Region 6, UEC, and Rep. Hinojosa +
Heather Podesta to: Bob Perciasepe 12/20/2011 08:14 PM

History: This message has been forwarded.

Bob,

Thanks again for taking the time last week to meet with the Uranium Energy Corporation (UEC). At your suggestion, we are setting up a meeting with the Region 6 office to discuss the modeling that UEC previously conducted and to determine whether additional modeling is required in order to advance the Goliad uranium mining project. To the extent that additional modeling is requested, we are hopeful that Region 6 will be specific about the information the office needs in order to process the application for the aquifer exemption.

While UEC was in town, we also visited with members of the Texas delegation to provide an update on the project, including Congressman Hinojosa who represents the area where the project will occur. Congressman Hinojosa shares our concerns about what appears to be a lack of consistency between different EPA regions when it comes to approving aquifer exemptions. The Congressman, along with a number of his colleagues on both sides of the aisle, recently sent the attached letter to the EPA to seek clarification on the current procedures for granting aquifer exemptions as well as information about any potential revisions that the EPA is considering making to the existing guidance/regulations.

Thanks again for your time. We will keep you posted on our discussions with the Region 6 office.

Best,

Heather

202/468-4403 epaletter12-16-11.pdf ATT00001.htm

00810.pdf

Meeting Request for December 14
Heather Podesta to: Bob Perciasepe
Cc: Benjamin Klein

11/18/2011 05:04 PM

Bob,

I'm writing to see if you have time on Wednesday, December 14 to meet with Harry Anthony, Chief Operating Officer of Uranium Energy Corporation (UEC). UEC is pursuing a uranium project in Goliad County, Texas, but the project is stalled because the EPA Region 6 office did not approve the Texas Commission on Environmental Quality's request for an aquifer exemption. We believe that Region 6 is holding this project to a different standard than the criteria clearly outlined in EPA guidance documents and used by other regions to evaluate similar projects.

We recently met with the Office of Water to express our concerns, and they suggested we meet with Region 6. We would like to give you an update on the project and our discussions with the Region 6 office. Please let me know what time works best for you on December 14. Appreciate your consideration.

Best,
Heather
202-468-4403

Congress of the United States
Washington, DC 20515

December 15th, 2011

The Honorable Lisa Jackson
Administrator
U.S. Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator Jackson:

We are writing to obtain clarification on a proposed aquifer exemption in Goliad County, Texas. As you know in July EPA Region 6 found an application for an aquifer exemption in Goliad County to be insufficient because, according to the EPA, the applicant failed to demonstrate that wells outside the exemption area would not draw on the exempted portion of the aquifer.

We can all agree the safety of our drinking water is vitally important, and we fully support the EPA's mission in creating regulations to achieve this goal. We also believe it is important that the regulations be consistently applied.

As we understand it, EPA guidance (Guidance 34) states that to receive an aquifer exemption a project must meet two criterion: (1) the exempted area does not currently serve as a source of drinking water and (2) it cannot now and will not in the future serve as a source of drinking water because of the presence of minerals or hydrocarbons expected to be commercially producible. To meet the first criteria, EPA Guidance 34 requires an applicant to perform a water well survey covering the exempted area and a buffer of one-quarter mile from the exempted area's boundary.

It is also our understanding that EPA Region 6 has previously granted more than 30 aquifer exemptions in Texas using this standard; however, in July EPA Region 6 declared the aquifer exemption in Goliad County to be insufficient because the applicant failed to demonstrate that wells outside the exemption area would not draw on the exempted portion of the aquifer.

PRINTED ON RECYCLED PAPER

If, as has been reported, the EPA is considering revising its policy for approving aquifer exemptions we would hope that EPA regions would follow the current guidance, which is what other regions are doing. For these reasons we are asking for clarification on the current procedures for aquifer exemptions as well as any potential revisions in your policy to grant such exemptions.

Sincerely,

Rubén Hinojosa
Member of Congress

Ralph Hall
Member of Congress

Joe Barton
Member of Congress

Gene Green
Member of Congress

Charlie Gonzalez
Member of Congress

Henry Cuellar
Member of Congress

Blake Farenthold
Member of Congress

Kay Bailey Hutchison
U.S. Senator

John Cornyn
U.S. Senator

Update
Heather Podesta to: Bob Perciasepe 01/17/2012 02:14 PM

Bob,

Thanks again for taking the time to meet with the Uranium Energy Corporation (UEC) last month. As you will recall, UEC is hoping to get clarity about any additional steps that must be taken in order for Region 6 to grant an aquifer exemption – the final step before UEC can start a project in Goliad County, Texas. When we met, you suggested that Region 6 meet with UEC this month to discuss any remaining concerns about the modeling that UEC previously conducted to ensure water wells in the permit area and surrounding region would not draw on the exempted portion of the aquifer. While we believe UEC has clearly met the requirements outlined in EPA Guidance 34, UEC is prepared to conduct additional modeling if reasonable and if the Region 6 office is clear about the information that they need to process the aquifer exemption.

UEC is scheduled to meet with Region 6 tomorrow. We are hopeful that this will be a productive discussion and we will come away with clarity about the steps we need to take to advance the project, including a timeline that we can agree to for UEC to conduct any additional modeling and for Region 6 to review the data and process the aquifer exemption request.

We greatly appreciate your assistance to bring Region 6 and UEC to the table to work through these issues. We will keep you updated on our discussions with Region 6.

Best,

Heather
202/468-4403

Heather Podesta + Partners, LLC
901 7th Street, NW
Suite 600
Washington, DC 20001
202.628.8953 (O)
202.468.4403 (M)
Podesta@heatherpodesta.com

Follow up
Heather Podesta to: Bob Perciasepe 02/02/2012 05:47 PM

History: This message has been replied to and forwarded.

Bob,

As you will recall, we brought in Uranium Energy Corporation (UEC) to meet with you in December to discuss a project they are working on in Goliad County, Texas. The Texas Commission on Environmental Quality has approved all the necessary permits for the project, but the EPA Region 6 office needs to concur with TCEQ's approval of the aquifer exemption before the project can get underway.

When we met in December, we expressed frustration that the Region 6 office has not provided any clear guidance on the additional information that the Region needs to approve the aquifer exemption. While modeling is not required by existing EPA regulations or guidance, UEC is willing to conduct additional modeling if the request is reasonable and Region 6 is specific about the information it needs.

At your suggestion, UEC met with Region 6 again in January to discuss the scope of the additional modeling requested by the region. UEC came to that meeting with a specific proposal to demonstrate that the exempted area does not currently serve as a source of drinking water. UEC proposed a model that would cover the period of the mine life (8 years including the restoration phase) – a time period specifically suggested in Region 6's July 1, 2011 letter to TCEQ and one clearly documented in existing regulations (40 CFR § 146.6). However, at the January 18, 2012 meeting, Region 6 provided UEC with a new definition of "currently" that would now cover the time period of the average lifespan of wellbores in the area – something that is impossible to define and could cover an indefinite number of years.

Attached is a document that more fully outlines our concerns and our interaction with the region. UEC has worked in good faith to conduct additional modeling requested by Region 6, but Region 6 keeps changing the standards they are using to evaluate the project, leading to continuing and unnecessary delay

We would like to come back to meet with you or the appropriate person on your staff to discuss the project and see if we can find a reasonable path forward. What time next week or the following would work?

Best,

Heather

Heather Podesta + Partners, LLC
901 7th Street, NW
Suite 600

Washington, DC 20001
202.628.8953 (O)
202.468.4403 (M)
Podesta@heatherpodesta.com

EPA Review of UEC AE - Status Update.pdf

Attachment 10
2/2/12
5:47 email

UEC Goliad Project Inappropriately Delayed by EPA Region 6 -
Region Fails to Follow EPA Regulations and Changes Rules at Each Step in Process

February 2, 2012

The Uranium Energy Corporation (UEC), a U.S.-based exploration, development, and production company, is pursuing a new mining project in Goliad County, Texas. Despite receiving full approval from the State of Texas, the project is stalled because the Environmental Protection Agency's (EPA) Region 6 office is attempting to apply a new standard to evaluate the project – one neither supported by existing EPA regulations nor precedent in Region 6 or other EPA regions. UEC has worked in good faith to conduct additional modeling requested by Region 6, but Region 6 keeps changing the standards they are using to evaluate the project, leading to continuing and unnecessary delay.

