



United States Department of State
*Bureau of Oceans and International
Environmental and Scientific Affairs*
OES/ENV Room 2657
Washington, D.C. 20520

August 4, 2009

Re: Keystone XL Pipeline Project
Traditional Cultural Property (TCP) Studies

Dear Consulting Party:

To address the concerns expressed by Indian tribes about the potential for impacts by the Keystone XL Pipeline Project (Project) to Traditional Cultural Properties (TCPs) and/or sites of religious and/or cultural significance, the United States Department of State (DOS) is currently working with Keystone to compensate consulting tribes for conducting studies that seek to identify possible sites that may be located within the Project corridor.

The United States Department of State (DOS) acknowledges that the Indian Tribes possess special expertise in assessing the eligibility of historic properties that may possess religious and cultural significance to their individual Tribes. In consideration of this unique knowledge, and in view of past experience and discussions, the DOS offers to provide compensation up to a limit of \$15,000 per Tribe, in two installments, for reasonable expenses related to a survey of the applicable portions of the Project Area of Potential Effect (APE) for TCPs and/or sites of religious and cultural significance to the Tribes and a report regarding the results of the survey.

This offer of compensation extends to activities directly related to the identification of sites of religious and cultural significance to the Tribes within the Project's APE. Covered expenses may include costs associated with expert consultants employed to identify historic properties, field visits by tribal members and elders to provide information about specific places or sites, research associated with project-level historical investigations, report production, and travel expenses. These identification and evaluation efforts will be guided by the Secretary of the Interior's *Guidelines for Evaluating and Documenting Traditional Cultural Properties* (1994), *Standards and Guidelines for Identification and Evaluation*, and other applicable National Register Bulletins and any related tribal publications and/or standards/guidance materials. Please note that the DOS has no right of access to private property along the proposed pipeline corridor and also cannot provide access rights on Tribal or Federal land to the Tribes without the appropriate consent.

In order to consider potential Project effects upon TCPs and/or sites of religious and cultural significance, it is vital for the DOS to receive a scope of work, schedule and budget (either by email, fax, or by hard copy) from consulting party Tribes by August 14th, 2009 at 5 pm EST. The compensation will be disbursed as follows:

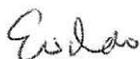
- A first installment of 50% will be disbursed upon receipt of a scope of work, schedule and budget;
- A second and final installment of 50% will be disbursed upon receipt of the surveys and final report.

Please provide a tribal representative to whom the payment will be sent.

If you do not respond by August 14th, 2009, we will deem that you have rejected this offer. If you accept this offer, all surveys and a final report documenting the TCP analysis are required to be received by DOS by 5 pm (EST) October 5th, 2009. If the deadline for the final report mentioned above is difficult for you to meet, please let me know by August 3rd, 2009, prior to accepting the DOS offer. Due to the approach of inclement weather season, it is imperative for these studies to be conducted as soon as possible. The DOS understands that some Tribes may require Tribal Council approval for this work and that these timelines may be difficult to meet for some Councils. Any effort to obtain an expedited approval by your Tribal Council would be greatly appreciated by the DOS. Due to the sensitive nature of these studies, the DOS is committed to working with Tribes to resolve concerns about the confidentiality of information on historic properties or other important sites identified in these studies.

The DOS takes its government-to-government consultation responsibilities seriously and is required to take into consideration the effects of the Keystone XL Project upon sites believed by the Tribes to be of religious and cultural significance.

Sincerely,



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