



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

May 28, 2020

Mr. Nick Simpson
Premier Moss Rock, LLC
5120 Windsor Ave
Enida, MN 55436

RE: Division's Financial Warranty Cost Estimates for Colorado Moss Rock (M2011-039)

Dear Mr. Simpson,

On May 21, 2020 the Division performed an inspection as part of the Succession of Operators request of the Colorado Moss Rock mine. As part of the inspection the financial warranty for the mine was calculated.

A copy of the mine's estimate is attached for your review. The Division will allow 14 days to review and comment on the bond estimate prior to issuing a surety increase notice for the Colorado Moss Rock mine. Once the surety increase is issued by the Division, the Operator will have 60 days to provide the additional financial warranty.

If you need additional information or have any questions, please contact me at Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at **303-866-3567 x8114**, or by email at patrick.lennberg@state.co.us.

Sincerely,

Patrick Lennberg
Environmental Protection Specialist

cc: Jared Ebert, DRMS

ec: Nick Simpson, Premier Moss Rock, LLC, njsimpson01@gmail.com



COST SUMMARY WORK

Task description: Cost Summary

Site: Colorado Moss Rock

Permit Action: 2020 Inspection

Permit/Job#: M2011039

PROJECT IDENTIFICATION

Task #: 999

State: Colorado

Abbreviation: None

Date: 5/27/2020

County: Pueblo

Filename: M039-999

User: JPL

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Seed Bed Preparation Hand Raking	REVEGE	1	8.00	\$1,797
002	Revegetation of 5 Acres Using Machines	REVEGE	1	8.00	\$8,720
003	Mob/Demob	MOBILIZE	1	3.94	\$1,620
<u>SUBTOTALS:</u>				19.94	\$12,137

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$245

Performance bond: 1.05

Total = \$127

Job superintendent: 8.00

Total = \$555

Profit: 10.00

Total = \$1,214

TOTAL O & P = \$2,141

CONTRACT AMOUNT (direct + O & P) = \$14,278

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): \$500

Total = \$500

Engineering work and/or contract/bid preparation: 4.25

Total = \$607

Reclamation management and/or administration: 5.00

\$714

CONTINGENCY: 0.00

Total = \$0

TOTAL INDIRECT COST = \$3,962

TOTAL BOND AMOUNT (direct + indirect) = \$16,099

REVEGETATION WORKTask description: Seed Bed Preparation Hand RakingSite: Colorado Moss RockPermit Action: 2020 InspectionPermit/Job#: M2011039PROJECT IDENTIFICATIONTask #: 001State: ColoradoAbbreviation: NoneDate: 5/27/2020County: PuebloFilename: 001User: JPLAgency or organization name: DRMSFERTILIZING**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
Hand raking (MEANS 32 91 13.23 0250)	\$1,437.48
Total Tilling Cost/Acre	\$1,437.48

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
			\$
Totals Seed Mix	0.00	0.00	\$0.00

Application

Description	Cost /Acre
	\$

Total Seed Application Cost/Acre	\$0.00
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MULCHING and MISCELLANEOUS**Materials**

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

Application

Description	Cost /Acre
	\$
Total Mulch Application Cost/Acre	\$0.00

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: <u>1</u>	Cost /Acre: <u>\$1,437.48</u>
Estimated Failure Rate: <u>25%</u>	Cost /Acre*: <u>\$1,437.48</u>
*Selected Replanting Work Items: <u>TILLING</u>	
Initial Job Cost: <u>\$1,437.48</u>	
Reseeding Job Cost: <u>\$359.37</u>	
Total Job Cost: <u>\$1,797</u>	
Job Hours: <u>8.00</u>	

REVEGETATION WORKTask description: **Revegetation of 5 Acres Using Machines**Site: **Colorado Moss Rock**Permit Action: 2020 InspectionPermit/Job#: M2011039**PROJECT IDENTIFICATION**Task #: 002State: ColoradoAbbreviation: NoneDate: 5/27/2020County: PuebloFilename: 002User: JPLAgency 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
Disc harrowing, 6" deep (MEANS 32 91 13.23 6100)	\$101.93
Weed control spraying (MEANS 31 31 16.13 3100)	\$193.60
Total Tilling Cost/Acre	\$295.53

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Canada Wildrye	10.00	26.40	\$108.40
Nodding Brome	10.00	24.91	\$85.00
White Clover - New Zealand	4.00	78.05	\$15.70
Streambank Wheatgrass - Sodar	11.00	35.86	\$62.70
Prairie Junegrass	1.00	53.15	\$26.00
Canada Bluegrass - Reubens	1.00	57.39	\$6.50
Totals Seed Mix	37.00	275.77	\$304.30

Application

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

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
Total Mulch Materials Cost/Acre				\$590.00

Application

Description	Cost /Acre
Crimping, with tractor {DMG survey data}	\$70.17
Total Mulch Application Cost/Acre	\$70.17

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:	<u>5</u>	Cost /Acre:	<u>\$1,527.22</u>
Estimated Failure Rate:	<u>25%</u>	Cost /Acre*:	<u>\$867.05</u>
*Selected Replanting Work Items:	<u>TILLING,SEEDING</u>		
Initial Job Cost:	<u>\$7,636.10</u>		
Reseeding Job Cost:	<u>\$1,083.81</u>		
Total Job Cost:	<u>\$8,720</u>		
Job Hours:	<u>8.00</u>		

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mob/Demob**Site: **Colorado Moss Rock**Permit Action: **2020 Inspection**Permit/Job#: **M2011039****PROJECT IDENTIFICATION**Task #: **003**State: **Colorado**Abbreviation: **None**Date: **5/27/2020**County: **Pueblo**Filename: **M039-003**User: **JPL**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:	\$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
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:					\$162.67	\$134.78	\$500.00

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:	<u>PUEBLO</u>	
Total one-way travel distance:	<u>32.00</u>	miles
Average Travel Speed:	<u>45.00</u>	mph

Total Non-Roadable Mob/Demob Cost *	<u>\$1,601.98</u>
** two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	<u>\$18.43</u>
** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>0.71</u>	<u>0.71</u>
Return Time (Hours):	<u>0.71</u>	<u>0.71</u>
Loading Time (Hours):	<u>0.50</u>	<u>NA</u>
Unloading Time (Hours):	<u>0.05</u>	<u>NA</u>
Subtotals:	<u>1.97</u>	<u>1.42</u>

JOB TIME AND COST

Total job time:	<u>3.94</u>	Hours
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Total job cost:	<u>\$1,620</u>
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