

November 6, 2019

MJ Cadgene  
P.O. Box 10  
Redvale, CO 81431



1313 Sherman Street, Room 215  
Denver, CO 80203

***RE: Cadgene Pit, Permit No. M-1983-158, Surety Reduction Request (SR-01) Approval***

Mrs. Cadgene:

The Division of Reclamation, Mining and Safety (Division) has approved your Surety Reduction Request (SR-01). Staff calculated an estimate (copy enclosed) of the actual current cost to complete reclamation at the site and determined that an adequate financial warranty shall be an amount of \$11,058.00. The financial warranty amount currently held by the Division is \$30,000.00. This is a reduction of \$18,942.00.

Please contact Gabriel Benvenuti at our Denver office, ph. 303-866-3567 ext. 8148, to make arrangements for replacement of the current financial warranty with a financial warranty in the reduced amount of \$11,058.00.

If you require additional information, or have questions or concerns, please contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Dustin Czapla'.

***Dustin Czapla***  
Environmental Protection Specialist  
Division of Reclamation, Mining and Safety  
Phone: (303) 866-3567, ext. 8188

Cc:

Jeff Hughes  
P.O Box 10  
Redvale, CO 81434

Jim Stover  
J.E. Stover and Associates, Inc.  
2352 North 7<sup>th</sup> Street, Unit B  
Grand Junction, CO 81501



## COST SUMMARY WORK

Task description: SR-01

Site: Cadgene Pit

Permit Action: 2019-11-06 SR-01

Permit/Job#: M1983158

### PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 11/6/2019

County: Montrose

Filename: M158-000

User: DMC

Agency or organization name: DRMS

### TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
01a	Finish grading/slope reduction	DOZER	1	3.53	\$803
02a	Topsoil placement	DOZER	1	2.96	\$673
03a	Revegetation	REVEGE	1	3.00	\$5,213
04a	Mobilization	MOBILIZE	1	3.04	\$2,625
<b><u>SUBTOTALS:</u></b>				<b>12.53</b>	<b>\$9,314</b>

### INDIRECT COSTS

#### OVERHEAD AND PROFIT:

Liability insurance: 2.02  
Performance bond: 1.05  
Job superintendent: 0.00  
Profit: 10.00

Total = \$188

Total = \$98

Total = \$0

Total = \$931

TOTAL O & P = \$1,217

CONTRACT AMOUNT (direct + O & P) = \$10,531

#### LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): \$0

Total = \$0

Engineering work and/or contract/bid preparation: 0.00

Total = \$0

Reclamation management and/or administration: 5.00

\$527

CONTINGENCY: 0.00

Total = \$0

TOTAL INDIRECT COST = \$1,744

**TOTAL BOND AMOUNT (direct + indirect) = \$11,058**

**BULLDOZER WORK**Task description: **Finish grading/slope reduction**Site: **Cadgene Pit**Permit Action: 2019-11-06 SR-01Permit/Job#: M1983158**PROJECT IDENTIFICATION**Task #: 01AState: ColoradoAbbreviation: NoneDate: 11/6/2019County: MontroseFilename: M158-01aUser: DMCAgency or organization name: DRMS**HOURLY EQUIPMENT COST**

Basic Machine: Cat D8T - 8SU  
 Horsepower: 310  
 Blade Type: Semi-Universal  
 Attachment: NA  
 Shift Basis: 1 per day  
 Data Source: (CRG)

**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	<u>\$103.86</u>	<u>NA</u>
Operating Cost/Hour:	<u>\$82.26</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>\$41.24</u>	<u>NA</u>
Total unit Cost/Hour:	<u>\$227.36</u>	
Total Fleet Cost/Hour:	<b><u>\$227.36</u></b>	

**MATERIAL QUANTITIES**

Initial Volume: 2,000  
 Swell factor: 1.000  
 Loose volume: **2,000 LCY**

Source 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: 1,400.0 LCY/hr

Materials consistency description: Compacted fill or embankment 0.9

Average push gradient: 0 %  
 Average site altitude: 6,300 feet

Material weight: 2,550 lbs/LCYWeight description: Earth - Dry packedJob 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:	1.000	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.902	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.4043

Adjusted unit  
production: 566.02 LCY/hr  
Adjusted fleet  
production: **566.02** LCY/hr

### **JOB TIME AND COST**

Fleet size: 1 Dozer(s)  
Unit cost: \$0.402/LCY

Total job time: **3.53** Hours  
Total job cost: **\$803**

**BULLDOZER WORK**Task description: **Topsoil placement**Site: **Cadgene Pit**Permit Action: **2019-11-06 SR-01**Permit/Job#: **M1983158****PROJECT IDENTIFICATION**Task #: **02A**State: **Colorado**Abbreviation: **None**Date: **11/6/2019**County: **Montrose**Filename: **M158-02a**User: **DMC**Agency or organization name: **DRMS****HOURLY EQUIPMENT COST**Basic Machine: **Cat D8T - 8SU**Horsepower: **310**Blade Type: **Semi-Universal**Attachment: **NA**Shift Basis: **1 per day**Data Source: **(CRG)****Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	\$103.86	NA
Operating Cost/Hour:	\$82.26	100
Ripper own.		
Cost/Hour:	\$0.00	NA
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$41.24	NA
Total unit Cost/Hour:	\$227.36	
Total Fleet Cost/Hour:	<b>\$227.36</b>	

