



COLORADO

**Division of Reclamation,
Mining and Safety**

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

May 4, 2015

Joseph L. Dorris
2920 Cedar Heights Dr.
Colorado Springs, CO 80904

**RE: Quist Mining, NOI File No. P-2015-008;
Notice of Intent Application Adequacy Review**

Dear Mr. Dorris:

The Division of Reclamation Mining and Safety (Division) received the Notice of Intent (NOI) to Conduct Prospecting Operations for Hard Rock/Metal Mines for the Quist Mining project, File No. P-2015-008 on April 14, 2015. The Division acknowledges that no information in the NOI application is to be considered confidential as stated in the cover letter for the NOI application. However, since only Form 1 (information for confidential filing) was submitted, the Division posted the entire application on the Division's website.

The Division has reviewed the NOI application for adequacy. Please address the following items:

Application:

1. General Information – Item I.5 page 1; and Item I.7.B, page 3. Both these sections of the application indicate the “Suzie Blue” claim is in Section 2, T12 S, R71 W. Based on the map provided, this appears true. However, most of the Suzie Blue claim is in Section 3, T12 S, R71 W. Further, the only “site” identified for prospecting in the Suzie Blue Claim is 016, which is actually in Section 10, T12 S, R71 W, albeit site 016 is marked as deleted on the submitted map and on the additional narrative provided for Item IV.2. Please clarify whether any prospecting activity is planned for the Suzie Blue claim, and if so, correct the PLS Section number.
2. Project Description – Item III.6.G, page 5. Based on the response to Comment 1 above, the proposed 1-acre disturbance may require revision. The Division agrees with this 1-acre estimate (assuming 20 sites with 1,600 sq. ft. of disturbance and 1 site (004) with 12,000 sq. ft. of disturbance), provided no disturbance is planned for the aforementioned site 016. Please confirm no disturbance is planned for site 016, or revise the disturbed area to 1.05 acres.



Financial Warranty:

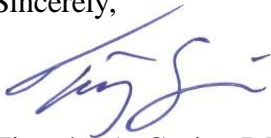
The Division has estimated the cost to reclaim the site based on the application is \$2,435.00. Detailed worksheets for this estimate are attached for your review. As this activity will take place on National Forest land, the U. S. Forest Service must agree to the Division's bond estimate. The USFS is copied on this letter to provide them with the bond estimate and an opportunity to comment on the estimate.

Please be reminded that prospecting operations may not commence until the adequacy issues are addressed and the bond is submitted and approved by the Division.

Please be advised the Quist Mining project Prospecting Application may be deemed inadequate and the application may be denied on July 6, 2015 unless the abovementioned adequacy review items are addressed to the satisfaction of the Division. If you feel more time is needed to complete your reply, the Division can grant an extension to the decision date. This will be done upon receipt of a written waiver of your right to a decision by July 6, 2015 and request for additional time. This must be received no later than the decision date.

If you have any questions, please contact me (303-866-3567 ext. 8169).

Sincerely,



Timothy A. Cazier, P.E.
Environmental Protection Specialist

ec: Wally Erickson, DRMS
DRMS file
Amy Titterington, USFS

COST SUMMARY WORK

Task description: Cost Summary

Site: Quist Mining Permit Action: Initial Bond Estimate Permit/Job#: P2015008

PROJECT IDENTIFICATION

Task #: 000 State: Colorado Abbreviation: None
Date: 5/4/2015 County: Teller Filename: P008-000
User: TC1

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Backfill Excavations	LOADER	1	18.34	\$1,089.00
002	Reveg One Acre	REVEGE	1	0.00	\$0.00
003	Mob/Demob Track Hoe	MOBILIZE	1	4.68	\$960.00
<u>SUBTOTALS:</u>				23.02	\$2,049

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02%	Total =	\$41.39
Performance bond:	1.05%	Total =	\$21.51
Job superintendent:	0.00 hrs	Total =	\$0.00
Profit:	10.00%	Total =	\$204.90
		TOTAL O & P =	\$267.80
		CONTRACT AMOUNT (direct + O & P) =	\$2,316.80

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	0.00	Total =	0.00
Engineering work and/or contract/bid preparation:	0.00%	Total =	\$0.00
Reclamation management and/or administration:	5.00%		\$115.84

CONTINGENCY: 0.00 Total = \$0.00

TOTAL INDIRECT COST = \$383.64

TOTAL BOND AMOUNT (direct + indirect) = \$2,432.64

WHEEL LOADER – LOAD AND CARRY WORKTask description: **Backfill Excavations**Site: **Quist Mining** Permit Action: **Initial Bond Estimate** Permit/Job#: **P2015008****PROJECT IDENTIFICATION**

Task #: **001** State: **Colorado** Abbreviation: **None**
 Date: **5/4/2015** County: **Teller** Filename: **P008-001**
 User: **TC1**

Agency or organization name: **DRMS****HOURLY EQUIPMENT COST**

Basic Machine: **CAT 904H** Horsepower: **52**
 Attachment 1: **ROPS Cab** Shift Basis: **1 per day**
 Data Source: **(CRG)**

Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	\$6.11	NA
Operating Cost/Hour:	\$16.12	100
Operator Cost/Hour:	\$37.13	NA
Total Unit Cost/Hour:	\$59.36	
Total Fleet Cost/Hour:	\$59.36	