Goliad Project Receives Extensive Review

Step 1: Review by TCEQ – UEC initiated the permitting process for its Goliad project in 2006. Between 2006 and 2011, UEC was granted all of the required permits from the Texas Commission on Environmental Quality (TCEQ), including a Class III Injection Well Area Permit (known as the "Mine Permit"), Production Area Authorization, Radioactive Material License, Class I Injection Well Permit, TCEQ Air Permit Exemption, and an Aquifer Exemption (AE). As part of the permitting process, TCEQ conducted a thorough assessment of worker safety; air, surface water, and groundwater quality; human health and environmental impacts; groundwater restoration; and surface reclamation. TCEQ determined the project would have no significant impact on human health or the environment, a step required under Texas law before approving the permits.

Step 2: Review by Additional Texas Agencies – In addition, potential environmental impacts of the project were assessed by the Texas Parks and Wildlife Department; potential impacts to archaeological/historic artifacts were assessed by the Texas Historical Commission; and potential impacts to oil/gas resources were assessed by the Railroad Commission of Texas. In each case, the project was found to have no negative impact.

Step 3: Public Notice and Contested Case Hearing – Texas law also requires public notice and an opportunity for a contested case hearing. The UEC Goliad Project Mine Permit, Production Area Authorization, and AE were subject to a lengthy contested case hearing. In accordance with state procedures, TCEQ reviewed the findings of the Administrative Hearings Examiner who presided over the contested case hearing and on December 15, 2010, TCEQ granted the Mine Permit, Production Area Authorization, and AE.

Step 4: TCEQ Submits the AE Request to EPA Region 6 for Concurrence – The federal Safe Drinking Water Act requires the EPA to concur with the state approval of the AE before the AE can be issued. Since Texas has an EPA-Approved Underground Injection Control (UIC) Program, requests for AEs are processed by EPA Region 6 as Non-substantial Revisions to the Approved State Program, a practice in place since 1984 when EPA implemented Guidance for Review and Approval of State UIC Programs and Revisions to Approved State Programs (EPA Guidance 34). TCEQ submitted the Goliad AE request to EPA Region 6 on May 27, 2011.

Step 5: Review by EPA Region 6 – EPA Region 6 responded to TCEQ's request for concurrence on the Goliad AE on July 1, 2011. The Region found TCEQ's request to be "incomplete" and requested unprecedented modeling. In its response to TCEQ, Region 6 did not provide any feedback on the model UEC produced as part of the TCEQ contested case hearing – a model that is not even required for aquifer exemption reviews. In addition, the Region failed to provide any clarity about the additional modeling it requested.

EPA Criteria for AE Approval

For the EPA to grant an AE, a project must meet two criteria (40 CFR § 146.4):

(1) The exempted area does not currently serve as a source of drinking water and

(2) it cannot now and will not in the future serve as a source of drinking water because of the presence of minerals or hydrocarbons expected to be commercially producible.

EPA Guidance Calls for a Water Well Survey, Not a Hypothetical Model

For more than 25 years, all UIC program applicants have followed EPA Guidance 34 to demonstrate the criteria are satisfied. For example, to demonstrate that the exempted area is not currently serving as a source for drinking water, EPA Guidance 34 calls for a survey of the proposed AE area to identify any drinking water supply wells that tap the exempted portion of the aquifer. The survey should also include a buffer area extending a minimum of one-quarter mile outside of the AE boundary.

UEC conducted such a survey and looked at water wells within one kilometer of the proposed AE boundary, far exceeding the requirement in EPA Guidance 34. In addition, UEC produced a comprehensive model as part of the TCEQ contested case hearing to demonstrate that mining fluids will not migrate outside the proposed AE area.

On December 2, 2011, UEC met with Region 6 to better understand the Region's concerns. At that meeting, Region 6 requested that UEC prepare a "proposed modeling plan" on the exterior wells to reveal the appropriate input parameters including evaluation time period, gradient, porosity, sand thickness, etc. Region 6 also asked that the model demonstrate that water wells outside the proposed exemption area are not currently using water from exempted portion of the aquifer. As outlined in Guidance 34, the test that EPA has long required is a detailed water well survey, something that UEC already provided Region 6. That said, in order to move the project forward, UEC agreed to go above and beyond and spent a great deal of effort and money to develop the additional modeling requested by Region 6.

UEC Agrees to Go Beyond Requirements and Conduct Additional Modeling

On January 18, 2012, UEC presented a new modeling plan to Region 6. UEC developed the modeling plan using voluminous site-specific geologic and hydrologic data that was developed during the permitting phases of the project. Other necessary input parameters included life span of the assessment and the domestic water well location and pumping rate. A summary of UEC's model approach is provided below.

- **Objective:** Demonstrate that no existing domestic well is currently using water from the proposed exemption area and that no existing domestic well could produce water from the exemption area during the project life (8 years inclusive of the groundwater restoration phase).
- **Approach:** Use accepted EPA capture zone methods and site data to delineate capture zones.
- **Time Frame:** Perform modeling over a period of the entire mine life. The timeframe for assessing the potential impact of injection and production wells is specified in EPA rules (40 CFR § 146.6). Region 6 also specifically suggested in a July 1, 2011 letter to TCEQ that the timeframe of analysis should be the 8 year mine life.
- **Tabulate the domestic wells in the Area of Review (AOR):** The AOR, according to EPA rules for Class III Wells, is a minimum of one-quarter mile beyond the injection well area.
- **Domestic Well Completion Zone:** Document, if possible, the location and depth of each well. If the completion depth is unknown, assume the wells are completed in all four sands that are included in the AE area.
- **Domestic Water Use:** The model assumes that a typical household uses 309 gallons of water per day. This estimate is based on data from the Texas Water Development Board (TWDB) showing that the average resident uses 119 gallons per day and that there are an estimated 2.6 people per household (www.goliadcc.org/index.php/re-location-info.html).
- **Domestic Well Pumping Rate:** Based on the domestic water use just noted, the average water well pumping rate is 0.215 gallons per minute.
- **Domestic Water Well Capture Zones:** Using the data above, calculate the 8 year capture zone for each well and plot in relation to the proposed AE boundary.
- **Technical Report/Model Results:** Provide Region 6 a detailed technical report with all supporting data inputs.

This reasonable approach directly responds to the modeling parameters that Region 6 outlined in the December 2, 2011 meeting.

EPA Region 6 Continues to Change its Standards for Evaluating the Goliad Project

During the January 18, 2012 meeting, despite acknowledging that UEC's approach was reasonable, the Region once again changed the parameters and directed UEC to come up with a different plan. For example, during the January 18, 2012 meeting, Region 6 changed the definition of "currently" that is used to determine if water wells inside or near the proposed AE are currently serving as a source of drinking water (the attached chart compares the Region's new definition of "currently" to the definition proposed by the Region in their July 1, 2011 letter to TCEQ, as well as the definitions included in EPA regulations and case law).

Region 6 Fails to Provide Full List of Concerns

Although modeling is clearly not required by EPA regulations, UEC is willing to work with Region 6 to conduct additional modeling if the request is reasonable and the Region is specific about the information it needs to process the AE request in a timely manner.

However, it appears the Region's approach is to delay the project indefinitely. A "review process" with no end point is in effect a denial of the request. Even if UEC can satisfy the Region that the

proposed AE does not "currently serve" as a source of drinking water, the Region has indicated it will also request new modeling to demonstrate the project meets the second criterion of 40 CFR § 146.4.

In its July 1, 2011 letter to TCEQ, Region 6 notes that "should the ground water modeling determine that the proposed exempted portion of the Goliad aquifer meets the first criterion, the Region will request additional modeling information for evaluation of the second criterion for an aquifer exemption…" Uranium ore bodies are not substantiated by modeling; instead, they are delineated and assessed by long-standing techniques such as gamma and PFN logging, mapping, and laboratory analysis of core samples collected from the ore zone. EPA's suggestion that ore zones have to be substantiated with a model shows a lack of knowledge and experience in this field. Of the many successful uranium operations over the past 30 years, not a single ore zone was substantiated with a "model." UEC's Goliad Project was independently evaluated by professional geoscientists in a review process known as a "43-101," which verified that a substantial and commercially producible ore body exists at the Goliad site.

If Region 6 has concerns beyond those already outlined, it would be reasonable to expect they would share them with UEC and TCEQ in a timely manner.

