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August 17, 2010

**VIA email [mthomas@uranerz.com](mailto:mthomas@uranerz.com)**

Mr. Mike Thomas  
Environmental, Safety, and Health Manager  
Uranerz Energy Corporation  
1701 East E Street  
Casper, WY 82605

**RE: Native American Consultation for Section 106 Compliance for Uranerz Energy Corporation's Nichols Ranch In Situ Uranium Recovery Project**

Dear Mike:

This document summarizes the results of Native American consultation conducted by TRC Environmental Corporation (TRC) on behalf of the Nuclear Regulatory Commission (NRC) on July 7 and 30, 2010, for Uranerz Energy Corporation's (Uranerz) Nichols Ranch In Situ Uranium Recovery (ISR) project. Consultation was conducted to fulfill Uranerz's compliance requirements under Section 106 of the *National Historic Preservation Act* (NHPA) (1966, as amended).

**Background:**

On April 23, 2010, the NRC sent letters to regional Native American Tribes in reference to Uranerz's proposed ISR project. The Tribes were asked to comment and/or consult under Section 106 of the NHPA. In the letter, the NRC requested information regarding prehistoric and historic cultural resources in the vicinity that might be potentially affected by the Uranerz ISR project, and the NRC asked that the tribes participate in a draft Memorandum of Agreement (MOA) for the project. The tribes were also invited to be signatories to the MOA. The Pumpkin Buttes Traditional Cultural Property (TCP) (Site 48CA268) occurs east of and adjacent to the Hank Unit, the easternmost portion of the Uranerz ISR project. Several cultural resource sites eligible for the National Register of Historic Places (NRHP) also occur within or adjacent to the Hank Unit. The Northern Cheyenne and Fort Peck Assiniboine/Sioux Tribes responded that they would like to participate in the consultation for the Pumpkin Buttes TCP.

Additionally, pursuant to a July 8, 2010, letter from the Wyoming State Historic Preservation Office (SHPO) to the NRC; SHPO expressed its concern to NRC that final determinations of NRHP eligibility for four sites (Sites 48CA6148, 48CA6748, 48CA6751, and 48CA6753) could not be determined at this time. Because these sites contained features of a type known to be of interest to Native American Tribes and due to the sites' proximity to and/or location within and near the Pumpkin Buttes TCP (Site 48CA268), SHPO recommended that the NRHP eligibility status of the sites would have to be determined by consultation with Native American tribal members. Further, until the

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eligibility status for each of the four sites is determined, the project effect to each cannot be accurately assessed. Therefore, additional discussion pertaining to the MOA was judged by SHPO to be premature until site eligibility and project effects were determined. For example, if it were judged by Native Americans that there would be no adverse effects, an MOA may not be necessary. Therefore, as a result of these issues and with the concurrence and direction of the NRC and Uranerz, TRC undertook on-site consultation with the Tribes to resolve these issues.

Additionally, pursuant to a July, 8, 2010 letter from SHPO to NRC, Sites 48CA6475 and 48CA6754 remain unevaluated with regard to their NRHP eligibility status under Criteria D pending further testing. These sites occur outside of the area of proposed disturbance, and both sites will be avoided and delineated with protective fencing.

**Summary of July 7, 2010, Native American Field Visit to the Project Area:**

The Northern Cheyenne and the Fort Peck Assiniboine/Sioux responded to the NRC that they wanted to visit the project area, and a field trip was planned for the consultation on July 7, 2010. Mr. Darrell "Curley" Youpee, Cultural Resource Director for the Fort Peck Tribes, and Mr. Conrad Fisher, Tribal Historic Preservation Officer for the Northern Cheyenne Tribe, participated in the field consultation. Mr. Mike Thomas, Uranerz's Environmental, Safety, and Health Manager, and Mr. James Lowe, TRC's Cultural Resources Program Manager, accompanied the tribal representatives to the project area. Because NRC did not have an archaeologist or other staff member available to participate, Mr. Lowe, who has worked with Mr. Youpee and Mr. Fisher in the past, served to facilitate discussions concerning the cultural resource sites and project effects based on his expertise and years of experience.

