TEXAS WATER COMMISSION
Stephen F. Austin State Office Building
Austin, Texas

PRODUCTION AREA AUTHORIZATION
Mine: Kingsville Dome
Production Area: UR02827-021

AUTHORIZATION to conduct underground injection under provisions of Permit No. UR02827-001

I. Name of Permittee:

A. Name URI, Inc.
12377 Merit Drive, Suite 750, LB-14

B. Address Dallas, Texas 75251

II. Name of Mine: Kingsville Dome

III. Standard Provisions

A. Restoration Table

B. Control Parameter Upper Limits Table

C. Designated Monitor Well Table

D. Permit Area Map

E. Mining and Restoration Schedule

F. Plan View of Mine Area

G. Baseline Water Quality Table

CONTINUED on Pages 2 through 11

The permittee is authorized to conduct injection activity in accordance with limitations, requirements, and other conditions set forth herein. This Authorization is granted subject to the provisions of Permit No. UR02827-001. This Authorization is valid until amended or revoked by the Commission.

APPROVED, ISSUED, AND EFFECTIVE this 28th day of June 1990.

ATTEST: Gloria A. Vasquez

For the Commission

IV. Special Provisions

A. Proof of mechanical integrity for all injection wells shall be demonstrated by well completion reports, cementing records, and a pressure test.

B. Financial Assurance

The permittee shall secure and maintain in full force and effect at all times a performance bond or other form of financial security, in accordance with 31 TAC 305.153 to provide for plugging and abandonment of the permitted Class III uranium wells. The bond or other form of financial security shall be in the amount of $422,021.00 and shall be reviewed annually. The amount of financial security may, at the discretion of the Texas Water Commission in a separate and independent proceeding, be altered at a future date to provide for adequate plugging subject to prevailing general economic conditions. This permit does not authorize underground injection of fluid unless the permittee has in effect the performance bond or other form of financial security described above.

C. Non-Production Zone Monitor Wells

1. Non-Production Zone Monitor Wells shall be completed in the second overlying ("E Sand") and first underlying ("A Sand") aquifers in this production area. These monitor wells shall be tested for water level fluctuations every three months during injection operations.

2. The procedure to be used in testing for water level fluctuations is subject to commission approval. The results of these water level measurements shall be submitted to the TWC Central Office on March 1st, June 1st, September 1st, and December 1st of each year.

3. If a Monitor Well in one of these aquifers exhibits water level fluctuations that demonstrates hydrologic communication between the Production Zone and one of these aquifers, the permittee shall determine if and to what extent leaching solutions are present in affected aquifers and effect clean-up in accordance with 31 TAC Section331.106. Under such circumstances, corrective action reports shall be submitted monthly to the Director, Water Rights and Uses Division, in Austin.

ATTACHMENT A

RESTORATION TABLE

Parameter	Unit	Concentration
Calcium	mg/l	25.3
Magnesium	mg/l	5.5
Sodium	mg/l	323
Potassium	mg/l	8.2
Carbonate	mg/l	7
Bicarbonate	mg/l	327
Sulfate	mg/l	224
Chloride	mg/l	224
Fluoride	mg/l	0.65
Nitrate-N	mg/l	0.89
Silica	mg/l	27
pH	No Units	7.37 to 8.66
TDS	mg/l	1035
Conductivity	µmhos	1662
Alkalinity	Std. Unit	280
Arsenic	mg/l	0.006
Cadmium	mg/l	0.0002
Iron	mg/l	0.03
Lead	mg/l	0.004
Manganese	mg/l	0.02
Mercury	mg/l	0.0001
Selenium	mg/l	0.014
Ammonia	mg/l	0.15
Molybdenum	mg/l	0.38
Radium 226	pCi/l	92
Uranium	mg/l	1.89

ATTACHMENT B

CONTROL PARAMETER UPPER LIMITS TABLE

CONTROL PARAMETER	PRODUCTION ZONE	NON-PRODUCTION ZONE (D SAND)
Uranium (mg/l)	8.75	5.027
Conductivity (μmhos)	2,525	2,463
Chloride (mg/l)	420	406

