

ACCEPTED  
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4/30/2024 4:17:17 pm  
STATE OFFICE OF  
ADMINISTRATIVE HEARINGS  
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582-23-15496  
4/30/2024 4:04 PM  
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ADMINISTRATIVE HEARINGS  
Kevin Garza, CLERK

**SOAH DOCKET NO. 582-23-15496**  
**TCEQ DOCKET NO. 2022-1553-WDW**

**APPLICATION BY URANIUM § BEFORE THE STATE OFFICE**  
**ENERGY CORP FOR RENEWAL §**  
**AND AMENDMENT OF CLASS I § OF**  
**INJECTION WELL PERMITS §**  
**WDW423 AND WDW424 § ADMINISTRATIVE HEARINGS**

**PROTESTANT GOLIAD COUNTY GROUNDWATER CONSERVATION DISTRICT’S  
EXCEPTIONS TO THE PROPOSAL FOR DECISION**

TO THE HONORABLE CHAIRMAN NIERMANN AND COMMISSIONERS OF THE TEXAS  
COMMISSION ON ENVIRONMENTAL QUALITY:

The Goliad County Groundwater Conservation District (“District”) files these Exceptions to the Proposal for Decision (the “PFD”) submitted by the Administrative Law Judges (“ALJs”) in the above-referenced matter.

**I. THE DISTRICT’S EXCEPTIONS**

The District appreciates the ALJs’ thoughtful consideration of the issues presented by the parties in this matter and agree with and support their recommendation to remand the matter for all of the reasons articulated in the PFD and in the Proposed Order.

Uranium Energy Corp (“UEC”) was required to demonstrate that its application/the draft permit, if issued, would protect human health and safety, the environment, and physical property. The District agrees with the ALJs that: (1) Uranium Energy Corp (“UEC”) failed to meet its burden of proof; (2) the Draft Permit does not comply with applicable statutory and regulatory requirements; and (3) the application should be remanded to the Executive Director for further consideration. The PFD accurately describes how UEC failed to conduct the necessary analysis and provide satisfactory evidence to prove that underground sources of drinking water

(“USDW”)—including the Evangeline Aquifer—are adequately protected from its proposed disposal operations.

The District agrees with the ALJs determination that UEC failed to adequately characterize geology and assess faults at the proposed disposal location. UEC seeks approval to operate two Class I disposal wells at a site with extensive geologic faulting. As demonstrated at the hearing and recognized by the ALJs, these faults extend vertically from the proposed injection interval into USDWs, including the critical Evangeline Aquifer. There are also two plugged wells close to the proposed disposal site (within the cone of influence). However, as acknowledged by the ALJs, UEC failed to demonstrate that these wells are plugged in a manner that will prevent migration of injected fluid. It is a fundamental principle of geology and hydrogeology that faults and wellbores like the ones at UEC’s site are potential conduits for harmful wastewater to vertically migrate outside of the injection zone. Despite years of the District flagging these potential conduits, UEC’s effort to assess whether Goliad County’s sole source of drinking water was protected from the faults and wellbores remains woefully inadequate.

## II. CONCLUSION

The ALJs appropriately recommend remanding UEC’s application and Draft Permit to the ED. This will provide UEC another opportunity to conduct the required analysis to determine whether its proposed disposal wells comply with the numerous statutory and regulatory requirements that underground sources of drinking water—especially freshwater aquifers—are protected *before* the permits are issued. On remand, UEC can also submit a monitoring well network and sampling plan to detect fluid movement outside of the injection zone that the ALJs correctly recommend is a required permit condition in the event UEC demonstrates its application complies with all legal requirements.

Respectfully submitted,

MC ELROY, SULLIVAN, MILLER & WEBER, L.L.P.

By: /s/ Adam M. Friedman

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**ATTORNEYS FOR GOLIAD COUNTY  
GROUNDWATER CONSERVATION  
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**CERTIFICATE OF SERVICE**

I certify that on April 30, 2024, Protestant Goliad County Groundwater Conservation District's Exceptions to the Proposal for Decision was filed with the State Office of Administrative Hearings, the Chief Clerk of the Texas Commission on Environmental Quality, and a copy was sent to all persons listed on the attached mailing list via electronic mail in accordance with the Texas Rules of Civil Procedure, TCEQ Rules and any Court order in this matter.

/s/ Adam M. Friedman

Adam M. Friedman

**MAILING LIST**  
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**SOAH DOCKET NO. 582-23-15496**  
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### Automated Certificate of eService

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Envelope ID: 87230270  
Filing Code Description: Exceptions to PFD  
Filing Description: GCGCD's Exceptions to PFD  
Status as of 4/30/2024 4:18 PM CST

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