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**LOST CREEK ISR, LLC**

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July 30, 2014

NRC Document Control Desk  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555-0001

**Re: Quarterly Reporting Pursuant to License Condition 11.1(A) and 10.8(C)  
2nd Quarter 2014  
Lost Creek ISR Project License SUA-1598**

To Whom It May Concern:

The following quarterly report has been submitted in accordance with License Condition 11.1(A) for Lost Creek ISR, LLC's (LCI) Lost Creek Project License SUA-1598. License Condition 11.1(A) requires quarterly reporting of the results of excursion monitoring. Additionally, this report includes the results of the quarterly Storage Pond inspections pursuant to LC 10.8(C). This report summarizes the following items:

- Excursion monitoring that has occurred during operations as described in the NRC License Application Technical Report (TR) Section 5.7.8.2;
- Summary report for the quarterly Storage Ponds inspections in accordance with TR Section 5.3.2.3.

The reporting period for this report is the second calendar quarter of 2014 spanning from April 1, 2014 to June 30, 2014.

### **Monitoring and Results**

Excursion monitoring parameters include alkalinity, chloride, and specific conductance for which associated Upper Control Limits (UCLs) have been established on a well-by-well basis. Header houses HH1-1 through HH1-5 within Mine Unit 1 were operational as of the end of the reporting period. An excursion may be indicated by any one analytical parameter result exceeding the associated UCL by 20% or more or by two or three results exceeding the applicable UCL.

All of MU1 monitor wells were sampled routinely which includes 28 monitor ring wells and 26 (13 overlying and 13 underlying) mine unit wells. Sampling was conducted on a semi-monthly basis at least 10 days apart during production within Mine Unit 1. The results of the excursion monitoring are provided on **Attachment 1**. The table displays the analytical result, the applicable UCL value, and the percent difference. A negative percent difference indicates the

analytical value is less than the UCL. The percent difference (or percent change) is determined by the following formula:

$$\% \text{ Difference} = \frac{\text{Result} - \text{UCL}}{\text{UCL}} \times 100\%$$

There were no values that exceeded any UCL for the second quarter of 2014.

### **Corrective Actions**

No corrective actions were necessary.

### **Excursion Status**

There were no wells on excursion status during the reporting period.

### **Storage Ponds Inspection and Monitoring**

The quarterly Storage Pond inspection was completed on May 8, 2014. The following items are discussed relating to Pond operations over the quarter:

- Freeboard
- Leak detection system
- Water quality monitoring
- Pond monitor wells
- Annual technical evaluation

#### *Freeboard*

In April, pond levels were being reduced to return the freeboard to allowable limits as described in the previous quarterly report. Acceptable freeboard was achieved as of approximately mid-April.

Freeboard levels were being recorded improperly. A revised SOP and inspection form was issued in late April. Training for the Plant Foreman and Operators was provided on the changes to include proper method for recording freeboard. A new Pond gauge was installed to aid in the freeboard measurement which was completed in early June. The gauge design concept was discussed with the Pond engineering consultant during the annual technical evaluation and was in agreement with the plan. Engineering plans were provided by Vice President of Operations to ensure the gauge platform would be compatible with the Pond liner.

#### *Leak Detection System*

Water was still present in the leak detection sumps (LD sumps). The NRC Project Manager was notified that the LD sump water levels had exceeded 6 inches (0.5 feet) verbally on April 9, 2014 and via e-mail on May 15, 2014. Samples for comparison were collected from the ponds and sumps on April 9 and April 14, 2014. Samples again for comparison were collected from

the sumps on May 14, 2014 and May 15, 2014. The samples were analyzed by the Lost Creek Laboratory with the following results provided on **Table 1**:

**Table 1: Pond/LD Sump Comparative Water Quality**

Sample ID	Sample Date	Total Alkalinity (CaCO <sub>3</sub> )	Chloride	Specific Cond. @ 25°C, Lab	Sodium	Sulfate	pH, Lab	Total Uranium
		mg/L	mg/L	μS/cm	mg/L	mg/L	s.u.	mg/L
N Pond	4/9/2014	250	14,700	33,600	8,220	666	8.04	29.6
N Pond LD	4/9/2014	329	10,700	26,700	5,060	464	7.72	19.5
S Pond	4/14/2014	224	13,000	36,600	8,820	669	5.39	16.4
S Pond LD	4/14/2014	212	8,220	21,900	4,000	502	5.35	7.74
N Pond	5/15/2014	303	9,893	29,200	6,246	386	7.86	39.9
N Pond LD	5/14/2014	361	10,691	30,700	5,715	345	7.88	28.8
S Pond	5/15/2014	260	14,286	40,000	8,913	542	8.36	38.2
S Pond LD	5/14/2014	240	7,694	22,700	3,826	353	7.84	7.71

The liner was visually examined and the Pond monitor wells were measured. No damage to the liner was discovered and there was no water in the perimeter monitor wells (with the qualified exception of MW-3 described below).

