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

June 20, 2013

Mr. John Saxton
U.S. Nuclear Regulatory Commission
Lost Creek Project Manager
Submitted Via E-Mail

**Re: Request to Remove LC 12.7; Installation of Holding Pond Monitor Wells
License Number SUA-1598, Docket 40-9068**

Dear Mr. Saxton,

License Condition 12.7 of Lost Creek Project NRC license SUA-1598 requires the licensee to install two additional holding pond monitor wells, MW-2 and MW-3, as described in Section 4.2.5.4 and Attachment 4.2-1 of the Technical Report. Monitor Well MW-3 was previously installed and is already described in the aforementioned attachment. Monitor Well MW-2 was recently completed and a lithologic log paired with a gamma survey as well as the Project Geologists report are attached to this cover letter for your review. Both documents should be inserted at the end of Attachment 4.2-1 in the Technical Report.

MW-2 is a dry well completed immediately above the uppermost aquitard and will be monitored quarterly as described in Section 5.3.2.3 of the Technical Report.

Please feel free to give me a call at our Casper office if you have any additional questions.

Sincerely,

John W. Cash

John W. Cash, Vice President

Cc: Mrs. Melissa Bautz, Wyoming DEQ,
Mrs. Theresa Horne, Ur-Energy, Littleton
Mr. Mark Newman, Rawlins BLM,

Lost Creek ISR, LLC

Observation Well MW-2

SWEETWATER COUNTY, WYOMING
SE SW SECTION 18, T25N R92W

GEOLOGICAL REPORT

UR ENERGY, LOST CREEK PROJECT

JOSH PARRIE PROJECT GEOLOGIST

CONTENTS

SUMMARY

The primary objective of the Lost Creek ISR, LLC Observation Well MW-2 is the first aquaclude below the surface topography. This well was spudded on 6/13/13 at 08:39 hours, drilled with a 5.125" bit to 40.8' TD at 09:06 hours, and cased with 3" Schedule 40 casing to a depth of 30' with a 2'surface profile.

The projected depth for the structural interval of the target aquaclude was approximately 40' below the surface. The goal was to drill 5.125" hole to the top of the aquaclude prior to setting the 3" casing to 30'. The planned procedure is to run 30' of casing with a 10' slotted casing screen to the top of the target aquaclude for the purpose of monitoring the aquifer for potential leakage of the adjacent waste water storage pond. Drilling with a 5.125" bit and air recovery commenced below at the surface on 6/13/2013. Unlagged samples were collected into the top of the target aquaclude.

Clay samples to surface indicated that the target aquaclude may have been penetrated. UR-Energy geophysical logging tech ran an open hole Gamma log to confirm the target aquaclude top. The open hole log was run on 6/13/13 at 09:22 hours, Run #1; Gamma from 40.8' to surface. The target aquaclude was identified on the log from 37-40.8' (3.8'). It was recommended that the 3" casing be set at 30', 7' above the target aquaclude and screened from 30-40'.

Respectfully,

Josh Parrie
Project Geologist

WELL DATA

OPERATOR:	UR ENERGY / LOST CREEK ISR, LLC 5880 Enterprise Dr. Casper, WY 82609 Phone: (307) 265-2373 Project Geologist: Josh Parrie
WELL:	Observation Well MW-2
PERMIT #:	TBD
AREA:	Great Divide Bain
LOCATION:	SE SW Section 18, T25N-R92W State Plain System, West Central WY 597855.54 N / 2210070.92 E Sweetwater County, Wyoming
ELEVATION:	GL: 6969’ TBL: 6973’
OPERATIONS STARTED:	June 13, 2013 08:39 hours
DRILLING COMPLETED:	June 13, 2013 09:06 hours
DRILLING CONTRACTOR:	Palmer Drilling Sheridan, Wyoming Rig # 2
TOTAL DEPTH:	40’ (Driller) / 40.8 (Logger)
OPEN HOLE SIZE:	5.125” hole from 0 to 40.8’
CASING	32’ of 3” Schedule 40 set at 30’ (34’ TBL)
DRILLING FLUID:	AIR @ 400 PSI
LOGGING GEOLOGISTS:	Josh Parrie UR-Energy 5880 Enterprise Dr. Casper, Wyoming, 82609 Phone (307) 265-2373

SAMPLES: 1/2-foot samples from 0’ to 40‘

ELECTRIC LOGS: UR-Energy Geophysical Logger
#1: Gamma Ray Log 0’ to 40.8’

