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September 21, 2012

Mr. Tim Metz
Standing Rock Lakota Tribal Council
PO Box D
Fort Yates, ND 58538

Sent via email

Dear Mr. Metz:

As you may be aware, Strata Energy is currently conducting permitting activities for installation of an in-situ uranium recovery facility near Oshoto, Wyoming (the "Ross ISR Project"), approximately 11 miles west of the Bears Lodge, or Devil's Tower. As the Chief Executive Officer for Strata, I am responsible for the permitting, construction and operation of this Project.

I am contacting you because my team has heard from Tribal THPOs, and from the NRC contractor conducting the project ethnography study, that you have extensive experience in conducting site assessments to facilitate further understanding of potential sites of religious and cultural significance. We hope that you will consider applying your expertise to conducting such an assessment for the Ross site.

While we understand and respect that the NRC must take the lead in this government-to-government process, we believe there is room in that process for direct interaction between the applicant (Strata) and the consulting Tribes. We believe this interaction is necessary in order to facilitate a better understanding of the historic use of lands potentially affected by the Project, thoroughly assess the specific sites of significance that may lie within, and develop mitigative measures for the protection of those sites during our operations.

Although a breadth of information exists in the written public record about tribal movement through the Project area to provide a framework for answering the above question, it is our belief that we can best understand historic use of the area by hearing directly from the members of those Tribes. We also believe that in order to honor the intent of the Section 106 process, it is important that consideration of historic properties occur as early as possible in project planning so that preservation concerns can receive thorough consideration and accommodation as the Project is planned and developed.

We appreciate the recent efforts undertaken by the NRC to conduct an ethnographic assessment focused on the area of the Project; however, we believe that in order to fully fulfill the purpose and intent of the Section 106 process, the study could be supplemented to better align with the intent of the Section 106 process and to better serve the interests of both Strata and the Tribes. For example, the focus of the draft ethnographic study is quite broad and therefore does not seem to focus enough on those specific Tribes known to have used the Ross

area. We believe it would also be beneficial to have the study focus more on information needed to guide the field assessment.

I would like to invite you to visit the Ross site to discuss our proposed scope of work and the draft ethnographic study in more detail, and to determine the level of effort, time and staffing you would require to conduct a field assessment at the site. For your information, I have attached a copy of the proposed scope of work we provided to the NRC and Tribes on August 31, 2012. As we expressed in our letter to NRC, we are open to discussing any changes necessary to reach agreement on the scope of services; however, it is important that we move forward quickly to get the work conducted before winter sets in. Unfortunately, the drought has left the land with little grass as we move into the fall, but as a consequence the visibility is currently excellent for identification of sites that may be significant to native peoples.

Strata will be pleased to reimburse time and expenses for your trip to Wyoming. Please contact me at your earliest convenience and let me know when you might be able to make the trip, and I will be happy to work around your schedule. In the meantime, do not hesitate to contact me if you require any additional information. I look forward to your response, and will follow up this letter with a phone call in the coming week to answer any questions you may have.

Best regards,



Ralph Knode
Chief Executive Officer

Enclosures

cc: Kevin Hsueh
Branch Chief, NRC Environmental Review Branch
Johari Moore
Project Manager, NRC Environmental Review Branch