Water had not been pumped out in the latter half of April to determine at what level the water stabilizes and an attempt was made to completely purge the sump of water using a peristaltic pump in mid-May since the built-in sump pumps will only draw the water down to around 6 inches. Intermittent pumping with the sump pumps had occurred in June but was discontinued toward the end of June. Water has continued to return to the sump as of the end of the quarter but has slowed and may be close to a point of equilibration. The source of water is still under investigation but is not believed to be from a liner leak. The source of water in the sumps may not be due to a leak for the following reasons:

- The water level may be stable at a point below the level of water in the Ponds. The water level would likely stabilize at or near the level of the Pond water as affirmed by the Pond engineering consultant (see **Attachment 2**). Water thickness measurements are ongoing to confirm the theory.
- Water quality is dissimilar in the South Pond Sump

Measurements of the water thickness in each sump is ongoing. The water thickness values for the quarter are provided on **Table 2**:

**Table 2: LD Sump Water Thickness**

<b>Date</b>	<b>North LD Sump Water Thickness (inches)</b>	<b>South LD Sump Water Thickness (inches)</b>
4/8/2014	5.8	N/A
4/8/2014	6.2	N/A
4/9/2014	9.1	N/A
4/9/2014	10.8	N/A
4/10/2014	12.8	N/A
4/11/2014	13.1	1.8
4/14/2014	13.3	6.2
4/15/2014	13.3	7.1
4/17/2014	13.9	7.8
4/22/2014	13.4	8.3
4/23/2014	13.4	8.4
4/24/2014	13.2	8.2
4/29/2014	13.4	8.3
5/14/2014	5.2	5.8
5/15/2014	6.1	6.5
6/2/2014	13.6	12.4
6/3/2014	13.4	9.0
6/4/2014	11.9	5.4
6/5/2014	9.4	5.6
6/9/2014	13.3	8.2
6/10/2014	9.8	8.5
6/11/2014	9.1	6.4
6/12/2014	8.8	7.0
6/13/2014	5.3	7.2
6/17/2014	13.2	7.6
6/18/2014	11.2	7.8
6/19/2014	11.3	8.2

*Water Quality Monitoring*

Quarterly routine water quality sampling was conducted on May 15, 2014. A sample was collected from each Pond and were submitted to Inter-Mountain Labs in Sheridan, WY and analyzed for the required parameters (**Table 3**).

**TABLE 3: Quarterly Pond Water Quality**

Sample ID	N POND	S POND	
Sample Date	5/15/2014	5/15/2014	
pH, Field Meter	7.53	8.39	std. units
Specific Cond., Field Meter	28,100	38,900	µS/cm
Alkalinity, Total	321	281	mg/L (as CaCO <sub>3</sub> )
Chloride	10,700	16,800	mg/L
Sodium	9,320	14,100	mg/L
Sulfate	582	749	mg/L
Total Dissolved Solids	17,700	25,800	mg/L
Arsenic	0.012	0.015	mg/L
Selenium	0.683	0.899	mg/L
Total Uranium	43.2	43.9	mg/L
Radium-226	190	54.7	pCi/L

*Pond Monitor Wells*

The MW-3 stickup was damaged due to vehicle collision. A Work Order was issued and the well was repaired with a flush-mount in late May.

Pond monitor wells were measured in conjunction with the quarterly inspection as summarized on **Table 4**:

**TABLE 4: Pond Monitor Well Water Levels**

Well ID	Date	Water Level (ft-bmp)	Total Depth (ft-bmp)
MW-1	4/9/2014	ND	NM
MW-1	5/15/2014	ND	29.02
MW-2	4/9/2014	ND	NM
MW-2	5/15/2014	ND	42.82
MW-3	4/9/2014	Snowmelt runoff in well*	NM
MW-3	5/15/2014	22.52	22.71
MW-4	4/9/2014	ND	NM
MW-4	5/15/2014	26.20	26.22

\*Analysis of the runoff in the well resulted in: pH: 7.71, alkalinity: 71.5 mg/L, chloride: 17.7 mg/L, conductivity: 230 uS/cm, sulfate: 12.0 mg/L, U: 2.1 mg/L

Samples were not collected from the monitor wells since there was insufficient water. The trace of water in MW-4 is likely due to condensation. The small amount of water in MW-3 may be residual from the surface water infiltration from the previous quarter sampled on March 26, 2014. The repaired flush-mount will prevent surface water from infiltrating the well.

*Annual Technical Evaluation*

The annual pond technical evaluation was performed in conjunction with the quarterly Storage Pond inspection on May 8, 2014. The technical evaluation was contracted to Western States Mining and the "Dam Inspection Report" is provided as **Attachment 2**. The evaluation resulting in the following recommendations:

- A water level indicator was suggested to be installed in the pump vault between the ponds. Action on this item is pending.
- Some soil cracks were noted on the north edge of the north pond but was not a structural concern. The cracking was likely due to the drying of soil following spring melting. Action on this item includes continued observation.
- Drainage was intact and unobstructed but rills cause by runoff should be fixed on the drainage bank. Rills in the diversion ditch were repaired.
- Water in leak detection sumps should be removed. Corrective actions are described above in "Leak Detection Sumps". However, resolution on the matter is pending.

If you have any questions regarding this report or require additional information please contact me at the Casper office.

Sincerely,



Michael D. Gaither  
Manager EHS and Regulatory Affairs  
Ur-Energy USA, Inc

Attachments: **Attachment 1: Water Quality Data Tables**  
**Attachment 2: Dam Inspection Report**

Cc: Deputy Director, Decommissioning and Uranium Recovery Licensing Directorate  
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**Attachment 1: UCL Data**  
**2nd Quarter 2014**  
**Lost Creek ISR Project SUA-1598**

