



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

June 18, 2020

Trent Stafford  
Seifert Enterprises, LLC  
198 Rangeview Loop  
Westcliffe, CO 81252

**RE: Cedarwood Clay Mine, Permit No. M1977-317, Financial Warranty Increase,  
Revision No. SI-02**

Dear Mr. Stafford,

On June 18, 2020 the Division of Reclamation, Mining and Safety increased the current Financial Warranty for the Cedarwood Clay Mine (M1977-317) to \$113,253.00, in accordance with Rule 4.2.1 of the Rules and Regulations. This is an increase of \$36,010.00.

The Division ordered amendment of the current Financial Warranty, or submittal of a new Financial Warranty reflecting the increase, is due within 60 days from the date of this letter, **August 17, 2020**.

Please make arrangements with Jeff Thompson at the Division's Denver office for submittal of the financial warranty. Any other questions regarding completion, execution and/or submittal of financial warranty forms should also be directed to Jeff. His phone number is 303-866-3567, extension 8138.

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](mailto:patrick.lennberg@state.co.us).

Sincerely,

Patrick Lennberg  
Environmental Protection Specialist

Enclosures: Financial Warranty Calculations

cc: Jared Ebert, DRMS  
Jeff Thompson, DRMS

ec: Trent Stafford, Seifert Enterprises, LLC, [trent@sbcompanies.com](mailto:trent@sbcompanies.com)  
Kenneth Klco, Azurite Inc., [kenneth.klco@gmail.com](mailto:kenneth.klco@gmail.com)



## COST SUMMARY WORK

Task description: \_\_\_\_\_

Site: Cedarwood Clay Mine

Permit Action: 2020Inspection

Permit/Job#: M1977317

### PROJECT IDENTIFICATION

Task #: 999

State: Colorado

Abbreviation: None

Date: 5/30/2020

County: Pueblo

Filename: M317-999

User: JPL

Agency or organization name: DRMS

### TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Grade 400ft of highwall to 3H:1V	DOZER	1	5.85	\$1,455
002	Spread 12 inches of topsoil over 24 acres	DOZER	1	188.49	\$45,237
003	Revegetation	REVEGE	1	24.00	\$35,111
004	Mobilization	MOBILIZE	1	4.84	\$3,337
<b><u>SUBTOTALS:</u></b>				<b>223.18</b>	<b>\$85,140</b>

### INDIRECT COSTS

#### OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$1,720
Performance bond:	1.05	Total =	\$894
Job superintendent:	100.00	Total =	\$6,939
Profit:	10.00	Total =	\$8,514
		TOTAL O & P =	\$18,067
		CONTRACT AMOUNT (direct + O & P) =	\$103,207

#### LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	\$500	Total =	\$500
Engineering work and/or contract/bid preparation:	4.25	Total =	\$4,386
Reclamation management and/or administration:	5.00		\$5,160
		CONTINGENCY:	0.00
		Total =	\$0
		TOTAL INDIRECT COST =	\$28,113
		<b>TOTAL BOND AMOUNT (direct + indirect) =</b>	<b>\$113,253</b>

**BULLDOZER WORK**Task description: Grade 400ft of highwall to 3H:1VSite: Cedarwood Clay MinePermit Action: 2020InspectionPermit/Job#: M1977317**PROJECT IDENTIFICATION**Task #: 001State: ColoradoAbbreviation: NoneDate: 5/30/2020County: PuebloFilename: 317-001User: JPLAgency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D8T - 8SUHorsepower: 310Blade Type: Semi-UniversalAttachment: 1-shank ripperShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	\$103.86	NA
Operating Cost/Hour:	\$82.26	100
Ripper own.		
Cost/Hour:	\$13.90	NA
Ripper op. Cost/Hour:	\$8.74	100
Operator Cost/Hour:	\$39.98	NA

Total unit Cost/Hour: \$248.73Total Fleet Cost/Hour: \$248.73**MATERIAL QUANTITIES**Initial Volume: 910Swell factor: 1.430Loose volume: 1,301 LCYSource of estimated volume: Calculated grade 400 ft highwall to 3H:1VSource of estimated swell factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 150 feetUnadjusted hourly production: 634.3 LCY/hrMaterials consistency description: Rock, poorly ripped or blasted 0.6Average push gradient: -10 %Average site altitude: 5,900 feetMaterial weight: 3,300 lbs/LCYWeight description: Decomposed rock - 75% Rock, 25% Earth**Job Condition Correction Factor**Operator Skill: 0.750Source  
(AVG.)