ATTACHMENT C

DESIGNATED MONITOR WELL TABLE

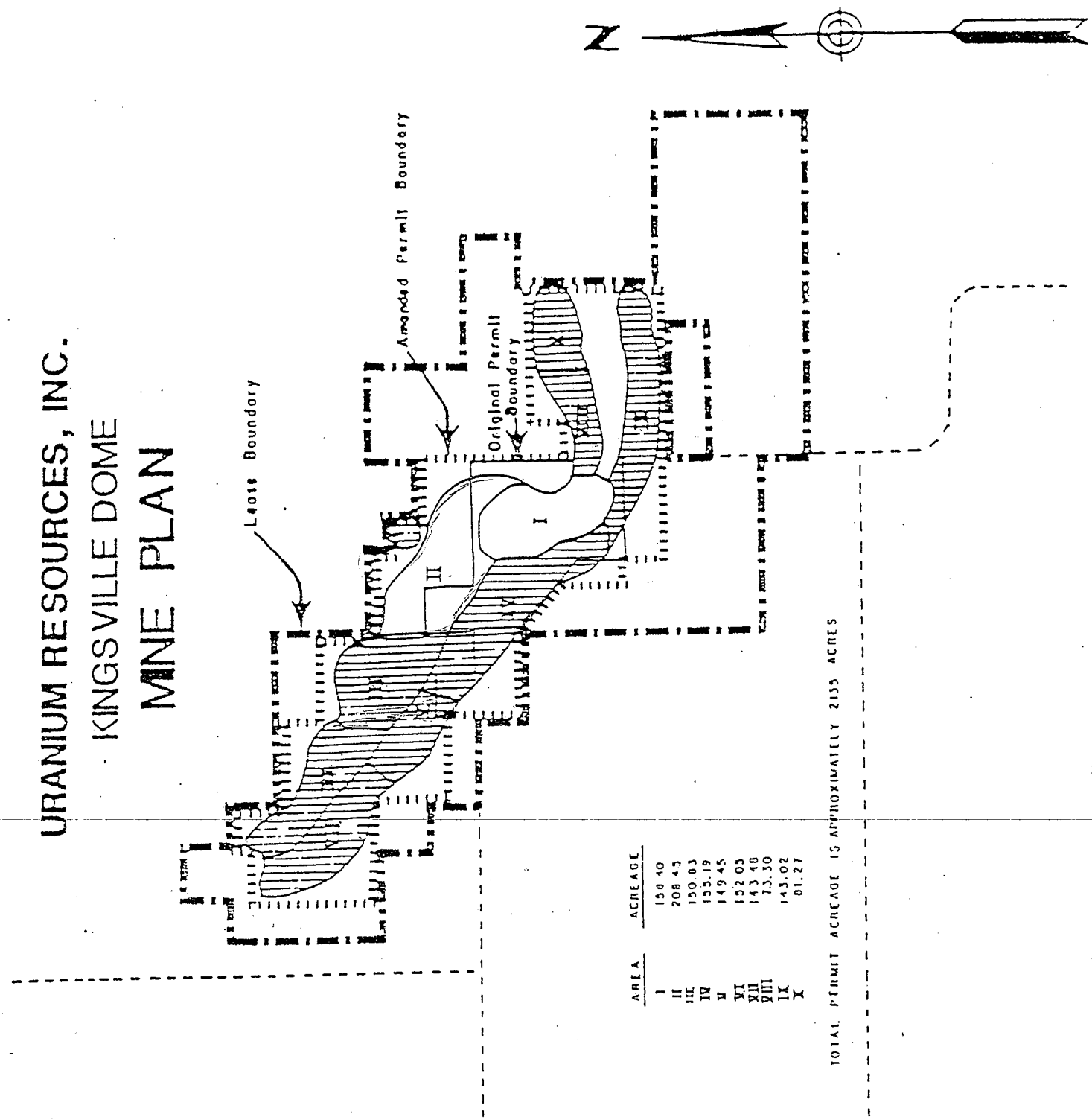
Production Zone	Non-Production Zones		
	First Overlying	Second Overlying	First Underlying
MW31	D17	E9	A9
MW32	D18	E10	A10
MW33	D19	E11	A11
MW34	D20	E12	A12
MW35	D21	E13	A13
MW36	D22	E14	A14
MW37	D23	E15	A15
MW38	D24	E16	A16
MW39	D25	E17	A17
MW40	D26	E18	A18
MW41	D27		
MW42	D28		
MW43	D29		
MW44	D30		
MW45	D31		
MW47	D32		
MW48	D33		
MW49	D34		
MW50	D35		
MW51	D36		
MW52	D37		
MW53	D38		
MW54	D39		
MW55	D40		
MW56	D41		
MW57	D42		
MW58	D43		
MW59	D44		
MW60	D45		
MW61	D46		
MW62	D47		
MW63	D48		
MW64	D49		
MW65	D50		
MW66	D51		
MW67	D52		
MW68	D53		
MW69	D54		
MW70	D55		
MW71	D56		
	D57		
40	41	10	10