**Summary of Tribal Concerns/Suggestions from July 7th Field Visit:**

Mr. Youpee and Mr. Fischer were provided maps of the project area, which depicted the project permit area boundary, the proposed Area of Potential Effect (APE), and all known cultural resources within and adjacent to the project area, including Site 48CA268. Once in the project area, Mr. Thomas described the proposed Nichols Ranch undertaking and answered questions from the tribes pertaining to project specific details. The tribal representatives were informed that Uranerz would avoid all NRHP-eligible sites, and that the project in the Hank Unit would constitute an adverse visual effect to Site 48CA268, regardless of avoidance to other cultural resources.

Mr. Lowe asked Mr. Youpee and Mr. Fisher if they would follow up the site visit with a formal response. They said they approved of Mr. Lowe recording the visit and producing a summary for their review.

The tribal members were driven through the project area, with stops at several locations along the way, and conversations pertaining to the project were conducted during drive time and while out on the different locations. Mr. Youpee and Mr. Fisher suggested and agreed that, as part of the project, Site 48CA268 should be formally nominated for listing on the NRHP for protection. Mr. Youpee added that all the sites in the area and their eligibility status should be taken into account.



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Mr. Youpee said that there should be discussions with the federal agency(s) and with SHPO, and that the tribes should receive a description of the APE from the federal government.

Mr. Youpee asked if they could receive a copy of the undertaking. Mr. Thomas said the undertaking is described in the Mine Permit, and a copy could be provided for their review. Mr. Thomas referenced Mr. Glenn Mooney of the Wyoming Department of Environmental Quality, Sheridan, Wyoming, as a possible source of information.

Mr. Fisher responded that, although the entire project description and undertaking could be found in the Draft Supplemental Environmental Impact Statement available on the Internet, there was a need to be sensitive to the fact that there is limited technology on the tribal reservations, and that copies of the undertaking and/or the permit should be sent to the tribal representatives on each reservation for their review. Mr. Thomas said that could be arranged and would not be a problem.

Mr. Youpee asked about a time line for reclamation. Mr. Thomas responded that reseeded with the appropriate seed mixture would be done after the wells are put in (year unknown), either in fall or spring season.

During the field visit, it was apparent that there were numerous intrusions and impacts within and adjacent to the Hank Unit, including improved roads, coal bed methane wells, currently producing oil wells, support facilities, and large holding tanks, etc.

Mr. Fisher noted that in addition to the physical energy that Pumpkin Buttes possess, they also possess strong spiritual energy as well. The buttes served as an overlook for watching buffalo herds on the plains below, as well as having eagle catch locations and natural springs on top.

Mr. Youpee and Mr. Fisher each agreed that the Tribes would like to come back to the Hank Unit portion of the project area to visit the current eligible sites within and adjacent to the APE and those adjacent to and partially within the TCP boundary (Sites 48CA6148, 48CA6748, 48CA6751, and 48CA6753). Mr. Thomas had no objections to that request. Mr. Lowe said he would facilitate a time in the near future to come back and visit the sites, and agreed to move forward with this as soon as it could be arranged because Mr. Fisher was to return to the University of Montana in late August.

Mr. Fisher stated that they would want to monitor all the activities that are close to the TCP boundaries of Site 48CA268 and/or the other nearby eligible prehistoric sites.

Mr. Thomas located the proposed plant site, and Mr. Lowe asked what in particular was planned for the location. Mr. Thomas explained to Mr. Youpee and Mr. Fisher that a steel building with concrete foundation would be constructed that would be approximately 120 ft long x 50 ft wide and about 50 ft tall. Mr. Lowe added that the building would be painted with the appropriate color scheme to blend with the natural landscape pursuant to the stipulations in the draft MOA for disturbance, roads, and construction facilities.





