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

40-9068

July 22, 2016

ATTN: Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Re: Semi-Annual Reporting Pursuant to License Condition 11.1(B)
1st Half 2016
Lost Creek ISR Project, License SUA-1598

To Whom It May Concern:

The following semi-annual report has been submitted in accordance with License Condition 11.1(B) for Lost Creek ISR, LLC's (LCI) Lost Creek ISR Project (LC-ISR) License SUA-1598. License Condition 11.1(B) requires semi-annual reporting of:

- Status of production areas in operation,
- Status of production areas in restoration,
- Status of any long-term excursions, and
- A summary of Mechanical Integrity Testing (MIT) of wells.

The reporting period for this report is January 1 through June 30, 2016.

Status of Production Areas in Operation

By the end of the reporting period, thirteen (13) header houses were in operation as approved by Wyoming Department of Environmental Quality – Land Quality Division (WDEQ-LQD). The following table (**Table 1**) provides a status of production for operating mine units as of the end of the reporting period:

NMSS01

Table 1: Operational Status Summary

Mine Unit	Header Houses	Status	Start Date	Average Number Wells Injecting*	Average Number Wells Producing*
Mine Unit 1	HH1-1	In Operation	02Aug2013	25	10
	HH1-2	In Operation	15Aug2013	28	11
	HH1-3	In Operation	18Sep2013	34	12
	HH1-4	In Operation	04Feb2014	40	11
	HH1-5	In Operation	11Mar2014	29	12
	HH1-6	In Operation	16Jul2014	45	13
	HH1-7	In Operation	11Dec2014	42	19
	HH1-8	In Operation	10Jan2015	37	19
	HH1-9	In Operation	12Feb2015	43	22
	HH1-10	In Operation	18Jun2015	53	22
	HH1-11	In Operation	02Sep2015	51	23
	HH1-12	In Operation	17Nov2015	50	27
	HH1-13	In Operation	25May2016	45	25
Mine Unit 2	N/A	Not constructed	N/A	N/A	N/A
Mine Unit 3	N/A	Not constructed	N/A	N/A	N/A

**Average number of operating wells per reporting period*

Status of Production Areas in Restoration

No restoration activities had been initiated during the reporting period.

Long-Term Excursions

No wells are on excursion.

Summary of MITs

During the reporting period, a total of 27 MITs were performed in accordance with the approved Permit Operations Plan Section 3.4. Results are summarized on **Attachment I**. The MITs resulted in 25 successful tests with 2 failures. The 2 wells that failed testing were or will be plugged and abandoned in accordance with procedures described in the approved License Application Technical Report Section 6.3.2.

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: **Attachment 1: Mechanical Integrity Testing**

Cc: Deputy Director, Division of Decommissioning
Uranium Recovery and Waste Programs
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Mail Stop T-8F5
11545 Rockville Pike, Two White Flint North
Rockville, MD 20852-2738
John Saxton, NRC Project Manager (via e-mail)
Brian Wood, WDEQ-LQD, Lander (via e-mail)
Theresa Horne, Ur-Energy, Littleton (via e-mail)

Attachment 1: Mechanical Integrity Testing
1st Half 2016
Lost Creek ISR Project SUA-1598

	Well ID	Well Type	MIT[1] Date	P/F	P&A[2] Date	Comments
1	1I262	I	4/12/2016	Pass	N/A	
2	1I436	I	2/7/2016	Pass	N/A	
3	1I460	I	5/16/2016	Pass	N/A	
4	1I461	I	4/5/2016	Pass	N/A	
5	1I461	I	4/15/2016	Pass	N/A	
6	1I464	I	4/15/2016	Pass	N/A	
7	1I480A	I	2/4/2016	Pass	N/A	
8	1I483	I	3/9/2016	Pass	N/A	
9	1I483A	I	3/9/2016	Pass	N/A	
10	1I550	I	4/11/2016	Pass	N/A	
11	1I551A	I	3/28/2016	Fail	5/2/2016	Was swabbed and retested, still failed.
12	1I639	I	5/16/2016	Pass	N/A	
13	1P224	P	2/26/2016	Pass	N/A	
14	1P239	P	5/16/2016	Pass	N/A	
15	1P242	P	5/16/2016	Pass	N/A	
16	1P243	P	4/5/2016	Pass	N/A	
17	1P265	P	5/16/2016	Pass	N/A	
18	1P281	P	2/26/2016	Pass	N/A	
19	1P283	P	5/16/2016	Pass	N/A	
20	M-205	M	5/12/2016	Pass	N/A	
21	MP-109	M	2/12/2016	Pass	N/A	
22	MP-501	M	1/19/2016	Pass	N/A	
23	MP-502	M	1/19/2016	Pass	N/A	
24	MP-503	M	1/19/2016	Pass	N/A	
25	MU-104A	M	1/9/2016	Pass	N/A	
26	MU-104A	M	1/28/2016	Fail	1/29/2016	Casing damaged during workover
27	MU-104B	M	2/15/2016	Pass	N/A	

27	*Total MITs*
25	*Pass*
2	*Fail*
26	*Wells Tested*
2	*Net Wells Failed*

(1) MIT method for "Monitoring Wells" as described in NRC License Application Technical Report Section 3.2.5. Test performed by using packer(s) to isolate casing interval and then pressurize well.

(2) Plugging and abandonment (P&A) performed according to NRC License Application Technical Report Section 6.3.2

I = Class III Injection Well

P = Class III Production Well

M = Monitor Well