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## LOST CREEK ISR, LLC

August 22, 2018

40-9068

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

RE: Notification of Excursion at KPW2 Lost Creek ISR Project SUA-1598

Mr. Saxton,

In accordance with License Condition 11.5, this is the written notification of the verification of an excursion at the Lost Creek ISR Project in follow up to notification submitted via e-mail on August 16, 2018. The vertical excursion detected at KPW2 was confirmed on August 16, 2018 as a result of two parameter values (alkalinity and conductivity) exceeding the associated UCL. Well KPW2 is completed in the underlying KM horizon directly below the HJ mining horizon. The location of the well is provided on the attached map that shows the HH1-6 area.

The excursion is based on the Upper Control Limits (UCL) calculated on a per well basis as approved by NRC. However, the event does not qualify as an excursion according to the LQD-approved method of determining UCLs on a per-well-group basis.

The cause of the excursion is under investigation. Very little injection was in operation in the vicinity of KPW2 and limited production was occurring in the area as well. Injection and production well flows were reviewed and any injection that was on that could affect the well was turned off. Thus, currently there is no injection on in the vicinity. Production flow was adjusted (increased) and will be adjusted additionally as necessary.

Please contact me at the Casper office if you have any questions regarding this submittal.

Sincerely,

Lost Creek ISR, LLC

By its Member/Manager, Ur-Energy USA Inc.

Michael Gaither

Manager, EHS and Regulatory Affairs

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Lost Creek ISR, LLC is a wholly-owned subsidiary of Uri-Energy Inc.

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TSX: URE

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NM5501

Attachments: Map as stated

Deputy Director, Decommissioning and Uranium Recovery and Waste Programs Cc: Office of Nuclear Materials Safety and Security 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 email) Jean Lawlor, WDEQ-LQD Lander (via email) Mark Newman, BLM Rawlins (via email) Theresa Horne, Ur-Energy Littleton Office (via email)