FORMATION AT TD: Battle Springs Fm. “BC” Horizon

WELLSITE GEOLOGIST: Josh Parrie
UR-Energy
5880 Enterprise Dr.
Casper, Wyoming, 82609
Phone (307) 265-2373

WELL STATUS: Active: Completed as Observation well

WELL CHRONOLOGY

June 13, 2013 Rig-up Palmer Drilling Rig #2, bit connection, spud well at 08:39 hours, drill ahead .5 0 0’ / 40’ hours to 40.8’ TD @ 09:06 hours, trip out of hole, rig up logger, run #1 Gamma at 09:22 hours, rig up casing, run casing to 40’ at 09:50 hours, rig up completion materials, run sand from 40.8’ to 18.5’ (2X50 lbs Sacks), run bent 18.5’ to 3.5’ (2X50 lbs Sacks), rig down Palmer Drilling #2, 3.5’ to surface to be cemented.

Josh Parrie
PROJECT GEOLOGIST
5880 Enterprise Dr.
Casper, Wyoming, 82609
Phone: (307) 265-2373

John Cash
UR-Energy
5880 Enterprise Dr.
Casper, WY 82609

June 17, 2013

Subject: Distribution of geologic report, UR-Energy / Lost Creek ISR, LLC
MW-2, SE SW Sec 18 T25N-R92W Sweetwater County, Wyoming.

Dear John,

The following is the distribution of the geological report on the subject well:

UR-Energy, Casper Wyoming	1 copies (Via E-mail)
Lost Creek ISR, LLC Wyoming	1 copies (Via E-mail)

I have retained one copy of my report for my records.

It has been a pleasure to work with you on this well. If you have any questions or if you need additional copies of the report, please don't hesitate to call or e-mail.

Respectfully,
Josh Parrie

Project Geologist
UR-Energy / Lost Creek ISR, LLC

MUD LOG

WellSight Systems

Scale 1:48 (25"=100') Imperial
Measured Depth Log

Well Name: MW-2
Location: SE SW Section 18, T25N-R92W, SWEETWATER COUNTY, WYOMING
License Number: TBD
Region: GREAT DIVIDE BASIN
Spud Date: 6-13-2013
Drilling Completed: 6-13-2013
Surface Coordinates: 597855.54 N
2210070.92 E
Bottom Hole Coordinates: N/A
Ground Elevation (ft): 6969
K.B. Elevation (ft): 6973
Logged Interval (ft): 0FT To: 40FT
Total Depth (ft): 40.8FT
Formation: Battle Springs Fm
Type of Drilling Fluid: Air

OPERATOR

Company: UR-ENERGY / LOST CREEK ISR, LLC
Address: 5880 ENTERPRISE DRIVE
CASPER, WYOMING 82609

GEOLOGIST

Name: JOSH PARRIE
Company: LOST CREEK ISR, LLC
Address: 5880 ENTERPRISE DRIVE
CASPER, WYOMING 82609

Comments

ROCK TYPES

Anhy, Bent, Brec, Cht, Clyst, Coal, Congl, Dol, Gyp, Igne, Lmst, Meta, Mrlst, Salt, Shale, Shcol, Shgy, Sltst, Ss, Till

ACCESSORIES

MINERAL: Anhy, Arggrn, Arg, Bent, Bit, Brecfrag, Calc, Carb, Chtdk, Chtlt, Dol, Feldspar, Ferrpel, Ferr, Glau, Gyp, Hvymin, Kaol, Marl, Minxl, Nodule, Phos, Pyr, Salt, Sandy, Silt, Sil, Sulphur, Tuff

FOSSIL: Algae, Amph, Belm, Bioclst, Brach, Bryozoa, Cephal, Coral, Crin, Echin, Fish, Foram, Fossil, Gastro, Oolite, Ostra, Pelec, Pellet, Pisolite, Plant, Strom

STRINGER: Anhy, Arg, Bent, Coal, Dol, Gyp, Ls, Mrst, Sltstrg, Ssstrg

TEXTURE: Boundst, Chalky, Cryxln, Earthy, Finexln, Grainst, Lithogr, Microxln, Mudst, Packst, Wackest

