



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources
1313 Sherman St. Room 215
Denver, CO 80203

December 4, 2018

Juan Cocoba
Five Rivers Ranch Cattle Feeding LLC
2258 US Hwy 50
Lamar, CO 81052

Re: Wiley Pit, Permit No. M-1977-223, Financial Warranty Reduction Approval, Revision No. SR-1

Mr. Cocoba:

On December 4, 2018, the Division of Reclamation, Mining and Safety (Division) approved your request for a Financial Warranty Reduction to \$193,235.00. This is a reduction of \$567,765.00 from the currently held Financial Warranty of \$176,000.00. This decision reduces the amount of the Financial Warranty, and does not approve any release of reclamation responsibility for the tasks associated with this request.

Please provide a rider to the current Financial Warranty, or submit a new Financial Warranty reflecting this reduction. If you wish to submit a different type of Financial Warranty, please contact Barbara Coria by telephone at 303-866-3567, ext. 8148, or by email at barbara.coria@state.co.us for the applicable form.

If you have any questions, you may contact me by telephone at 303-866-3567, ext. 8129 or by email at amy.eschberger@state.co.us.

Sincerely,

Amy Eschberger
Environmental Protection Specialist

Encl: Division's Cost Summary Work

Ec: Thane Milenski at: thane.milenski@5rcattle.com
Barbara J. Coria, DRMS at: barbara.coria@state.co.us



COST SUMMARY WORK

Task description: Cost Summary

Site: Wiley Pit

Permit Action: SR-1 2018

Permit/Job#: M1977223

PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 11/7/2018

County: Prowers

Filename: M223-000

User: AME

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Spread growth medium over disturbed land	SCRAPER1	1	44.11	\$49,539.00
002	Rip stockpiling/processing areas	RIPPER	1	64.91	\$14,619.00
003	Revegetate disturbed land	REVEGE	1	43.00	\$79,224.00
004	Mobilization/Demobilization	MOBILIZE	1	6.71	\$9,955.00
<u>SUBTOTALS:</u>				158.73	\$153,337

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02
Performance bond: 1.05
Job superintendent: 79.37
Profit: 10.00

Total = \$3,097.41

Total = \$1,610.04

Total = \$5,797.61

Total = \$15,333.70

TOTAL O & P = \$25,838.76

CONTRACT AMOUNT (direct + O & P) = \$179,175.76

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

\$8,958.79

CONTINGENCY: 3.00

Total = \$4,600.11

TOTAL INDIRECT COST = \$39,897.66

TOTAL BOND AMOUNT (direct + indirect) = \$193,234.66

SCRAPER TEAM WORKTask description: **Spread growth medium over disturbed land**Site: **Wiley Pit**Permit Action: **SR-1 2018**Permit/Job#: **M1977223****PROJECT IDENTIFICATION**Task #: **001**State: **Colorado**Abbreviation: **None**Date: **11/7/2018**County: **Prowers**Filename: **M223-001**User: **AME**Agency or organization name: **DRMS****HOURLY EQUIPMENT**COSTShift basis: **1 per day**

Equipment Description	
-Scraper:	Cat 637G
-Dozer:	NA
Support Equipment -Load Area:	NA
-Dump Area:	Cat D8T - 8SU
Road Maintenance -Motor Grader:	CAT 16M
-Water Truck:	Water Tanker, 3,500 Gal.

Cost Breakdown:**Scraper Work Team****Support Equipment****Maintenance Equipment**

	Scraper	Dozer	Load Area	Dump Area	Motor Grader	Water Truck
%Utilization-machine:	100	NA	NA	100	100	100
Ownership cost/hour:	\$155.61	NA	NA	\$93.62	\$77.19	\$12.39
Operating cost/hour:	\$166.86	NA	NA	\$73.35	\$63.34	\$26.02
%Utilization-ripper:	NA	NA	NA	NA	NA	NA
Ripper own. cost/hour:	NA	NA	NA	\$0.00	\$0.00	\$0.00
Ripper op. cost/hour:	NA	NA	NA	\$0.00	\$0.00	\$0.00
Operator cost/hour:	\$31.05	NA	NA	\$41.52	\$28.69	\$0.00
Unit Subtotals:	\$353.51	NA	NA	\$208.49	\$169.22	\$38.41
Number of Units:	2	0	0	1	1	1
Group Subtotals:	Work: \$707.02		Support: \$208.49		Maint: \$207.63	

