From: Royal Pond

To: BJ Kristiansen; joe.hunter@wyo.gov; Lowman, Donald

Cc: Ralph Knode; Mike Griffin

Subject: [External_Sender] Strata Energy Inc. Ross ISR project

Date: Thursday, August 10, 2017 12:42:34 PM

This is to verify that you received notification by phone, yesterday morning 8/9/2017 by 09:40, of an injection fluid spill at Strata's Ross ISR project.

At approximately 01:45 on 8/9/2017, two operators identified that a spill had surfaced and ran over the perimeter berm and entered into the Oshoto Reservoir. Spill was located in Mine Unit-2, near OZ-126 in Header House 6 area..

The volume was calculated at 4316 gallons of Injection fluid. The affected spill area was 1509 sq.ft. 550 gallons were recovered and potentially 2680 gallons reached the Oshoto Reservoir. Note that there is no naturally flowing water currently into or out from the Oshoto Reservoir, at this time of year.

As the volume of this release is greater than 420 gallons and that it entered a surface impoundment, this is a reportable event under Strata's Permit to Mine #802 and WDEQ-WQD Chapter IV. Samples were collected and sent to the onsite laboratory for analysis of U-nat. The results for U308 were all \leq 1.3 ppm.

The most recent analysis of injection fluid, resulted in a concentration of 182 pCi/L for Ra-226. Four (4) water samples were sent for offsite lab analysis for Ra-226.

At this time Strata is reviewing the cause(s) and contributing factor for this spill and to determine corrective action to prevent a recurrence. A detailed report will be sent within 7 days.

If you have any questions regarding the provided information, please contact me at 307-467-5995 or by email at rpond@stratawyo.com.

Sincerely; Strata Energy Inc.

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