Definition of "Currently" – An Example of Region 6 Unilaterally Changing its Standards

Existing EPA Regulations	Case History	Region 6 Standard (July 1, 2011)	Proposed UEC Model	NEW Region 6 Standard (January 18, 2012)
The time period for assessing the potential impact of Class III wells is documented in 40 CFR § 146.6(2). The rule states that the **time period should be "equal to the expected life of the injection well or pattern."**	This issue was addressed in *Western Nebraska Resources Council vs. EPA* (943 F. 2nd, 867, 8th Cir. Ct., 1991). In the case, EPA documented that the test for the term **"currently serves," found at 40 CFR§146.4, is whether a person is "currently using water for human consumption** from the [aquifer] in the specified lateral boundary" of the proposed AE.	In a July 1, 2011 letter to TCEQ, Region 6 stated that it requires a modeling analysis to determine if the aquifer within the exemption boundary currently serves as a source of drinking water. Region 6 went on to specify, **"The time period for such an analysis should extend across all projected production and restoration phases** of the proposed mining activity."	In a meeting on January 18, 2012, UEC proposed additional modeling that would cover the **project period life span (8 years as specified in the permit, which includes aquifer restoration).**	During a meeting with Region 6 on January 18, 2012, UEC was given a new definition[1] of "currently." Region 6 now defines "currently" as an indefinite time period. The Region wants UEC to look at the **time period covering the average lifespan of wellbores in the area – something that is impossible to define and could cover an indefinite number of years.**

[1]Region 6 provided UEC with the following definition of "current" during a meeting on January 18, 2012. "Current Underground Source of Drinking Water – This Region recognizes any aquifer, or portion thereof, containing water that is destined to be captured by an existing water well for human consumption as currently serving as a source of drinking water for that well. For purposes of determining the full extent of water to be captured by any given well, water wells may be assigned an estimated life span based on several factors if known, including: its previous length of service, production history and wellbore longevity in the area."

Re: Follow up
Bob Perciasepe to: Heather Podesta 02/03/2012 02:59 PM
Cc: Teri Porterfield

Heather

Just letting you know I have received this and I am looking into it a bit. Will be back with you next week.

Bob Perciasepe
Deputy Administrator

(o) +1 202 564 4711
(c) +1 [redacted] (b) (6)

Heather Podesta | Bob. As you will recall. we brought in Uranium E... | 02/02/2012 05:47:40 PM

From: Heather Podesta <podesta@heatherpodesta.com>
To: Bob Perciasepe/DC/USEPA/US@EPA
Date: 02/02/2012 05:47 PM
Subject: Follow up

Bob,

As you will recall, we brought in Uranium Energy Corporation (UEC) to meet with you in December to discuss a project they are working on in Goliad County, Texas. The Texas Commission on Environmental Quality has approved all the necessary permits for the project, but the EPA Region 6 office needs to concur with TCEQ's approval of the aquifer exemption before the project can get underway.

When we met in December, we expressed frustration that the Region 6 office has not provided any clear guidance on the additional information that the Region needs to approve the aquifer exemption. While modeling is not required by existing EPA regulations or guidance, UEC is willing to conduct additional modeling if the request is reasonable and Region 6 is specific about the information it needs.

At your suggestion, UEC met with Region 6 again in January to discuss the scope of the additional modeling requested by the region. UEC came to that meeting with a specific proposal to demonstrate that the exempted area does not currently serve as a source of drinking water. UEC proposed a model that would cover the period of the mine life (8 years including the restoration phase) – a time period specifically suggested in Region 6's July 1, 2011 letter to TCEQ and one clearly documented in existing regulations (40 CFR § 146.6). However, at the January 18, 2012 meeting, Region 6 provided UEC with a new definition of "currently" that would now cover the time period of the average lifespan of wellbores in the area – something that is impossible to define and could cover an indefinite number of years.

RE: Follow up
Heather Podesta to: Bob Perciasepe
Cc: Teri Porterfield, Benjamin Klein

02/09/2012 08:00 PM

Thanks Bob.

Heather Podesta + Partners, LLC
901 7th Street, NW
Suite 600
Washington, DC 20001
202.628.8953 (O)
202.468.4403 (M)
Podesta@heatherpodesta.com

From: Bob Perciasepe [mailto:Perciasepe.Bob@epamail.epa.gov]
Sent: Friday, February 03, 2012 3:00 PM
To: Heather Podesta
Cc: Teri Porterfield
Subject: Re: Follow up

Heather

Just letting you know I have received this and I am looking into it a bit. Will be back with you next week.

Bob Perciasepe
Deputy Administrator

(o) +1 202 564 4711
(b) (6)

From: Heather Podesta <podesta@heatherpodesta.com>
To: Bob Perciasepe/DC/USEPA/US@EPA
Date: 02/02/2012 05:47 PM
Subject: Follow up

Bob,

As you will recall, we brought in Uranium Energy Corporation (UEC) to meet with you in December to discuss a project they are working on in Goliad County, Texas. The Texas Commission on Environmental Quality has approved all the necessary permits for the project,

but the EPA Region 6 office needs to concur with TCEQ's approval of the aquifer exemption before the project can get underway.

When we met in December, we expressed frustration that the Region 6 office has not provided any clear guidance on the additional information that the Region needs to approve the aquifer exemption. While modeling is not required by existing EPA regulations or guidance, UEC is willing to conduct additional modeling if the request is reasonable and Region 6 is specific about the information it needs.

At your suggestion, UEC met with Region 6 again in January to discuss the scope of the additional modeling requested by the region. UEC came to that meeting with a specific proposal to demonstrate that the exempted area does not currently serve as a source of drinking water. UEC proposed a model that would cover the period of the mine life (8 years including the restoration phase) – a time period specifically suggested in Region 6's July 1, 2011 letter to TCEQ and one clearly documented in existing regulations (40 CFR § 146.6). However, at the January 18, 2012 meeting, Region 6 provided UEC with a new definition of "currently" that would now cover the time period of the average lifespan of wellbores in the area – something that is impossible to define and could cover an indefinite number of years.

Attached is a document that more fully outlines our concerns and our interaction with the region. UEC has worked in good faith to conduct additional modeling requested by Region 6, but Region 6 keeps changing the standards they are using to evaluate the project, leading to continuing and unnecessary delay

We would like to come back to meet with you or the appropriate person on your staff to discuss the project and see if we can find a reasonable path forward. What time next week or the following would work?

Best,

Heather

Heather Podesta + Partners, LLC
901 7th Street, NW
Suite 600
Washington, DC 20001
202.628.8953 (O)
202.468.4403 (M)
Podesta@heatherpodesta.com

[attachment "EPA Review of UEC AE - Status Update.pdf" deleted by Bob Perciasepe/DC/USEPA/US]

Re: Follow up
Heather Podesta to: Bob Perciasepe 02/13/2012 02:28 PM
Cc: Teri Porterfield, Benjamin Klein

History: This message has been forwarded.

Hey there.

Can we set up a call this week?

Thanks,
Heather

Heather Podesta
202/468-4403

From: Bob Perciasepe [mailto:Perciasepe.Bob@epamail.epa.gov]
Sent: Friday, February 03, 2012 11:59 AM
To: Heather Podesta
Cc: Teri Porterfield <Porterfield.Teri@epamail.epa.gov>
Subject: Re: Follow up

Heather

Just letting you know I have received this and I am looking into it a bit. Will be back with you next week.

Bob Perciasepe
Deputy Administrator

(o) +1 202 564 4711
(b) (6)

From: Heather Podesta <podesta@heatherpodesta.com>
To: Bob Perciasepe/DC/USEPA/US@EPA
Date: 02/02/2012 05:47 PM
Subject: Follow up

Bob,

As you will recall, we brought in Uranium Energy Corporation (UEC) to meet with you in December to discuss a project they are working on in Goliad County, Texas. The Texas

Commission on Environmental Quality has approved all the necessary permits for the project, but the EPA Region 6 office needs to concur with TCEQ's approval of the aquifer exemption before the project can get underway.

When we met in December, we expressed frustration that the Region 6 office has not provided any clear guidance on the additional information that the Region needs to approve the aquifer exemption. While modeling is not required by existing EPA regulations or guidance, UEC is willing to conduct additional modeling if the request is reasonable and Region 6 is specific about the information it needs.

