



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, Colorado 80203

August 08, 2014

Frank L. Leone
Leone Sand & Gravel LLC
2400 E Main Street
Trinidad, CO 81082

**Re: Leone Gravel Pit, DRMS Permit No. M-2004-026
Acreage Reduction Approval, Revision No. AR-01**

Mr. Leone,

On **August 08, 2014**, the Division of Reclamation, Mining and Safety (Division) approved your request for release of a portion of the permit area from further reclamation responsibility.

The permit area was reduced to **28.01 acres** through the release of 30.1 acres in this permit action. Because the permit is not totally released, you are still liable for filing annual reports and fees.

Additionally, the Division is reviewing the Surety Reduction request (SR-02) that was submitted with the Acreage Reduction request (AR-01). Enclosed with this letter is a copy of the Division's cost summary work associated with the SR-02 request, which would allow the bond for this permit to be reduced to **\$21,500.00**.

Please review this cost summary work and let me know as soon as possible if you have any questions. The decision due date for this SR-02 is **September 12, 2014**. However, if you confirm your approval with the surety reduction amount before this date, the decision could be made sooner.

If you need additional information, please contact me at the Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at 303-866-3567, extension 8129, or by email at amy.eschberger@state.co.us.

Sincerely,

Amy Eschberger
Environmental Protection Specialist

Enclosed: Division's cost estimate work for surety reduction request (SR-02)

CC: Tom Kaldenbach, DRMS



COST SUMMARY WORK

Task description: Direct + Indirect Costs

Site: Leone Gravel Pit Permit Action: 2014 Cost Estimate Permit/Job#: M2004026

PROJECT IDENTIFICATION

Task #: 115 State: Colorado Abbreviation: None
Date: 7/15/2014 County: Las Animas Filename: M026-115
User: AME

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
111	Reseed 3 acres	REVEGE	1	12.00	\$493.00
112	Rip upper level 10 acres	RIPPER	1	14.81	\$3,299.00
113	Revegetate upper level 10 acres	REVEGE	1	40.00	\$11,628.00
114	Mob/Demob	MOBILIZE	1	1.88	\$2,239.00
<u>SUBTOTALS:</u>				68.69	\$17,659

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02%	Total =	\$356.71
Performance bond:	1.05%	Total =	\$185.42
Job superintendent:	0.00 hrs	Total =	\$0.00
Profit:	10.00%	Total =	\$1,765.90

TOTAL O & P = \$2,308.03

CONTRACT AMOUNT (direct + O & P) = \$19,967.03

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	<u>0.00</u>	Total =	<u>0.00</u>
Engineering work and/or contract/bid preparation:	<u>3.00%</u>	Total =	<u>\$599.01</u>
Reclamation management and/or administration:	<u>5.00%</u>		<u>\$998.35</u>

CONTINGENCY: 0.00 Total = \$0.00

TOTAL INDIRECT COST = \$3,905.39

TOTAL BOND AMOUNT (direct + indirect) = \$21,564.39

REVEGETATION WORKTask description: **Reseed 3 acres**Site: **Leone Gravel Pit**Permit Action: **2014 Cost Estimate**Permit/Job#: **M2004026****PROJECT IDENTIFICATION**Task #: **111**State: **Colorado**Abbreviation: **None**Date: **7/15/2014**County: **Las Animas**Filename: **M026-111**User: **AME**Agency or organization name: **DRMS****FERTILIZING****Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
			\$	\$
			Total Fertilizer Materials Cost/Acre	\$0.00

Application

Description	Cost /Acre
	\$
Total Fertilizer Application Cost/Acre	\$0.00

TILLING

Description	Cost /Acre
	\$
Total Tilling Cost/Acre	\$0.00

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Indian Ricegrass - Nespar	1.25	4.05	\$8.85
Blue Grama - Lovington	0.30	4.90	\$3.26
Sideoats Grama - El Reno	3.60	11.82	\$40.46
Western Wheatgrass - Arriba	6.40	16.16	\$23.55
Totals Seed Mix	11.55	36.92	\$76.12