Client Sample ID	Collection Date	Sample Separation (days)	Alkalinity (mg/L)			Chloride (mg/L)			Specific Conductance @ 25°C (µS/cm)		
			Assay	UCL	% Diff	Assay	UCL	% Diff	Assay	UCL	% Diff
M-101	4/2/2014	--	115	172	-33	8	21	-63	668	965	-31
M-101	4/14/2014	12	115	172	-33	6	21	-72	668	965	-31
M-101	5/6/2014	22	113	172	-34	6	21	-70	664	965	-31
M-101	5/20/2014	14	114	172	-34	6	21	-74	671	965	-30
M-101	6/3/2014	14	115	172	-33	6	21	-74	663	965	-31
M-101	6/17/2014	14	114	172	-34	5	21	-74	671	965	-30
M-102	4/2/2014	--	139	173	-19	7	20	-66	812	971	-16
M-102	4/14/2014	12	138	173	-20	6	20	-71	804	971	-17
M-102	5/6/2014	22	137	173	-21	6	20	-68	799	971	-18
M-102	5/20/2014	14	137	173	-21	6	20	-72	808	971	-17
M-102	6/3/2014	14	138	173	-20	6	20	-72	798	971	-18
M-102	6/17/2014	14	138	173	-20	6	20	-72	806	971	-17
M-103A	4/2/2014	--	139	150	-7	7	21	-67	822	1171	-30
M-103A	4/15/2014	13	131	150	-13	5	21	-76	815	1171	-30
M-103A	5/6/2014	21	138	150	-8	7	21	-68	815	1171	-30
M-103A	5/21/2014	15	139	150	-8	6	21	-70	816	1171	-30
M-103A	6/3/2014	13	140	150	-7	6	21	-72	818	1171	-30
M-103A	6/17/2014	14	139	150	-7	6	21	-72	821	1171	-30
M-104	4/2/2014	--	143	173	-17	7	22	-67	816	1162	-30
M-104	4/15/2014	13	135	173	-22	6	22	-74	806	1162	-31
M-104	5/6/2014	21	142	173	-18	8	22	-66	813	1162	-30
M-104	5/21/2014	15	143	173	-17	7	22	-68	811	1162	-30
M-104	6/3/2014	13	144	173	-17	6	22	-71	817	1162	-30
M-104	6/17/2014	14	144	173	-17	6	22	-70	818	1162	-30
M-105	4/2/2014	--	130	148	-12	7	21	-65	733	1036	-29
M-105	4/15/2014	13	121	148	-18	5	21	-77	723	1036	-30
M-105	5/7/2014	22	131	148	-12	6	21	-73	738	1036	-29
M-105	5/21/2014	14	130	148	-12	7	21	-68	733	1036	-29
M-105	6/3/2014	13	131	148	-11	6	21	-72	738	1036	-29
M-105	6/18/2014	15	131	148	-12	7	21	-68	745	1036	-28
M-106	4/2/2014	--	123	134	-8	7	21	-68	676	980	-31
M-106	4/15/2014	13	115	134	-14	5	21	-77	677	980	-31
M-106	5/7/2014	22	124	134	-8	6	21	-73	689	980	-30
M-106	5/21/2014	14	123	134	-8	7	21	-69	684	980	-30
M-106	6/3/2014	13	124	134	-7	6	21	-73	692	980	-29
M-106	6/19/2014	16	123	134	-8	6	21	-73	682	980	-30
M-107	4/2/2014	--	122	138	-12	7	21	-66	676	1033	-35
M-107	4/15/2014	13	114	138	-18	5	21	-76	669	1033	-35
M-107	5/7/2014	22	119	138	-14	6	21	-72	677	1033	-34
M-107	5/21/2014	14	120	138	-13	7	21	-68	677	1033	-34
M-107	6/3/2014	13	122	138	-12	6	21	-73	682	1033	-34
M-107	6/19/2014	16	120	138	-13	6	21	-72	676	1033	-35
M-108	4/2/2014	--	110	127	-13	7	21	-65	563	905	-38
M-108	4/15/2014	13	104	127	-18	5	21	-76	553	905	-39
M-108	5/7/2014	22	109	127	-14	6	21	-70	563	905	-38
M-108	5/21/2014	14	110	127	-14	7	21	-67	559	905	-38
M-108	6/3/2014	13	110	127	-13	6	21	-72	561	905	-38
M-108	6/19/2014	16	110	127	-13	6	21	-72	555	905	-39
M-109	4/2/2014	--	101	161	-38	7	20	-65	522	703	-26
M-109	4/15/2014	13	96	161	-40	5	20	-75	514	703	-27
M-109	5/7/2014	22	99	161	-38	6	20	-68	526	703	-25
M-109	5/21/2014	14	103	161	-36	7	20	-66	541	703	-23
M-109	6/3/2014	13	107	161	-33	6	20	-71	560	703	-20
M-109	6/19/2014	16	104	161	-35	6	20	-70	557	703	-21
M-110	4/2/2014	--	110	147	-25	7	21	-66	555	1022	-46
M-110	4/15/2014	13	104	147	-29	5	21	-74	549	1022	-46
M-110	5/7/2014	22	110	147	-25	7	21	-68	547	1022	-46
M-110	5/21/2014	14	108	147	-26	7	21	-68	530	1022	-48
M-110	6/3/2014	13	112	147	-24	6	21	-71	557	1022	-45