At your suggestion, UEC met with Region 6 again in January to discuss the scope of the additional modeling requested by the region. UEC came to that meeting with a specific proposal to demonstrate that the exempted area does not currently serve as a source of drinking water. UEC proposed a model that would cover the period of the mine life (8 years including the restoration phase) – a time period specifically suggested in Region 6's July 1, 2011 letter to TCEQ and one clearly documented in existing regulations (40 CFR § 146.6). However, at the January 18, 2012 meeting, Region 6 provided UEC with a new definition of "currently" that would now cover the time period of the average lifespan of wellbores in the area – something that is impossible to define and could cover an indefinite number of years.

Attached is a document that more fully outlines our concerns and our interaction with the region. UEC has worked in good faith to conduct additional modeling requested by Region 6, but Region 6 keeps changing the standards they are using to evaluate the project, leading to continuing and unnecessary delay

We would like to come back to meet with you or the appropriate person on your staff to discuss the project and see if we can find a reasonable path forward. What time next week or the following would work?

Best,

Heather

Heather Podesta + Partners, LLC
901 7th Street, NW
Suite 600
Washington, DC 20001
202.628.8953 (O)
202.468.4403 (M)
Podesta@heatherpodesta.com

[attachment "EPA Review of UEC AE - Status Update.pdf" deleted by Bob Perciasepe/DC/USEPA/US]

Tomorrow's call
Heather Podesta to: Bob Perciasepe 02/16/2012 12:49 PM
Cc: Benjamin Klein

History: This message has been forwarded.

Bob,

Thanks for scheduling tomorrow's call. We appreciate the opportunity to give you an update on our discussions with Region 6 and are hoping to get your advice on a path to reach resolution on this project.

On our end, it will just be myself and my colleague Ben Klein. We have not invited anyone from UEC to participate.

For your reference, I'm attaching a letter that UEC just sent to Region 6.

Best,

Heather

Heather Podesta

Heather Podesta + Partners, LLC

901 7th Street, NW

Suite 600

Washington, DC 20001

202-628-8953

- Letter with attachments.pdf

UEC Follow-up
Heather Podesta to: Bob Perciasepe 02/28/2012 11:00 AM
Cc: Benjamin Klein

History: This message has been forwarded.

Bob,

Thanks again for your time to discuss UEC's proposed uranium mining project in Goliad County, Texas. We greatly appreciate your willingness to step in and your offer to help provide clarity about the steps UEC needs to take to advance the project.

Let us know if you need any additional information from our end.

Best,
Heather

Heather Podesta
Heather Podesta + Partners, LLC
901 7th Street, NW
Suite 600
Washington, DC 20001
202-628-8953

are we having fun yet?
Heather Podesta to: Bob Perciasepe 04/04/2012 07:41 PM

History: This message has been forwarded.

Bob,

Apologies for not being on the call last night – was on an airplane. We are grateful for your efforts working with Region 6 to reach consensus on the steps needed to address the Goliad project.

UEC wants to continue working with EPA and have offered to go above and beyond what is required by law to move this project forward. That said, UEC is frustrated that nearly 4 months after our first meeting, we still do not have consensus from EPA on the steps UEC needs to take. In our view, the steps necessary to satisfy the criteria to receive an aquifer exemption are clear and already well established by EPA regulations and Guidance 34, as well as court cases.

We encourage your team to review the agency's filings from Western Nebraska Resources Council v. EPA, (943 F. 2nd, 867, 8th Cir. Ct., 1991), a case that addresses the steps that must be taken to receive an aquifer exemption. In that case, an environmental organization challenged EPA's approval of a 3,000 acre aquifer exemption in Nebraska. As part of its defense, EPA said that the project satisfied the criteria in 40 C.F.R. § 146.4 by showing that "no one was identified as currently using water for human consumption from the Chadron Aquifer in the specific lateral boundary in the entire 3,000 acre area the State has requested for exemption." EPA noted that this conclusion was reached following an extensive water well survey and an inventory of wells – the same steps UEC took before applying to TCEQ for an aquifer exemption for the Goliad project. EPA also stated that "the fact that persons may use drinking water drawn from the aquifer outside of the proposed exemption boundary is obviously irrelevant to section 146.4(a), which looks only to the use of the exempted portion of the aquifer." Attached is the EPA filing for your reference.

We also understand the Texas Commission on Environmental Quality (TCEQ) is starting to reengage on this issue and that TCEQ is likely sending a letter to Region 6 to express concern about the delay and the lack of communication on this matter. They may also be considering a lawsuit.

Again, we greatly appreciate your personal involvement in this issue. We are hopeful, as you suggested, that we can reach agreement on a path forward in the coming weeks.

Best,

Heather
202/468-4403

stlecf336.pdf

RE: rumors . . . . sigh
Bob Perciasepe to: Heather Podesta 04/26/2012 09:12 AM

Not sure on that timing seems optimistic, but there are continuing conversations between hq and region. Will be back in office after noon today.

Bob Perciasepe
Deputy Administrator
(o) 202 564 4711
(c) (b) (6)

-------- Original Message --------

From : Heather Podesta <podesta@heatherpodesta.com>
To : Bob Perciasepe/DC/USEPA/US@EPA
Cc :
Sent on : 04/25/2012 06:09:31 PM
Subject : rumors . . . . sigh

Bob,

We are hearing a rumor that Region 6 plans to send a letter by the end of April to TCEQ about UEC's Goliad project. Can you confirm?

When we last spoke you mentioned that the agency was close to reaching a resolution. If the rumors are accurate, we are hoping that the letter is part of the coordinated HQ process and not something that the Region is initiating on their own.

Thanks again for all the time you are personally devoting to bring this issue to closure. It is much appreciated.

Best,

Heather

202-468-4403

rumors . . . . sigh
Heather Podesta to: Bob Perciasepe 04/25/2012 06:09 PM

History: This message has been replied to.

Bob,

We are hearing a rumor that Region 6 plans to send a letter by the end of April to TCEQ about UEC's Goliad project. Can you confirm?

When we last spoke you mentioned that the agency was close to reaching a resolution. If the rumors are accurate, we are hoping that the letter is part of the coordinated HQ process and not something that the Region is initiating on their own.

Thanks again for all the time you are personally devoting to bring this issue to closure. It is much appreciated.

Best,

Heather

202-468-4403

Heather Podesta + Partners, LLC

901 7th Street, NW

Suite 600

Washington, DC 20001

202.628.8953 (O)

202.468.4403 (M)

Podesta@heatherpodesta.com

Meeting request for Uranium Energy Corporation
Heather Podesta to: Aaron Dickerson 04/30/2012 11:37 AM
Cc: Diane Thompson, Bob Perciasepe

History: This message has been forwarded.

Aaron,

On behalf of the Uranium Energy Corporation (UEC), I'm writing to respectfully request a brief meeting with Administrator Jackson during the week of May 14 to meet with Amir Adnani, UEC's President and CEO, and Harry Anthony, Chief Operations Officer. UEC is a U.S.-based uranium production, development, and exploration company with operations in Texas and New Mexico.

We would like to discuss the state of the domestic uranium industry as well as a new mining project that UEC is ready to launch in Goliad County, Texas. We would like to discuss how the industry can work closer with EPA going forward.

Thank you for your consideration of this request.

Best,
Heather
202-468-4403

RE: Meeting request for Uranium Energy Corporation
Heather Podesta to: Aaron Dickerson 05/04/2012 02:58 PM
Cc: Diane Thompson, Bob Perciasepe

Hi Aaron,

I wanted to check back in regarding my previous message. Have you had a chance to review this request?

Thanks,
Heather Podesta
202/468-4403

From: Heather Podesta
Sent: Monday, April 30, 2012 11:38 AM
To: 'dickerson.aaron@epa.gov'
Cc: 'thompson.diane@epa.gov'; 'perciasepe.bob@epamail.epa.gov'
Subject: Meeting request for Uranium Energy Corporation

Aaron,

On behalf of the Uranium Energy Corporation (UEC), I'm writing to respectfully request a brief meeting with Administrator Jackson during the week of May 14 to meet with Amir Adnani, UEC's President and CEO, and Harry Anthony, Chief Operations Officer. UEC is a U.S.-based uranium production, development, and exploration company with operations in Texas and New Mexico.

We would like to discuss the state of the domestic uranium industry as well as a new mining project that UEC is ready to launch in Goliad County, Texas. We would like to discuss how the industry can work closer with EPA going forward.

Thank you for your consideration of this request.

