



Department of Environmental Quality

To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.



Matthew H. Mead, Governor

John Corra, Director

August 3, 2012

Mr. Steven J. Pratt, P.E.
Director
Ground Water Program
US EPA Region 8
1595 Wynkoop Street
Denver, CO 80202

Re: Strata Energy Corp., Ross ISR Project, Groundwater Reclassification: Class 5 (Mineral Commercial)

Dear Mr. Pratt:

In accordance with the 1983 Underground Injection Control (UIC) program Memorandum of Agreement (MOA) between the State of Wyoming and the United States Environmental Protection Agency (US EPA), the Wyoming Department of Environmental Quality (WDEQ) is providing the following materials related to the above-referenced in-situ mining project for your review:

- definition of the permit area and map;
- description of regional and site specific geology, including the mineralized zone;
- description of the groundwater within the permitted area, including map and description of groundwater used; and
- sections of the mine plan, including extraction techniques and process detail.

These data and materials are part of a "Statement of Basis" (SOB) which is referenced in the mine application as a stand-alone appendix known as "Appendix D-12, Aquifer Reclassification", attached. Appendix D-12 contains the relevant sections of mine permit application's geology section (Appendix D-5) and hydrology section (Appendix D-6).

The SOB supports the Water Quality Division's (WQD) proposed reclassification of groundwater within the mine unit to Class V (Mineral Commercial) and reflects WDEQ's findings regarding the current use of the affected aquifer as a drinking water source and the presence of commercially producible minerals within that aquifer.



In accordance with the MOA and Wyoming's UIC program description as accepted for program delegation by US EPA, please review these materials for conformance with Wyoming's groundwater classification criteria and the US EPA's regulations at 40 CFR 146.4.

You may contact Kevin Frederick, Groundwater Section Manager, at (307)777-5985 if you have any questions. We look forward to your review and response.

Sincerely,

Handwritten signature of John Wagner in cursive, followed by the word "for" and a horizontal line.

John Wagner
Wyoming Department of Environmental Quality
Administrator
Water Quality Division

JFW/KDF/rm/12-0709

Attachments: *Statement of Basis, (Appendix D-12)*

cc: John Corra, WDEQ Director (w/o enclosures)
Nancy Nuttbrock, LQD Administrator (w/o enclosures)
Alan Bjornsen, NRC, Env. Project Manager, Mail Stop T-8F5, Washington, DC 20555-0001 (w/o enclosures)
Kevin Frederick, Groundwater Section Manager, WQD/Cheyenne (w/o enclosures)
Don Fischer, WQD/GPC District Supervisor, Sheridan (w/o enclosures)
Mike Butcher, CFO, Strata Energy, Inc., 1900 Warlow Dr., Bldg. A, PO 2318, Gillette, WY 82717-2318 (w/o enclosures)
Benjamin J. Schiffer, PG, WWC Engineering, 1849 Terra Ave., Sheridan, WY 82801 (w/o enclosures)