**Attachment 1: UCL Data**  
**2nd Quarter 2014**  
**Lost Creek ISR Project SUA-1598**

Client Sample ID	Collection Date	Sample Separation (days)	Alkalinity (mg/L)			Chloride (mg/L)			Specific Conductance @ 25°C (µS/cm)		
			Assay	UCL	% Diff	Assay	UCL	% Diff	Assay	UCL	% Diff
M-110	6/19/2014	16	115	147	-22	7	21	-68	584	1022	-43
M-111	4/2/2014	--	109	146	-25	7	21	-66	551	897	-39
M-111	4/15/2014	13	106	146	-27	5	21	-76	554	897	-38
M-111	5/7/2014	22	114	146	-22	6	21	-69	558	897	-38
M-111	5/21/2014	14	116	146	-21	7	21	-69	560	897	-38
M-111	6/3/2014	13	118	146	-19	6	21	-73	565	897	-37
M-111	6/19/2014	16	115	146	-21	6	21	-72	566	897	-37
M-112	4/2/2014	--	111	147	-24	8	20	-62	560	636	-12
M-112	4/15/2014	13	104	147	-29	5	20	-73	558	636	-12
M-112	5/7/2014	22	112	147	-24	7	20	-65	542	636	-15
M-112	5/21/2014	14	111	147	-24	7	20	-65	537	636	-16
M-112	6/3/2014	13	112	147	-24	6	20	-68	557	636	-12
M-112	6/19/2014	16	113	147	-23	7	20	-66	568	636	-11
M-113	4/1/2014	--	97	203	-52	6	21	-73	471	631	-25
M-113	4/14/2014	13	100	203	-51	5	21	-74	494	631	-22
M-113	5/2/2014	18	100	203	-51	5	21	-75	468	631	-26
M-113	5/20/2014	18	96	203	-53	5	21	-76	472	631	-25
M-113	6/2/2014	13	100	203	-51	5	21	-77	490	631	-22
M-113	6/17/2014	15	102	203	-50	5	21	-74	501	631	-21
M-114A	4/1/2014	--	108	139	-22	6	20	-72	517	772	-33
M-114A	4/14/2014	13	107	139	-23	5	20	-73	516	772	-33
M-114A	5/2/2014	18	111	139	-20	5	20	-73	515	772	-33
M-114A	5/20/2014	18	107	139	-23	5	20	-73	520	772	-33
M-114A	6/2/2014	13	106	139	-23	5	20	-74	516	772	-33
M-114A	6/17/2014	15	107	139	-23	6	20	-71	514	772	-33
M-115A	4/1/2014	--	106	126	-16	5	20	-73	505	726	-30
M-115A	4/14/2014	13	105	126	-17	5	20	-74	502	726	-31
M-115A	5/2/2014	18	106	126	-16	6	20	-72	509	726	-30
M-115A	5/20/2014	18	102	126	-19	5	20	-73	510	726	-30
M-115A	6/2/2014	13	105	126	-17	5	20	-75	508	726	-30
M-115A	6/17/2014	15	104	126	-18	5	20	-73	504	726	-31
M-116A	4/1/2014	--	103	134	-23	5	20	-73	498	679	-27
M-116A	4/14/2014	13	102	134	-24	5	20	-74	495	679	-27
M-116A	5/2/2014	18	105	134	-22	6	20	-70	499	679	-26
M-116A	5/20/2014	18	102	134	-24	6	20	-71	496	679	-27
M-116A	6/2/2014	13	101	134	-25	5	20	-74	500	679	-26
M-116A	6/17/2014	15	100	134	-25	6	20	-71	494	679	-27
M-117	4/1/2014	--	100	139	-28	5	20	-73	521	711	-27
M-117	4/14/2014	13	99	139	-29	5	20	-74	514	711	-28
M-117	5/2/2014	18	104	139	-25	6	20	-71	527	711	-26
M-117	5/20/2014	18	101	139	-27	6	20	-70	536	711	-25
M-117	6/2/2014	13	101	139	-28	5	20	-74	539	711	-24
M-117	6/17/2014	15	100	139	-28	6	20	-72	537	711	-25
M-118	4/1/2014	--	97	108	-10	5	21	-75	503	762	-34
M-118	4/14/2014	13	96	108	-11	5	21	-76	501	762	-34
M-118	5/6/2014	22	96	108	-11	6	21	-71	498	762	-35
M-118	5/20/2014	14	97	108	-10	6	21	-71	506	762	-34
M-118	6/2/2014	13	99	108	-8	5	21	-75	510	762	-33
M-118	6/17/2014	15	97	108	-10	6	21	-73	505	762	-34
M-119	4/1/2014	--	115	128	-10	6	20	-72	479	622	-23
M-119	4/14/2014	13	113	128	-12	5	20	-73	476	622	-23
M-119	5/6/2014	22	114	128	-11	7	20	-66	476	622	-23
M-119	5/20/2014	14	115	128	-10	7	20	-66	486	622	-22
M-119	6/2/2014	13	116	128	-9	6	20	-71	489	622	-21
M-119	6/17/2014	15	116	128	-9	6	20	-69	483	622	-22
M-120A	4/1/2014	--	111	142	-22	5	20	-73	500	715	-30
M-120A	4/14/2014	13	108	142	-24	6	20	-72	493	715	-31
M-120A	5/6/2014	22	110	142	-23	7	20	-67	484	715	-32
M-120A	5/20/2014	14	111	142	-22	7	20	-67	486	715	-32