ATTACHMENT D

URANIUM RESOURCES, INC.

KINGSVILLE DOME

MINE PLAN

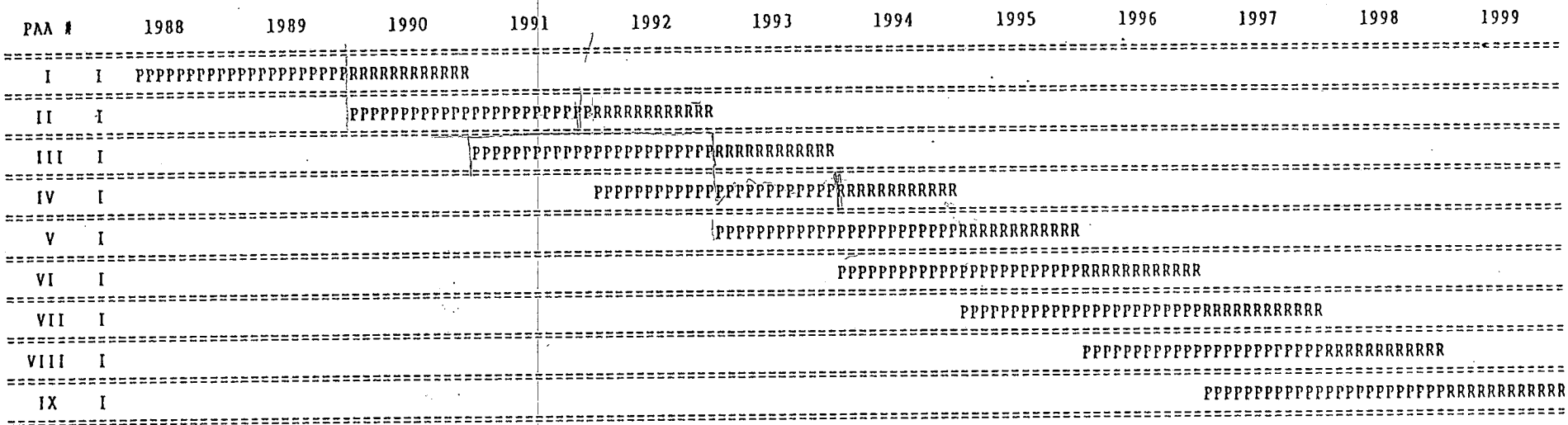


AREA	ACREAGE
I	150.40
II	208.45
III	150.03
IV	155.19
V	149.45