Best,
Heather
202-468-4403

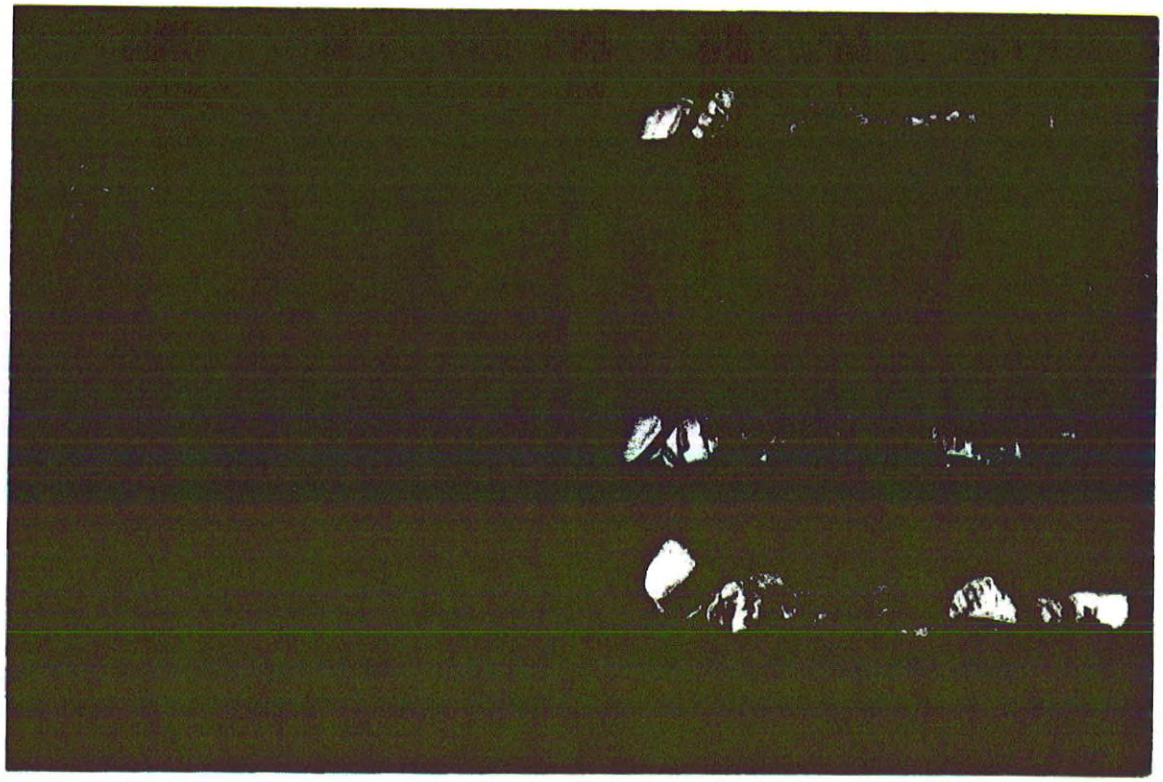
Party tonight
Heather Podesta to: Bob Perciasepe 05/09/2012 02:56 PM

Dear Bob,

Please join us for an evening of fun, performance art, and pizza at our home in [redacted] (b) (6) on Wednesday, May 9. Maria José Arjona will perform "All the Others in Me" and work by artists Marina Abramovic, Louise Bourgeois, Stephen Dean, Carlos Garaicoa, Josephine Mecksepet, Vik Muniz, Roxy Paine, Gyan Panchal, Dasha Shiskin, Jane and Louise Wilson, and Chen Zhen will be on display. It will be a gathering of friends from the worlds of art and politics.

The party will begin at 7 pm [redacted] (b) (6) The invitation is below. Please RSVP to Benjamen Douglas at Douglas@HeatherPodesta.com by Wednesday, May 2nd.

Best,
Heather and Tony Podesta



Penpal
Heather Podesta to: Bob Perciasepe 05/11/2012 04:23 PM

History: This message has been replied to.

Is the letter out?

Heather Podesta + Partners, LLC
901 7th Street, NW
Suite 600
Washington, DC 20001
202.628.8953 (O)
202.468.4403 (M)
Podesta@heatherpodesta.com

Re: Penpal
Heather Podesta to: Bob Perciasepe 05/11/2012 09:27 PM

Can you meet with the CEO late on Monday or mid-day on Tuesday? We still have not heard back from the Administrator. Thanks for considering it

Heather Podesta
202 468 4403

On May 11, 2012, at 8:29 PM, "Bob Perciasepe" <Perciasepe.Bob@epamail.epa.gov> wrote:

Early next week.
Bob Perciasepe
Deputy Administrator
(o)202 564 4711
(c) (b) (6)

From: Heather Podesta [podesta@heatherpodesta.com]
Sent: 05/11/2012 01:22 PM MST
To: Bob Perciasepe
Subject: Penpal

Is the letter out?

Heather Podesta + Partners, LLC
901 7th Street, NW
Suite 600
Washington, DC 20001
202.628.8953 (O)
202.468.4403 (M)
Podesta@heatherpodesta.com

I'm in the office
Heather Podesta to: Bob Perciasepe 05/14/2012 07:48 PM

History: This message has been replied to.

Heather Podesta + Partners, LLC
901 7th Street, NW
Suite 600
Washington, DC 20001
202.628.8953 (O)
202.468.4403 (M)
Podesta@heatherpodesta.com

Re: Letter sent yesterday
Heather Podesta to: Bob Perciasepe 05/17/2012 03:56 PM

Have it.
Concerned about some of the inaccuracies and new definitions/criteria.
Going through it.

Heather Podesta
202 468 4403

On May 17, 2012, at 3:26 PM, "Bob Perciasepe" <Perciasepe.Bob@epamail.epa.gov> wrote:

> Will have a copy to you in a few hours. Not where I can do it.
>
> Bob Perciasepe
> Deputy Administrator
> (o)202 564 4711
> (c) (b) (6)
>
> From: Heather Podesta [podesta@heatherpodesta.com]
> Sent: 05/14/2012 04:48 PM MST
> To: Bob Perciasepe
> Subject: I'm in the office

Heather Podesta + Partners, LLC
901 7th Street, NW
Suite 600
Washington, DC 20001
202.628.8953 (O)
202.468.4403 (M)
Podesta@heatherpodesta.com

Re: Need to give you a call
Heather Podesta to: Bob Perciasepe 05/20/2012 02:56 PM

History: This message has been replied to.

Are you off the mountain?

Heather Podesta
202/468-4403

----- Original Message -----
From: Bob Perciasepe [mailto:Perciasepe.Bob@epamail.epa.gov]
Sent: Saturday, May 19, 2012 12:51 PM
To: Heather Podesta
Subject: Re: Need to give you a call

Hiking. Will call later.

Bob Perciasepe
Deputy Administrator
(o)202 564 4711
(c) (b) (6)

----- Original Message -----
From: Heather Podesta [podesta@heatherpodesta.com]
Sent: 05/19/2012 10:41 AM MST
To: Bob Perciasepe
Subject: Need to give you a call

Best time to talk today? On a flight from 215 to 5 pm.

Heather Podesta
202/468-4403

From: Heather Podesta [podesta@heatherpodesta.com]
Sent: 05/19/2012 10:41 AM MST
To: Bob Perciasepe
Subject: Need to give you a call

Best time to talk today? On a flight from 215 to 5 pm.

Heather Podesta
202/468-4403

Re: Some Recent Uranium Mining Reports
Heather Podesta to: Bob Perciasepe 05/27/2012 06:09 PM

Bob,

Thanks for sending along these reports. The industry is familiar with the recent memo from the Science Advisory Board. We agree it would be beneficial to work out a process where the industry can have greater communication with the EPA and offer feedback as you consider changes to the existing regulations.

Regarding the Goliad project, UEC has not heard from Region 6 about a potential meeting between Region 6, UEC, and TCEQ. We would like to get that meeting set up as soon as possible. We are eager to continue to discuss a path forward for this project. Once the meeting is set, we believe it would be beneficial if someone from your office participates - either in person or by phone.

We also want to take you up on your offer to sit down again with UEC. We are hoping you might be available on Tuesday, June 12. Amir Adnani, President of UEC, will be in Washington that day, and we are hoping to visit with you about the Goliad project and other issues affecting the industry. We will follow up with your assistant but wanted to put this request on your radar screen.

Hope you are having a great Memorial Day weekend.