**Attachment 1: UCL Data**  
**2nd Quarter 2014**  
**Lost Creek ISR Project SUA-1598**

Client Sample ID	Collection Date	Sample Separation (days)	Alkalinity (mg/L)			Chloride (mg/L)			Specific Conductance @ 25°C (µS/cm)		
			Assay	UCL	% Diff	Assay	UCL	% Diff	Assay	UCL	% Diff
M-120A	6/2/2014	13	112	142	-21	6	20	-72	490	715	-31
M-120A	6/17/2014	15	111	142	-22	6	20	-71	484	715	-32
M-121	4/1/2014	--	114	140	-19	5	20	-73	503	755	-33
M-121	4/14/2014	13	111	140	-21	5	20	-73	501	755	-34
M-121	5/6/2014	22	112	140	-20	7	20	-67	504	755	-33
M-121	5/20/2014	14	114	140	-19	7	20	-66	511	755	-32
M-121	6/2/2014	13	114	140	-18	6	20	-71	510	755	-32
M-121	6/17/2014	15	114	140	-18	6	20	-69	505	755	-33
M-122	4/1/2014	--	114	142	-20	5	20	-73	497	593	-16
M-122	4/14/2014	13	113	142	-21	5	20	-74	494	593	-17
M-122	5/2/2014	18	117	142	-18	6	20	-70	501	593	-16
M-122	5/20/2014	18	115	142	-19	7	20	-67	506	593	-15
M-122	6/2/2014	13	115	142	-19	6	20	-71	504	593	-15
M-122	6/17/2014	15	113	142	-20	6	20	-70	499	593	-16
M-123	4/1/2014	--	116	131	-12	5	20	-74	488	718	-32
M-123	4/14/2014	13	113	131	-14	5	20	-74	487	718	-32
M-123	5/6/2014	22	115	131	-12	6	20	-68	495	718	-31
M-123	5/20/2014	14	116	131	-11	7	20	-67	496	718	-31
M-123	6/2/2014	13	116	131	-11	6	20	-71	497	718	-31
M-123	6/17/2014	15	117	131	-10	6	20	-70	493	718	-31
M-124	4/1/2014	--	112	123	-9	5	20	-75	463	536	-14
M-124	4/14/2014	13	110	123	-11	5	20	-75	461	536	-14
M-124	5/6/2014	22	109	123	-11	6	20	-68	462	536	-14
M-124	5/20/2014	14	111	123	-9	7	20	-66	467	536	-13
M-124	6/2/2014	13	112	123	-9	6	20	-72	471	536	-12
M-124	6/17/2014	15	110	123	-11	6	20	-71	466	536	-13
M-125	4/1/2014	--	110	135	-19	6	21	-73	541	657	-18
M-125	4/14/2014	13	108	135	-20	6	21	-73	540	657	-18
M-125	5/6/2014	22	109	135	-19	7	21	-65	542	657	-17
M-125	5/20/2014	14	111	135	-17	8	21	-64	547	657	-17
M-125	6/3/2014	14	111	135	-18	6	21	-70	547	657	-17
M-125	6/17/2014	14	111	135	-18	7	21	-68	546	657	-17
M-126	4/1/2014	--	111	194	-43	6	21	-71	543	682	-20
M-126	4/14/2014	13	109	194	-44	6	21	-73	541	682	-21
M-126	5/6/2014	22	108	194	-44	8	21	-63	542	682	-21
M-126	5/20/2014	14	110	194	-43	8	21	-61	548	682	-20
M-126	6/3/2014	14	109	194	-44	7	21	-68	547	682	-20
M-126	6/17/2014	14	109	194	-44	7	21	-66	547	682	-20
M-127	4/1/2014	--	113	149	-24	5	21	-74	532	792	-33
M-127	4/14/2014	13	112	149	-25	5	21	-75	531	792	-33
M-127	5/6/2014	22	111	149	-26	7	21	-66	532	792	-33
M-127	5/20/2014	14	112	149	-25	8	21	-64	536	792	-32
M-127	6/3/2014	14	113	149	-24	6	21	-70	536	792	-32
M-127	6/17/2014	14	113	149	-24	7	21	-68	538	792	-32
M-128	4/1/2014	--	113	122	-8	5	21	-74	550	802	-31
M-128	4/14/2014	13	110	122	-10	5	21	-74	546	802	-32
M-128	5/6/2014	22	111	122	-9	7	21	-65	553	802	-31
M-128	5/20/2014	14	112	122	-8	8	21	-64	557	802	-31
M-128	6/3/2014	14	112	122	-8	6	21	-70	557	802	-31
M-128	6/17/2014	14	112	122	-8	7	21	-68	552	802	-31
MO-101	4/4/2014	--	109	136	-20	7	23	-72	627	824	-24
MO-101	4/17/2014	13	107	136	-21	8	23	-66	629	824	-24
MO-101	5/9/2014	22	108	136	-21	7	23	-68	629	824	-24
MO-101	5/21/2014	12	109	136	-20	9	23	-62	632	824	-23
MO-101	6/9/2014	19	110	136	-19	7	23	-71	631	824	-23
MO-101	6/20/2014	11	109	136	-20	8	23	-64	630	824	-24
MO-102	4/4/2014	--	106	125	-15	8	21	-63	584	670	-13
MO-102	4/17/2014	13	107	125	-14	7	21	-65	584	670	-13
MO-102	5/9/2014	22	106	125	-15	7	21	-68	588	670	-12