OTHER SYMBOLS

POROSITY: Earthy, Fenest, Fracture, Inter, Moldic, Organic, Pinpoint, Vuggy

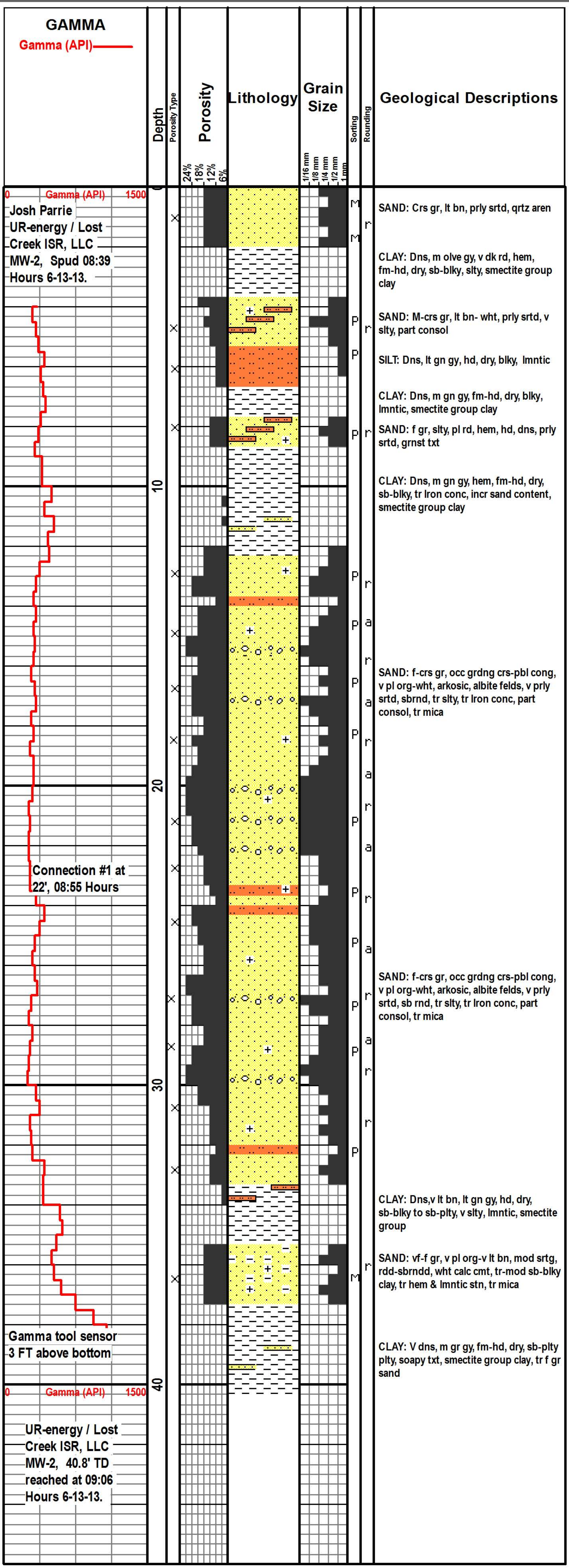
SORTING: Well, Moderate, Poor

ROUNDING: Rounded, Subrnd, Subang, Angular

OIL SHOW: Even, Spotted, Ques, Dead

INTERVAL: Core, Dst

EVENT: Rft, Sidewall



Ur-Energy USA Inc.
Uranium Exploration and Development

MW-2
GAMMA LOG

Wyoming Office
5880 Enterprise Drive #200
Casper, WY 82609 USA
Phone 307.265.2373 Fax 307.265.2801
www.Ur-Energy.com TSX: URE

FILING NO.

