

**STATE OF  
COLORADO****Musick - DNR, Jason** <jason.musick@state.co.us>

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## **NOI X-2004-153-13, Amendment No. 2 Decision and Updated Reclamation Cost Estimate**

1 message

**Musick - DNR, Jason** <jason.musick@state.co.us>

Fri, Dec 29, 2017 at 8:36 AM

To: Jim Stover &lt;jestover@bresnan.net&gt;

Good morning Jim,

Attached is the Division's Acceptance of Amendment No. 2 for NOI X-2004-153-13. This Acceptance is based on CAM-Colorado, LLC request for an extension of the expiration date of the NOI.

In addition, the amount of performance bond required shall be adjusted by the Division from time to time for good cause in accordance with 3.02.2(4). The Division updated the RCE for updated costs in May of 2017. The revised required liability is \$42,665.57. The Division currently holds a bond in the amount of \$43,165.00.

Please let me know if you have any questions or comments.

Thanks,  
Jason

Jason Musick  
Environmental Protection Specialist III  
Coal Regulatory Program



**COLORADO**  
Division of Reclamation,  
Mining and Safety  
Department of Natural Resources

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### **2 attachments**



**AM2 AcceptSheet X201123102.pdf**  
112K



**X200415313\_RCE\_2017.pdf**  
335K



**ACCEPTANCE OF AMENDED NOTICE OF INTENT TO CONDUCT  
COAL EXPLORATION**

(Involving 250 Tons or Less of Coal)

Notice of Intent No.: X-2004-153-13 Amendment No.: AM-2  
Date Issued: December 29, 2017  
Decision Type: Approve  
Issued To: Central Appalachia Mining, LLC  
743 Horizon Ct., Suite 201  
Grand Junction, CO 81506  
**REVISED** Expiration: January 1, 2020  
Project Name: CAM Stove Canyon Exploration Project  
Site Contact: J.E. Stover & Associates, Inc., Jim Stover  
Address: 2352 North 7<sup>th</sup> Street, Unit B  
Grand Junction, CO 81501  
DRMS Specialist: Jason Musick  
County: Garfield  
**REVISED** Bond Amount: \$42,665.57  
Number of Sites: 3  
Number of Holes: 3  
Number of Excavated Mud Pits: 0  
Length of New Roads to be Constructed: 0  
Average Depth of Drill Holes: 638  
Legal Description: Sections 34, Township 7S, Range 102W  
Sections 2 and 3, Township 8S, Range 102W

The Division finds that the above-issued prospector has filed a complete and adequate Notice of Intent to Explore in accordance with the Rules and Regulations of the Colorado Division of Reclamation, Mining and Safety, Office of Mined Land Reclamation for Coal Mining, adopted in accordance with the Colorado Surface Coal Mining Reclamation Act, C.R.S. 34-33-101 *et seq.* The Division further finds that the proposed project qualifies as coal exploration WITH substantial disturbance to the land, and that all performance bond requirements, if any, have been satisfied.

\_\_\_\_\_  
Authorized Representative/Permittee<sup>1</sup>

Date:

\_\_\_\_\_  
Authorized Representative/Division of Reclamation,  
Mining and Safety

Date:

<sup>1</sup> Signature is required if stipulations are attached

## COST SUMMARY WORK

Task description: Summary of Remaining Reclamation Tasks

Site: CAM Stove Canyon Expl  
Project

Permit Action: 2017 Review

Permit/Job#: X200415313

### PROJECT IDENTIFICATION

Task #: 000 State: Colorado Abbreviation: None  
Date: 5/3/2017 County: Garfield Filename: X153-000  
User: JDM

Agency or organization name: DRMS

### TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Seal and Abandon Remaining Water Monitoring Wells	BOREHOLE	1	15.00	\$7,736.61
002	Regrade Drill Pads	DOZER	1	5.38	\$701.00
003	Regrade Roads	DOZER	1	120.00	\$15,628.00
004	Replace Topsoil on Drill Pads and Roads	DOZER	1	37.44	\$4,876.00
005	Reseed Drill Pads and Roads	REVEGE	1	1.80	\$1,930.00
006	Mobilize/Demobilize Equipment	MOBILIZE	1	3.42	\$2,000.00
<b><u>SUBTOTALS:</u></b>				<b>183.04</b>	<b>\$32,872</b>

