

COLORADO OFFICE  
10758 W. CENTENNIAL RD., STE. 200  
LITTLETON, CO 80127  
TEL: (866) 981-4588  
FAX: (720) 981-5643



WYOMING OFFICE  
5880 ENTERPRISE DR., STE. 200  
CASPER, WY 82609  
TEL: (307) 265-2373  
FAX: (307) 265-2801

**LOST CREEK ISR, LLC**

August 14, 2018

40-9068

Jean Lawlor  
State of Wyoming  
Department of Environmental Quality - Land Quality Division  
510 Meadowview Drive  
Lander, WY 82520

\*AND\*

ATTN: Document Control Desk  
Nuclear Regulatory Commission  
Washington, D.C. 20555-001

**Re: Report of Unplanned Release – HH2-2 VS  
Lost Creek ISR Project  
WDEQ-LQD Permit #788; NRC License SUA-1598**

To Whom It May Concern,

In accordance with Wyoming Department of Environmental Quality Land Quality Division (WDEQ-LQD) regulation and pursuant to License Condition 11.6, Lost Creek ISR, LLC ("LCI") hereby provides a written report detailing a release of production fluid that was reportable to WDEQ. Using the spill report webpage, LCI notified WDEQ-Water Quality Division (WQD) of the unplanned release on July 28, 2018 (Incident ID 180728-1814). Additionally, LCI notified WDEQ-LQD (Jean Lawlor) and NRC (John Saxton) of the release via email on the same day it was reported to the WQD. Based on the measurement of the release-affected area, the volume was estimated to be approximately 1,625 gallons. The release originated from within the Header House 2-2 Valve Station (HH2-2 VS) located at T25N R92W Section 19 NENW qtr-qtr and is shown on the attached figure. The release entered the ephemeral drainage between Mine Unit 1 and 2.

The release was discovered by an Operator on the morning of July 28, 2018. A gasket on the main production fluid line from HH2-2 was displaced from its sealing position. The gasket movement was possibly due to pressure influence from sudden flow changes that occurred in the line when the Plant flow circuit went into bypass mode the day prior. Upon discovery of the leak, the flow to the valve station was shut off. Analysis by the Lost Creek lab of the released fluid revealed a uranium concentration of 84.0 mg/L (as U<sub>3</sub>O<sub>8</sub>).

*Lost Creek ISR, LLC is a wholly-owned subsidiary of Ur-Energy Inc.*  
TSX: URE  
[www.ur-energy.com](http://www.ur-energy.com)

NM5501  
NM55



Corrective actions included:

- Shutting off flow to HH2-2 until the leak was repaired.
- Replacing the displaced gasket.

If you have any questions regarding this letter or require additional information please feel free to contact me at the Casper Office.

Sincerely,



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

Attachments: **Figure: HH2-2 Valve Station Spill**

Cc: John Saxton, NRC Project Manager (via e-mail)  
Bernadette Baca, NRC Region 4 Inspector (via e-mail)  
Theresa Horne, Ur-Energy, Littleton (via e-mail)



# HH 2-2 Valve Station Spill 7/28/2018



HH2-2

HH1-1

HH1-3

HH2-3

HH2-1

HH1-4

## Legend



Spill Areas



Header House Locations



Header House Boundaries

0 200 400 800 Feet

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community