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**LOST CREEK ISR, LLC**

November 16, 2012

Ms. Melissa Bautz  
State of Wyoming  
Department of Environmental Quality  
Land Quality Division  
510 Meadowview Drive  
Lander, WY 82520

**Re: Submittal of Response to Comments for the 2011-2012 Annual Report  
Lost Creek Project Permit PT788**

Dear Ms. Bautz,

Please find behind this cover, responses to the comments made by Wyoming Department of Environmental Quality-Land Quality Division (WDEQ-LQD) November 7, 2012 regarding the 2012 Interim In Situ Annual Report (AR). Included with this submittal in duplicate:

- Responses to Comments;
- Revised edition of the AR with changes made as described in the Responses;
- Addition to Appendix A (summary on additional historic borehole locating attempt);
- Revised surety estimate (Appendix B); and
- Electronic submittal of water quality data on compact disc.

If you have questions regarding this submittal please contact me or John Cash at the Casper Office.

Sincerely,  
Lost Creek ISR, LLC  
By: Ur-Energy USA, Inc., Manager

Michael D. Gaither  
EHS Coordinator

Cc: Theresa Horne, Ur-Energy, Littleton Office  
Mark Newman, BLM, Rawlins Office  
Tanya Oxenberg, PhD, NRC

*Lost Creek ISR, LLC is a wholly-owned subsidiary of Ur-Energy Inc.*

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**RESPONSES TO WDEQ-LQD COMMENTS on the  
LOST CREEK PROJECT PT788  
*INTERIM* IN SITU ANNUAL REPORT**



Lost Creek ISR, LLC  
Sweetwater County, WY

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November 16, 2012



The following are responses provided by Lost Creek ISR, LLC (LCI) to comments made by Wyoming Department of Environmental Quality-Land Quality Division (WDEQ-LQD) November 7, 2012 regarding the 2012 Interim In Situ Annual Report (AR). Five (5) comments were provided by Melissa L. Bautz, P.G. – Natural Resource Analyst and five responses are offered by LCI.

**Comment #1 (LQD):**

*"A description of LCI's (post July 30, 2012) attempt to locate historic drill holes is needed."*

**Response #1 (LCI):**

The summary of additional historic borehole locating has been provided to be included in Appendix A.

**Comment #2 (LQD):**

*"A discussion of the pump test conducted at the site in early September 2012 is needed."*

**Response #2 (LCI):**

Discussion on pump testing has been added to Section 3.2: *Water Balance/Hydrology* in the AR.

**Comment #3 (LQD):**

*"The bond estimate presented in Appendix B must be further explained and a NSR for it to replace the existing bond estimate in the Permit must be submitted."*

**Response #3 (LCI):**

Additional discussion has been added to Section 6.0 of the AR.

The following corrections have been made to the bond estimate submitted with the AR:

- Removed "Chemist" and associated costs from Section VI of Groundwater Restoration – Worksheet 1. The cost estimates for sample analysis is based on third-party service as opposed to in-house labor. Redundant cost is therefore eliminated.
- Changed number of samples on Decommissioning and Restoration: Restoration Analytical Costs
- Corrected "Analysis (Cost per Kilogallon)" for Groundwater Sweep and Reverse Osmosis on Groundwater Restoration – Worksheet 1

The corrections have adjusted the bond estimate originally submitted with the 2012 AR from \$8,966,963 to \$8,599,391.

The 2010 bond estimate and supplemental bond currently in the Permit will be replaced with the updated and approved bond and a NSR will be submitted to LQD.



**Comment #4 (LQD):**

*“A discussion of the effects of the increase in the well field area by six (6) acres must be provided.”*

Specifically:

- a. *“Did the increase change the perimeter of the pattern area?”*
- b. *“Does this increase affect Table MU1 3-1 (topsoil table) in Volume 6A of the Permit?”*
- c. *“Given this increase, is the requirement to have at least one overlying and underlying well per four acres of well field being followed?”*

**Response #4 (LCI):**

The changes in acreage noted in the comments are not due to any design changes but are due to the change in anticipated completion. More accurate estimations were able to be made due to the refinements in construction schedules following the granting of Permits. In turn, this altered the affected acreage for the construction schedule. Therefore, the specific questions, a through c, are not applicable. The answers, however, are: no, no, and yes. The wellfield layout and disturbance calculations have not changed from what is provided in the Permit.

**Comment #5 (LQD):**

*“The water quality data must be submitted in an electronic form as well as paper.” “LCI is asked to implement the [LQD-recommended] table formats prior to submitting the data.”*

**Response #5 (LCI):**

Data in electronic format is submitted with these responses as a data CD. The data tables shall be modified for the next AR (2012-2013) as requested to include:

- Indication of well type
- Tables and charts that are well-specific
- Hard copies of UCL data in an approved format

Water quality data formatting for hard copy presentation will be determined for the next reporting year (2012-2013) and will be submitted in an LQD-approved format.