

Department of Natural Resources

1313 Sherman Street, Room 215 Denver, CO 80203

September 5, 2017

Mr. Joe C. Baxter Midway Aggregates, RLLP P.O. Box 580 Rye, CO 81069

Re: Midway Pit, Permit No. M-1988-018;

Technical Revision Approval, Revision No. TR-2

Dear Mr. Baxter:

On September 5, 2017 the Division of Reclamation, Mining and Safety (DRMS) approved the Technical Revision application submitted to DRMS on March 27, 2017, addressing the following:

Update the mining and reclamation plans, and the Mine Plan Map and Reclamation Plan Map. Includes updated Financial Warranty.

The terms of the Technical Revision No. 2 approved by the Division are hereby incorporated into Permit No. M-1988-018. All other conditions and requirements of Permit No. M-1988-018 remain in full force and effect. Revised pages of the reclamation liability estimate are enclosed.

The revised liability amount exceeds the performance bond currently held as shown below. You will receive a notice of a Surety Increase under separate cover.

 Bond Held:
 \$40,000.00

 Prior Liability:
 \$40,000.00

 Change in Liability:
 \$22,260.00

 Revised Liability:
 \$62,260.00

If you have any questions or need further information, please contact me at (303) 866-3567 x8169.

Sincerely,

Timothy A. Cazier, P.E.

Environmental Protection Specialist

ec: DRMS file

David King, Midway Aggregates



COST SUMMARY WORK

7	Γask descrip	otion:	Cost Summary (rev	vised)			
Site: Midway Pit		Pit	Permit Action: 2017 TR-02		Permit/Jol	o#: <u>M1988018</u>	
<u>P</u>]	ROJECT	<u>IDENTIFI</u>	<u>CATION</u>				
	Task #:	000	State: C	Colorado		Abbreviation:	None
	Date:	9/5/2017	County: E	El Paso		Filename:	M018-000

TASK LIST (DIRECT COSTS)

Task		Form	Fleet	Task	
Task	Description	Used	Size	Hours	Cost
001	Backfill 3 Ponds	DOZER	1	12.55	\$2,865.00
002	Knockdown Near Vert. West Highwalls	DOZER	1	0.92	\$210.00
003	Knockdown Northside Highwalls	DOZER	1	0.89	\$204.00
004	Place 3" Topsoil on Disturbed Area (22 acres)	SCRAPER1	1	28.55	\$7,090.00
005	Finish Grade Reclamation Area - DELETED	NA	0	0.00	\$0.00
06A	Reveg using seed drill (R1)	REVEGE	1	36.00	\$35,513.00
06B	Reveg using broadcast method	REVEGE	1	4.00	\$1,645.00
070	Mob/Demob (revised)	MOBILIZE	1	2.84	\$2,143.00
		SUBTO	OTALS:	85.75	\$49,670

INDIRECT COSTS

OVERHEAD AND PROFIT:

2.02 \$1,003.33 Liability insurance: Total = Performance bond: 1.05 Total = \$521.54 Job superintendent: 42.87 Total = \$3,131.65 Profit: 10.00 Total = \$4,967.00

TOTAL O & P = \$9,623.52 CONTRACT AMOUNT (direct + O & P) = \$59,293.52

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): 0.00 Total = 0.00Engineering work and/or contract/bid preparation: Reclamation management and/or administration: 0.00 Total = 0.00 0.

CONTINGENCY: 0.00 Total = \$0.00

TOTAL INDIRECT COST = \$12,588.20

TOTAL BOND AMOUNT (direct + indirect) = \$62,258.20

ROUNDED TOTAL BOND AMOUNT (direct + indirect) = \$62,260.00

REVEGETATION WORK

٠ _	Midway Pit	Pern	mit Action: 2017	TR-02	Permit/Job	#: M1988018
Þ	ROJECT IDENTIF	ICATION				
	Task #: 06A Date: 9/5/2017 User: TC1	State: County:	Colorado El Paso		Abbreviation:Filename:	None M018-06A
717		nnization name: _ DRM	MS			
	ERTILIZING aterials					
VII à	Description		Units / Acre	Unit	Cost / Unit	Cost /Acre
					\$	\$
					Total Fertilizer Materials Cost/Acre	\$0.00
Δp	pplication					
	Description					Cost /Acre
	-					\$
			Total	Fertilizer A	application Cost/Acre	\$0.00
ľ	<u>LLING</u>					
	Description					Cost /Acre
		eep (MEANS 32 91 13.	.23 6100)			\$106.29
				To	otal Tilling Cost/Acre	\$106.29
SF	EEDING					
<u>г</u>					Rate –	

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Alkali Sacaton	0.15	5.85	\$4.25
Sand Dropseed	0.05	5.97	\$0.54
Little Bluestem - Pastura	1.34	8.00	\$22.55
Sideoats Grama - Vaughn	1.82	5.97	\$18.20
Galleta	0.37	1.35	\$9.14
Needle and Thread	1.09	2.88	\$45.24
Western Wheatgrass - Native	3.20	8.08	\$22.40
Saltbush, Four Wing	1.00	1.38	\$12.50
Winter Fat	0.02	0.05	\$0.41

Totals Seed Mix	9.04	39.53	\$135.23
			Cost /Acre
	Totals Seed Mix	Totals Seed Mix 9.04	Totals Seed Mix 9.04 39.53

Drill seeding (MEANS 32 92 19.13 0020) S438.00 Total Seed Application Cost/Acre \$438.00

MULCHING and MISCELLANEOUS

Materials

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Straw, delivered {MEANS 31 25 14.16 1200}	2.00	TON	\$261.00	\$522.00
Total Mulch Materials Cost/Acre				\$522.00

Application

Description		Cost /Acre
Power mulcher (MEANS 32 91 13.16 0350)		\$99.32
	Total Mulch Application Cost/Acre	\$99.32

NURSERY STOCK PLANTING

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

JOB TIME AND COST

 No. of Acres:
 21
 Cost /Acre:
 \$1,300.84

 Estimated Failure Rate:
 30%
 Cost /Acre*:
 \$1,300.84

*Selected Replanting Work Items: TILLING, SEEDING, MULCHING

Initial Job Cost: \$27,317.64

Reseeding Job Cost: \$8,195.29

Total Job Hours: \$35,513

36.00