



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

1313 Sherman St. Room 215
Denver, CO 80203

June 28, 2017

Steve Baker
3B Enterprises, LLC
P.O. Box 1665
Craig, CO 81626

Re: Rock Pit Mine, Permit No. M-1985-082, Financial Warranty Increase, Revision No. SI-3

Dear Mr. Baker:

In an effort to ensure the Financial Warranty for the above referenced site adequately reflects the actual current costs of fulfilling the requirements of the approved reclamation plan, the Colorado Division of Reclamation, Mining and Safety (Division) has updated the reclamation cost estimate (copy enclosed). *Therefore, pursuant to Section 34-32.5-117(4) of the Colorado Land Reclamation Act, adequate Financial Warranty must be submitted to the Division within 60 days of the mailing date of this letter.*

Staff calculations estimate the cost to reclaim the above referenced site to be \$17,435.00. This is an increase of \$2,997.00 over the \$14,438.00 currently held by the Division. This estimate is based on the approved reclamation plan and conditions observed during the April 5, 2017 inspection. The additional amount needs to be accepted prior to **Monday, August 28, 2017**.

Please make arrangements with Barbara Coria at the Division of Reclamation, Mining and Safety Denver Office, phone no. 303.866.3567, ext. 8148 for submittal of the financial warranty. Any questions regarding completion, execution and/or submittal of financial warranty forms should also be directed to Barbara Coria. If you require additional information, have questions or concerns, please contact me at the DRMS Grand Junction Field Office.

Sincerely,

Lucas J. West
Environmental Protection Specialist
Division of Reclamation, Mining and Safety
1313 Sherman Street, Room 215
Denver, CO 80203
Phone: (970)-243-6368

cc: Russ Means, Senior Environmental Protection Specialist
Barbara J. Coria, DRMS Bonding Specialist
Encl: Reclamation Cost Estimate Worksheets



COST SUMMARY WORK

Task description: Cost Summary

Site: Rock Pit Mine

Permit Action: 2017 Update

Permit/Job#: M1985082

PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 6/28/2017

County: Moffat

Filename: M082-000

User: LJW

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Highwall reduction	DOZER	1	8.24	\$1,661.00
002	Rip bench area	RIPPER	1	2.02	\$418.00
003	Distribute topsoil	DOZER	1	6.61	\$1,269.00
004	demo of sscale and scale house	DEMOLISH	1	0.00	\$1,593.64
005	Revegetate disturbed area	REVEGE	1	8.00	\$4,251.00
006	Initial mobilize reclamation crew and equipment	MOBILIZE	1	2.66	\$2,572.00
007	Secondary mobilize reclamation crew and equipment	MOBILIZE	1	2.66	\$1,524.00
<u>SUBTOTALS:</u>				30.19	\$13,289

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02
Performance bond: 1.05
Job superintendent: 15.09
Profit: 10.00

Total = \$268.44

Total = \$139.53

Total = \$1,102.32

Total = \$1,328.90

TOTAL O & P = \$2,839.19

CONTRACT AMOUNT (direct + O & P) = \$16,128.19

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): 500.00

Total = 500.00

Engineering work and/or contract/bid preparation: 0.00

Total = \$0.00

Reclamation management and/or administration: 5.00

\$806.41

CONTINGENCY: 0.00

Total = \$0.00

TOTAL INDIRECT COST = \$4,145.60

TOTAL BOND AMOUNT (direct + indirect) = \$17,434.60

BULLDOZER WORKTask description: Highwall reductionSite: Rock Pit MinePermit Action: 2017 UpdatePermit/Job#: M1985082**PROJECT IDENTIFICATION**Task #: 001State: ColoradoAbbreviation: NoneDate: 6/28/2017County: MoffatFilename: M082-001User: LJWAgency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D8T - 8SUHorsepower: 310Blade Type: Semi-UniversalAttachment: 3-shank ripperShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	<u>\$83.81</u>	<u>NA</u>
Operating Cost/Hour:	<u>\$66.17</u>	<u>100</u>
Ripper own. Cost/Hour:	<u>\$7.55</u>	<u>NA</u>
Ripper op. Cost/Hour:	<u>\$2.16</u>	<u>30</u>
Operator Cost/Hour:	<u>\$41.85</u>	<u>NA</u>