VI	152.03
VII	143.48
VIII	73.30
IX	143.02
X	81.27

TOTAL PERMIT ACREAGE IS APPROXIMATELY 2135 ACRES

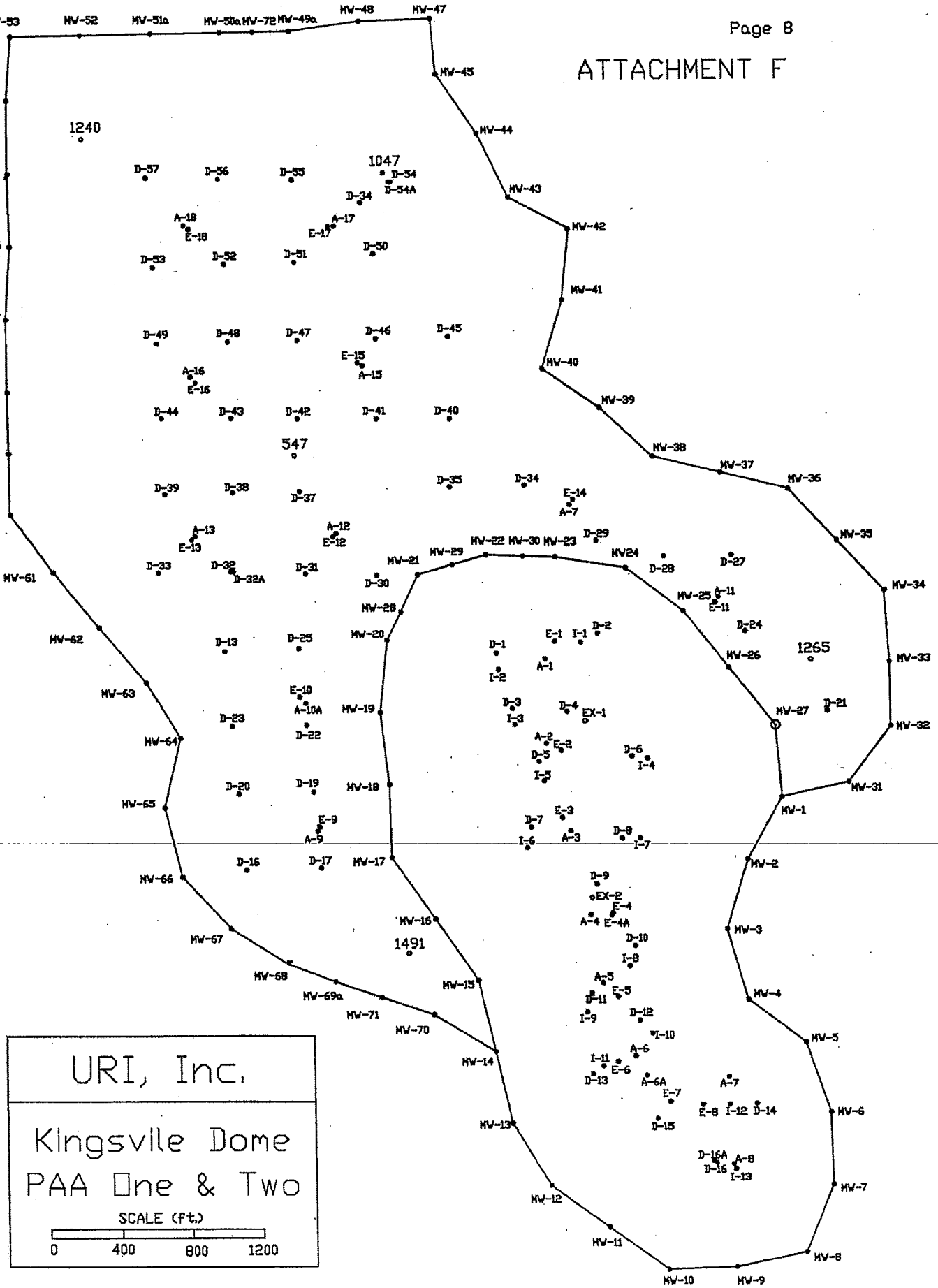
ATTACHMENT E

KINGSVILLE DOME PROJECT