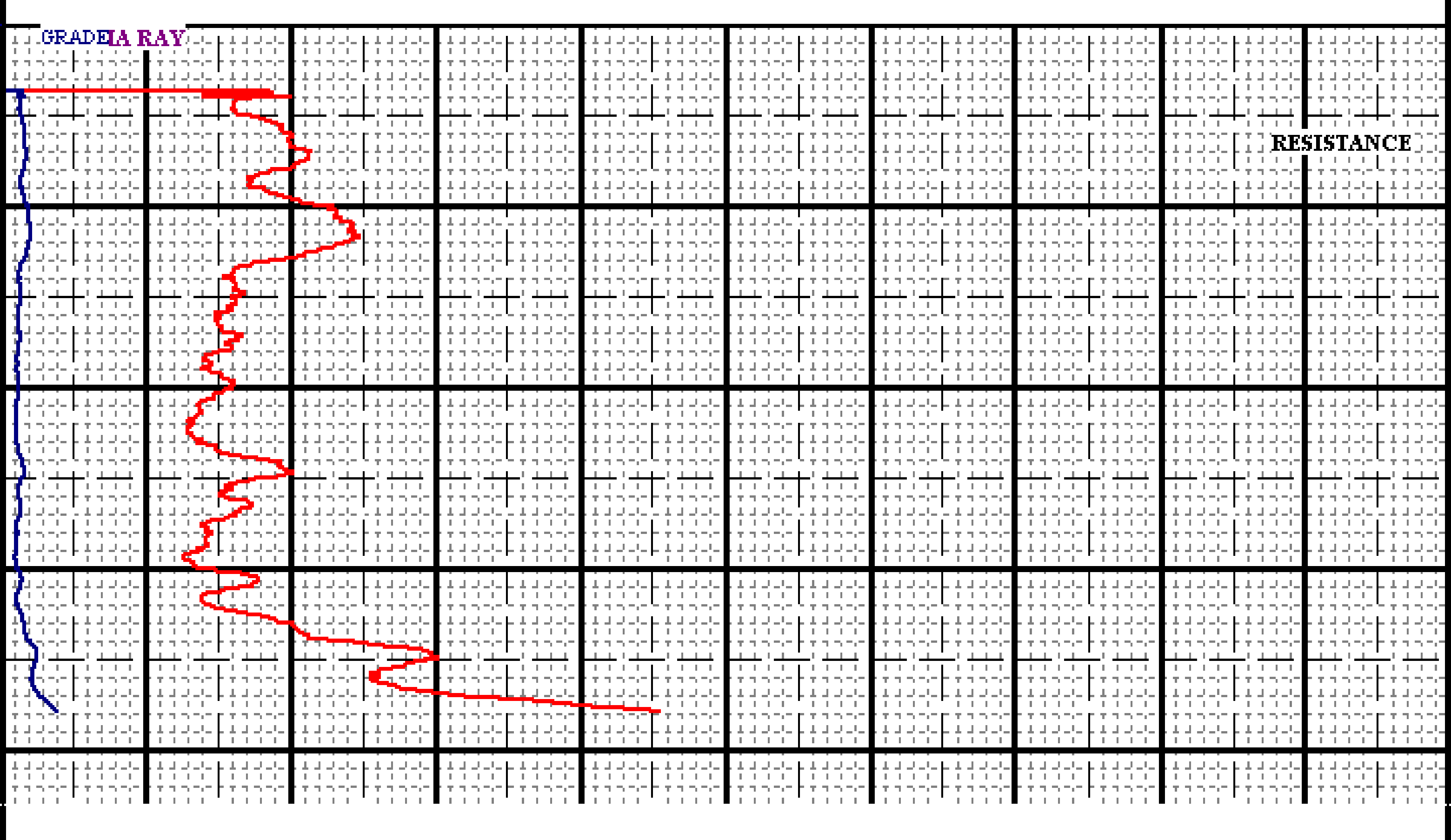
COMPANY:	UR-ENERGY USA		
WELL:	MW-2		
FIELD:	LOST CREEK		
COUNTY:	SWEETWATER	STATE:	WY
LOCATION:		-OTHER SVC-	Rig: PALLIMER
API NUMBER:			
SEC: 18	TWN: 25	RNG: 92	

PERMANENT DATUM: ELEV:
LOG MEASURED FROM MEAN GROUND LEVEL PERMANENT DATUM
DRILLING MEASURED FROM MEAN GROUND LEVEL

-ELEVATIONS-
KB:
DF:
GL:

