



Matthew H. Mead, Governor

Department of Environmental Quality

To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

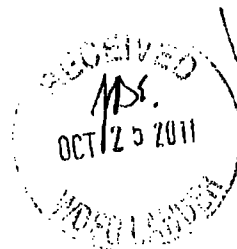


John Corra, Director

October 21, 2011

VIA Regular Mail & Fax. No. 307-265-2801

Mr. John Cash
Lost Creek ISR, LLC
5880 Enterprise Drive, Suite 200
Casper, WY 82609



**RE: Lost Creek ISR, LLC, Approval of Mining Permit No. PT788 - TFN 4 6/268
Termination of Drilling Notification No. DN0334**

Dear Mr. Cash:

With the recommendation of Melissa L. Bautz, Natural Resources Analyst, District 2, your permit application is hereby approved as Permit No. PT788. Please refer to this number in all future correspondence with the Land Quality Division. *This approval is granted with the following conditions:*

1. No mining operations (including injection of fluids) or construction is authorized until the Bureau of Land Management's (BLM's) Plan of Operations (POO) for the project is approved. Drilling activities may continue as previously authorized under 334DN.
2. At the time of the approval of the BLM's POO, the reclamation bond for the Permit will be reevaluated and adequate bond shall be posted prior to commencement of mining activities.
3. Upon approval of the POO, if any changes to this Permit are needed/warranted, they shall be made prior to commencement of mining operations.

Colorado Business Bank a/k/a CoBiz Bank, CoBiz Financial, letter of credit no. [REDACTED] in the amount of One Million, Seven Hundred Forty-Eight Thousand Dollars (\$1,748,000) has been accepted as your reclamation performance bond to ensure compliance with the Wyoming Environmental Quality Act and Land Quality Division Rules and Regulations. Copies of the signed permit, license to mine and bond are enclosed.

Pursuant to WS § 35-11-415 (b)(i) mine operators are required to post an entrance sign clearly showing:

1. Operator name, address and telephone number.
2. Operator's local authorized agent.
3. The assigned Permit Number, PT788

This approval constitutes the termination of Drilling Notification No. DN0334. The following bonds are released and being returned directly to David Hyslop, Littleton, Colorado:

First Bank of Lakewood:

Letter of Credit No. [REDACTED] \$119,200

Colorado Business Bank a/k/a CoBiz Bank:

Certificate of Deposit No. [REDACTED] \$ 52,000

Letter of Credit No. [REDACTED] \$470,000

Letter of Credit No. [REDACTED] \$236,000

Letter of Credit No. [REDACTED] \$120,800

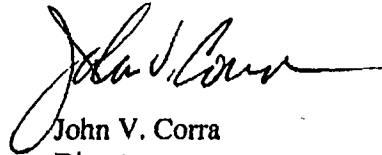
On or within thirty (30) days prior to the anniversary date of the permit, you will be required to submit an Annual Report to the District 2 office. The appropriate forms will be sent to you at that time. Following the submittal of the report, the District 2 staff will conduct an inspection of the operation.

Should you have any questions, please contact the District 2 office in Lander at (307) 332-3047.

Sincerely,



Nancy Nuttbrock
Administrator
Land Quality Division



John V. Corra
Director
Dept. of Environmental Quality

JVC:NN:MB:sb

Attachments

fc: Dave Hyslop, Chief Accountant, UR-Energy Inc. (720-981-5643)
cc: Jim Ruby, Environmental Quality Council, Herschler Bldg, Cheyenne, WY
Mark Moxley - Lander WDEQ/LQD (w/encl)
Mark Newman - BLM Rawlins, P. O. Box 2407, Rawlins, WY 82301 (w/encl)
Tanya Oxenberg, U.S. Nuclear Regulatory Commission, Federal and State Materials and Environmental Management Programs Uranium Recovery Licensing Branch, Mail Stop T-8F5, Washington, D.C. 20555-0001 (w/encl)
Steve Miller, Vice President, Colorado Business Bank, Denver, CO
Steve Hart, Executive Vice President, First Bank, Lakewood, CO