ATTACHMENT MU1 4-1

WATER QUALITY RESULTS

NOTE: ATTACHMENT MU1 4-3 PROVIDES THE ELECTRONIC VERSION OF THIS ATTACHMENT IN THE FORMAT PRESENTED HERE AND IN WDEQ-LQD'S PREFERRED FORMAT.

ATTACHMENT MU1 4-3

MU1 GROUNDWATER LEVEL AND QUALITY DATA

(electronic data set)

- "MU1_GW_Level_Data_Nov10.xls" provides the groundwater level data in the preferred format of WDEQ-LQD.
- "MU1Tab_4_3_WaterLevel_Nov10.xls" is the electronic version of the hard-copy Table MU1 4-3.
 - "MU1_Lab_GWQ_Data.xls" provides the groundwater quality data in the preferred format of WDEQ-LQD.
 - "MU1Att4_1_WQ_Tables.xls" is the electronic version of the hard-copy Attachment MU1 4-1.

MU1 Volume 2 of 2 Replacement Pages



LOST CREEK HYDROLOGIC TESTING – MINE UNIT 1 NORTH AND SOUTH TESTS



10758 West Centennial Road, Suite 200 Littleton, Colorado 80127 USA

LOST CREEK PROJECT, SWEETWATER COUNTY, WY

OCTOBER 2009

(Revised November 2010)

Prepared By: Petrotek Engineering Corporation 10288 West Chatfield Ave., Suite 201 Littleton, Colorado 80127 Phone: (303) 290-9414

none: (303) 290-9414 Fax: (303) 290-9580 to the presence of the fault, actual K values are likely higher, on the order of approximately 1.0 to 2.0 ft/d. This range of K values would be most representative for estimating groundwater velocity and travel times with regard to mine unit design, exterior monitor well spacing, excursion control, and excursion recovery.

7.4 RADIUS OF INFLUENCE

7.4.1 NORTH TEST, PUMPING WELL PW-102

Based on the drawdown response observed at the outlying "ring" monitor wells during the north test, the minimum radius of influence (ROI) is greater than 2,600 feet. The ROI is not symmetrical with respect to the pumping well and is truncated due to the presence of the fault. The actual ROI of the test (extending away from the fault) was estimated utilizing distance-drawdown data (i.e., drawdown on an arithmetic scale and distance to the pumping well on a logarithmic scale) (Appendix F). From the distance-drawdown analysis, the ROI for the north test is estimated between 3,100 to 3,300 feet.

Minor drawdown responses in the HJ Horizon were observed on the southern side of the fault (see Table 4-3 and Figure 6-17) that ranged between 0.0 to 2.7 feet, and generally decreased with increasing distance to the pumping well. At distances greater than 2,000 feet, drawdown responses were less than 1 foot.

7.4.2 SOUTH TEST, PUMPING WELL PW-101

Based on the observed drawdown at the outlying "ring" monitor wells during the south test, the minimum ROI is greater than 2900 feet. As observed in the north test, the ROI is truncated by the fault. The actual ROI extending away from the fault was estimated between 3,200 to 3,500 feet utilizing distance-drawdown data (Appendix F).

Minor drawdown responses (less than 1 foot) were observed north of the fault (Table 4-4 and Figure 6-18). Drawdown at well HJT-104 was observed at 2.0 ft, but this well is located north and immediately adjacent to the fault, and only a distance of 400 feet from the pumping well.

7.5 COMPARISON TO PREVIOUS TESTING RESULTS

The following table presents a summary of all hydrologic testing performed in the HJ Horizon on both sides of the fault during 2007 and 2008. Results from the two mine-unit scale pump tests conducted in 2008 compare favorably to previous testing (2007) conducted on both sides of the fault. The table below also shows the larger area of investigation of the 2008 MU1 tests compared to the tests conducted in 2007.