### INDIRECT COSTS

#### OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$664.01
Performance bond:	1.05	Total =	\$345.16
Job superintendent:	0.00	Total =	\$0.00
Profit:	10.00	Total =	\$3,287.20
		TOTAL O & P =	\$4,296.37
		CONTRACT AMOUNT (direct + O & P) =	\$37,168.37

#### LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	0.00	Total =	0.00
Engineering work and/or contract/bid preparation:	8.59	Total =	\$3,192.76
Reclamation management and/or administration:	6.20		\$2,304.44

CONTINGENCY: 0.00 Total = \$0.00

TOTAL INDIRECT COST = \$9,793.57

**TOTAL BOND AMOUNT (direct + indirect) = \$42,665.57**

**BOREHOLE SEALING WORK**Task description: Seal and Abandon Remaining Water Monitoring WellsSite: CAM Stove Canyon Expl  
ProjectPermit Action: 2017 ReviewPermit/Job#: X200415313**PROJECT IDENTIFICATION**

Task #: 001 State: Colorado Abbreviation: None  
 Date: 5/2/2017 County: Garfield Filename: X135-001  
 User: JDM

Agency or organization name: DRMS**UNIT COSTS**

Borehole Description	Sealing/Item Method	Diameter	Length	Quantity	Unit	Unit Cost	Total Cost
Seal Wells 8-2-8 and 8-3-10	Portland cement grout ( Bag, material cost only...94 lb. bag)	4.64	944.00	56.00	bag	\$10.55	\$590.80
Plug Wells 8-2-8 and 8-3-10	PVC plug - 4 in. diameter borehole	4.64	NA	2.00	EA	\$29.95	\$59.90
Seal Well 7-34-7	Portland cement grout ( Bag, material cost only...94 lb. bag)	8.75	971.00	203.00	bag	\$10.55	\$2,141.65
Plug Well 7-34-7	PVC plug - 8 in. diameter borehole	8.75	NA	1.00	EA	\$74.16	\$74.16
Borehole Marker	Borehole location/identification marker (EA, material cost only)	NA	NA	3.00	EA	\$3.67	\$11.01
Drill Rig and Labor	SCHRAMM T450BH	NA	NA	15.00	EA	\$272.57	\$4,088.55
Water Truck	Water Tanker, 2,500 Gal.	NA	NA	15.00	EA	\$50.75	\$761.25
Cut Casing	Exposed casing removal - Calculate Circumference in Linear Feet	4.64	2.5	2.50	LF	\$1.77	\$4.43
Cut Casing	Exposed casing removal - Calculate Circumference in Linear Feet	8.75	2.75	2.75	LF	\$1.77	\$4.87

Job Hours: 15.00Total Cost: \$7,737.00

**BULLDOZER WORK**Task description: **Regrade Drill Pads**Site: **CAM Stove Canyon Expl  
Project**Permit Action: 2017 ReviewPermit/Job#: X200415313**PROJECT IDENTIFICATION**Task #: 002  
Date: 5/2/2017  
User: JDMState: Colorado  
County: GarfieldAbbreviation: None  
Filename: X153-002Agency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D6T XL  
Horsepower: 185  
Blade Type: Semi-Universal  
Attachment: NA  
Shift Basis: 1 per day  
Data Source: (CRG)Cost Breakdown:

		<u>Utilization %</u>
Ownership Cost/Hour:	\$46.87	NA
Operating Cost/Hour:	\$41.52	100
Ripper own. Cost/Hour:	\$0.00	NA
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$41.85	NA
Total unit Cost/Hour:	\$130.24	
Total Fleet Cost/Hour:	<b>\$130.24</b>	

**MATERIAL QUANTITIES**Initial Volume: 993  
Swell factor: 1.125  
Loose volume: **1,117** LCYSource of estimated volume: Division of Reclamation, Mining & Safety  
Source of estimated swell  
factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 50 feet  
Unadjusted hourly  
production: 444.6 LCY/hrMaterials consistency description: Compacted fill or embankment 0.9Average push  
gradient: 0 %  
Average site altitude: 6,600 feetMaterial weight: 2,650 lbs/LCY

