

**Draft Scope of Work Strata Energy, Inc. (Strata), Ross Project
v. 2.2, February 27, 2013**

Background:

The Ross Project is a proposed new in situ uranium recovery facility. The proposed Federal undertaking is a U.S. Nuclear Regulatory Commission (NRC) license for this facility and a U.S. Department of the Interior Bureau of Land Management (BLM) approval for a plan of operations. Map 2 (provided by Strata as Privileged and Confidential Figure 72 in the Supplement to the Environmental Report Addendum 3.8-A in August 2012) shows the proposed license area with the proposed processing facilities, well fields, existing land disturbance, and identified archaeological sites. The overall area within the license boundary for the Ross Project is approximately 1,721 acres. Of these 1,721 acres, 1466.9 acres (over 85 percent) are privately owned, and approximately 935 acres (about 54 percent) are proposed for actual disturbance.

The purpose of the activities described in this scope of work is to assist the NRC and the BLM in meeting their obligations to protect historic properties of religious and cultural significance to Tribes and traditional cultural properties as required by Section 106 of the National Historic Preservation Act (NHPA) and its implementing regulations at 36 CFR part 800. This Scope of Work was initially developed by NRC and selected Tribes in coordination with NRC's third party NEPA consultant.

Overview of Section 106 Process:

Federal agencies are required to take into account the effects of activities that they license or authorize on historic properties that are eligible for or listed on the National Register of Historic Places. Such properties include those of religious and/or of traditional cultural significance to Federally recognized Indian Tribes. Tribes that might attach religious and cultural significance to historic properties in the Area of Potential Effects must be invited to become consulting parties pursuant to 36 CFR 800.3(f)(2).

The NHPA regulations describe a process through which the lead Federal agency, in consultation with its consulting parties (including Tribes that have accepted the agency's invitation), identifies historic properties (including properties of traditional and cultural significance to such Tribes) within the Area of Potential Effects (APE).

The area of potential effects is defined as (36 CFR 800.16 (d)):

(d) *Area of potential effects* means the geographic area or areas within which an undertaking may directly or indirectly cause alterations in the character or use of historic properties, if any such properties exist. The area of potential effects is influenced by the scale and nature of an undertaking and may be different for different kinds of effects caused by the undertaking.

The NHPA regulations explicitly permit phasing of such identification and evaluation studies: “As specific aspects or locations of an alternative are refined or access is gained, the agency official shall proceed with the identification and evaluation of historic properties” (36CFR800.4(b)(2).

Next, consulting Tribes evaluate the identified properties for their traditional and cultural significance and thus their potential for eligibility to the National Register of Historic Places (NRHP) and provide this information to the Federal agency. As stated in the regulations, Indian Tribes possess special expertise in assessing the eligibility of historic properties that may possess religious and cultural significance to them (36CFR800.4 (c) (1)). Deteriorated properties may be eligible if they retain enough historic and cultural integrity to support continued traditional uses.

The NHPA regulations require that the Federal agency consider the effects, both direct and indirect, that a proposed undertaking will have upon eligible historic properties including properties of cultural and religious significance to Tribes. An adverse effect is defined as (36 CFR 800.5(a)):

(1) Criteria of adverse effect. An adverse effect is found when an undertaking may alter, directly or indirectly, any of the characteristics of a historic property that qualify the property for inclusion in the National Register in a manner that would diminish the integrity of the property's location, design, setting, materials, workmanship, feeling, or association. Consideration shall be given to all qualifying characteristics of a historic property, including those that may have been identified subsequent to the original evaluation of the property's eligibility for the National Register. Adverse effects may include reasonably foreseeable effects caused by the undertaking that may occur later in time, be farther removed in distance or be cumulative.

If the effects of the undertaking would diminish the historical integrity of eligible historic properties, the agency must identify measures that it will take to resolve those effects through avoidance, minimization, or mitigation strategies in consultation with consulting parties. These measures typically are defined in a Memorandum of Agreement (MOA) between the agency and the SHPO. Other parties that have accepted the agency's invitation to serve as consulting parties (including consulting Tribes) may, but need not, sign the MOA as concurring. A signed MOA completes the agency's compliance with Section 106.

