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**LOST CREEK ISR, LLC**

March 10, 2017

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

40-9068

**Re: Release Report HH1-8 Valve Station  
Lost Creek ISR Project SUA-1598**

Dear Mr. 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 (WDEQ). Using the spill report webpage, LCI notified WDEQ-Water Quality Division (WQD) of the spill on February 6, 2017 (Incident ID 170206-1603). Additionally, LCI notified WDEQ-LQD (Brian Wood) and NRC (John Saxton) of the release via email on the same day it was reported to the WQD. The release volume was initially estimated at approximately 3,200 gallons. However, approximately 3,360 gallons were recovered via water truck. With very little infiltration due to the frozen ground, nearly all of the released fluid was captured. The net released volume is likely negligible and less than the reportable limit of 420 gallons. The release occurred in the HH1-8 valve station vault just to the north of HH1-8 at T25N R92W Section 18 SE of SE qtr-qtr. The release was contained within the vault.

The release was discovered by a wellfield operator on the morning of February 6, 2017. The restoration injection trunk line was leaking into the vault from a small hole in a poly fusion weld. The release was contained within the valve station vault. Concentration of uranium (as U<sub>3</sub>O<sub>8</sub>) in a fluid sample taken from the line on the day of the release was approximately 0.5 ppm.

The immediate action to stop the flow into the vault was to close valves at other valve stations on the line up and downstream. The fluid that was contained within the vault was collected by vacuum truck and released into the Storage Ponds for disposal to the Class I disposal wells.

Upon investigation, the restoration injection line that was leaking was supposed to be idle but water was leaking into the line from a valve located in the vault for HH1-13. The valve was not fully seated in the closed position possibly due to debris which allowed fluid into the restoration line. The valve was reclosed and it was verified that no water was flowing into the restoration line. The restoration

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line leak will be repaired but timely repair has been prevented due to weather, muddy conditions, and snowmelt runoff.

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: HH1-8 Valve Station Location**

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

# Figure: HH 1-8 Valve Station Location

Lost Creek ISR, LLC