**MATERIAL QUANTITIES**Initial Volume: **1,613**Swell factor: **1.000**Loose volume: **1,613 LCY**Source of estimated volume: **Division of Reclamation, Mining & Safety**Source of estimated swell factor: **Cat Handbook****HOURLY PRODUCTION**Average push distance: **150 feet**Unadjusted hourly production: **634.3 LCY/hr**Materials consistency description: **Loose stockpile 1.2**Average push gradient: **0 %**Average site altitude: **6,300 feet**Material weight: **1,600 lbs/LCY**Weight description: **Top Soil****Job Condition Correction Factor****Source**

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:	1.000	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	1.438	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.8593

Adjusted unit  
production: 545.05 LCY/hr  
Adjusted fleet  
production: **545.05** LCY/hr

### **JOB TIME AND COST**

Fleet size: 1 Dozer(s)  
Unit cost: \$0.417/LCY

Total job time: **2.96** Hours  
Total job cost: **\$673**

**REVEGETATION WORK**Task description: RevegetationSite: Cadgene PitPermit Action: 2019-11-06 SR-01Permit/Job#: M1983158**PROJECT IDENTIFICATION**Task #: 03AState: ColoradoAbbreviation: NoneDate: 11/6/2019County: MontroseFilename: M158-03aUser: DMCAgency 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
Disc harrowing, 6" deep (MEANS 32 91 13.23 6100)	\$101.93
Weed control spraying (MEANS 31 31 16.13 3100)	\$193.60
<b>Total Tilling Cost/Acre</b>	<b>\$295.53</b>

**SEEDING**

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Indian Ricegrass - Paloma	2.50	8.09	\$27.81
Galleta	1.20	4.38	\$26.82
Western Wheatgrass - Arriba	8.00	20.20	\$52.00
<b>Totals Seed Mix</b>	<b>11.70</b>	<b>32.67</b>	<b>\$106.63</b>

**Application**

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

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

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Straw, delivered {MEANS 31 25 14.16 1200}	2.00	TON	\$295.00	\$590.00
<b>Total Mulch Materials Cost/Acre</b>				<b>\$590.00</b>

**Application**

Description	Cost /Acre
Crimping, with tractor {DMG survey data}	\$70.17
Power mulcher (MEANS 32 91 13.16 0350)	\$95.83
<b>Total Mulch Application Cost/Acre</b>	<b>\$166.00</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 Cost /Acre: \$1,390.16  
 Estimated Failure Rate: 25% Cost /Acre\*: \$1,390.16  
 \*Selected Replanting Work Items: TILLING, SEEDING, MULCHING

Initial Job Cost: \$4,170.48  
 Reseeding Job Cost: \$1,042.62  
 Total Job Cost: \$5,213  
 Job Hours: 3.00



**EQUIPMENT MOBILIZATION/DEMOBILIZATION**Task description: **Mobilization**Site: **Cadgene Pit**Permit Action: **2019-11-06 SR-01**Permit/Job#: **M1983158****PROJECT IDENTIFICATION**Task #: **04A**State: **Colorado**Abbreviation: **None**Date: **11/6/2019**County: **Montrose**Filename: **M158-04a**User: **DMC**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:**

<b>Available Rig Capacities</b>	<b>0-25 Tons</b>	<b>26-50 Tons</b>	<b>51+ Tons</b>
Ownership Cost/Hour:	\$17.20	\$29.63	\$38.69
Operating Cost/Hour:	\$26.56	\$47.02	\$55.69
Operator Cost/Hour:	\$23.63	\$23.63	\$23.63
Helper Cost/Hour:	\$0.00	\$23.53	\$23.53
Total Unit Cost/Hour:	\$67.39	\$123.81	\$141.54

**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	47.71	\$103.86	\$123.81	1	\$227.67	\$123.81	\$250.00
Drill/Broadcast Seeder with Tractor	25.00	\$18.15	\$67.39	1	\$85.54	\$67.39	\$250.00
Power Mulcher (Bowie LD-90)	6.00	\$9.74	\$67.39	1	\$77.13	\$67.39	\$250.00

Subtotals: **\$390.34** **\$258.59** **\$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, 3/4 T.	\$12.96	1	\$12.96	\$12.96

Subtotals: **\$12.96** **\$12.96**

**EQUIPMENT HAUL DISTANCE and Time**

Nearest Major City or Town within project area region: NORWOOD  
 Total one-way travel distance: 13.00 miles  
 Average Travel Speed: 50.00 mph

Total Non-Roadable Mob/Demob Cost \* \$2,618.12  
 \*\* two round trips with haul rig:  
 Total Roadable Mob/Demob Cost \*\* \$6.74  
 \*\* one round trip, no haul rig:

**Transportation Cycle Time:**

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.26	0.26
Return Time (Hours):	0.26	0.26
Loading Time (Hours):	0.50	NA
Unloading Time (Hours):	0.50	NA
Subtotals:	1.52	0.52

**JOB TIME AND COST**

Total job time: 3.04 Hours

Total job cost: \$2,625