MATERIAL QUANTITIES

Initial volume: **850** CCY Swell factor: **1.165**
 Loose volume: **990** LCY

Source of estimated volume: **Original Application**
 Source of estimated swell factor: **Cat Handbook**

HOURLY PRODUCTIONLoader Cycle Time: Unadjusted Basic Cycle Time (load, dump, maneuver): **0.450** minutes

Cycle Time Factors		Factor (min.)	Source
Material:	Mixed material 0.02	0.020	(Cat HB)
Stockpile:	No adjustment - factor not applicable 0.00	0.000	(Cat HB)
Truck Ownership:	No adjustment - factor not applicable 0.00	0.000	(Cat HB)
Operation:	No adjustment - factor not applicable 0.00	0.000	(Cat HB)
Dump Target:	Nominal target 0.00	0.000	(Cat HB)
Net Cycle Time Adjustment:		0.020	minutes
Adjusted Basic Cycle Time:		0.470	minutes

Rolling Resistance – Road Conditions

Haul: **Rutted dirt, little maintenance, no water, 2" tire penetration 5.0**
 Return: **Rutted dirt, little maintenance, no water, 2" tire penetration 5.0**

Haul and Return Time

	Length (feet)	Grade Res. (%)	Rolling Res. (%)	Total Res. (%)	Travel Time (minutes)	Source
Haul Route:	20	1.00	5.00	6.00	0.0155	(Cat HB)
Return Route:	20	-1.00	5.00	4.00	0.0127	(Cat HB)

Total Travel Time: 0.0282 minutes
 Total Cycle Time: 0.4982 minutes

Load Bucket Capacity

Rated Capacity: 0.78 LCY (heaped)
 Bucket Fill Factor: 0.975 Loose material - mixed moist aggregates (95-100%) 0.975
 Adjusted Capacity: 0.76 LCY

Job Condition Correction Factors

Site Altitude: 8700 feet

		Source
Altitude Adj:	<u>0.71</u>	(CAT HB)
Job Efficiency:	<u>0.83</u>	(1 shift/day)
Net Correction:	<u>0.59</u>	multiplier

Unadjusted Hourly Unit Production: 91.59 LCY/Hour
 Adjusted Hourly Unit Production: 53.97 LCY/Hour
 Adjusted Hourly Fleet Production: 53.97 LCY/Hour

JOB TIME AND COST

Fleet size:	<u>1</u>	Loader(s)	Total job time:	<u>18.35</u>	Hours
Unit cost:	<u>\$1.100</u>	/LCY	Total job cost:	<u>\$1,089</u>	

REVEGETATION WORKTask description: **Reveg One Acre**Site: **Quist Mining**Permit Action: **Initial Bond Estimate**Permit/Job#: **P2015008****PROJECT IDENTIFICATION**Task #: **002**State: **Colorado**Abbreviation: **None**Date: **5/4/2015**County: **Teller**Filename: **P008-002**User: **TC1**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
Blue Grama - Hachita	4.00	65.29	\$42.60
Canby Bluegrass - Canbar	2.00	42.52	\$16.76
Mountain Brome - Bromar	8.00	12.86	\$27.20
Great Basin Wildrye - Magnar	4.00	16.25	\$29.96
Strawberry Clover (coated)	0.80	5.42	\$5.38
Sheep Fescue - Covar	6.00	93.66	\$20.10
Thickspike Wheatgrass - Critana	9.20	32.53	\$47.56
Prairie Junegrass	6.00	318.93	\$206.40
Totals Seed Mix	40.00	587.45	\$395.96

Application

Description	Cost /Acre
Broadcast seeding [DMG]	\$261.28
Total Seed Application Cost/Acre	\$261.28

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:	1
Estimated Failure Rate:	25%
*Selected Replanting Work Items:	SEEDING

Cost /Acre:	\$657.24
Cost /Acre*:	\$657.24

Initial Job Cost:	\$657.24
Reseeding Job Cost:	\$164.31
Total Job Cost:	\$822
Job Hours:	0.00

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mob/Demob Track Hoe**Site: **Quist Mining**Permit Action: **Initial Bond Estimate**Permit/Job#: **P2015008****PROJECT IDENTIFICATION**Task #: **003**State: **Colorado**Abbreviation: **None**Date: **5/4/2015**County: **Teller**Filename: **P008-003**User: **TC1**Agency or organization name: **DRMS****EQUIPMENT TRANSPORT RIG COST**Shift basis: **1 per day**Cost Data Source: **CRG Data**Truck 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 446D	9.80	\$15.82	\$88.67	1	\$104.49	\$88.67	\$250.00
Subtotals:					\$104.49	\$88.67	\$250.00

ROADABLE EQUIPMENT:

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

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	<u>WOODLAND PARK</u>	
Total one-way travel distance:	<u>23.00</u>	miles
Average Travel Speed:	<u>25.00</u>	mph

Total Non-Roadable Mob/Demob Cost *	<u>\$959.90</u>
* two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	<u>\$0.00</u>
** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.92	0.92
Return Time (Hours):	0.92	0.92
Loading Time (Hours):	0.25	NA
Unloading Time (Hours):	0.25	NA
Subtotals:	2.34	1.84

JOB TIME AND COST

Total job time:	<u>4.68</u>	Hours
-----------------	-------------	-------

Total job cost:	<u>\$960</u>
-----------------	--------------