Application

Description	Cost /Acre
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Drill seeding (DRMS Cost Data)	\$88.20
Total Seed Application Cost/Acre	\$88.20

MULCHING and MISCELLANEOUS**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
			\$	\$
Total Mulch Materials Cost/Acre				\$0.00

Application

Description	Cost /Acre
	\$
Total Mulch Application Cost/Acre	\$0.00

NURSERY STOCK PLANTING

Common Name	No / Acre	Type and Size	Planting Cost	Fertilizer Pellet Cost	Cost /Acre
					\$
Totals Nursery Stock Cost / Acre					\$0.00

JOB TIME AND COST

No. of Acres:	3	Cost /Acre:	\$164.32
Estimated Failure Rate:	0%	Cost /Acre*:	\$164.32
*Selected Replanting Work Items:	SEEDING		
Initial Job Cost:	\$492.96		
Reseeding Job Cost:	\$0.00		
Total Job Cost:	\$493		
Job Hours:	12.00		

BULLDOZER RIPPING WORK

Task description: Rip upper level 10 acres

Site: Leone Gravel Pit

Permit Action: 2014 Cost Estimate

Permit/Job#: M2004026

PROJECT IDENTIFICATION

Task #: 112

State: Colorado

Abbreviation: None

Date: 7/15/2014

County: Las Animas

Filename: M026-112

User: AME

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Basic Machine: Cat D8T - 8SU
Ripper Attachment: 3-Shank Ripper

Horsepower: 310
Shift Basis: 1 per day
Data Source: (CRG)

Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	\$69.05	NA
Operating Cost/Hour:	\$108.22	100
Ripper Operating Cost/Hour:	\$7.46	100
Operator Cost/Hour:	\$38.01	NA
Total Unit Cost/Hour:	\$222.73	
Total Fleet Cost/Hour:	\$222.73	

MATERIAL QUANTITIES

Selected estimating method: Area

Alternate Methods:

Seismic: NA Bank Volume: NA BCY NA
Area: 10.00 acres Rip Depth (ft): 1.00 Volume: 16,133 BCY or CCY

Source of estimated quantity: DRMS

HOURLY PRODUCTION

Seismic:

Seismic Velocity: NA feet/second

Area:

Average Ripping Depth: 2.56 mph
Average Ripping Width: 7.08 degrees
Average Ripping Length: 400.00 feet
Average Dozer Speed: 88.00 feet
Average Maneuver Time: 0.25 feet
Production per unit area: 0.813 acres/hour

Job Condition Correction Factors

Unadjusted Hourly Unit Production: 0.813 Acres/hr
Site Altitude: 6,000 feet
Altitude Adj: 1.00 (CAT HB)
Job Efficiency: 0.83 (1 shift/day)
Net Correction: 0.83 multiplier

Adjusted Hourly Unit Production: 0.68 Acres/hr
Adjusted Hourly Fleet Production: **0.68** Acres/hr

JOB TIME AND COST

Fleet size: 1 Grader(s) Total job time: **14.81** Hours

Unit cost: \$329.894 Per acre Total job cost: **\$3,299**

REVEGETATION WORKTask description: Revegetate upper level 10 acresSite: Leone Gravel PitPermit Action: 2014 Cost EstimatePermit/Job#: M2004026**PROJECT IDENTIFICATION**Task #: 113State: ColoradoAbbreviation: NoneDate: 7/15/2014County: Las AnimasFilename: M026-113User: AMEAgency or organization name: DRMS**FERTILIZING****Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
			\$	\$
			Total Fertilizer Materials Cost/Acre	\$0.00

Application

Description	Cost /Acre
	\$
Total Fertilizer Application Cost/Acre	\$0.00

TILLING

Description	Cost /Acre
Chisel plowing (DMG)	\$88.58
Weed control spraying (MEANS 31 31 16.13 3100)	\$145.20
Total Tilling Cost/Acre	\$233.78

