

January 12, 2021

Jim Harrington Colorado Legacy Land, LLC 4601 DTC Blvd. - Suite 130 Denver, CO 80237

RE: Schwartzwalder Mine, Permit No. M-1977-300, 112d-2 Amendment Application (AM-5), Adequacy Review No. 4 – Bond Estimate

Mr. Harrington:

The Division of Reclamation, Mining and Safety (Division) has completed its 4th adequacy review of the materials submitted for the Amendment No. 5 application (AM-5). All comment and review periods for the application began on September 10, 2020, when the application was called complete for filing purposes. The decision date for the application is set for January 15, 2021.

After reviewing the operator's adequacy response submitted via email on January 12, 2021, the Division has completed a bond estimate (see enclosed) for the Black Forest Mine reclamation plan proposed in this application. The Division estimates the additional required financial warranty for AM-5 approval to be in the amount of \$15,880.00. Please review the enclosed estimate and submit any comments or your acceptance by **January 14, 2021**.

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

Sincerely,

Uny Erchluger

Amy Eschberger Environmental Protection Specialist

Encl: Division's bond estimate

Cc: Elizabeth Busby, Ensero Solutions US, Inc. Bill Ray, Ensero Solutions US, Inc. Paul Newman, Colorado Legacy Land, LLC Eric Williams, Colorado Legacy Land, LLC Michael Cunningham, DRMS

COST SUMMARY WORK

Task description:		Cost Summary					
Site:	Site: Schwartzwalder Mine		Permit Action:		AM-5 Exhibit L	Permit/Jol	o#:M1977300
<u>P</u>]	ROJECT	IDENTIFIC	ATION				
	Task #:	000	State:	Colorado		Abbreviation:	None
	Date:	1/12/2021	County:	Jefferson		Filename:	M300-000
	User:	AME					
	Age	ency or organiz	zation name: DI	RMS			

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Haul and place 4 tons rock at Black Forest Mine (\$650/ton)	NA	1	2.00	\$2,600
002	Haul and place 60 cy fill soil at Black Forest Mine (\$8/cy)	NA	1	1.00	\$480
003	Haul and place 161 cy topsoil at Black Forest Mine (\$14.5/cy)	NA	1	1.00	\$2,334
004	Seed 0.1 acre at Black Forest Mine	NA	1	1.00	\$45
005	Hydromulch 0.1 acre at 0.75 tons/acre at Black Forest Mine	NA	1	1.00	\$350
006	Mob/demob excavator, loader, dozer, haul truck	NA	4	2.00	\$3,640
007	Labor at \$42/hour for 48 hours, 3 workers	NA	1	40.00	\$2,016
		<u>SUBTC</u>)TALS:	48	\$11,466

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$232
Performance bond:	1.05	Total =	\$120
Job superintendent:	16.00	Total =	\$1,113
Profit:	10.00	Total =	\$1,147
		TOTAL O & P =	\$2,611
		CONTRACT AMOUNT (direct + O & P) = $\frac{1}{2}$	\$14,077

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	\$500	Total =	\$500
Engineering work and/or contract/bid preparation:	4.25	Total =	\$598
Reclamation management and/or administration:	5.00		\$704
CONTINGENCY:	0.00	Total =	\$0
	TOTAL I	NDIRECT COST =	\$4,414
TOTAL BO	\$15,880		