zak Covar at the Texas Commission on Environmental Quality (TCEQ)

dated May 16, 2012 and was a major topic of discussion presented by Mr. Ray Leissner of the EPA at the joint meeting on August 16, 2012. There are a number of drinking water supply wells immediately down-dip of the proposed aquifer exemption. These residents deserve to have the facts to protect their health and welfare. The pump test across the south-east fault that has been requested by the EPA is a reasonable request. GCGCD is firm in their support that this test be done. This test would provide pertinent science and engineering facts and would help to alleviate the rumors, innuendo and unfound speculation that UEC refers to from time to time.
An adequate supply of good quality drinking water is vital to the citizens and economy of Goliad County and GCGCD is committed to the programs necessary to maintain that condition.
GCGCD holds fast to the requirement that the groundwater be restored to the original status, when restoration is complete.

Sincerely,

Board of Directors, Goliad County Groundwater Conservation District

_____ Art Dohmann, President

_____ Joe Kozielski, Vice-President

_____ Barbara Smith, Secretary

_____ Raulie Irwin, Director, Place 1

_____ Wesley Ball, Director, Place 3

_____ John Dreier, Director, Place 4

_____ John B. Duke, Director, Place 5

Attachments: GCGCD Document dated March, 2009

cc: Bill Honker, EPA
Ron Curry, EPA
Sam Coleman, EPA
State Representative Geanie Morrison
State Senator Glenn Hegar
TCEQ, Zak Covar
Rob Baiamonte
Lisa Jackson, EPA - Washington

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letter to UEC 11-5-1211062012_00000.pdf

REQUIREMENTS FOR URANIUM MINING IN GOLIAD COUNTY.doc

REQUIREMENTS FOR URANIUM MINING IN GOLIAD COUNTY

1. TWELVE, 12, MONITOR WELLS AROUND MINING AREA. WELLS TO VARY IN DISTANCE AND DEPTH. MONITOR WELLS MUST BE LOCATED WITHIN 50 FT. OF MINING AREA AND TWO WELLS IN EACH SAND LEVEL: A-C
2. MONITORING BY AN INDEPENDENT ENVIRONMENTAL LAB EVERY THIRTY DAYS. MONITORING TO BE PAID FOR BY MINING COMPANY AND RESULTS SENT TO MINING COMPANY AND GCGCD.
3. GCGCD IS TO HAVE ACCESS TO MINING OPERATIONS AT ALL TIMES DURING THE MINING PROCESS. GCGCD WILL NOT INTERFERE WITH MINING OPERATIONS.
4. URANIUM MINING COMPANY TO APPLY FOR WATER WELL PERMITS TO GCGCD.
5. RESERVE FUND FOR REPLACEMENT OF CONTAMINATED WATER WELLS. $1,000,000 CASH PAYABLE TO GCGCD FOR A 10 YEAR PERIOD. GCGCD TO ESTABLISH PARAMETERS AND REQUIREMENTS FOR TESTING AND REPLACEMENT OF CONTAMINATED WATER WELLS.

ADOPTED BY GCGCD – MARCH 2009

REQUIREMENTS FOR URANIUM MINING IN GOLIAD COUNTY

The Goliad County Groundwater Conservation District, GCGCD, outlined requirements for in-situ uranium mining in Goliad County in March of 2009. These requirements were distributed to all companies attempting to mine uranium ore in Goliad County. On October 17, 2012 the GCGCD reviewed and validated the requirements for uranium mining in Goliad County. The following four items apply to the monitor wells and the mining operations inside the area known as PAA or the mining area.

1. A minimum of twelve, 12, monitor wells are to be placed within any and all production areas. The wells are to vary in horizontal distance, beginning at fifty feet and extending out to four hundred feet from the in-situ mining wells. At least two of these monitor wells are to be placed in each production sand: Two above, two below and two in the sand being mined.
2. The monitoring and sampling of the monitor wells located inside the mining area is to be conducted by an independent, accredited environmental laboratory every thirty days. The independent environmental lab is to report the results to GCGCD and the mining company within thirty days following the date of the sampling. The mining company will be required to pay the expense of sampling and laboratory testing of the wells located inside the mining area for the duration of the mining activity and at least five years after all mining ceases. Provided no contamination or evidence of contamination of the aquifer or of any individual water well has occurred within five years after mining has ceased, the frequency of the monitoring and sampling shall be reduced to six month intervals or at a rate and period of time to be determined by the GCGCD.
3. The GCGCD is to have access to the mining operations at all times. Access will only be gained during normal business hours and GCGCD will not interfere with the mining operations.

4. The uranium mining company is to apply for water well permits from the GCGCD and comply with the GCGCD rules for reporting water usage and permit renewals.

   The following requirements will apply to water wells located outside of the mining are:

   1. A reserve fund of $1,000,000 for replacement of contaminated water wells located outside of the mining area is to be established by the mining company. This fund is to be cash and is to be payable to GCGCD for a period of not less than ten years or at least for five years after all mining ceases. GCGCD is to establish parameters and requirements for sampling, testing, determination and replacement of contaminated water wells. This fund is to be managed at the sole discretion of GCGCD.
   2. GCGCD will continue to sample and test the water quality of the twelve wells it has been monitoring for the past six years and/or any other wells it deems necessary to determine the quality of the water outside of the mining area. GCGCD will continue to pay for the monitoring of the wells outside of the mining area.

   The above listed requirements have been adopted by the GCGCD for the purpose of protecting the natural resources of Goliad County. These requirements are to apply to any and all individuals or companies desiring to mine uranium ore in Goliad County. GCGCD is open and willing to work with the Environmental Protection Agency, the Texas Commission on Environmental Quality and the mining company in formulating and conducting the specific details of the above listed requirements.

   Respectfully submitted by:

   Chairman of the GCGCD, Art Dohmann
   and Director, Raulie Irwin
   Dated: October 17, 2012