

From: [Muhammadali Abbaszadeh](#)
To: [Molly Coffman](#); [Bryan Smith](#); [Lee Line](#); [Chance Goodin](#); [Alisha Stallard](#)
Subject: Inspection at La Palangana Facility- UEC/STMV Request for License/Permit Boundary Reduction
Date: Monday, November 6, 2023 2:56:01 PM

Greetings all,

Below are my inspection observations at the portions of the La Palangana facility related to UEC/STMV request for license/permit boundary reduction. Please do not hesitate to conduct me with any comments/questions, or request for additional information you may have.

Cheers,
Muhammadali

Background

On November 15, 2022, Uranium Energy Corp. (UEC)/South Texas Mining Venture, L.L.P. (STMV), submitted a renewal/amendment application to the TCEQ Radioactive Materials Division (RMD) to reduce the license boundary on the west side of FM 3196 at the La Palangana facility. On September 1, 2023, UEC/STMV also submitted a minor amendment application to the TCEQ UIC Permits Section to reduce the permit boundary on the west side of FM 3196 at the La Palangana facility. Reduction of the license/permit boundary if approved by TCEQ, will result in removal of three environmental monitoring locations (Drilling Well #2, Huff House, and Warehouse) on the west side of FM 3196 at the La Palangana facility. In addition, a blue building constructed by Union Carbide Corporation and a tan building constructed by Uranium One located west of FM 3196 will remain in place for the landowner's use. At one time UEC/STMV used the tan building for a temporary logging equipment and the blue building for storage of various items. As part of the license/permit boundary reduction request, UEC/STMV plugged and abandoned ten regional baseline wells located on the west and east side of the FM1396. Based on the information submitted to the TCEQ by UEC/STMV, all exploration activities (approximately 648 boreholes) on the west side of FM 1396 were conducted by UEC/STMV under a permit issued to UEC/STMV by Railroad Commission of Texas. All boreholes have been plugged. Since 2009, no additional drilling has occurred at La Palangana license/permit boundary west of FM 3196. UEC/STMV did not conduct any mining activities on the west side of FM 1396.

Inspection Activities

In response to UEC/STMV's request to reduce the license/permit boundary, on October 10, 2023, Muhammadali Abbaszadeh (the investigator) conducted an announced inspection at the La Palangana uranium mining and recovery facility to visit/inspect the portions of the

facility related to the UEC/STMV request for license/permit boundary reduction. During the inspection, Mr. Craig Wall (Environmental health and safety manager), Mr. Kevin Dziuk (Radiation Safety Officer), and Mr. William Day (Supervisor and the radiation safety technician) accompanied the investigator.

The following locations/areas were visited:

Regional Baseline Wells

On 6/1/2023, during a routine UIC permit inspection, the investigator visited/inspected the ten regional baseline wells (wells) located inside the existing license/permit boundary on the west and east sides of FM 1396 at the La Palangana facility. The wells were inspected for capping and integrity. No issues were noted. Five of the ten wells (aka Group 3 Wells) were located on the east side of FM 1396 and the other five wells (aka Group 4 Wells) were located on the west side of FM1396. UEC/STMV has plugged and abandoned the wells in accordance with TCEQ approved plugging procedures. The plugging activities started on 6/7/2023 and were completed on 6/20/2023. A plugging report dated 7/19/2023 was submitted to the TCEQ and was satisfactory. A TCEQ plugging and abandonment approval letter dated 11/2/2023 was sent to UEC/STMV. During the October 10, 2023, inspection, the investigator visited the locations where the ten wells were located and verified that the wells were plugged and abandoned.

Environmental Monitoring Locations

The three environmental monitoring locations (Drilling Well #2, Huff House, Warehouse) on the west side of FM 3196 were visited. Types of monitoring conducted by UEC/STMV at these locations are as follows: External/direct radiation, radon, and collections of surface soil and vegetation at the Huff House and the warehouse; and groundwater monitoring at Drilling Well #2. UEC/STMV will no longer be required to perform monitoring at the subject locations, if UEC/STMV's request to reduce the license/permit boundary is approved by TCEQ. These environmental monitoring stations are currently listed on the UEC/STMV's license R06062 and have been conducted, as required.

Existing License/Permit Boundary

The investigator drove through the accessible portions of the existing license/permit boundary and the proposed portions of the existing license/permit boundary to be removed as requested by UEC/STMV. The investigator did not see any structures and/or activities in these areas. Dense vegetation and trees were observed.

Blue and Tan Buildings

The investigator entered these buildings and checked the offices and other areas within the buildings. The buildings were vacant. No items were observed inside the buildings. Dense vegetation and trees were observed in the areas where the buildings were located.