Total unit Cost/Hour: \$201.54Total Fleet Cost/Hour: \$201.54**MATERIAL QUANTITIES**Initial Volume: 4,167Swell factor: 1.165Loose volume: 4,855 LCYSource of estimated volume: Division of Reclamation, Mining & SafetySource of estimated swell
factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 60 feetUnadjusted hourly
production: 1,246.9 LCY/hrMaterials consistency description: Compacted fill or embankment 0.9Average push
gradient: -15 %Average site altitude: 6,450 feetMaterial weight: 2,900 lbs/LCYWeight description: Decomposed rock - 50% Rock, 50% EarthJob Condition Correction FactorSource

Operator Skill:	0.750	(AVG.)
Material consistency:	0.900	(CAT HB))
Dozing method:	1.000	(GEN.)
Visibility:	1.000	(AVG.)
Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.800	(FND-RF)
Push gradient:	1.329	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.793	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.4724

Adjusted unit
production: 589.04 LCY/hr

Adjusted fleet
production: 589.04 LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)

Unit cost: \$0.342/LCY

Total job time: 8.24 Hours

Total job cost: \$1,661

BULLDOZER RIPPING WORK

Task description: Rip bench area

Site: Rock Pit Mine

Permit Action: 2017 Update

Permit/Job#: M1985082

PROJECT IDENTIFICATION

Task #: 002

State: Colorado

Abbreviation: None

Date: 6/28/2017

County: Moffat

Filename: M082-002

User: LJW

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Basic Machine: Cat D8T - 8SU

Horsepower: 310

Ripper Attachment: 3-Shank Ripper

Shift Basis: 1 per day

Data Source: (CRG)

Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	\$83.81	NA
Operating Cost/Hour:	\$66.17	100
Ripper Ownership Cost/Hour:	\$7.55	NA
Ripper Operating Cost/Hour:	\$7.21	100
Operator Cost/Hour:	\$41.85	NA
Total Unit Cost/Hour:	\$206.59	
Total Fleet Cost/Hour:	\$206.59	

MATERIAL QUANTITIES

Selected estimating method: Area

Alternate Methods:

Seismic: NA

Bank Volume: NA

BCY NA

Area: 1.00 acres

Rip Depth (ft): 2.00

Volume: 3,227

BCY or CCY

Source of estimated quantity: Site map

HOURLY PRODUCTION

Seismic:

Seismic Velocity: NA feet/second

Area:

Average Ripping Depth:	<u>2.56</u>	mph
Average Ripping Width:	<u>7.08</u>	degrees
Average Ripping Length:	<u>50.00</u>	feet
Average Dozer Speed:	<u>88.00</u>	feet
Average Maneuver Time:	<u>0.25</u>	feet
Production per unit area:	<u>0.596</u>	acres/hour

Job Condition Correction Factors

Unadjusted Hourly Unit Production: 0.596 Acres/hr

Site Altitude: 6,450 feet

Altitude Adj: 1.00 (CAT HB)

Job Efficiency: 0.83 (1 shift/day)

Net Correction: 0.83 multiplier

Adjusted Hourly Unit Production: 0.49 Acres/hr

Adjusted Hourly Fleet Production: 0.49 Acres/hr

JOB TIME AND COST

Fleet size: 1 Grader(s) Total job time: 2.02 Hours

Unit cost: \$417.652 Per acre Total job cost: \$418

BULLDOZER WORKTask description: Distribute topsoilSite: Rock Pit MinePermit Action: 2017 UpdatePermit/Job#: M1985082**PROJECT IDENTIFICATION**Task #: 003State: ColoradoAbbreviation: NoneDate: 6/28/2017County: MoffatFilename: M082-003User: LJWAgency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D8T - 8SUHorsepower: 310Blade Type: Semi-UniversalAttachment: NAShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	<u>\$83.81</u>	<u>NA</u>
Operating Cost/Hour:	<u>\$66.17</u>	<u>100</u>
Ripper own.		
Cost/Hour:	<u>\$0.00</u>	<u>NA</u>
Ripper op. Cost/Hour:	<u>\$0.00</u>	<u>0</u>
Operator Cost/Hour:	<u>\$41.85</u>	<u>NA</u>