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Indian Ricegrass - Nespar	1.25	4.05	\$8.85
Blue Grama - Lovington	0.30	4.90	\$3.26
Sideoats Grama - El Reno	3.60	11.82	\$40.46
Western Wheatgrass - Arriba	6.40	16.16	\$23.55
Totals Seed Mix	11.55	36.92	\$76.12

Application

Description	Cost /Acre
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Drill seeding (DRMS Cost Data)	\$88.20
Total Seed Application Cost/Acre	\$88.20

MULCHING and MISCELLANEOUS**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Straw, delivered {MEANS 31 25 14.16 1200}	2.00	TON	\$265.00	\$530.00
Total Mulch Materials Cost/Acre				\$530.00

Application

Description	Cost /Acre
Crimping, with tractor {DMG survey data}	\$65.89
Power mulcher (MEANS 32 91 13.16 0250)	\$86.68
Total Mulch Application Cost/Acre	\$152.57

NURSERY STOCK PLANTING

Common Name	No / Acre	Type and Size	Planting Cost	Fertilizer Pellet Cost	Cost /Acre
					\$
Totals Nursery Stock Cost / Acre					\$0.00

JOB TIME AND COST

No. of Acres:	10	Cost /Acre:	\$1,080.67
Estimated Failure Rate:	50%	Cost /Acre*:	\$164.32
*Selected Replanting Work Items:	SEEDING		
Initial Job Cost:	\$10,806.70		
Reseeding Job Cost:	\$821.60		
Total Job Cost:	\$11,628		
Job Hours:	40.00		

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mob/Demob**Site: **Leone Gravel Pit**Permit Action: 2014 Cost EstimatePermit/Job#: M2004026**PROJECT IDENTIFICATION**Task #: 114State: ColoradoAbbreviation: NoneDate: 7/15/2014County: Las AnimasFilename: M026-114User: AMEAgency or organization name: DRMS**EQUIPMENT TRANSPORT RIG COST**Shift basis: 1 per dayCost Data Source: CRG DataTruck Tractor Description: GENERIC ON-HIGHWAY TRUCK TRACTOR, 6X4, DIESEL POWERED,
400 HP (2ND HALF, 2006)Truck Trailer Description: GENERIC FOLDING GOOSENECK, DROP DECK EQUIPMENT TRAILER
(25T, 50T, AND 100T)**Cost Breakdown:**

Available Rig Capacities	0-25 Tons	26-50 Tons	51+ Tons
Ownership Cost/Hour:	\$16.63	\$18.37	\$22.33
Operating Cost/Hour:	\$44.38	\$46.13	\$50.07
Operator Cost/Hour:	\$27.66	\$27.66	\$27.66
Helper Cost/Hour:	\$0.00	\$25.39	\$25.39
Total Unit Cost/Hour:	\$88.67	\$117.55	\$125.45

NON ROADABLE EQUIPMENT:

Machine Description	Weight/ Unit (TONS)	Owner ship Cost/hr/ unit	Haul Rig Cost/hr/unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet	DOT Permit Cost/ fleet
Cat D8T - 8SU	53.08	\$69.05	\$125.45	1	\$194.50	\$125.45	\$250.00
Drill/Broadcast Seeder with Tractor	25.00	\$39.59	\$88.67	1	\$128.26	\$88.67	\$250.00
Power Mulcher (Reinco M90)	6.00	\$7.03	\$88.67	1	\$95.70	\$88.67	\$250.00

Subtotals: **\$418.46** **\$302.79** **\$750.00****ROADABLE EQUIPMENT:**

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
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Subtotals: **\$0.00** **\$0.00**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	TRINIDAD	
Total one-way travel distance:	10.00	miles
Average Travel Speed:	45.00	mph

Total Non-Roadable Mob/Demob Cost *	\$2,239.02
* two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	\$0.00
** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.22	0.22
Return Time (Hours):	0.22	0.22
Loading Time (Hours):	0.25	NA
Unloading Time (Hours):	0.25	NA
Subtotals:	0.94	0.44

JOB TIME AND COST

Total job time:	1.89	Hours
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Total job cost:	\$2,239
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