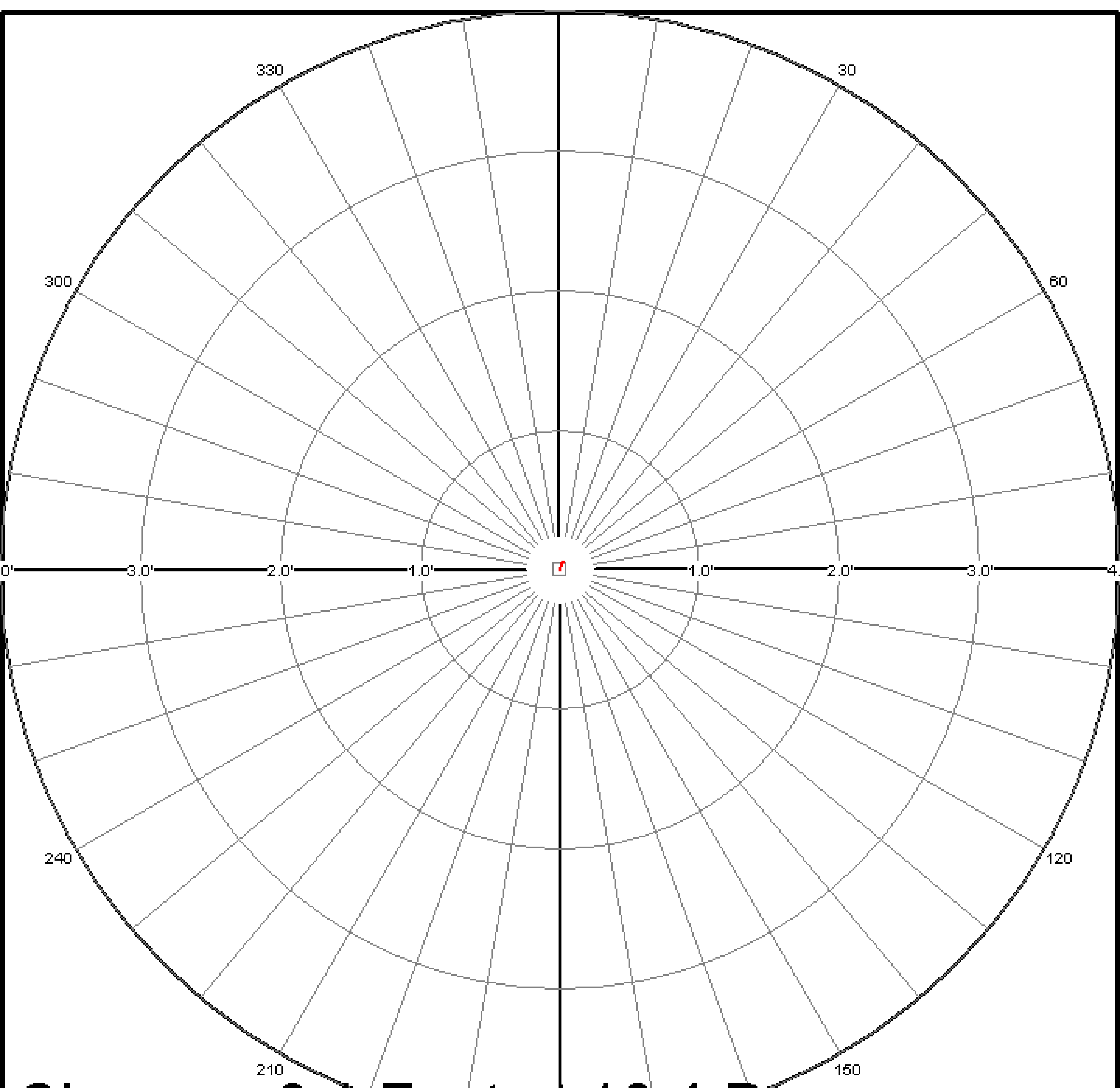
Date Log Run	THU JUN 13 09:44:15 2013
Run Number	
Depth - Driller	40 FT
Depth - Logger	40.8 FT
Bottom Of Log	38.0 FT
Top Of Log	
Casing - Driller	-
Casing - Logger	-
Bit Size	5-1/8
Fluid Type	WATER/MUD
Density / Viscosity	-
pH/Fluid Loss	-
Source Of Sample	-
Rm at Meas. Temp.	-
Rmf at Meas. Temp.	-
Rmc at Meas. Temp.	-
Source: Rmf - Rmc	-
Rm at BHT	-
Time Since Circulation	-
Max. Rec. Temp. - Deg. F	-
Equipment/Location	-
Recorded By	NSOMOV
Witnessed By	

0	GAMMA (CPS)	2000.0
2000	GAMMA RR (CPS)	10000.0
0	GRADE (%U3O8)	0.2
75	RES (OHMS)	197.0



0	GAMMA (CPS)	2000.0
2000	GAMMA RR (CPS)	10000.0
0	GRADE (%U3O8)	0.2
75	RES (OHMS)	197.0

HOLE ID: MW-2
DATE: THU JUN 13 09:44:15 2013



Closure : 0.1 Feet at 18.4 Degrees

Hole Number:	MW-2
Date Logged:	THU JUN 13 09:44:15 2013
Tool ID / SN:	869
K-Factor:	0.00000471
Deadtime:	0.00000420
Calibration Date:	05-14-13
Water Factor:	1
Casing Factor:	1.1375

Depth	Raw Gamma	Corrected Gamma	Grade	Grade > 0.015	Grade > 0.020	Grade > 0.030	Grade > 0.050

== SUMMARY ==