

December 31, 2015

Mr. Richard Miller, Field Office Manager
U.S. Department of the Interior
Bureau of Land Management
Newcastle Field Office
1101 Washington Boulevard
Newcastle, WY 82701-2968

SUBJECT: INVITATION FOR FORMAL SECTION 106 CONSULTATION AND TRANSMITTAL OF INFORMATION REGARDING THE PROPOSED KENDRICK EXPANSION OF THE ROSS PROJECT SITE IN CROOK COUNTY, WYOMING (DOCKET NO.: 40-9091)

Dear Mr. Miller:

The U.S. Nuclear Regulatory Commission (NRC) invites your office to be a consulting party for the National Historic Preservation Act Section 106 consultation concerning Strata Energy Inc.'s (Strata) proposed Kendrick expansion site (Kendrick). Kendrick will be an expansion of Strata's Ross in situ uranium recovery site (Ross) in Crook County, Wyoming. The Section 106 consultation for the Ross project resulted in a Programmatic Agreement, which is currently being implemented.

This letter serves several purposes: (1) invites the Bureau of Land Management (BLM) Newcastle Office to be a consulting party for the Section 106 consultation; (2) describes NRC's efforts to define the area(s) of potential effect (APEs); and (3) conveys Strata's Class III survey of the Kendrick site.

Defining the APEs

The NRC staff has delineated the APE for Kendrick and its immediate environs that may be affected by activities associated with the construction, operation, decommissioning, and restoration of the proposed site. The NRC has defined both a direct and indirect APE for Kendrick. The direct APE is comprised of the project boundary, which includes areas that may be directly affected by physical ground disturbance and construction of wellfields and appurtenant facilities. The indirect APE is comprised of the area within three (3) miles of the Kendrick project boundary wherein potential visual and audible effects, or other potential impacts that may be associated with an increase in human activity near the project area, could occur to previously documented historic properties.

Enclosure 1 is a map showing the demarcated Kendrick direct and indirect APEs, along with the adjacent, previously-licensed Ross site. The direct APE includes the entire Kendrick footprint of 7,874 acres. Of this, 6,843 acres are private and 1,031 acres belong to the State of Wyoming. There are also 1,929 acres of Federal subsurface mineral ownership. Within the direct APE, approximately 1,050 acres will eventually be disturbed by proposed project activities (approximately 1,032 acres of private land, 18 acres of State land).

In addition to the direct APE, the NRC staff proposes defining the indirect APE by the following method. The NRC staff intends to identify all previously recorded cultural resources within a three-mile radius of the direct APE by searching the Wyoming Cultural Records Office (WYCRO) and any other sources that may provide similar information. If any historic properties are identified that meet one or more criteria for listing on the National Register of Historic Places (NRHP), then the property will be further evaluated to identify any potential for indirect effects from Kendrick. The approach for Kendrick is similar to that used for the adjacent Ross site. The Ross direct and indirect APEs were previously agreed to by the NRC, Wyoming State Historic Preservation Office (WY SHPO), BLM, and the Advisory Council on Historic Preservation (see Ross ISR Programmatic Agreement, Attachment A, found at: <http://pbadupws.nrc.gov/docs/ML1408/ML14083A572.pdf>).

Identify Historic Properties

The NRC is now in the process of identifying historic properties within the Kendrick APEs. Strata prepared a Class III survey report of the Kendrick direct APE as part of their license amendment application to the NRC. The survey report (Enclosure 2) is provided for your review and consideration. In addition to the Class III survey results, the report also includes the results of a Class I (literature review) inventory for the direct APE and an expanded records search of the indirect APE. In each case, the Class I inventories involved accessing and analyzing data held at the WYCRO. For the expanded site file search of the indirect APE, only those previously recorded properties that are listed in WYCRO as *eligible for the NRHP* or *recommended eligible* by the recorder (but without WY SHPO review) were included in the initial assessment for potential indirect effects. The NRC asks that you review the survey report and provide any input within 30 days of receipt of this letter.

Kendrick Site Visits

The NRC intends to conduct a future site visit to allow interested Tribes to conduct their own survey of the Kendrick site, similar to the process employed earlier for the adjacent Ross site. Discussions are currently underway with Strata to firm up this aspect of the Section 106 consultation process. In addition, the NRC is tentatively planning for a Kendrick site audit in Spring 2016. Your office would be welcome to attend and the NRC will notify your office when planning has been completed for these two efforts.

Additional Resources

For more information regarding Kendrick, you may visit the following NRC public webpages:

- Kendrick – <http://www.nrc.gov/materials/uranium-recovery/license-apps/kendrick.html> (includes links to Strata's application, NRC's schedule, and Section 106 efforts to date)
- Ross – <http://www.nrc.gov/info-finder/materials/uranium/licensed-facilities/ross.html> (includes links for Ross' license, supplemental environmental impact statement, and Programmatic Agreement)

R. Miller

2

The NRC is asking for your office to review and provide comments on the APEs and Strata's Class III survey report within 30 days of receipt of this letter. You may provide comments to the NRC environmental Project Manager by phone, email, fax, or mail.

If you have any questions or need any additional information, please contact the environmental Project Manager, Mrs. Jessie Muir-Quintero, via e-mail at: Jessie.Muir-Quintero@NRC.gov, by telephone (301) 415-7476, by fax (301) 415-0020, or by mail: U.S. Nuclear Regulatory Commission, ATTN: Jessie Muir-Quintero, Mailstop T4-B16, 11545 Rockville Pike, Rockville, MD 20852.

Sincerely,

/RA/

Craig G. Erlanger, Acting Director
Division of Fuel Cycle Safety, Safeguards,
and Environmental Review
Office of Nuclear Material Safety
and Safeguards

Docket No.: 40-9091
License No.: SUA-1601

Enclosures:

1. Map Delineating Areas of Potential Effect
2. Strata's Class III Survey Report

cc with encl.:
Dr. Alice Tratebas, Archaeologist

R. Miller

3

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Dr. Alice Tratebas, Archaeologist

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NAME	JMuir-Quintero	AWalker-Smith	LChang	EMonteith	CErlanger
DATE	12/04/15	12/09/15	12/11/15 (via e-mail)	12/08/15 (via e-mail)	12/31/15

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