Material consistency:	0.600	(CAT HB)
Dozing method:	1.100	(50% SL)
Visibility:	1.000	(AVG.)
Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	1.000	(DOZ-OC)
Push gradient:	1.225	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.697	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.3508

Adjusted unit  
production: 222.51 LCY/hr

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Adjusted fleet  
production: **222.51** LCY/hr

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### **JOB TIME AND COST**

Fleet size: 1 Dozer(s)

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Unit cost: \$1.118/LCY

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Total job time: **5.85** Hours

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Total job cost: **\$1,455**

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**BULLDOZER WORK**Task description: Spread 12 inches of topsoil over 24 acresSite: Cedarwood Clay MinePermit Action: 2020InspectionPermit/Job#: M1977317**PROJECT IDENTIFICATION**Task #: 002State: ColoradoAbbreviation: NoneDate: 5/30/2020County: PuebloFilename: 317-002User: JPLAgency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D8T - 8SUHorsepower: 310Blade Type: Semi-UniversalAttachment: 1-shank ripperShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	\$103.86	NA
Operating Cost/Hour:	\$82.26	100
Ripper own.		
Cost/Hour:	\$13.90	NA
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$39.98	NA
Total unit Cost/Hour:	\$240.00	
Total Fleet Cost/Hour:	<b>\$240.00</b>	

**MATERIAL QUANTITIES**Initial Volume: 38,720Swell factor: 1.230Loose volume: **47,626 LCY**Source of estimated volume: Division of Reclamation, Mining & SafetySource of estimated swell factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 250 feetUnadjusted hourly production: 377.8 LCY/hrMaterials consistency description: Consolidated stockpile 1.0Average push gradient: -5 %Average site altitude: 5,900 feetMaterial weight: 2,100 lbs/LCYWeight description: Earth - Loam**Job Condition Correction Factor**Operator Skill: 0.750Source  
(AVG.)

Material consistency:	1.000	(CAT HB)
Dozing method:	1.100	(50% SL)
Visibility:	1.000	(AVG.)
Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.800	(FND-RF)
Push gradient:	1.115	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	1.095	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.6688

Adjusted unit production: 252.67 LCY/hr

Adjusted fleet production: **252.67** LCY/hr

### **JOB TIME AND COST**

Fleet size: 1 Dozer(s)

Unit cost: \$0.950/LCY

Total job time: **188.49** Hours

Total job cost: **\$45,237**

**REVEGETATION WORK**Task description: **Revegetation**Site: **Cedarwood Clay Mine**Permit Action: **2020Inspection**Permit/Job#: **M1977317****PROJECT IDENTIFICATION**Task #: **003**State: **Colorado**Abbreviation: **None**Date: **6/1/2020**County: **Pueblo**Filename: **317-003**User: **JPL**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
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
Blue Grama - Hachita	1.70	27.75	\$27.16
White Dutch Clover - Alice	0.50	9.76	\$3.35
Milk Vetch, Cicer - Lutana	2.60	8.65	\$21.32
Thickspike Wheatgrass - Critana	6.50	22.98	\$44.69
Western Wheatgrass - Arriba	4.50	11.36	\$29.25
<b>Totals Seed Mix</b>	<b>15.80</b>	<b>80.50</b>	<b>\$125.76</b>

**Application**

Description	Cost /Acre
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
Hay, 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
					\$
Totals Nursery Stock Cost / Acre					\$0.00

### **JOB TIME AND COST**

No. of Acres:	24	Cost /Acre:	\$1,409.29
Estimated Failure Rate:	15%	Cost /Acre*:	\$357.76
*Selected Replanting Work Items:	SEEDING		
Initial Job Cost:	\$33,822.96		
Reseeding Job Cost:	\$1,287.94		
Total Job Cost:	\$35,111		
Job Hours:	24.00		



**EQUIPMENT MOBILIZATION/DEMOBILIZATION**Task description: **Mobilization**Site: **Cedarwood Clay Mine**Permit Action: **2020Inspection**Permit/Job#: **M1977317****PROJECT IDENTIFICATION**Task #: **004**State: **Colorado**Abbreviation: **None**Date: **6/1/2020**County: **Pueblo**Filename: **317-004**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:**

<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	52.21	\$117.76	\$141.54	1	\$259.30	\$141.54	\$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: **\$421.97** **\$276.32** **\$750.00****ROADABLE EQUIPMENT:**

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
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Subtotals: **\$0.00** **\$0.00**

**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>\$3,337.06</u>
** two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	<u>\$0.00</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>0.50</u>	<u>NA</u>
Subtotals:	<u>2.42</u>	<u>1.42</u>

**JOB TIME AND COST**

Total job time:	<u>4.84</u>	Hours
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Total job cost:	<u>\$3,337</u>
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