Total unit Cost/Hour: \$191.83Total Fleet Cost/Hour: \$191.83**MATERIAL QUANTITIES**Initial Volume: 3,227Swell factor: 1.000Loose volume: 3,227 LCYSource of estimated volume: 3 ac. @ 8" depthSource of estimated swell
factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 100 feetUnadjusted hourly
production: 852.6 LCY/hrMaterials consistency description: Loose stockpile 1.2Average push
gradient: 15 %Average site altitude: 6,450 feetMaterial weight: 1,600 lbs/LCYWeight description: Top SoilJob Condition Correction FactorSource

Operator Skill:	0.750	(AVG.)
Material consistency:	1.200	(CAT HB)
Dozing method:	1.000	(GEN.)
Visibility:	1.000	(AVG.)
Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.800	(FND-RF)
Push gradient:	0.666	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	1.438	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.5723

Adjusted unit
production: 487.94 LCY/hr
Adjusted fleet
production: 487.94 LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)
Unit cost: \$0.393/LCY

Total job time: 6.61 Hours
Total job cost: \$1,269

DEMOLITION WORK

Task description: Demo of scale and scale house

Site: Rock Pit Mine

Permit Action: 2017 Update

Permit/Job#: M1985082

PROJECT IDENTIFICATION

Task #: 004

State: Colorado

Abbreviation: None

Date: 6/28/2017

County: Moffat

Filename: M082-004

User: LJW

Agency or organization name: DRMS

UNIT COSTS

Location adjustment: 95.50 %

Structure or Item Description	Dimensions	Demolition Menu Selection	Quantity	Unit	Unit Cost	Total Cost
demo scale	11 X 70	Loading and 5 mile haul, salvage allowed - Steel frame structures	150.00	CY	\$10.71	\$1,606.50
demo scale house	10 X 20	Bldg. (SN) demo./on-site disposal in existing pit or cut - Max. 200 ft. push	200.00	CF	\$0.18	\$35.80
demo piers	4 X 12	Push demolished materials/rubble/debris into pit - Max. 200 ft. push	32.00	CY	\$0.83	\$26.43

Job Hours: 0.00

Subtotal
(unadjusted): \$1,668.73

Total Cost
(adjusted for location): \$1,593.64

REVEGETATION WORKTask description: Revegetate disturbed areaSite: Rock Pit MinePermit Action: 2017 UpdatePermit/Job#: M1985082PROJECT IDENTIFICATIONTask #: 005State: ColoradoAbbreviation: NoneDate: 6/28/2017County: MoffatFilename: M082-005User: LJWAgency or organization name: DRMSFERTILIZINGMaterials

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
Disc harrowing, 6" deep (MEANS 32 91 13.23 6100)	\$106.29
Total Tilling Cost/Acre	\$106.29

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Bluebunch Wheatgrass - Secar	3.00	9.64	\$23.01
Indian Ricegrass - Native	2.00	6.47	\$14.00
Western Wheatgrass - Native	3.50	8.84	\$24.50
Needlegrass, Green - Lodorm	2.50	10.39	\$12.18
Flax, Lewis Blue	1.00	6.63	\$16.50
Totals Seed Mix	12.00	41.98	\$90.19

Application

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Description	Cost /Acre
Drill Seeding (DRMS Survey Cost)	\$232.00
Total Seed Application Cost/Acre	\$232.00

MULCHING and MISCELLANEOUS**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Herbicide - 2,4D @ 1.0 pt/ac	1.00	ACRE	\$2.74	\$2.74
Straw, delivered {MEANS 31 25 14.16 1200}	2.00	TON	\$261.00	\$522.00
Total Mulch Materials Cost/Acre				\$524.74