Best,

Heather

Heather Podesta
202/468-4403

From: Bob Perciasepe [mailto:Perciasepe.Bob@epamail.epa.gov]
Sent: Friday, May 25, 2012 01:04 PM
To: Heather Podesta
Subject: Some Recent Uranium Mining Reports

Heather:

I spoke to the Acting Regional Administrator who tells me he is working to set up a Texas, EPA, UEC meeting.
I also wanted you to see these two documents that have arrived over the last 6 months. I think if Texas, EPA and UEC can work out the process, we can get ahead of the curve on issues in some of these reports.

Enjoy the weekend.

Bob Perciasepe

Deputy Administrator

(o) +1 202 564 4711
(c) +1 (b) (6)

Meeting request
Heather Podesta to: Bob Perciasepe
Cc: Teri Porterfield, Benjamin Klein

06/05/2012 09:05 PM

Bob,

UEC is planning to meet with Region 6 and TCEQ on June 25 in Austin, and we are hoping that someone from your team will participate either in person or by phone. We believe that having someone from HQ will help ensure that the discussion is productive. While we were disappointed by the path forward that the Region recently outlined, we are eager to continue discussions with the Region and your office.

After we meet with Region 6, we would like to take you up on your offer to sit down again with UEC. Amir Adnani, President of UEC, is available on Wednesday, June 27 or Thursday, June 28. Please let me know if there is a time that works on your end.

Best,

Heather

Heather Podesta
202/468-4403

Update
Heather Podesta to: Bob Perciasepe 07/16/2012 05:29 PM

History: This message has been replied to.

Bob,

Thanks again for your time last week. We recognize that the progress made over the last few weeks would not have been possible without all of the time and effort you and your office have put into this project.

On Friday, Uranium Energy Corporation sent Region 6 all of the technical information that was requested to show how water flows within the aquifer and to demonstrate the hydraulic separation between the production sands. We understand that Region 6 is currently reviewing that information, and we have agreed to hold Monday, July 23 for a call or meeting with Region 6 to answer any questions about the technical data.

We are also working with TCEQ to determine the most appropriate process to formally request a reduction in the size of the proposed aquifer exemption area.

Thank you again for all of your efforts. We are hopeful that we can reach a final resolution in the coming weeks.

Best,

Heather

Heather Podesta
202/468-4403

Update
Heather Podesta to: Bob Perciasepe 08/07/2012 05:38 PM

History: This message has been replied to.

Bob,

I'm guessing you may also be glad that Congress is finally out of town. Mind you today I'm at Reid's National Clean Energy Summit. When they go, I follow.

I wanted to follow on the Goliad project. As you may know, UEC sent Region 6 all the technical information last month to show the direction water flows inside the proposed AE as well as to show that the different sands are not connected. We had a productive call with Region 6 to discuss the technical data and to give them an opportunity to ask any additional questions. During the call, Region 6 indicated that they were on track for a decision in the coming weeks. We are hoping we can stick to that schedule.

It is our understanding that the Goliad Groundwater District met with Region 6 yesterday to discuss their ongoing concerns. We would ask that Region 6 share any information presented during that meeting so that UEC has the chance to quickly review it and provide any additional context that might be helpful as Region 6 completes its review.

As always, we greatly appreciate all of your time and effort on this project.

Best,

Heather

Heather Podesta
202/468-4403

Happy Friday
Heather Podesta to: Bob Perciasepe 08/10/2012 06:19 PM
Cc: Benjamin Klein

History: This message has been replied to.

Bob,

Hoping we can get your help to get the process back on track. The path forward and timeline that the Region identified seems to be slipping away.

Region 6 just met with the Goliad Groundwater District on Monday and proposed a joint meeting between Region 6, UEC, TCEQ, and the Goliad Groundwater District for next week. We think it is odd to include the Groundwater District in that meeting. They have had countless chances to raise their concerns and they have, including the contested case hearing. Their issues have been addressed repeatedly during the review process.

That said, we agreed to do the meeting. But it now turns out the Groundwater District wants to wait until the end of August - long past the 30 day timeframe we were all working toward. The reality is the Groundwater District does not support this project and they seem intent on holding up the process.

How can we get back on track? Do you have a few minutes to catch up this weekend? Monday? Tuesday?
Thanks.

Best,
Heather

Heather Podesta
202 468 4403

On Aug 7, 2012, at 3:59 PM, "Bob Perciasepe" <Perciasepe.Bob@epamail.epa.gov> wrote:

> Thanks Heather
>
> I will check in with R6 tomorrow.
>
> Bob Perciasepe
> Deputy Administrator
>
> (o) +1 202 564 4711
> (c) +1 (b) (6)

From: Heather Podesta <podesta@heatherpodesta.com>

To: Bob Perciasepe/DC/USEPA/US@EPA

Date: 08/07/2012 05:38 PM

Subject: Update

Bob,

I'm guessing you may also be glad that Congress is finally out of town. Mind you today I'm at Reid's National Clean Energy Summit. When they go, I follow.

I wanted to follow on the Goliad project. As you may know, UEC sent Region 6 all the technical information last month to show the direction water flows inside the proposed AE as well as to show that the different sands are not connected. We had a productive call with Region 6 to discuss the technical data and to give them an opportunity to ask any additional questions. During the call, Region 6 indicated that they were on track for a decision in the coming weeks. We are hoping we can stick to that schedule.

It is our understanding that the Goliad Groundwater District met with Region 6 yesterday to discuss their ongoing concerns. We would ask that Region 6 share any information presented during that meeting so that UEC has the chance to quickly review it and provide any additional context that might be helpful as Region 6 completes its review.

As always, we greatly appreciate all of your time and effort on this project.

Best,

Heather

Heather Podesta
202/468-4403

Re: Happy Friday
Heather Podesta to: Bob Perciasepe, Benjamin Klein 08/12/2012 07:25 PM

History: This message has been replied to.

Hi there.
What time works for a call tomorrow?
Heather

Heather Podesta
202/468-4403

From: Bob Perciasepe [mailto:Perciasepe.Bob@epamail.epa.gov]
Sent: Friday, August 10, 2012 03:38 PM
To: Heather Podesta
Cc: Benjamin Klein
Subject: Re: Happy Friday

I will call over weekend, just got an update via email today.

Bob Perciasepe
Deputy Administrator

(o) +1 202 564 4711
(c) +1 (b) (6)

From: Heather Podesta <podesta@heatherpodesta.com>
To: Bob Perciasepe/DC/USEPA/US@EPA
Cc: Benjamin Klein <Klein@heatherpodesta.com>
Date: 08/10/2012 06:19 PM
Subject: Happy Friday

Bob,

Hoping we can get your help to get the process back on track. The path forward and timeline that the Region identified seems to be slipping away.

Region 6 just met with the Goliad Groundwater District on Monday and proposed a joint meeting between Region 6, UEC, TCEQ, and the Goliad Groundwater District for next week. We think it is odd to include the Groundwater District in that meeting. They have had countless chances to raise their concerns and they have, including the contested case hearing. Their issues have been addressed repeatedly during the review process.

That said, we agreed to do the meeting. But it now turns out the Groundwater District wants to wait until the end of August - long past the 30 day timeframe we were all working toward. The reality is the Groundwater District does not support this project and they seem intent on holding up the process.

How can we get back on track? Do you have a few minutes to catch up this weekend? Monday? Tuesday?

Thanks.

Best,
Heather

Heather Podesta
202 468 4403

On Aug 7, 2012, at 3:59 PM, "Bob Perciasepe" <Perciasepe.Bob@epamail.epa.gov> wrote:

Thanks Heather

I will check in with R6 tomorrow.

Bob Perciasepe
Deputy Administrator

(o) +1 202 564 4711
(c) +1 (b) (6)

From: Heather Podesta <podesta@heatherpodesta.com>
To: Bob Perciasepe/DC/USEPA/US@EPA
Date: 08/07/2012 05:38 PM
Subject: Update

Bob,

I'm guessing you may also be glad that Congress is finally out of town. Mind you today I'm at Reid's National Clean Energy Summit. When they go, I follow.

I wanted to follow on the Goliad project. As you may know, UEC sent Region 6 all the technical information last month to show the direction water flows inside the proposed AE as well as to show that the different sands are not connected. We had a productive call with Region 6 to discuss the technical

data and to give them an opportunity to ask any additional questions. During the call, Region 6 indicated that they were on track for a decision in the coming weeks. We are hoping we can stick to that schedule.