Other activities:

The investigator conducted cursory/spot check gamma radiation surveys at the locations/areas visited using a Ludlum Model 19 Micro R meter. Readings ranged from 4-8 microRoentgen per hour (Background radiation levels).

From: Chance Goodin <chance.goodin@tceq.texas.gov>
Sent: Wednesday, September 20, 2023 1:52 PM
To: Craig Wall <cwall@uraniumenergy.com>; Alisha Stallard <Alisha.Stallard@tceq.texas.gov>
Cc: Lee Line <lee.line@tceq.texas.gov>; Molly Coffman <Molly.Coffman@tceq.texas.gov>; Muhammadali Abbaszadeh <[Muhammadali.Abbaszadeh@tceq.texas.gov](mailto:Mohammadali.Abbaszadeh@tceq.texas.gov)>
Subject: RE: Palangana License Boundary Reduction

Sounds good. Thank you.

From: Craig Wall <cwall@uraniumenergy.com>
Sent: Wednesday, September 20, 2023 1:11 PM
To: Chance Goodin <chance.goodin@tceq.texas.gov>; Alisha Stallard <Alisha.Stallard@tceq.texas.gov>
Cc: Lee Line <lee.line@tceq.texas.gov>; Molly Coffman <Molly.Coffman@tceq.texas.gov>; Muhammadali Abbaszadeh <[Muhammadali.Abbaszadeh@tceq.texas.gov](mailto:Mohammadali.Abbaszadeh@tceq.texas.gov)>
Subject: RE: Palangana License Boundary Reduction

Thanks for the updated Chance. I would like to set up a call once Muhammadali has inspected the site and has had time to discuss any outstanding issues with TCEQ staff.

Thanks,
Craig

From: Chance Goodin <chance.goodin@tceq.texas.gov>
Sent: Wednesday, September 20, 2023 11:47 AM
To: Alisha Stallard <Alisha.Stallard@tceq.texas.gov>; Craig Wall <cwall@uraniumenergy.com>
Cc: Lee Line <lee.line@tceq.texas.gov>; Molly Coffman <Molly.Coffman@tceq.texas.gov>; Muhammadali Abbaszadeh <[Muhammadali.Abbaszadeh@tceq.texas.gov](mailto:Mohammadali.Abbaszadeh@tceq.texas.gov)>
Subject: RE: Palangana License Boundary Reduction

CAUTION: External Sender

Hi Craig – Molly is the project manager for Palangana. Pending other items from our review, we are

From: [Muhammadali Abbaszadeh](#)
To: [Molly Coffman](#)
Subject: RE: Inspection at La Palangana Facility- UEC/STMV Request for License/Permit Boundary Reduction
Date: Thursday, December 14, 2023 3:08:28 PM

Please see below. Use just the survey results, all or, portions of the statements below as you deemed necessary. The report can also be revised to include the results of the surveys. Let me know if I can provide further assistance.

During the inspection, the investigator, used a Ludlum Micro R survey meter Model 19, serial number 273074 (calibrated on 08/23/2022; calibration is valid for a year) to perform surveys. . The investigator measured the ambient background radiation level (gamma radiation) at the entrance gate to the facility on FM 1396. Readings were recorded in microRoentgen per hour ($\mu\text{R/hr.}$). Prior to measuring the background, the investigator checked the operability of the instrument using an exempt radioactive check source to assure instruments is working properly. Readings were recorded approximately one (1) inch and 3-5 feet above ground surface . Background reading was approximately 5 $\mu\text{R/hr.}$ Background was measured on the right and left side of the gate and in the middle of the gate. Cursory/spot check surveys were conducted by the investigator at the following locations:

- The two areas where the 10 regional baseline wells were located prior to plugging: 7 $\mu\text{R/hr.}$
- Huff House: 4 $\mu\text{R/hr}$ by monitoring station.
- Warehouse/Blue building (outside) by monitoring station: 8 $\mu\text{R/hr.}$
- Blue building and Tan building (inside): 6 $\mu\text{R/hr.}$
- Driving through the license boundary: 6-7 $\mu\text{R/hr.}$

Muhammadali

From: Molly Coffman <Molly.Coffman@tceq.texas.gov>
Sent: Wednesday, December 13, 2023 2:36 PM
To: Muhammadali Abbaszadeh <Muhammadali.Abbaszadeh@tceq.texas.gov>
Subject: RE: Inspection at La Palangana Facility- UEC/STMV Request for License/Permit Boundary Reduction

Follow up question- did you take radiation survey readings in the two buildings?

Thanks,
Molly

From: Muhammadali Abbaszadeh <Muhammadali.Abbaszadeh@tceq.texas.gov>
Sent: Monday, November 6, 2023 2:56 PM
To: Molly Coffman <Molly.Coffman@tceq.texas.gov>; Bryan Smith <bryan.smith@tceq.texas.gov>;