Weight description: Decomposed rock - 25% Rock, 75% Earth

<u>Job Condition</u>	<u>Correction Factor</u>	<u>Source</u>
Operator Skill:	0.900	(AB.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:	1.000	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.868	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.4668

Adjusted unit  
production: 207.54 LCY/hr

Adjusted fleet  
production: **207.54** LCY/hr

### **JOB TIME AND COST**

Fleet size: 1 Dozer(s)  
Unit cost: \$0.628/LCY

Total job time: **5.38** Hours  
Total job cost: **\$701**

**BULLDOZER WORK**Task description: **Regrade Roads**Site: **CAM Stove Canyon Expl**  
**Project**Permit Action: 2017 ReviewPermit/Job#: X200415313**PROJECT IDENTIFICATION**Task #: 003  
Date: 5/2/2017  
User: JDMState: Colorado  
County: GarfieldAbbreviation: None  
Filename: X153-003Agency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D6T XL  
Horsepower: 185  
Blade Type: Semi-Universal  
Attachment: NA  
Shift Basis: 1 per day  
Data Source: (CRG)Cost Breakdown:

		<u>Utilization %</u>
Ownership Cost/Hour:	<u>\$46.87</u>	<u>NA</u>
Operating Cost/Hour:	<u>\$41.52</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:	<u>\$130.24</u>	
Total Fleet Cost/Hour:	<u><b>\$130.24</b></u>	

**MATERIAL QUANTITIES**Initial Volume: 7,648  
Swell factor: 1.125  
Loose volume: **8,604 LCY**Source of estimated volume: Division of Reclamation, Mining & Safety  
Source of estimated swell  
factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 200 feet  
Unadjusted hourly  
production: 153.6 LCY/hrMaterials consistency description: Compacted fill or embankment 0.9Average push  
gradient: 0 %  
Average site altitude: 6,600 feetMaterial weight: 2,650 lbs/LCY

Weight description: Decomposed rock - 25% Rock, 75% Earth

<u>Job Condition</u>	<u>Correction Factor</u>	<u>Source</u>
Operator Skill:	0.900	(AB.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:	1.000	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.868	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.4668

Adjusted unit  
production: 71.70 LCY/hr

Adjusted fleet  
production: **71.7 LCY/hr**

### **JOB TIME AND COST**

Fleet size: 1 Dozer(s)  
Unit cost: \$1.816/LCY

Total job time: **120.00 Hours**  
Total job cost: **\$15,628**



**BULLDOZER WORK**Task description: **Replace Topsoil on Drill Pads and Roads**Site: **CAM Stove Canyon Expl  
Project**Permit Action: 2017 ReviewPermit/Job#: X200415313**PROJECT IDENTIFICATION**Task #: 004  
Date: 5/2/2017  
User: JDMState: Colorado  
County: GarfieldAbbreviation: None  
Filename: X153-004Agency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D6T XL  
Horsepower: 185  
Blade Type: Semi-Universal  
Attachment: NA  
Shift Basis: 1 per day  
Data Source: (CRG)Cost Breakdown:

		<u>Utilization %</u>
Ownership Cost/Hour:	\$46.87	NA
Operating Cost/Hour:	\$41.52	100
Ripper own. Cost/Hour:	\$0.00	NA
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$41.85	NA
Total unit Cost/Hour:	\$130.24	
Total Fleet Cost/Hour:	<b>\$130.24</b>	

**MATERIAL QUANTITIES**Initial Volume: 5,760  
Swell factor: 1.125  
Loose volume: **6,480 LCY**Source of estimated volume: Division of Reclamation, Mining & Safety  
Source of estimated swell  
factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 100 feet  
Unadjusted hourly  
production: 303.3 LCY/hrMaterials consistency description: Partly consolidated stockpile 1.1Average push  
gradient: 0 %  
Average site altitude: 6,600 feetMaterial weight: 2,650 lbs/LCY

Weight description: Decomposed rock - 25% Rock, 75% Earth

<u>Job Condition</u>	<u>Correction Factor</u>	<u>Source</u>
Operator Skill:	0.900	(AB.AVG.)
Material consistency:	1.100	(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:	1.000	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.868	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.5706

