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

February 11, 2015

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

Re: Report of Unplanned Release 1I402
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 the inadvertent release of injection fluid that was reportable to the Wyoming Department of Environmental Quality (WDEQ). Notification of the release was submitted to WDEQ via webpage (Incident ID 150113-1214) and e-mail (Brian Wood) and to the NRC via email (John Saxton and Linda Gersey) on January 13, 2015. Volume released was originally stated as approximately 817 gallons but the number was actually in cubic feet and had not been converted to gallons. The volume converted to gallons is approximately 6,128 gallons. The release originated from injection well 1I402 which is south of Header House 1-8 (HH1-8) in the NE-NE quarter-quarter of Section 19, T25N, R92W shown on **Figure 1** attached.

A wellfield operator discovered the leak on January 13, 2015 during wellfield operations. The cause of the release was an open vent valve on the wellhead that was left open due to human error. The HH1-8 zone had just initially been brought online for production and the valve was likely overlooked and not closed prior to startup. It was not known when the spill started thus the spill volume, determined by size of affected area, was estimated at approximately 6,128 gallons. The injection fluid was sampled at the header house, representative of the released fluid, and analyzed by the onsite lab yielding a concentration of natural uranium of 2.3 ppm. Soil sampling for U-nat and Ra-226 analysis will be conducted when soil has thawed and is amenable to collection.

Immediate corrective action included:

- The valve was closed to stop the flow
- A Wellfield Operator inspected all of the wells in the HH1-8 for open valves or any other apparent issues. Other vent valves were discovered to be open in the area but had not resulted in a release and were subsequently closed.

Other corrective actions include:

IE72
NMSS

- Wellfield inspection and operation procedures were reviewed by the Wellfield Superintendent and were determined to be adequate. Refresher training on the procedures was provided by the Superintendent for the wellfield operations personnel.
- No changes to the procedures were required but the pre-startup wellfield authorization checklist (OPS-051A) was edited to include an inspection item for the vent valves.

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: 1I402**

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)

Figure 1: Release 1I402 (NE Sec 19, T52N, R92W)