REVISED MINE PLAN
7-6-89



PPPPPPPPP=PRODUCE
RRRRRRRRR=RESTORE

ATTACHMENT F

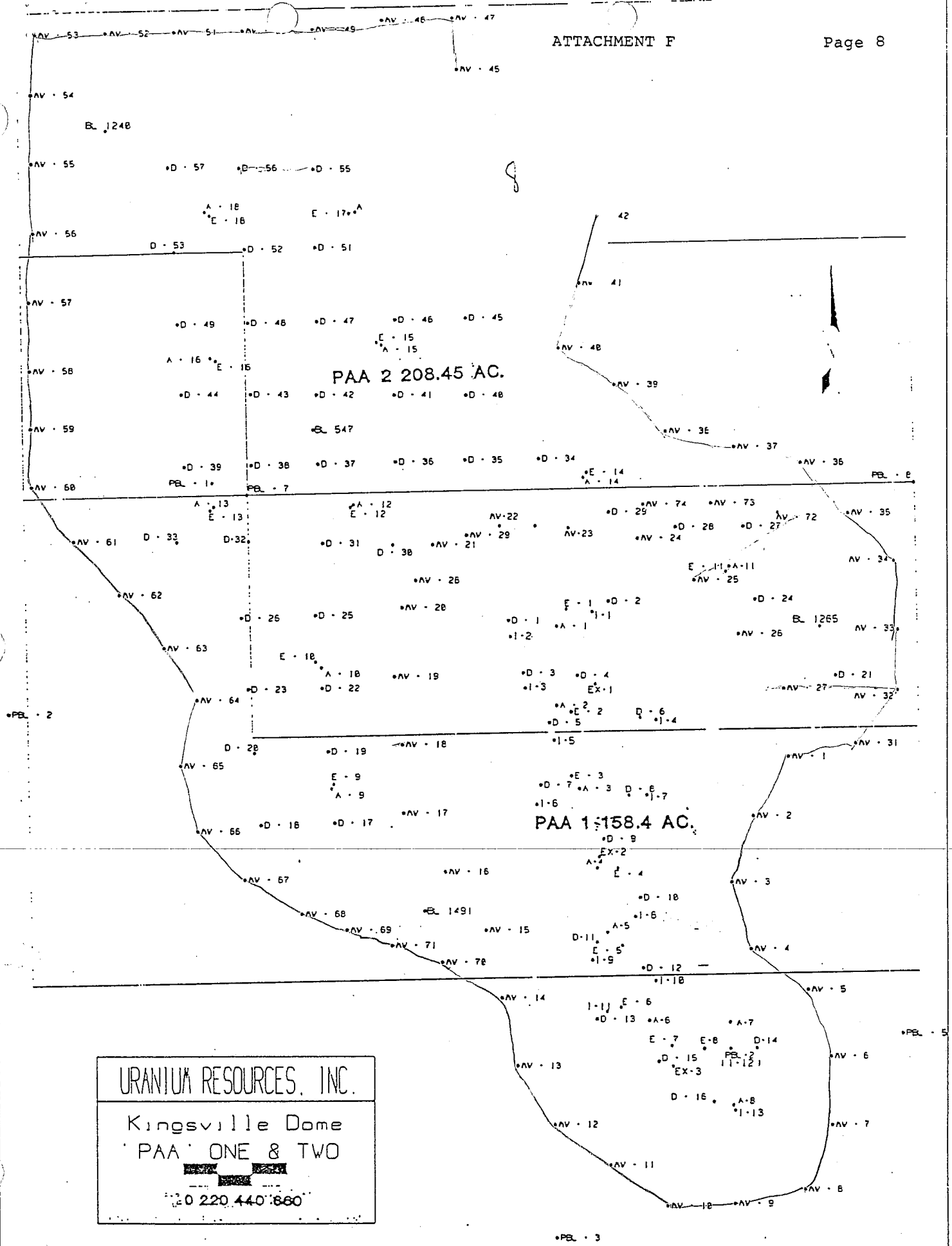


URI, Inc.

Kingsvile Dome
PAA One & Two

SCALE (ft.)