Adjusted unit  
production: 173.06 LCY/hr

Adjusted fleet  
production: **173.06 LCY/hr**

### **JOB TIME AND COST**

Fleet size: 1 Dozer(s)

Unit cost: \$0.753/LCY

Total job time: **37.44 Hours**

Total job cost: **\$4,876**

**REVEGETATION WORK**Task description: **Reseed Drill Pads and Roads**Site: **CAM Stove Canyon Expl  
Project**Permit Action: **2017 Review**Permit/Job#: **X200415313****PROJECT IDENTIFICATION**Task #: **005**  
Date: **5/3/2017**  
User: **JDM**State: **Colorado**  
County: **Garfield**Abbreviation: **None**  
Filename: **X153-005**Agency or organization name: **DRMS****FERTILIZING****Materials**

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

**Application**

Description	Cost /Acre
	\$
<b>Total Fertilizer Application Cost/Acre</b>	<b>\$0.00</b>

**TILLING**

Description	Cost /Acre
	\$
<b>Total Tilling Cost/Acre</b>	<b>\$0.00</b>

**SEEDING**

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Big Bluegrass - Sherman	1.00	20.66	\$7.50
Indian Ricegrass - Paloma	4.00	12.95	\$39.00
Crested Wheatgrass - Nordan	3.00	13.77	\$12.00
Burnett, Small (or Little) - Delar	3.00	3.79	\$7.50
Streambank Wheatgrass - Sodar	3.60	11.74	\$21.92
Western Wheatgrass - Arriba	5.00	12.63	\$40.40
Needlegrass, Green - Lodorm	1.00	4.16	\$4.87
Saltbush, Four Wing	4.00	5.51	\$50.00

<b>Totals Seed Mix</b>	24.60	85.20	<b>\$183.19</b>
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**Application**

Description	Cost /Acre
Broadcast seeding [DMG]	\$267.22
<b>Total Seed Application Cost/Acre</b>	<b>\$267.22</b>

**MULCHING and MISCELLANEOUS****Materials**

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

**Application**

Description	Cost /Acre
	\$
<b>Total Mulch Application Cost/Acre</b>	<b>\$0.00</b>

**NURSERY STOCK PLANTING**

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

**JOB TIME AND COST**

No. of Acres:	3.57	Cost /Acre:	\$450.41
Estimated Failure Rate:	20%	Cost /Acre*:	\$450.41
*Selected Replanting Work Items:	SEEDING		

Initial Job Cost:	<b>\$1,607.96</b>
Reseeding Job Cost:	<b>\$321.59</b>
Total Job Cost:	<b>\$1,930</b>
Job Hours:	<b>1.80</b>

## EQUIPMENT MOBILIZATION/DEMOBILIZATION

Task description: Mobilize/Demobilize Equipment

Site: CAM Stove Canyon Expl  
Project

Permit Action: 2017 Review

Permit/Job#: X200415313

### PROJECT IDENTIFICATION

Task #: 006 State: Colorado Abbreviation: None  
Date: 5/3/2017 County: Garfield Filename: X153-006  
User: JDM

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 D6T LGP	26.87	\$43.25	\$117.55	1	\$160.80	\$117.55	\$250.00
SCHRAMM T450WS	0.00	\$83.42	\$88.67	1	\$172.09	\$88.67	\$250.00

Subtotals: **\$332.89** **\$206.22** **\$500.00**

### ROADABLE EQUIPMENT:

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Water Tanker, 2,500 Gal.	\$44.01	1	\$44.01	\$44.01

Subtotals: **\$44.01** **\$44.01**

### EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region: GRAND JUNCTION  
Total one-way travel distance: 30.00 miles  
Average Travel Speed: 35.00 mph

Total Non-Roadable Mob/Demob Cost \* \$1,924.19  
\*\* two round trips with haul rig:  
Total Roadable Mob/Demob Cost \*\* \$75.45  
\*\* one round trip, no haul rig:

Transportation Cycle Time:

	Non- Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.86	0.86
Return Time (Hours):	0.86	0.86
Loading Time (Hours):	0.00	NA
Unloading Time (Hours):	0.00	NA
Subtotals:	1.71	1.71

**JOB TIME AND COST**Total job time: 3.43 HoursTotal job cost: \$2,000