From: Kelly Cook
To: Wall, Craig

Cc: Muhammadali Abbaszadeh; Hoyt Henry; Melinda Johnston; Ashley Forbes; Tracy Miller; OCE

Subject: Enforcement Discretion Request

Date: Saturday, March 28, 2020 2:04:26 PM

Dear Mr. Wall,

The Texas Commission on Environmental Quality (TCEQ) is in receipt of your electronic mail dated March 24, 2020 regarding suspension of maintaining bleed in Production Area Authorization I (PAAI), PAA2, and PAA3 and shut in of Waste Disposal Well 419 (WDW-419) for 90 days at the South Texas Mining Venture (STMV), La Palangana uranium recovery site (site). As the TCEQ understands, this request is due to the Coronavirus pandemic which resulted in a staff shortage, thus making it difficult for you to maintain the plant, production areas, and disposal well operations.

Based on the information provided by you, STMV is not currently conducting any injection activities at the site. Only a bleed at the production areas is being maintained. The TCEQ will hereby extend enforcement discretion until May 1, 2020 for STMV to suspend maintaining bleed at PAAI, PAA2, and PAA3. Please note that this enforcement discretion is on a temporary basis due to novel coronavirus (COVID-19) Pandemic. Except for suspending the bleed at the subject production areas, STMV shall maintain all other applicable Class III Underground Injection Control (UIC) rules and permit requirements (i.e., maintenance, monitoring and testing, reporting, etc.). In case of exceedence of any of the control parameters in a monitor well and/or adverse effect on the wells with excursions, bleeding (withdrawal of water from production areas) operations at the production areas shall resume immediately.

With respect to WDW-419 (well), the TCEQ hereby extents enforcement discretion to STMV to shut in the well until May 1, 2020. During the shut in period, STMV shall maintain all applicable Class I UIC rules and permit requirements (i.e., maintenance, maintaining 100 psi differential pressure between the casing and the injection tubing, flow rate, injection pressure, annulus pressure, annulus level, any other required monitoring, reporting, etc.). In addition, the well automatic shutdown system shall be operational and maintained in proper working condition.

After May 1, 2020, the TCEQ will consider extending additional enforcement discretion, depending on the circumstances with the COVID-19 Pandemic.

Thank you for your assistance in this matter. If you have any question concerning this matter, please feel free to contact me directly at (512) 239-0044 or email at <a href="mailto:kelly.cook@tceq.texas.gov">kelly.cook@tceq.texas.gov</a>.

Kelly W. Cook, Director
Critical Infrastructure Division
Office Of Compliance and Enforcement
Texas Commission on Environmental Quality

 From:
 Craig Wall

 To:
 OCE; Ramiro Garcia

 Subject:
 Compliance Discretion

**Date:** Tuesday, March 24, 2020 1:33:37 PM

## To Whom It May Concern,

South Texas Mining Venture is the owner/operator of the La Palangana In Situ Uranium Mine (UR03070) in Duval County. The onset of COVID-19 has impacted STMV's workforce which is already at a 7 year low in terms of staffing due to economic hardships in the industry. To ease the current hardships associated with the coronavirus pandemic, STMV requests the following:

• Suspend compliance requirement (UR03070 V.C.1.) to maintain a bleed in PAAs, 1, 2 & 3 for 90 days. Compliance requirements as they currently stand are the rate of withdrawal of water must exceed the rate of injection of water. STMV is not currently injecting any fluids into the production areas so only a bleed has been maintained for approximately the last four years. Suspending the withdrawal of water will allow wellfield, plant and disposal well operational maintenance to temporarily halt and make the current standby conditions more manageable with staff shortages. STMV will maintain all other UIC and RML compliance conditions, including sampling monitor wells twice a month to ensure fluid from the production zone does not leave the production area. If control parameters in any monitor well exceed the upper control limits, the withdrawal of water will be restarted within 24 hours in the associated wellfield.

Thank you for your consideration.

Craig Wall V.P. Environmental, Health and Safety URANIUM ENERGY CORP (361) 888-8235

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