0 400 800 1200


PAA 2 208.45 AC.
PAA 1 158.4 AC.
BL 1248
BL 547
BL 1265
BL 1491
PBL - 1
PBL - 2
PBL - 3
PBL - 5
PBL - 6
PBL - 7
PBL - 8
URANIUM RESOURCES, INC.
Kingsville Dome
PAA ONE & TWO
0 220 440 660

Company: URI, Inc.
Mine Name: Kingsville Dome
Mine Area: #2
Date Summarized: 2-13-90

GROUND WATER ANALYSIS REPORT SUMMARY And BASELINE WATER QUALITY – In Situ Mining

	PARAMETER	UNIT		NON PRODUCTION ZONE**			PRODUCTION ZONE						WELL I.D. BY AREA*		
							MINE AREA**			PRODUCTION AREA			NON PROD. ZONE	PROD. ZONE	
				Low	Average	High	Low	Average	High	Low	Average	High		Mine	Product.
1	Calcium	mg/l		2.5	10.2	41	8.4	25.3	74	12	22	35	D - 17 Through D -57	MW - 31 Through MW - 71	BL 547
2	Magnesium	mg/l		.2	3.0	8.8	3.3	5.5	10	3.9	5.1	6.2			BL 1047
3	Sodium	mg/l		321	363	406	296	318	352	315	323	338			BL 1240
4	Potassium	mg/l		3.1	7.9	28	5.1	6.7	9	6.3	8.2	9.6			BL 1265
5	Carbonate	mg/l		0	25	72	0	7	23	0	4	16			BL 1491
6	Bicarbonate	mg/l		243	383	500	253	327	505	246	297	333			
7	Sulfate	mg/l		3	96	280	13	183	227	206	224	239			
8	Chloride	mg/l		217	270	325	198	231	336	209	224	239			
9	Fluoride	mg/l		.57	1.05	2.20	.55	.65	1.10	.57	.61	.65			
10	Nitrate - N	mg/l		< .01	.11	1.8	.01	.89	5.8	.09	.50	1.2			
11	Silica	mg/l		18	42	160	18	22	30	22	27	34			
12	pH	Std. unit		7.98	8.71	9.20	7.37	8.33	8.94	8.15	8.34	8.66			
13	TDS	mg/l		895	1058	1250	914	1008	1230	976	1035	1070			
14	Conductivity	µmhos		1490	1761	1970	1490	1648	2020	1590	1662	1720			
15	Alkalinity	Std. unit		199	355	446	240	280	444	228	250	273			
16	Arsenic	mg/l		<.001	.002	.01	< .001	.004	.023	< .001	.006	.017			
17	Cadmium	mg/l		<.0001	.0001	.0005	<.0001	.0002	.0017	<.0001	.0001	.0001			
18	Iron	mg/l		< .01	.09	.82	.01	.03	.16	.02	.02	.03			
19	Lead	mg/l		<.001	.005	.065	< .001	.002	.014	< .001	.004	.017			
20	Manganese	mg/l		< .01	.01	.03	< .01	.02	.08	< .01	.01	.01			
21	Mercury	mg/l		<.0001	.0001	.0001	<.0001	<.0001	<.0001	<.0001	.0001	.0001			
22	Selenium	mg/l		< .001	.001	.004	< .001	.002	.006	.001	.008	.017			
23	Ammonia	mg/l		< .01	.13	1.50	.01	.08	.2	.08	.15	.23			
24	Uranium	mg/l		<.001	.006	.027	<.001	.019	.272	.252	1.89	3.75			
25	Molybdenum	mg/l		< .01	.01	.03	< .01	.03	.2	.05	.38	.84			
26	Radium 226	mg/l		.1	.42	2	.3	5.7	82	31	92	157			

* LIST THE IDENTIFICATION NUMBERS OF WELLS USED TO OBTAIN THE LOW, AVERAGE AND HIGH VALUES.

**MONITOR WELLS

GROUND WATER ANALYSIS REPORT SUMMARY And
BASELINE WATER QUALITY — In Situ Mining

Company: URI, Inc.
Mine Name: Kingsville Dome
Mine Area: #2
Date Summarized: July 7, 1989

