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**LOST CREEK ISR,
LLC**

August 26, 2014

Mr. Brian Wood
State of Wyoming
Department of Environmental Quality
Land Quality Division
510 Meadowview Drive
Lander, WY 82520

**Re: Response to July 8, 2014 Lost Creek Inspection Report
Permit 788, (BLM WYW-166318)**

Dear Mr. Wood,

On July 8, 2014 Mrs. Melissa Bautz forwarded an inspection report of the Lost Creek Mine. The report requested a response to three items listed on page 7 of 8 of the report. Please find below the original request for information as well as Lost Creek ISR, LLC's response

LQD Comment 1: The ongoing, predictable, and excessive contamination of topsoil in an ISR well field (due to spills) speaks to the need to summarily strip topsoil across the entire well field prior to well field development. How does LCI plan to address this topic? Specifically, this topic should be addressed by LCI in any NSR that is submitted that speaks to topsoil handling in well fields.

Response to Comment 1: Each spill that occurs at the site is evaluated to ensure the resulting radionuclide concentrations do not exceed soil clean-up criteria approved by the U.S. NRC who has asserted their jurisdiction in this matter. The evaluation involves a preliminary gamma survey as well as soil sampling to verify the radionuclide content of the soils. To date, no spills in the wellfield have resulted in radionuclide concentrations requiring cleanup. Since radionuclide contamination of soils from spills has not, and likely never will, create a hazard, Lost Creek ISR, LLC does not consider spills as a reasonable cause to strip topsoil.

Lost Creek ISR, LLC also wishes to point out that recent summer rainfalls have caused seed to sprout which will in turn reduce topsoil erosion in the event of a large rainfall or spill. If the wellfield area had been stripped of topsoil, there would be no vegetation and the subsoil would be more likely to erode into the local drainages.

LQD Comment 2: Communications among Plant staff, Well Field staff and Environmental staff must be improved to ensure that all parties are aware of the required bleed, and how much is to be met on any particular day at any time during that day.

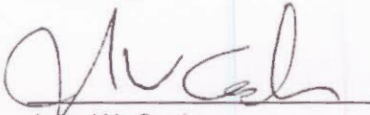
Response to Comment 2: Lost Creek ISR, LLC has revised its measurement methods so that the Plant Operators are solely responsible for maintaining the bleed rate. This will eliminate any potential for confusion resulting from a lack of communication.

LQD Comment 3: The ongoing, predictable flow of spill water to the north-south drainage that bisects the west edge of MU1 should be more thoroughly addressed and controlled. LCI should consider the installation of a sump or some other type of sediment control measure at the west edge of MU1 near HH1-3 which is a well field low spot.

Response to Comment 3: Since the inspection, Lost Creek ISR, LLC has installed erosion control features in this area. Additional work is ongoing to install toe ditches and other erosion control structures in this area since this is a focal point of surface water runoff.

If you have any questions regarding this submittal please feel free to contact me at the Casper Office.

Sincerely,



John W. Cash
Vice President

Cc: Ms. Theresa Horne, Ur-Energy, Littleton Office
Mr. Mark Newman, BLM Rawlins Field Office
✓ Mr. John Saxton, NRC