**Attachment 1: UCL Data**  
**2nd Quarter 2014**  
**Lost Creek ISR Project SUA-1598**

Client Sample ID	Collection Date	Sample Separation (days)	Alkalinity (mg/L)			Chloride (mg/L)			Specific Conductance @ 25°C (µS/cm)		
			Assay	UCL	% Diff	Assay	UCL	% Diff	Assay	UCL	% Diff
MO-102	5/21/2014	12	105	125	-16	8	21	-62	590	670	-12
MO-102	6/9/2014	19	106	125	-16	6	21	-70	590	670	-12
MO-102	6/20/2014	11	105	125	-16	8	21	-64	587	670	-12
MO-103	4/4/2014	--	107	130	-17	7	21	-65	590	849	-30
MO-103	4/17/2014	13	108	130	-17	8	21	-61	592	849	-30
MO-103	5/9/2014	22	109	130	-16	7	21	-65	595	849	-30
MO-103	5/21/2014	12	109	130	-16	9	21	-59	596	849	-30
MO-103	6/9/2014	19	109	130	-16	7	21	-65	595	849	-30
MO-103	6/20/2014	11	109	130	-16	8	21	-61	595	849	-30
MO-104	4/3/2014	--	119	160	-26	10	24	-59	613	714	-14
MO-104	4/17/2014	14	118	160	-26	11	24	-56	616	714	-14
MO-104	5/9/2014	22	119	160	-26	10	24	-60	617	714	-14
MO-104	5/21/2014	12	119	160	-26	11	24	-53	619	714	-13
MO-104	6/9/2014	19	118	160	-26	10	24	-59	619	714	-13
MO-104	6/20/2014	11	119	160	-26	11	24	-56	621	714	-13
MO-105	4/3/2014	--	106	128	-17	7	20	-65	477	669	-29
MO-105	4/17/2014	14	106	128	-17	6	20	-68	479	669	-28
MO-105	5/9/2014	22	107	128	-17	6	20	-70	483	669	-28
MO-105	5/22/2014	13	107	128	-17	7	20	-66	483	669	-28
MO-105	6/5/2014	14	110	128	-14	7	20	-65	492	669	-26
MO-105	6/20/2014	15	109	128	-15	7	20	-66	489	669	-27
MO-106	4/3/2014	--	94	143	-34	7	20	-65	445	626	-29
MO-106	4/17/2014	14	99	143	-31	7	20	-66	462	626	-26
MO-106	5/9/2014	22	100	143	-30	6	20	-68	462	626	-26
MO-106	5/22/2014	13	96	143	-33	7	20	-64	455	626	-27
MO-106	6/4/2014	13	97.0	143	-32	6	20	-72	455	626	-27
MO-106	6/20/2014	16	98.0	143	-31	7	20	-65	461	626	-26
MO-107	4/3/2014	--	104	110	-6	7	20	-66	461	502	-8
MO-107	4/16/2014	13	103	110	-7	6	20	-68	461	502	-8
MO-107	5/8/2014	22	103	110	-6	6	20	-68	463	502	-8
MO-107	5/22/2014	14	104	110	-6	7	20	-65	465	502	-7
MO-107	6/9/2014	18	105	110	-5	6	20	-69	469	502	-6
MO-107	6/20/2014	11	105	110	-5	7	20	-67	472	502	-6
MO-108	4/4/2014	--	104	118	-12	7	20	-64	499	513	-3
MO-108	4/16/2014	12	101	118	-14	8	20	-61	497	513	-3
MO-108	5/8/2014	22	103	118	-12	8	20	-59	499	513	-3
MO-108	5/22/2014	14	103	118	-12	9	20	-55	501	513	-2
MO-108	6/4/2014	13	105	118	-11	7	20	-64	500	513	-2
MO-108	6/19/2014	15	104	118	-11	8	20	-62	504	513	-2
MO-109	4/3/2014	--	103	120	-14	7	21	-66	482	567	-15
MO-109	4/16/2014	13	102	120	-15	7	21	-68	488	567	-14
MO-109	5/8/2014	22	103	120	-14	7	21	-67	487	567	-14
MO-109	5/22/2014	14	103	120	-14	8	21	-63	487	567	-14
MO-109	6/4/2014	13	104	120	-14	7	21	-69	487	567	-14
MO-109	6/19/2014	15	103	120	-14	7	21	-69	487	567	-14
MO-110	4/3/2014	--	97	128	-24	7	23	-70	426	533	-20
MO-110	4/15/2014	12	92	128	-29	5	23	-78	424	533	-20
MO-110	5/8/2014	23	97	128	-24	7	23	-72	432	533	-19
MO-110	5/22/2014	14	98	128	-23	7	23	-69	435	533	-18
MO-110	6/5/2014	14	99.3	128	-22	7	23	-70	439	533	-18
MO-110	6/19/2014	14	97.9	128	-23	6	23	-73	432	533	-19
MO-111	4/3/2014	--	99	115	-14	7	20	-66	424	639	-34
MO-111	4/15/2014	12	92	115	-20	5	20	-74	420	639	-34
MO-111	5/8/2014	23	100	115	-13	7	20	-67	427	639	-33
MO-111	5/23/2014	15	99	115	-14	6	20	-72	428	639	-33
MO-111	6/4/2014	12	97.6	115	-15	7	20	-67	424	639	-34
MO-111	6/19/2014	15	97.3	115	-15	7	20	-67	423	639	-34
MO-112	4/3/2014	--	108	252	-57	7	22	-67	414	541	-23
MO-112	4/15/2014	12	100	252	-60	6	22	-75	410	541	-24

