

December 31, 2015

Mr. Harold Frazier, Chairman
Cheyenne River Sioux Tribe
P.O. Box 590
Eagle Butte, SD 57625

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

Dear Mr. Frazier:

The U.S. Nuclear Regulatory Commission (NRC) initiated a National Historic Preservation Act (NHPA) Section 106 consultation concerning Strata Energy's (Strata) proposed Kendrick expansion project (Kendrick) with your Tribe by letter dated July 27, 2015. Kendrick will be an expansion of Strata's Ross in situ uranium recovery site (Ross) in Crook County, Wyoming. Your Tribe is receiving this letter because you either: 1) previously participated as a consulting Tribe for the associated Ross project; and/or 2) have indicated that you would like to participate as a consulting Tribe for Kendrick under Section 106 of the NHPA. This letter describes NRC's efforts to define the area(s) of potential effect (APEs) and identify historic properties and requests your office's concurrence on those efforts.

Defining the Area(s) of Potential Effect

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. This 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), Bureau of Land Management, 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.

Kendrick Site Visits

The NRC intends to conduct a future site visit in Spring 2016 to allow interested Tribes to conduct their own survey of the Kendrick site, similar to the process employed previously for the adjacent Ross site. Discussions are currently underway with Strata to firm up this aspect of the Section 106 consultation process.

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).

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The NRC is asking your Tribe to review Strata's Class III survey report and site forms and provide comments within 30 days of receipt of this letter. You may provide comments to the NRC environmental project manager by phone, e-mail, 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

cc with encl.:
Mr. Steve Vance
Tribal Historic Preservation Officer

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Sincerely,

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Craig G. Erlanger, Acting Director
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Mr. Steve Vance
Tribal Historic Preservation Officer

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OFC	FCSE/ERB	FCSE/ERB	FCSE/ERB	OGC	NMSS/FCSE
NAME	JMuir-Quintero	AWalker-Smith	LChang	EMonteith	CErlanger
DATE	12/04/15	12/09/15	12/11/15 (via email)	12/08/15 (via email)	12/31/15

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