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OCT 19 2015

DIVISION OF RECLAMATION MINING AND SAFETY

## **Water Resource, Environmental, and Mining Engineering**

October 15, 2015

Mr. Chris Hanks, Chief Environmental Coordinator Cripple Creek & Victor Gold Mining Co. P.O. Box 191 100 N. Third Street Victor CO 80860

**Re: Warranty Calculations for Removal of 14-inch Dia. Barren Pipeline Connection** 

Dear Chris -

I have calculated the probable cost for demolition and removal of a 14-inch diameter Carbon Steel pipeline designed to carry barren solution between Squaw Gulch and Arequa Gulch VLFs. The. The calculations are based on attached Foster Wheeler Drawing No. 200, Project 74201125G dated 8/3/2015. that illustrates the construction of the pipeline. The drawing shows that the pipe will be slip-lined inside a sleeve for part of the distance, but otherwise on the surface. Therefore, the cost for excavation and backfill is minimal.

The costs for removal are as follows, including the DRMS Administrative Fees.

Item	Size	Quantity	Cost/Unit	Total Cost	Source
Pipe Removal Incl. excavation	14"Dia Carbon Steel	300 lf	\$24.00 /ft	\$7,200	Means 2015 024113.23, P29
DRMS Administrative Fee 22.55°			22.55%	\$1,490	
Grand Total Demolition Cost			\$8,690		

Please contact me at the Email Address shown on the letterhead if you have questions about the costs or require additional details. Thank you.

Sincerely,

Steven D. Steffens, P.E.

Steffens and Associates, Inc.