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Mr. Thomas explained that there would be minimal planned road improvements because the existing two-track roads would suffice for travel in the project area. When asked about the duration of the project, Mr. Thomas said the life span of the project was determined to be 10 years.

After some time in the field, Mr. Youpee responded that he was not too concerned about the Nichols Ranch project. He said that it would not be too disruptive to the landscape or cultural resources.

Before departure, Mr. Lowe reiterated that he would write the summary of the field visit and coordinate the tribal visit to the sites in the near future. After that, Mr. Thomas provided lunch, and everyone returned to their respective destinations.

On July 23, the Tribes agreed to meet on July 30, 2010, to visit the sites in question.

**Summary of the July 30, 2010, Native American Field Visit to the Project Area:**

Attendees included: Mr. Curley Youpee, Ms. Diane Youpee, and Ms. Samantha Burshia of the Fort Peck Assiniboine/Sioux Tribe, Mr. Conrad Fisher and Mr. Edward Whitedirt of the Northern Cheyenne Tribe, and Mr. Mike Thomas from Uranerz, and Mr. James Lowe from TRC. The purpose of the site visit was to conduct tribal consultation on Sites 48CA6148, 48CA6748, 48CA6751, and 48CA6753, and the party hiked the slopes of North Middle Pumpkin Butte to reach each of the sites.

Mr. Lowe took the party to each site for evaluation and consultation to determine site significance. The tribal members spent as much time as necessary on each site to discuss, reflect, and evaluate among themselves the traditional cultural significance of each site.

**Summary of Tribal Consultation:**

After deliberation, the Tribes final decision was that all four sites possessed either features and/or traditional spiritual and cultural significance to qualify as sites of extraordinary traditional cultural significance; therefore, the sites are considered by the Tribes to be TCPs. Further they believe each site has a physical and spiritual relationship or connection to Site 48CA268 (Pumpkin Buttes TCP). Therefore, they believe that the sites should be physically avoided by the proposed Uranerz ISR project, and there would be an adverse effect to the visual setting of the four sites. However, the tribes indicated that there would not be an adverse effect to the setting of these four sites, i.e., they would be satisfied if best management practices and mitigation measures stipulated in the MOA were implemented. They also believe that there will be an adverse effect to the setting of Pumpkin Buttes (TCP Site 48CA268) if the mitigation measures are not implemented. Finally, the Tribes would like to see all possible protective measures implemented to preserve the overall physical integrity and setting of Pumpkin Buttes as a TCP.

The Northern Cheyenne and Fort Peck Assiniboine/Sioux Tribes indicated that each Tribe be a consulting signatory to the MOA for the Uranerz ISR project.



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**Key Summary Points:**

- Sites 48CA6148, 48CA6748, 48CA6751, and 48CA6753 are considered by the Tribes to possess traditional cultural and religious significance and are considered to be TCPs. Therefore, TRC recommends that these sites are eligible for the NRHP, and NRC should convey this information to SHPO. There will be no adverse effect to the setting of these four sites if best management practices and mitigation measures stipulated in the MOA are implemented.
- There will be no adverse effect to the setting of the Pumpkin Buttes TCP if the mitigation measures are implemented.
- The Northern Cheyenne and Fort Peck Assiniboine/Sioux Tribes request to be consulting signatories to the MOA for the Uranerz ISR project.
- Based on the results of this Native American consultation, TRC recommends the completion and implementation of the MOA to include Pumpkin Buttes TCP (Site 48CA268) and the NRHP-eligible sites listed above.

This concluded the on-site tribal consultation for the Uranerz ISR project. Please let me know if you have any questions or comments concerning this tribal consultation letter.

Sincerely,

TRC Environmental Corporation



James A. Lowe R.P.A.  
Program Manager/Cultural Resources

JAL:rmm

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