**Attachment 1: UCL Data**  
**2nd Quarter 2014**  
**Lost Creek ISR Project SUA-1598**


Client Sample ID	Collection Date	Sample Separation (days)	Alkalinity (mg/L)			Chloride (mg/L)			Specific Conductance @ 25°C (µS/cm)		
			Assay	UCL	% Diff	Assay	UCL	% Diff	Assay	UCL	% Diff
MO-112	5/8/2014	23	109	252	-57	7	22	-67	418	541	-23
MO-112	5/23/2014	15	108	252	-57	6	22	-72	421	541	-22
MO-112	6/5/2014	13	111	252	-56	7	22	-66	427	541	-21
MO-112	6/19/2014	14	109	252	-57	7	22	-68	420	541	-22
MO-113	4/2/2014	--	104	121	-14	7	21	-69	447	484	-8
MO-113	4/15/2014	13	98	121	-19	5	21	-75	444	484	-8
MO-113	5/8/2014	23	105	121	-13	7	21	-67	449	484	-7
MO-113	5/23/2014	15	105	121	-13	6	21	-72	450	484	-7
MO-113	6/5/2014	13	108	121	-11	7	21	-67	460	484	-5
MO-113	6/19/2014	14	106	121	-12	7	21	-68	448	484	-7
MU-101	4/4/2014	--	109	157	-31	8	20	-59	537	653	-18
MU-101	4/17/2014	13	109	157	-31	8	20	-62	535	653	-18
MU-101	5/9/2014	22	110	157	-30	8	20	-62	538	653	-18
MU-101	5/21/2014	12	94	157	-40	9	20	-57	535	653	-18
MU-101	6/9/2014	19	107	157	-32	8	20	-59	535	653	-18
MU-101	6/20/2014	11	113	157	-28	8	20	-61	544	653	-17
MU-102	4/4/2014	--	108	119	-10	8	19	-58	430	507	-15
MU-102	4/17/2014	13	105	119	-12	6	19	-69	427	507	-16
MU-102	5/9/2014	22	106	119	-11	6	19	-67	427	507	-16
MU-102	5/21/2014	12	105	119	-12	7	19	-64	426	507	-16
MU-102	6/9/2014	19	107	119	-10	6	19	-67	430	507	-15
MU-102	6/20/2014	11	106	119	-11	6	19	-67	430	507	-15
MU-103	4/4/2014	--	104	213	-51	6	20	-68	422	560	-25
MU-103	4/17/2014	13	103	213	-52	6	20	-71	421	560	-25
MU-103	5/9/2014	22	104	213	-51	6	20	-72	421	560	-25
MU-103	5/21/2014	12	104	213	-51	6	20	-68	421	560	-25
MU-103	6/9/2014	19	105	213	-51	6	20	-71	424	560	-24
MU-103	6/20/2014	11	105	213	-51	6	20	-70	426	560	-24
MU-104	4/3/2014	--	98	159	-39	7	21	-66	439	572	-23
MU-104	4/17/2014	14	98	159	-38	6	21	-69	442	572	-23
MU-104	5/9/2014	22	100	159	-37	6	21	-72	457	572	-20
MU-104	5/21/2014	12	100	159	-37	7	21	-67	450	572	-21
MU-104	6/9/2014	19	101	159	-37	7	21	-68	465	572	-19
MU-104	6/20/2014	11	101	159	-36	7	21	-69	454	572	-21
MU-105	4/3/2014	--	105	124	-15	7	19	-63	435	562	-23
MU-105	4/17/2014	14	104	124	-16	6	19	-68	437	562	-22
MU-105	5/9/2014	22	105	124	-15	6	19	-71	443	562	-21
MU-105	5/21/2014	12	104	124	-16	6	19	-67	436	562	-22
MU-105	6/5/2014	15	106	124	-15	6	19	-67	442	562	-21
MU-105	6/20/2014	15	106	124	-15	6	19	-67	441	562	-21
MU-106	4/3/2014	--	105	137	-23	7	20	-65	450	522	-14
MU-106	4/17/2014	14	103	137	-25	6	20	-68	456	522	-13
MU-106	5/9/2014	22	105	137	-23	6	20	-71	459	522	-12
MU-106	5/22/2014	13	104	137	-24	7	20	-65	451	522	-14
MU-106	6/4/2014	13	103	137	-25	6	20	-69	430	522	-18
MU-106	6/20/2014	16	105	137	-23	7	20	-67	458	522	-12
MU-107	4/3/2014	--	104	136	-24	7	20	-66	466	556	-16
MU-107	4/16/2014	13	102	136	-25	6	20	-70	467	556	-16
MU-107	5/8/2014	22	103	136	-24	7	20	-67	467	556	-16
MU-107	5/22/2014	14	104	136	-24	7	20	-66	473	556	-15
MU-107	6/9/2014	18	104	136	-23	6	20	-69	471	556	-15
MU-107	6/20/2014	11	106	136	-22	6	20	-68	473	556	-15
KPW-2	4/4/2014	--	99	136	-27	7	21	-67	467	615	-24
KPW-2	4/16/2014	12	98	136	-28	6	21	-70	467	615	-24
KPW-2	5/8/2014	22	101	136	-26	7	21	-68	474	615	-23
KPW-2	5/22/2014	14	98	136	-28	8	21	-64	468	615	-24
KPW-2	6/4/2014	13	99	136	-27	7	21	-69	469	615	-24
KPW-2	6/19/2014	15	100	136	-26	7	21	-67	468	615	-24
MU-109	4/3/2014	--	97	196	-51	8	23	-65	459	525	-13

**Attachment 1: UCL Data  
2nd Quarter 2014  
Lost Creek ISR Project SUA-1598**

Client Sample ID	Collection Date	Sample Separation (days)	Alkalinity (mg/L)			Chloride (mg/L)			Specific Conductance @ 25°C (µS/cm)		
			Assay	UCL	% Diff	Assay	UCL	% Diff	Assay	UCL	% Diff
MU-109	4/16/2014	13	99	196	-50	9	23	-63	457	525	-13
MU-109	5/8/2014	22	93	196	-53	6	23	-72	451	525	-14
MU-109	5/22/2014	14	94	196	-52	9	23	-59	458	525	-13
MU-109	6/4/2014	13	97	196	-51	9	23	-62	465	525	-11
MU-109	6/19/2014	15	96	196	-51	10	23	-57	463	525	-12
MU-110	4/3/2014	--	75	144	-48	11	24	-54	423	596	-29
MU-110	4/15/2014	12	69	144	-52	8	24	-65	420	596	-29
MU-110	5/8/2014	23	71	144	-51	9	24	-64	416	596	-30
MU-110	5/22/2014	14	83	144	-43	10	24	-60	425	596	-29
MU-110	6/4/2014	13	81	144	-44	10	24	-60	429	596	-28
MU-110	6/19/2014	15	80	144	-44	11	24	-56	433	596	-27
MU-111	4/3/2014	--	87	188	-54	7	22	-70	479	652	-27
MU-111	4/15/2014	12	84	188	-55	5	22	-79	481	652	-26
MU-111	5/8/2014	23	88	188	-53	5	22	-77	478	652	-27
MU-111	5/23/2014	15	87	188	-54	6	22	-72	487	652	-25
MU-111	6/4/2014	12	89	188	-52	6	22	-71	491	652	-25
MU-111	6/19/2014	15	92	188	-51	7	22	-70	495	652	-24
MU-112	4/3/2014	--	84	224	-63	6	24	-74	435	483	-10
MU-112	4/15/2014	12	85	224	-62	5	24	-78	438	483	-9
MU-112	5/8/2014	23	83	224	-63	5	24	-79	430	483	-11
MU-112	5/23/2014	15	89	224	-60	6	24	-76	452	483	-6
MU-112	6/5/2014	13	88	224	-61	7	24	-72	446	483	-8
MU-112	6/19/2014	14	89	224	-60	7	24	-73	449	483	-7
MU-113	4/2/2014	--	90	140	-36	7	25	-74	457	590	-23
MU-113	4/15/2014	13	88	140	-37	6	25	-75	451	590	-24
MU-113	5/8/2014	23	80	140	-43	6	25	-77	441	590	-25
MU-113	5/23/2014	15	89	140	-37	6	25	-75	463	590	-22
MU-113	6/5/2014	13	93	140	-33	7	25	-74	466	590	-21
MU-113	6/19/2014	14	93	140	-34	7	25	-74	466	590	-21