Analytical results of aquifer properties from the MU1 tests were evaluated in observation wells located a distance of approximately three times that of the 2007 tests.



| Test | North Regional Test #1 | MU1 North Test | South Regional Test #2 | MU1 South Test |
|----------------------------------|---|---|---|---|
| Pumping Well | LC19M | PW-102 | LC16M | PW-101 |
| Date | June – July 2007 | November 2008 | October – November 2007 | December 2008 |
| Relationship to Fault | North | North | South | South |
| Farthest Observ. Well (feet)* | 781 | 2569 | 866 | 2945 |
| Test Duration (days) | 5.7 | 2.0 | 5.5 | 2.9 |
| Test Rate (gpm) | 42.9 | 70.9 | 37.4 | 58.1 |
| Range of T (ft²/day) | 30 – 76 | 51 – 104 | 57 – 110 | 69 – 129 |
| Average T (ft²/day) | 61 | 79 | 76 | 93 |
| Range of Storativity | 6.6x10 ⁻⁵ – 1.5x10 ⁻⁴ | $5.4 \times 10^{-5} - 1.9 \times 10^{-4}$ | 3.5x10 ⁻⁵ – 9.1x10 ⁻⁴ | 3.6x10 ⁻⁵ – 4.2x10 ⁻⁴ |
| Average Storativity | . 1.1x10 ⁻⁴ | 9.3x10 ⁻⁵ | 2.9x10 ⁻⁴ | 1.1x10 ⁻⁴ |

^{*} Distance from farthest observation well to pumping well, on the same side of the fault.