Application

Description	Cost /Acre
Crimping, with tractor {DMG survey data}	\$66.02
Power mulcher (MEANS 32 91 13.16 0350)	\$99.32
Weed spray, truck, non-aquatic area, nox. [DMG]	\$71.50
Total Mulch Application Cost/Acre	\$236.84

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: \$1,190.06
 Estimated Failure Rate: 25% Cost /Acre*: \$1,190.06
 *Selected Replanting Work Items: TILLING,SEEDING,MULCHING
 Initial Job Cost: \$3,570.18
 Reseeding Job Cost: \$892.55
 Total Job Cost: \$4,463
 Job Hours: 8.00

EQUIPMENT MOBILIZATION/DEMobilIZATIONTask description: Initial mobilize reclamation crew and equipmentSite: Rock Pit MinePermit Action: 2017 UpdatePermit/Job#: M1985082**PROJECT IDENTIFICATION**Task #: 006State: ColoradoAbbreviation: NoneDate: 6/28/2017County: MoffatFilename: M082-006User: LJWAgency 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	\$91.36	\$125.45	1	\$216.81	\$125.45	\$250.00
Drill/Broadcast Seeder with Tractor	25.00	\$12.22	\$88.67	1	\$100.89	\$88.67	\$250.00
Power Mulcher (Bowie LD-90)	6.00	\$7.03	\$88.67	1	\$95.70	\$88.67	\$250.00

Subtotals: **\$413.40** **\$302.79** **\$750.00****ROADABLE EQUIPMENT:**

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Light Duty Pickup, 4x4, 1 T. Crew	\$19.43	1	\$19.43	\$19.43

Subtotals: **\$19.43** **\$19.43**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	<u>CRAIG</u>	
Total one-way travel distance:	<u>5.00</u>	miles
Average Travel Speed:	<u>30.00</u>	mph

Total Non-Roadable Mob/Demob Cost *	<u>\$2,565.53</u>
'* two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	<u>\$6.48</u>
'** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>0.17</u>	<u>0.17</u>
Return Time (Hours):	<u>0.17</u>	<u>0.17</u>
Loading Time (Hours):	<u>0.50</u>	<u>NA</u>
Unloading Time (Hours):	<u>0.50</u>	<u>NA</u>
Subtotals:	<u>1.33</u>	<u>0.33</u>

JOB TIME AND COST

Total job time:	<u>2.67</u>	Hours
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Total job cost:	<u>\$2,572</u>
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EQUIPMENT MOBILIZATION/DEMobilIZATIONTask description: Secondary mobilize reclamation crew and equipmentSite: Rock Pit MinePermit Action: 2017 UpdatePermit/Job#: M1985082**PROJECT IDENTIFICATION**Task #: 007State: ColoradoAbbreviation: NoneDate: 6/28/2017County: MoffatFilename: M082-007User: LJWAgency 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
Drill/Broadcast Seeder with Tractor	25.00	\$12.22	\$88.67	1	\$100.89	\$88.67	\$250.00
Power Mulcher (Bowie LD-90)	6.00	\$7.03	\$88.67	1	\$95.70	\$88.67	\$250.00

Subtotals: **\$196.59** **\$177.34** **\$500.00****ROADABLE EQUIPMENT:**

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Light Duty Pickup, 4x4, 1 T. Crew	\$19.43	1	\$19.43	\$19.43

Subtotals: **\$19.43** **\$19.43**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	<u>CRAIG</u>	
Total one-way travel distance:	<u>5.00</u>	miles
Average Travel Speed:	<u>30.00</u>	mph

Total Non-Roadable Mob/Demob Cost *	<u>\$1,517.82</u>
'* two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	<u>\$6.48</u>
'** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>0.17</u>	<u>0.17</u>
Return Time (Hours):	<u>0.17</u>	<u>0.17</u>
Loading Time (Hours):	<u>0.50</u>	<u>NA</u>
Unloading Time (Hours):	<u>0.50</u>	<u>NA</u>
Subtotals:	<u>1.33</u>	<u>0.33</u>

JOB TIME AND COST

Total job time:	<u>2.67</u>	Hours
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Total job cost:	<u>\$1,524</u>
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