Statement of Work for the Ross Project License Area:

Field work

The Contractor will conduct comprehensive field inventory work sufficient to identify and evaluate all historic properties of religious and cultural significance and all Traditional Cultural Properties (TCPs) within the area of potential direct effects: approximately 935 acres of the Ross ISR project for which mining-related disturbance (drilling, pipelines, roads, buildings) currently is proposed. This work will also include recommendations concerning the potential NRHP eligibility for the previously identified archaeological sites within the Ross Project disturbance area under criteria other than criterion D. These areas are shown in the detailed map provided to NRC October 16, 2012. Clearance of these areas will allow activities to proceed as authorized by the State of Wyoming Permit to Mine, issued in November, 2012. In addition, the Contractor will conduct comprehensive field inventory work sufficient to identify and evaluate all historic properties of religious and cultural significance and all TCPs within the remainder of the 1721 acre license boundary and for which indirect effects are anticipated. This Phase of the field work will be conducted at a date to be determined, as defined in agreements to be contained in the MOA for this project,

- The consulting Tribes will select their survey representatives and supply that list to the Contractor who will create the field crew from the pool of selected surveyors.
- Government Services Administration rates will be used to calculate lodging, meals and incidental expenses, and mileage reimbursement.

Work Products

1. Within 14 working days after completion of field work, Contractor will provide a brief (5 pages or less) non-confidential written summary of the fieldwork completed and the number of properties identified to NRC, BLM, and Strata. This summary will include 7.5 minute USGS maps showing specific areas where ground examination took place but should not indicate the locations of any identified properties of religious and cultural significance. Because this information will be disclosed to the public through NRC's NEPA compliance process, it is essential that the document contain only information that does not need to be protected from disclosure.
2. Within 30 working days after completion of field work, the Contractor will provide to NRC sufficient information about any identified properties of religious and cultural significance to permit the agency to consult with the Wyoming State Historic Preservation Officer (SHPO) about NRHP eligibility of these properties. The information provided in this work product will be subject to protection from disclosure by NRC under the provisions of Section 304 of the National Historic Preservation Act. (36 CFR 800.11(c))

This information will include the following:

- a. An identifying label for the property (for example, TCP-1, TCP-2, etc).
- b. Location of religious and cultural and/or TCP sites, either as digital data or plotted on 7.5 minute USGS quad maps.
- c. An evaluation of the integrity of the property and whether it meets the criteria for NRHP eligibility. The significance assessment will focus on the potential for the property to meet one or more of the criteria of eligibility to the NRHP, as established in 36 CFR 60.4 and elaborated in National Register Bulletin 15 *How to Apply the National Register Criteria for Evaluation* and National Register Bulletin 38 *Guidelines for Evaluating and Documenting Traditional Cultural Properties*. The consulting Tribes need not disclose specific information about the religious significance or meaning of any properties identified under this scope of work. The Section 106 process requires only information about the historical character of these properties as expressed by knowledgeable Tribal persons.
- d. A brief description of where the site is located in relationship to areas that will be directly or indirectly impacted by planned operations. This information will be provided solely to the consulting Tribes and will not be provided to the Federal Agencies, SHPO or Strata except to support avoidance of these sites.
- e. Proposed assessment of effect: how the site's integrity could be affected directly or indirectly by the direct actions of the proposed undertaking as outlined above.

- 3. Once NRC, BLM, and WY SHPO, in consultation with the consulting Tribes, have completed determinations of NRHP eligibility for any identified properties of religious and cultural significance, the Contractor will provide Strata with the information described in 2.a-e above for any eligible properties within the Ross Project survey area. Strata will sign a confidentiality agreement limiting use of this information to appropriate company personnel involved in project design or operation and to facilitate land management.

Logistics:

Strata will arrange for access to the survey areas, and a representative of Strata will coordinate with the Contractor for access to private land. The Strata representative will utilize a GPS survey unit to identify all map locations selected by the Contractor for ground examination and will accompany the Contractor personnel in the field. The Strata representative will also serve as liaison with the local landowners.

Insurance:

All Tribal representatives who will be present during field work will be required to provide proof of liability insurance in the amount of \$500,000 or more, or sign an indemnification statement that will hold harmless both the landowner and Strata from any accidents that may occur in the field.