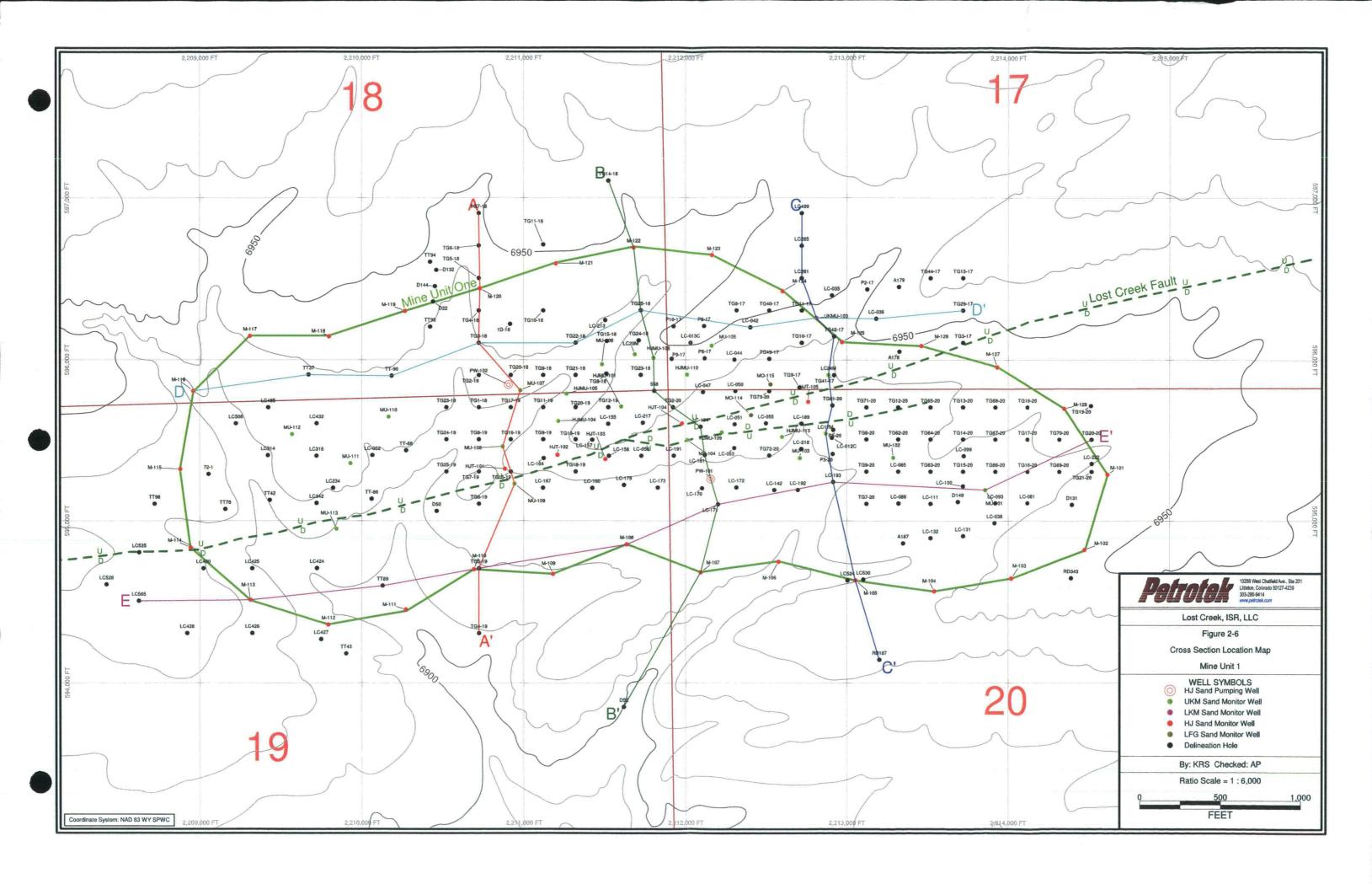
8.0 SUMMARY AND CONCLUSIONS

- The results of the MU1 north and south pump tests conducted on both sides of the Lost Creek Fault demonstrate that the HJ Horizon monitor wells and pumping wells (for the north and south sides of the fault) are in hydraulic communication. Minor communication was observed across the fault during both tests, but responses were an order of magnitude smaller, suggesting that the fault is a partial barrier to groundwater flow within the HJ Horizon. Data from the south test also indicates that the splay to the south of the Lost Creek Fault is a minor barrier to groundwater flow
- On a regional scale, the HJ Horizon on both sides of the Lost Creek Fault has been adequately characterized with respect to hydrogeologic conditions within MU1. Results of the MU1 tests demonstrate that the HJ Horizon has sufficient transmissivity for in-situ recovery mining operations.
- Geological information suggests that the overlying and underlying shales are continuous throughout MU1. Minor responses (order of magnitude or less in relation to responses in wells completed in the HJ Horizon) were observed during the pump test. Communication observed in the LFG and UKM Sands is similar to the responses observed at other ISR facilities where engineering practices are successfully implemented to isolate lixiviant from overlying and underlying aquifers.
- LC ISR is conducting a program of locating, plugging and abandonment of historic wells within MU1 to mitigate the potential for hydraulic communication through improperly abandoned wells.
- The observed response during the north test at well MU-108 (completed in the underlying UKM Sand) of 24.7 feet of drawdown was due to damage of the casing and annular seal during well completion. Drilling records indicate that the underreamer bit was not fully closed upon withdrawal into the casing. This well was subsequently plugged and abandoned and additional pump testing conducted within the underlying aquifer confirmed the abandonment was successful, as an immediately adjacent well to MU-108 completed in the HJ Horizon did not respond to pumping.

9.0 REFERENCES

- Cooper, H.H. and Jacob, C.E., 1946. A Generalized Graphical Method for Evaluating Formation Constants and Summarizing Well Field History. Transactions, American Geophysical Union, vol. 27, pp. 526-534.
- Freeze, R.A., 1969. Regional Groundwater Flow Old Wives Lake Drainage Basin, Saskatchewan. Canadian Inland Waters Branch, Scientific Series No. 5, 245 pp.
- Hantush, M.S., 1956. Analysis of Data from Pumping Tests in Leaky Aquifers. Transactions, American Geophysical Union, vol. 37, pp. 702-714.
- Hydro-Engineering, LLC, 2007. Lost Creek Aquifer Test Analyses. Prepared for Ur Energy USA, Inc., March 2007.
- Hydro-Search, Inc., 1982. 1982 Hydrogeology Program for the Conoco/Lost Creek Uranium Project. Golden (CO). Prepared for TexasGulf, Inc.
- Hseih, P.A., 1996. Deformation-induced Changes in Hydraulic Head During Groundwater Withdrawal, Groundwater, vol. 34, no. 6, pp. 1082-1089.
- Kruseman, G.P. and de Ridder, N.A., 1990. Analysis and Evaluation of Pumping Test Data. International Institute for Land Reclamation and Improvement: Wageningen, The Netherlands. Second edition. 377 pp.
- Lost Creek ISR, LLC, Petrotek Engineering Corporation, and AATA International, Inc. 2007.
 Ur Energy Lost Creek Project, Wyoming Department of Environmental Quality
 Permit to Mine. December 2007
- Neuman, S. P. and P. A. Witherspoon, 1972. Field Determination of the Hydraulic Properties of Leaky Multiple Aquifer Systems. Water Resources Research, Vol. 8, No. 5.
- Petrotek Engineering Corporation, 2007a. Lost Creek Regional Hydrologic Testing Report #1. Prepared for Lost Creek ISR, LLC, October 2007.
- Petrotek Engineering Corporation, 2007b. Lost Creek Regional Hydrologic Test Report #2. Prepared for Lost Creek ISR, LLC, December 2007.
- Theis, C. V., 1935. The relation between the lowering of the piezometric surface and the rate and duration of discharge of a well using groundwater storage, Am. Geophys. Union Trans., vol.16, pp.519-524.
- Toll, N.J. and Rasmussen, T.C., 2007. Removal of Barometric Pressure Effects and Earth Tides from Observed Water Levels, Groundwater, vol. 45, no. 1, pp. 101-105.
- Wang, H. F., 2000. Theory of Linear Poroelasticity with Applications to Geomechanics and Hydrogeology, Princeton University Press, Princeton, NJ, 287 pp.