Total work team cost/hour: **\$1,123.14****MATERIAL QUANTITIES**Initial volume: **46,222**

CCY

Swell factor: **1.125**Loose volume: **52,000**

LCY

Source of estimated volume: **6 in x 57.3 ac**Source of estimated swell factor: **Cat Handbook****HOURLY PRODUCTION****Scraper Bowl (volume) Basis:**

Material weight: **2,650 lbs/LCY**
 Material description: **Decomposed rock - 25% Rock, 75% Earth**
 Rated Payload: **81,600 pounds**
 Payload Capacity: **30.79 LCY**

Struck Volume: **24.00** LCY
 Heaped Volume: **34.00** LCY
 Average Volume: **29.00** LCY
 Adjusted Capacity: **29.00** LCY

Cycle Time:Scraper Loading Time: 0.80 MinutesManeuver and Spread Time: 0.60 MinutesJob Condition Correction:

Site Altitude: 3760 feet

	Scraper	Push Dozer	Source
Altitude Adj:	1.000	NA	(CAT HB)
Job Efficiency:	0.830	NA	(CAT HB)
Net Correction:	0.830	NA	

Travel Time:Road Condition: Rutted dirt, little maintenance, no water, 2" tire penetration 5.0Haul Route:

Seg #	Haul Distance (Ft)	Grade (%)	Roll. Res (%)	Total Res (%)	Velocity (fpm)	Travel Time (min)
1	800.00	1.00	5.00	6.00	1477	0.62

Haul Time: 0.62 minutesReturn Route:

Seg #	Haul Distance (Ft)	Grade (%)	Roll. Res (%)	Total Res (%)	Velocity (fpm)	Travel Time (min)
1	800.00	-1.00	5.00	4.00	2910	0.43

Return Time: 0.43 minutesTotal Scraper team cycle time: 2.45 minutesAdjusted for job conditions: 589.47 LCY/HourSelected Number of Scrapers: 2 Scraper(s)Adjusted single scraper team (unit) hourly production: 1,178.94 LCY/HourAdjusted multiple scraper team (fleet) hourly production: 1,178.94 LCY/HourUnadjusted unit production/hour: 710.20 LCY/Hour

Optimal Number of Scrapers per push dozer: _____

JOB TIME AND COSTFleet size: 1 Team(s)Total job time: 44.11 HoursUnit cost: \$0.953 /LCYTotal job cost: \$49,539

BULLDOZER RIPPING WORK

Task description: Rip stockpiling/processing areas

Site: Wiley Pit Permit Action: SR-1 2018 Permit/Job#: M1977223

PROJECT IDENTIFICATION

Task #: 002 State: Colorado Abbreviation: None
Date: 11/7/2018 County: Prowers Filename: M223-002
User: AME

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:	\$93.62	NA
Operating Cost/Hour:	\$73.35	100
Ripper Ownership Cost/Hour:	\$8.93	NA
Ripper Operating Cost/Hour:	\$7.78	100
Operator Cost/Hour:	\$41.52	NA
Total Unit Cost/Hour:	\$225.20	
Total Fleet Cost/Hour:	\$225.20	

MATERIAL QUANTITIES

Selected estimating method: Area

Alternate Methods:

Seismic: NA Bank Volume: NA BCY NA
Area: 45.00 acres Rip Depth (ft): 2.00 Volume: 145,200 BCY or CCY

Source of estimated quantity: Operator

HOURLY PRODUCTION

Seismic:

Seismic Velocity: NA feet/second

Area:

Average Ripping Depth: 2.56 mph
Average Ripping Width: 7.08 degrees
Average Ripping Length: 800.00 feet
Average Dozer Speed: 88.00 feet
Average Maneuver Time: 0.25 feet
Production per unit area: 0.835 acres/hour