UCL : Upper Control Limit

 : Indicates warning when single result is > UCL but < 120% of UCL

 : Indicates potential excursion

**Attachment 1: UCL Data Quality Control**  
**1st Quarter 2014**  
**Lost Creek ISR Project SUA-1598**

[illegible]

RPD = Relative Percent Difference

**Western States Mining Consultant, P. C.**

6911 Casper Mountain Road  
Casper, Wyoming 82601  
(307)266-9117 (307)265-1420 (f)

July 22, 2014

0802-2  
0802-2- Dam Inspection Report.rpt

Mr. John Cash  
UR-Energy, Inc.  
5880 Enterprise  
Casper, WY 82601

**Dam Inspection Report  
Ponds 1 & 2 Reservoir  
Lost Creek ISR, LLC**

Dear John,

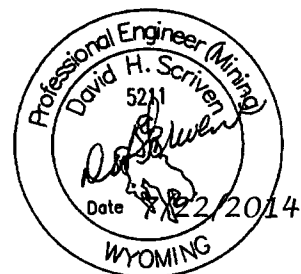
Western States Mining Consultants, P.C. completed an inspection of Ponds 1 & 2 Reservoir on May 8, 2014. Attached is the "Dam Inspection Report".

During the inspection, no issues of consequence were observed. The leak detection systems both had small amounts of water in them. I recommended in the report that these be drained using suction hose and observed. I subsequently was informed that this in fact has been done and the water came back. It seems unlikely that this is caused by a leak in the liner since it is consistent with both ponds with about the same amount of water. Also, if there was a hydraulic connection between the pond and the leak detection system, the water in both would be at the same elevation and this is not happening. It may be necessary to conduct further investigations to determine the cause of this phenomenon.

Respectfully submitted,



David H. Scriven, P.E.  
President



## Dam Inspection Report

Date: May 8, 2014

Inspected by: DH Scriven, P.E. #5211

Name of Facility: Ponds 1 & 2 Reservoir

Permit No.: P13595R

County: Sweetwater

Location: Section 18, T25N, R92W, 6<sup>th</sup> Prime Meridian

Owner's Name: Lost Creek Uranium, LLC

Address: 3424 Wamsutter - Crooks Gap Road, Bairoil, Wyoming

*Process water (MDG 7/30/2014)*

Type of Dam: Earth Fill

Hazard Rating: Low

Source of supply: ~~Blue Gulch~~

Dam Height: 6 ft

Capacity: 2.29 Ac-ft.

Use: Industrial

EVALUATION CRITERIA		N/A	YES	NO
1)	Does the dam have year around access by road?		x	
2)	Does brush or debris inhibit visual inspection of dam?			x
3)	Are trees growing on slopes of dam?			x
4)	Are there cracks, slides, slumps or settlement on the crest of upstream or downstream slopes?		x	
5)	Are there rodent holes in the dam?			x
6)	Is there any upstream slope erosion caused by wave action?			x
7)	Is the riprap displaced, broken down or missing?	x		
8)	Are there flow of water or wet areas above the toe of the dam?			x
9)	Is there flowing water, sand boils or boggy areas below the toe of the dam?			x
10)	Are there toe drains?			x
11)	Is the water from leaks, toe drains or boggy areas found to be muddy, sandy or carrying an material?	x		
12)	Does the dam have a leak detection system?		x	
13)	Does the leak detection system have any water showing?		x	
14)	Is there any noticeable damage to the pond liner?			x
15)	Does the dam have a spillway?			x
16)	Is there evidence that the dam has been overtopped?			x
17)	Is the reservoir usually full all year?		x	
18)	Were photographs taken and forwarded to Cheyenne?			x

### Comment on Evaluation Criteria:

4) Crack on the crest. There were some cracks on the north embankment of Pond 2. These did not look to be substantial and probably some settling of the liner key. Will watch on future inspections.

13) Water showing in the leak detection system. Water was showing in both leak detection systems. It is recommended this water be drained with a suction pump and observed. If this were a leak in the liner, the water would be at the level of the pond.

### Other comments:

The sump between the ponds had a minimal amount of water from leaky pipes in the bottom. It is recommended this sump be equipped with a leak detection system with at least a visual alarm to alert the plant if a major leak occurred in the sump.

**Western States Mining Consultants, P.C.**