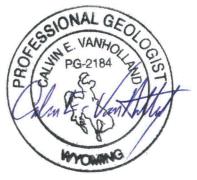


MU - 109Ground Level No Data SANDSTONE BC SANDSTONE SANDSTONE, shaly MUDSTONE SANDSTONE DE MUDSTONE SANDSTONE MUDSTONE, sandy EF SANDSTONE, v shaly SANDSTONE MUDSTONE, sandy SANDSTONE FG MUDSTONE, sandy SANDSTONE MUDSTONE, sandy SANDSTONE SANDSTONE,v shaly MUDSTONE, sandy LCS SANDSTONE SANDSTONE P SANDSTONE, v shaly MUDSTONE SBS \sum_{X} SANDSTONE TD 570'

MU - 109

Lost Creek ISR, LLC WELL COMPLETION REPORT

| WELL # MU-109 SEO # 187658 Date Drilled: 7/29/08 |
|---|
| Location:E 2,210,944 / N 595,230 (NAD 83) |
| Ground Elev: 6932.0' Measure Point Elev: 6932.78' |
| TD: <u>570'</u> Hole Dia.: <u>7-7/8"</u> |
| CASED to: <u>550'</u> Casing: <u>PVC SDR17</u> ID: <u>4.5"</u> OD: <u>5"</u> |
| GROUT: Portland Cement — Type I/II Pumped thru casing, displaced to surface with water |
| COMPLETION Aquifer: UKM Sand |
| Static Water Level: Depth <u>194'</u> Elev: <u>6738'</u> (avg.) |
| UNDERREAM: Blade Dia: 10" Intervals: from 525' to 545' /length 20' from to /length |
| SCREEN LINER ASSEMBLY Description Depth Elev. Length From - To / From - To K-packer 518' 6414' Screen 525' 545' 6407' 6387' 20' |
| SCREEN SPECIFICATIONS: Slot: 0.020" Composition 3" PVC |
| FILTER PACKING: |
| Volume:(bags)(ft ³) Sand Specs |
| Method: N/A |
| WELL STIMULATION: Method Airlift Yield: Good / Moderate / Poor |
| |
| CONAL CO |



THIS PAGE IS AN OVERSIZED DRAWING OR FIGURE,

THAT CAN BE VIEWED AT THE RECORD TITLE:

LOST CREEK ISR, LLC LITTLETON, COLORADO, USA

PLATE MU1 5-2 MU1 FAULT STITCH CROSS SECTIONS

LOST CREEK PERMIT AREA

THESE DRAWINGS CAN BE ACCESSED WITHIN THE ADAMS PACKAGE WITHIN THIS PACKAGE...

THIS PAGE IS AN OVERSIZED DRAWING OR FIGURE,

THAT CAN BE VIEWED AT THE RECORD TITLE:

LOST CREEK ISR, LLC LITTLETON, COLORADO, USA

PLATE MU1 5-3 MU1 FAULT STITCH CROSS SECTIONS

LOST CREEK PERMIT AREA

THESE DRAWINGS CAN BE ACCESSED WITHIN THE ADAMS PACKAGE WITHIN THIS PACKAGE