It is our understanding that the Goliad Groundwater District met with Region 6 yesterday to discuss their ongoing concerns. We would ask that Region 6 share any information presented during that meeting so that UEC has the chance to quickly review it and provide any additional context that might be helpful as Region 6 completes its review.

As always, we greatly appreciate all of your time and effort on this project.

Best,

Heather

Heather Podesta
202/468-4403

Re: Happy Friday
Heather Podesta to: Bob Perciasepe, Benjamin Klein 08/12/2012 09:10 PM

We will call then. Thanks.

H

Heather Podesta
202/468-4403

From: Bob Perciasepe [mailto:Perciasepe.Bob@epamail.epa.gov]
Sent: Sunday, August 12, 2012 05:58 PM
To: Heather Podesta; Benjamin Klein
Subject: RE: Happy Friday

Sorry

Weekend chores and family got the better of me. How about noon tomorrow?

Bob Perciasepe
Deputy Administrator
(o) 202 564 4711
(c) (b) (6)

-------- Original Message --------

From : Heather Podesta <podesta@heatherpodesta.com>
To : Bob Perciasepe/DC/USEPA/US@EPA, Benjamin Klein <Klein@heatherpodesta.com>
Cc :
Sent on : 08/12/2012 07:25:05 PM
Subject : Re: Happy Friday

Hi there.
What time works for a call tomorrow?
Heather

Heather Podesta
202/468-4403

From: Bob Perciasepe [mailto:Perciasepe.Bob@epamail.epa.gov]
Sent: Friday, August 10, 2012 03:38 PM
To: Heather Podesta
Cc: Benjamin Klein
Subject: Re: Happy Friday

I will call over weekend, just got an update via email today.

Bob Perciasepe
Deputy Administrator

(o) +1 202 564 4711
(c) +1 [redacted] (b) (6)

From: Heather Podesta <podesta@heatherpodesta.com>
To: Bob Perciasepe/DC/USEPA/US@EPA
Cc: Benjamin Klein <Klein@heatherpodesta.com>
Date: 08/10/2012 06:19 PM
Subject: Happy Friday

Bob,

Hoping we can get your help to get the process back on track. The path forward and timeline that the Region identified seems to be slipping away.

Region 6 just met with the Goliad Groundwater District on Monday and proposed a joint meeting between Region 6, UEC, TCEQ, and the Goliad Groundwater District for next week. We think it is odd to include the Groundwater District in that meeting. They have had countless chances to raise their concerns and they have, including the contested case hearing. Their issues have been addressed repeatedly during the review process.

That said, we agreed to do the meeting. But it now turns out the Groundwater District wants to wait until the end of August - long past the 30 day timeframe we were all working toward. The reality is the Groundwater District does not support this project and they seem intent on holding up the process.

How can we get back on track? Do you have a few minutes to catch up this weekend? Monday? Tuesday?

Thanks.

Best,
Heather

Heather Podesta

202 468 4403

On Aug 7, 2012, at 3:59 PM, "Bob Perciasepe" <Perciasepe.Bob@epamail.epa.gov> wrote:

Thanks Heather

I will check in with R6 tomorrow.

Bob Perciasepe
Deputy Administrator

(o) +1 202 564 4711
(c) + (b) (6)

From: Heather Podesta <podesta@heatherpodesta.com>
To: Bob Perciasepe/DC/USEPA/US@EPA
Date: 08/07/2012 05:38 PM
Subject: Update

Bob,

I'm guessing you may also be glad that Congress is finally out of town. Mind you today I'm at Reid's National Clean Energy Summit. When they go, I follow.

I wanted to follow on the Goliad project. As you may know, UEC sent Region 6 all the technical information last month to show the direction water flows inside the proposed AE as well as to show that the different sands are not connected. We had a productive call with Region 6 to discuss the technical data and to give them an opportunity to ask any additional questions. During the call, Region 6 indicated that they were on track for a decision in the coming weeks. We are hoping we can stick to that schedule.

It is our understanding that the Goliad Groundwater District met with Region 6 yesterday to discuss their ongoing concerns. We would ask that Region 6 share any information presented during that meeting so that UEC has the chance to quickly review it and provide any additional context that might be helpful as Region 6 completes its review.

As always, we greatly appreciate all of your time and effort on this project.

Best,

Heather

Heather Podesta
202/468-4403

thanks

Heather Podesta to: Bob Perciasepe 08/13/2012 04:55 PM

Cc: Benjamin Klein

History: This message has been replied to.

Bob,

I'm sorry that I was not able to be on the line earlier, but we greatly appreciate your making time for an update.

After you spoke to Ben, we learned that Region 6 wants to move forward with a meeting on Thursday in Dallas that will include Region 6, UEC, and TCEQ. We are hoping we can use this meeting to finally resolve any remaining issues.

We understand the Goliad Groundwater District was invited but is not available until the end of August, putting us well beyond the 30 day timeline the Region was trying to meet. The Goliad Groundwater District already made its case to the Region last Monday. We've asked for the information they presented and assuming we get it in the next 24 hours, we will be prepared to discuss it during the meeting on Thursday.

We greatly appreciate all of your assistance. We are hoping we can get things back on track on Thursday and try to reach a resolution in the coming weeks.

Best,

Heather

Heather Podesta
202 468 4403

Re: thanks
Heather Podesta to: Bob Perciasepe 10/20/2012 10:38 AM
Cc: Benjamin Klein

Bob,

Thanks for checking in. We are hoping to bring this process to a close in the coming weeks. We are working closely with the Region, but some of the local folks, particularly the Goliad groundwater district, prefer endless delay.

The groundwater district wants UEC to add two additional monitoring wells that UEC would pay to have installed and monitored. UEC agreed and offered a proposal to construct the wells. But on a conference call this morning that the Region hosted, the groundwater district modified its request and is now asking for, among other things, UEC to put $1 million in a groundwater district account to pay for any necessary remediation.

UEC is already required by TCEQ to maintain an escrow account to cover any remediation required. UEC wants to be reasonable but it appears that the groundwater district is not interested in any solution that allows the project to go forward. The community even turned down an offer UEC made to build a new well for the Church that is farther from the project site.

Our hope is EPA will cut this off at some point. Thanks again for all of the time you and Bob Sussman have spent on this project.

Best,

Heather

Heather Podesta
202 468 4403

On Oct 19, 2012, at 6:19 AM, "Perciasepe.Bob@epamail.epa.gov" <
Perciasepe.Bob@epamail.epa.gov> wrote:

> Just checking in with you.
>
> Bob Perciasepe
> Deputy Administrator
>
> (o) +1 202 564 4711
> (b) (6)

From: Heather Podesta <podesta@heatherpodesta.com>

To: Bob Perciasepe/DC/USEPA/US@EPA

Cc: Benjamin Klein <Klein@heatherpodesta.com>

Date: 08/13/2012 04:55 PM

Subject: thanks

Bob,

I'm sorry that I was not able to be on the line earlier, but we greatly appreciate your making time for an update.

After you spoke to Ben, we learned that Region 6 wants to move forward with a meeting on Thursday in Dallas that will include Region 6, UEC, and TCEQ. We are hoping we can use this meeting to finally resolve any remaining issues.

We understand the Goliad Groundwater District was invited but is not available until the end of August, putting us well beyond the 30 day timeline the Region was trying to meet. The Goliad Groundwater District already made its case to the Region last Monday. We've asked for the information they presented and assuming we get it in the next 24 hours, we will be prepared to discuss it during the meeting on Thursday.

We greatly appreciate all of your assistance. We are hoping we can get things back on track on Thursday and try to reach a resolution in the coming weeks.

Best,

Heather

Heather Podesta
202 468 4403

Thank you
Heather Podesta to: Bob Perciasepe 12/11/2012 03:03 PM

Bob,

Thanks again for your leadership. We greatly appreciate all the time you invested in this project and hope it is the start of a closer working relationship between the industry and the agency.