Job Condition Correction Factors

Unadjusted Hourly Unit Production: 0.835 Acres/hr
Site Altitude: 3,760 feet
Altitude Adj: 1.00 (CAT HB)
Job Efficiency: 0.83 (1 shift/day)
Net Correction: 0.83 multiplier

Adjusted Hourly Unit Production: 0.69 Acres/hr
Adjusted Hourly Fleet Production: **0.69** Acres/hr

JOB TIME AND COST

Fleet size: 1 Grader(s) Total job time: **64.91** Hours

Unit cost: \$324.857 Per acre Total job cost: **\$14,619**

REVEGETATION WORKTask description: Revegetate disturbed landSite: Wiley PitPermit Action: SR-1 2018Permit/Job#: M1977223**PROJECT IDENTIFICATION**Task #: 003State: ColoradoAbbreviation: NoneDate: 12/4/2018County: ProwersFilename: M223-003User: AMEAgency 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
Chisel plowing {DMG}	\$92.77
Total Tilling Cost/Acre	\$92.77

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Blue Grama - Lovington	1.00	16.32	\$16.64
Sand Dropseed	0.25	29.84	\$2.78
Little Bluestem - Native	2.00	11.94	\$32.26
Sideoats Grama - Vaughn	1.50	4.92	\$15.36
Western Wheatgrass - Native	2.00	5.05	\$14.34
Totals Seed Mix	6.75	68.08	\$81.38

Application

--	--

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
Straw, delivered {MEANS 31 25 14.16 1200}	2.00	TON	\$288.00	\$576.00
Total Mulch Materials Cost/Acre				\$576.00

Application

Description	Cost /Acre
Crimping, with tractor {DMG survey data}	\$68.78
Weed spray, hand, aquatic area, nox. [DMG]	\$175.00
Total Mulch Application Cost/Acre	\$243.78

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:	57.3	Cost /Acre:	\$1,225.93
Estimated Failure Rate:	50%	Cost /Acre*:	\$313.38
*Selected Replanting Work Items:	SEEDING		

Initial Job Cost:	\$70,245.79
Reseeding Job Cost:	\$8,978.34
Total Job Cost:	\$79,224
Job Hours:	43.00

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: Mobilization/DemobilizationSite: Wiley PitPermit Action: SR-1 2018Permit/Job#: M1977223**PROJECT IDENTIFICATION**Task #: 004State: ColoradoAbbreviation: NoneDate: 12/4/2018County: ProwersFilename: M223-004User: AMEAgency 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 637G	57.28	\$155.61	\$125.45	2	\$562.12	\$250.90	\$500.00
Cat D8T - 8SU	53.08	\$102.55	\$125.45	2	\$456.00	\$250.90	\$250.00
CAT 16M	28.73	\$77.19	\$117.55	1	\$194.74	\$117.55	\$250.00

Subtotals: **\$1,212.86** **\$619.35** **\$1,000.00****ROADABLE EQUIPMENT:**

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Water Tanker, 3,500 Gal.	\$38.41	1	\$38.41	\$38.41
Drill/Broadcast Seeder with Tractor	\$36.08	1	\$36.08	\$36.08

Subtotals: **\$74.49** **\$74.49**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	<u>LAMAR</u>	
Total one-way travel distance:	<u>8.00</u>	miles
Average Travel Speed:	<u>45.00</u>	mph

Total Non-Roadable Mob/Demob Cost *	<u>\$9,928.61</u>
** two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	<u>\$26.49</u>
** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>0.18</u>	<u>0.18</u>
Return Time (Hours):	<u>0.18</u>	<u>0.18</u>
Loading Time (Hours):	<u>1.50</u>	<u>NA</u>
Unloading Time (Hours):	<u>1.50</u>	<u>NA</u>
Subtotals:	<u>3.36</u>	<u>0.36</u>

JOB TIME AND COST

Total job time:	<u>6.71</u>	Hours
-----------------	-------------	-------

Total job cost:	<u>\$9,955</u>
-----------------	----------------