	PARAMETER	UNIT		NON PRODUCTION ZONE**			PRODUCTION ZONE						WELL I.D. BY AREA*		
							MINE AREA**			PRODUCTION AREA			NON PROD. ZONE	PROD. ZONE	
				Low	Average	High	Low	Average	High	Low	Average	High		Mine	Product.
1	Calcium	mg/l		103	309	514							E 9		
2	Magnesium	mg/l		151	275	418							E 10		
3	Sodium	mg/l		2740	3744	4600							E 11		
4	Potassium	mg/l		20	34	57							E 12		
5	Carbonate	mg/l		0	3	18							E 13		
6	Bicarbonate	mg/l		168	263	461							E 14		
7	Sulfate	mg/l		651	1748	2696							E 15		
8	Chloride	mg/l		4210	5801	7205							E 16		
9	Fluoride	mg/l		.49	.68	.82							E 17		
10	Nitrate - N	mg/l		< .01	.01	.05							E 18		
11	Silica	mg/l		19	23	31									
12	pH	Std. unit		7.66	8.01	8.51									
13	TDS	mg/l		8610	12320	15800									
14	Conductivity	µmhos		14100	19540	24200									
15	Alkalinity	Std. unit		138	220	378									
16	Arsenic	mg/l		< .001	< .001	< .001									
17	Cadmium	mg/l		<.0001	.0001	.0001									
18	Iron	mg/l		<.01	.03	.06									
19	Lead	mg/l		<.001	< .001	<.001									
20	Manganese	mg/l		<.01	.01	.02									
21	Mercury	mg/l		<.0001	<.0001	<.0001									
22	Selenium	mg/l		<.001	< .001	< .001									
23	Ammonia	mg/l		.03	.25	1.10									
24	Uranium	mg/l		<.001	.001	.004									
25	Molybdenum	mg/l		<.01	< .01	<01									
26	Radium 226	mg/l		.7	1.07	1.7									

* LIST THE IDENTIFICATION NUMBERS OF WELLS USED TO OBTAIN THE LOW, AVERAGE AND HIGH VALUES. **MONITOR WELLS

ATTACHMENT (CONT.)

GROUND WATER ANALYSIS REPORT SUMMARY And
BASELINE WATER QUALITY – In Situ Mining

Company: URI, Inc.
Mine Name: Kingsville Dome
Mine Area: PAA #2
Date Summarized: 2-1-90

	PARAMETER	UNIT		NON PRODUCTION ZONE**			PRODUCTION ZONE						WELL I.D. BY AREA*		
							MINE AREA**			PRODUCTION AREA			NON PROD. ZONE	PROD. ZONE	
				Low	Average	High	Low	Average	High	Low	Average	High		Mine	Product.
1	Calcium	mg/l		10	18	24							A 9		
2	Magnesium	mg/l		2.1	4.1	8							A 10		
3	Sodium	mg/l		358	386	428							A 11		
4	Potassium	mg/l		7.8	10.6	15							A 12		
5	Carbonate	mg/l		0	18	41							A 13		
6	Bicarbonate	mg/l		179	209	277							A 14		
7	Sulfate	mg/l		270	328	383							A 15		
8	Chloride	mg/l		257	279	328							A 16		
9	Fluoride	mg/l		.47	.56	.65							A 17		
10	Nitrate - N	mg/l		.01	.05	.32							A 18		
11	Silica	mg/l		18	22	25									
12	pH	Std. unit		8.18	8.74	9.09									
13	TDS	mg/l		1140	1230	1380									
14	Conductivity	µmhos		1780	1924	2170									
15	Alkalinity	Std. unit		163	197	227									
16	Arsenic	mg/l		.001	.003	.007									
17	Cadmium	mg/l		.0001	.0001	.0003									
18	Iron	mg/l		.01	.03	.11									
19	Lead	mg/l		.001	.001	.001									
20	Manganese	mg/l		.01	.01	.01									
21	Mercury	mg/l		.0001	.0001	.0001									
22	Selenium	mg/l		.001	.001	.001									
23	Ammonia	mg/l		.03	.82	2.5									
24	Uranium	mg/l		.001	.004	.022									
25	Molybdenum	mg/l		.03	.24	.7									
26	Radium 226	mg/l		.4	.7	1.3									

* LIST THE IDENTIFICATION NUMBERS OF WELLS USED TO OBTAIN THE LOW, AVERAGE AND HIGH VALUES. **MONITOR WELLS