

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



LOST CREEK ISR, LLC

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

December 19, 2014

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

Re: Spill Report 11172
Lost Creek ISR Project SUA-1598

Dear John Saxton,

Pursuant to License Condition 11.6, Lost Creek ISR, LLC ("LCI") hereby provides a written report detailing a release of injection fluid that was reportable to the Wyoming Department of Environmental Quality. LCI notified WDEQ of the spill on November 20, 2014 (Incident ID 141120-160123) and notified the NRC (John Saxton and Linda Gersey) of the spill via email on the same day.

Spill volume was very conservatively estimated at approximately 700 gallons based on estimated rate and duration of the leak at the well. Estimation based on dimensions of ground saturation was difficult due to the snow and freezing conditions. Moreover, the spill reached the dry ephemeral drainage just to the west of the well and flowed for approximately 150 feet. The spill originated from well 11172 north of Header House 1-6 (HH1-6) within Mine Unit 1 in the NE quarter of the NE quarter of Section 19, T25N, R92W and is shown on **Figure 1** attached.

The spill was discovered by a wellfield operator during routine inspections of the wellfield at approximately 1135hrs on November 20, 2014. The spill originated from a well head vent that had cracked and leaked likely due to freezing. Well vents for the injection wells had been deactivated (i.e. valves to the vents were closed) in anticipation of cold weather but 11172 may have been missed and not shut off resulting in freezing and breaking of the vent. The well covers had been insulated to help prevent the freezing of the vents but was ineffective in the -25°F temperature conditions. The leak filled up the well cover and the fluid spilled out and flowed into the drainage adjacent to the well. A sample of injection fluid was collected at the well and analyzed for natural uranium resulting in a concentration of 3.1 ppm.

The immediate corrective action was to shut down flow to the well from the associated header house (HH1-6) and disable the vent. Other corrective actions shall include:

- Supplemental insulation will be used to help prevent freezing of the vents. An insulating hood that covers the injection pipe and vent assembly will be used in addition the insulation on the interior of the wellhead cover. The hoods are currently on order and will be deployed as soon

1
IE72
NMSS

as possible upon shipment. Due to supplier difficulties, hoods are delayed and anticipated to be delivered in early January.

- Vents on injection wells will be either deactivated or removed as appropriate to prevent freezing. Operators are instructed to supervise the manual venting of injection wells and not leave wells unattended during venting.

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 1: Spill 11172**

Cc: John Saxton, NRC Project Manager
U.S. Nuclear Regulatory Commission
Mail Stop T-8F5
11545 Rockville Pike
Rockville, MD 20852
Linda Gersey, NRC Inspector (via e-mail)
Brian Wood, WDEQ-LQD (via e-mail)
Theresa Horne, Ur-Energy, Littleton (via e-mail)