Best,

Heather

Heather Podesta + Partners, LLC
901 7th Street, NW
Suite 600
Washington, DC 20001
202.628.8953 (O)
202.468.4403 (M)
Podesta@heatherpodesta.com

winmail.dat

BLACKBURN CARTER
A Professional Corporation - Lawyers

4709 Austin Street, Houston, Texas 77004
Telephone (713) 524-1012 ♦ Telefax (713) 524-5165

www.blackburncarter.com

JAMES B. BLACKBURN, JR
MARY W. CARTER
CHARLES W. IRVINE
ADAM M. FRIEDMAN
MARY B. CONNER
KRISTI J. DENNEY

ADAM M. FRIEDMAN
Sender's E-Mail: afriedman@blackburncarter.com

September 26, 2011

Via Federal Express and Electronic Mail

Miguel Flores *E-mail: flores.miguel@epa.gov*
Environmental Protection Agency, Region 6
Water Quality Protection Division, Director
1445 Ross, Suite 1200
Dallas, Texas 75202

Philip Dellinger, 6WQ-SG *E-mail: dellinger.philip@epa.gov*
Environmental Protection Agency, Region 6
1445 Ross, Suite 1200
Dallas, Texas 75202

RE: Request for Aquifer Exemption in the Goliad Formation, Goliad County

Dear Mr. Flores and Mr. Dellinger:

We were recently provided a copy of the August 29, 2011 letter ("letter") submitted by the Texas Commission on Environmental Quality ("TCEQ") to the Environmental Protection Agency, Region 6 ("EPA-Region 6") regarding TCEQ's request for an aquifer exemption in Goliad County. TCEQ appears to take the position that it is unnecessary to comply with the request for modeling made by EPA-Region 6. Essentially, TCEQ has asked the citizens of Goliad County and EPA-Region 6 to ignore the danger posed by migration of harmful constituents introduced into the groundwater by the mining process. TCEQ supports its position with an extremely narrow interpretation of the applicable regulations and guidance documents for aquifer exemptions. Goliad County strongly disagrees with the TCEQ's position and plans to respond in greater detail in a future letter to EPA-Region 6. However, at this time, the purpose of this letter is to submit an initial response and provide information that demonstrates that the proposed aquifer exemption is in fact hydraulically connected with nearby domestic water wells.

The request for modeling by EPA-Region 6 is consistent with EPA Guidance No. 34. TCEQ incorrectly argues they it is not required to provide modeling pursuant to Guidance No. 34 because the document does not explicitly list modeling among the enumerated items of the Evaluation Criteria. The document addresses this issue directly. Under the Evaluation Criteria Section, just after the list of enumerated items that must be provided by an applicant, Guidance

No. 34 states, "**In addition to the above descriptive information concerning the aquifer, all exemption requests must demonstrate that the aquifer '... does not currently serve as a source of drinking water.'** (40 CFR § 146.04(a))." In other words, after the enumerated list that TCEQ relies on, the document plainly contemplates that more is required. The document spells out what more is required: a demonstration that the aquifer does not currently serve as a source of drinking water. It seems clear that this language provides EPA-Region 6 with the authority to request any information necessary for an applicant to make this demonstration.

TCEQ further argues that to make this demonstration, it is only required to "... survey the proposed exempted area to identify any water supply wells which **tap** the proposed exempted aquifer." However, the following sentence of Guidance No. 34 clarifies that "**the area to be surveyed should cover the exempted zone and a buffer zone outside the exempted area. The buffer zone should extend a minimum of 1/4 mile from the boundary of the exempted area.**" When read in its entirety, the guidance document indicates that the EPA clearly contemplated evaluating the risk associated with migration of groundwater outside a proposed exemption boundary. Accordingly, EPA-Region 6 is well within its established policies and authority to request modeling to ensure protection for these adjacent well users.

Notably, TCEQ's letter does not dispute that the water within the proposed aquifer exemption is hydraulically connected to the adjacent domestic water wells. Similarly, UEC's hydrogeology consultant, Dr. Phillip Bennett, testified at his deposition that the B sand at the production zone is continuous beyond the proposed aquifer exemption boundary. After reviewing cross-sections of the proposed Goliad mining site,[1] Dr. Bennett testified that "by looking at the logs, [the sands inside and outside the exemption area] would appear to be connected, and I would expect that they would be a continuous sand." [2] Dr. Bennett further opined that the B sand is continuous to the southeast at least up until the Southeast Fault, which is located some distance beyond the aquifer exemption boundary and nearby domestic water wells.[3] Thus, UEC's own expert has opined about the hydrologic connection. It is Goliad County's position that the requested modeling will simply confirm existence of the already identified hydrologic connection, and that the hydrologic connection is currently grounds for denying the aquifer exemption request. However, Goliad County certainly supports the EPA's decision to ascertain more information as it deems necessary.

Given a hydraulic connection, regional and local flow directions are crucial for determining whether nearby wells are in jeopardy of contamination as a result of the proposed mining. Regionally, groundwater flow in the area of the proposed mining site is generally to the southeast towards the Gulf of Mexico. Local groundwater flow is also generally to the east and southeast, and the two piezometric maps[4] provided for Sand B in the Production Area Authorization Application indicate that some groundwater within PA-1 flows to the west.[5] Accordingly, because the adjacent domestic and agricultural water wells lie in these directions, a large portion, if not all of the approximate fifty (50) wells identified on the area of review map are at risk.

---

[1] See cross-sections, Figures 8.1, 8.2 and 8.3 of the Thomas A. Carothers report submitted to EPA-Region 6 as an enclosure to its August 29, 2011 letter.
[2] See Exhibit 1, Dr. Bennett's deposition transcript at page 148, line 24 – page 149, line 9.
[3] See Exhibit 2, Map depicting the location of the Southeastern Fault.
[4] See Exhibit 3, Figure 5-3 (August 25, 2008) from PA-1; Figure 5-3 (February 17, 2009) from PA-1.
[5] See Exhibit 4, Hearing Transcript at page 686, line11 – page 687, line10.

Until the hydraulic connection and local groundwater flow is modeled, and or until the TCEQ can provide information to counter the existing hydrogeologic makeup of the proposed mining site, Goliad County cannot understand how the proposed exemption satisfies 40 C.F.R. § 146.04(a) as an aquifer that is not currently being used as a source of drinking water. Nor can Goliad County be sure any of the nearby wells are safe from mining activities.

Considering the strong evidence of an existing hydraulic connection, it is not surprising that the TCEQ took great efforts to argue as many reasons as possible that modeling is unnecessary. The TCEQ argued that the requested modeling is "not an evaluation of current conditions but an evaluation of future conditions." Again, the TCEQ's suggestion that adjacent water wells are not relevant to the aquifer exemption inquiry is inconsistent with Guidance No. 34 and basic hydrogeologic principles. Furthermore, even assuming arguendo that the TCEQ's interpretation were correct, the modeling is still vital for the TCEQ to satisfy 40 C.F.R. § 146.4(b), which requires a demonstration that the water within the proposed exemption will not serve as a source of drinking water **even in the future**.

For the foregoing reasons, Goliad County and its citizens respectfully request that EPA-Region 6 maintain its initial request. If EPA-Region 6 has any questions or would like any additional documentation, please contact me at (713) 524-1012 or by email at AFriedman@Blackbucarter.com.

Sincerely,

BLACKBURN CARTER, P.C.

by Adam Friedman
Adam M. Friedman

Enclosures

c: Al Armendariz, Regional Administrator – *Via E-mail: armendariz.al@epa.gov*
David Gillespie, Assistant Regional Counsel – *Via E-mail: Gillespie.david@epa.gov*
Chrissy Mann, Special Assistant to Regional Administrator – *Via E-mail: Mann.chrissy@epa.gov*

Region 6, UEC, and Rep. Hinojosa +
Heather Podesta to: Bob Perciasepe 12/20/2011 08:14 PM

History: This message has been forwarded.

Bob,

Thanks again for taking the time last week to meet with the Uranium Energy Corporation (UEC). At your suggestion, we are setting up a meeting with the Region 6 office to discuss the modeling that UEC previously conducted and to determine whether additional modeling is required in order to advance the Goliad uranium mining project. To the extent that additional modeling is requested, we are hopeful that Region 6 will be specific about the information the office needs in order to process the application for the aquifer exemption.

While UEC was in town, we also visited with members of the Texas delegation to provide an update on the project, including Congressman Hinojosa who represents the area where the project will occur. Congressman Hinojosa shares our concerns about what appears to be a lack of consistency between different EPA regions when it comes to approving aquifer exemptions. The Congressman, along with a number of his colleagues on both sides of the aisle, recently sent the attached letter to the EPA to seek clarification on the current procedures for granting aquifer exemptions as well as information about any potential revisions that the EPA is considering making to the existing guidance/regulations.

Thanks again for your time. We will keep you posted on our discussions with the Region 6 office.

Best,

Heather

202/468-4403 epaletter12-16-11.pdf ATT00001.htm