



STATE OF  
COLORADO

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## C1983059, Terror Creek Loadout, RN7, Adequacy Review

**Simmons - DNR, Leigh** <leigh.simmons@state.co.us>

Wed, Feb 20, 2019 at 7:46 AM

To: Mike Ludlow <Mike.Ludlow@oxbow.com>

Cc: Doug Smith <Doug.Smith@oxbow.com>, Pierre Azzi <Pierre.Azzi@oxbow.com>, Roy Schorsch <Roy.Schorsch@oxbow.com>, Scott Stewart <Scott.Stewart@oxbow.com>, Jason Musick <jason.musick@state.co.us>

Mr. Ludlow

You're correct that a bond adjustment is distinct from a bond release. Cost Estimates are reviewed and updated regularly, taking into account changes in unit costs (for example, labor rates, equipment costs, the price of diesel fuel, seed costs, etc.), as well as incorporating recent revisions, and correcting errors where necessary. Depending on fluctuations in unit costs, the amount of required bond can be adjusted up or down. It is outside the scope of the bond adjustment process to remove tasks from the Cost Estimate.

The updated Reclamation Cost Estimate that I sent last week is the first stage in adjusting the required bond amount for Terror Creek Loadout, i.e. the notification discussed in 3.02.2(4)(a). That rule also explicitly provides for an informal conference.

It might be helpful for us to discuss this on the phone, is there a convenient time for you to talk this morning?

**Leigh Simmons**

Environmental Protection Specialist



**COLORADO**

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