



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

1313 Sherman St. Room 215
Denver, CO 80203

August 27, 2021

Ryan Weimer
Weimer Ranches, LLLP
PO Box 590
Nucla, CO 81424

Re: File No. M-2021-045, Weimer Ranches #4 Mine, 110c Decision Letter - Financial and Performance Warranty Request - Construction Material Operation

Ryan Weimer:

On August 27, 2021, the Division of Reclamation, Mining and Safety approved your 110c mining permit application.

The amount of financial warranty set by the Division for this operation is \$33,105.00. You must submit a financial warranty in this amount and a performance warranty in order for us to issue the permit. In the event you have requested a financial warranty form, we have enclosed it in this letter. If you have not, please select a type of financial warranty from Rule 4.3. Then contact us so that we can provide you with the appropriate warranty form. We have enclosed a performance warranty form with this letter for your use.

Please make arrangements with Sara Stevenson-Benn at the Division of Reclamation, Mining and Safety Denver Office, phone no. 303.866.3567, ext. 8148 or sara.stevenson-benn@state.co.us for submittal of the financial and performance warranties. Any questions regarding completion, execution and/or submittal of financial and/or performance warranty forms should also be directed to Mrs. Stevenson-Benn.

PLEASE NOTE THAT MINING OPERATIONS MAY NOT COMMENCE UNTIL A PERMIT HAS BEEN ISSUED BY THE DIVISION AFTER RECEIPT OF YOUR FINANCIAL WARRANTY AND PERFORMANCE WARRANTY. A PERMIT WILL NOT BE ISSUED UNTIL WE VERIFY THE ADEQUACY OF BOTH YOUR FINANCIAL WARRANTY AND PERFORMANCE WARRANTY.



If you have any questions, please contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Dustin Czapla', with a long horizontal flourish extending to the right.

Dustin Czapla

Environmental Protection Specialist

Division of Reclamation, Mining and Safety

Phone: (303) 866-3567, ext. 8188

Enclosure:

Performance Warranty

2021-08-27 FW Estimate

COST SUMMARY WORK

Task description: Cost Summary

Site: Weimer Ranches #4 Mine

Permit Action: 2021-08-27 Initial Estimate

Permit/Job#: M2021045

PROJECT IDENTIFICATION

Task #: 000 State: Colorado Abbreviation: None
Date: 8/27/2021 County: Montrose Filename: M045-000
User: DMC

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
01a	Cut and Fill HW to 3H:1V	DOZER	1	13.25	\$3,132
02a	Distribute topsoil	DOZER	1	12.21	\$2,887
03a	Reveg Disturbed Area	REVEGE	1	10.00	\$19,394
04a	Mobilize Reclamation Crew/Equipment	MOBILIZE	1	2.57	\$2,471
<u>SUBTOTALS:</u>				38.03	\$27,884

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$563
Performance bond:	1.05	Total =	\$293
Job superintendent:	0.00	Total =	\$0
Profit:	10.00	Total =	\$2,788

TOTAL O & P = \$3,644

CONTRACT AMOUNT (direct + O & P) = \$31,528

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	<u>\$0</u>	Total =	<u>\$0</u>
Engineering work and/or contract/bid preparation:	<u>0.00</u>	Total =	<u>\$0</u>
Reclamation management and/or administration:	<u>5.00</u>		<u>\$1,576</u>

CONTINGENCY: 0.00 Total = \$0

TOTAL INDIRECT COST = \$5,221

TOTAL BOND AMOUNT (direct + indirect) = \$33,105

BULLDOZER WORKTask description: **Cut and Fill HW to 3H:1V**Site: **Weimer Ranches #4 Mine**Permit Action: 2021-08-27 Initial
Estimate

Permit/Job#: M2021045

PROJECT IDENTIFICATIONTask #: 01A
Date: 8/27/2021
User: DMCState: Colorado
County: MontroseAbbreviation: None
Filename: M045-01a

Agency or organization name: DRMS

HOURLY EQUIPMENT COSTBasic 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:	\$97.46	NA
Operating Cost/Hour:	\$97.63	100
Ripper own. Cost/Hour:	\$0.00	NA
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$41.30	NA
Total unit Cost/Hour:	\$236.39	
Total Fleet Cost/Hour:	\$236.39	

MATERIAL QUANTITIESInitial Volume: 7,500
Swell factor: 1.000
Loose volume: **7,500 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/hrMaterials consistency description: **Compacted fill or embankment 0.9**Average push gradient: 0 %
Average site altitude: 5,780 feet

Material weight: 2,550 lbs/LCY

Weight description: Earth - Dry packed

Job 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

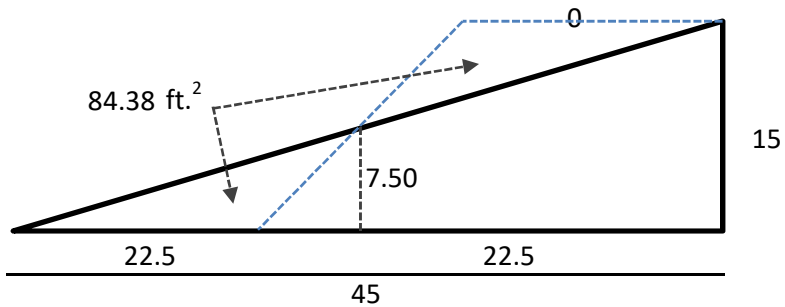
Fleet size: 1 Dozer(s)
Unit cost: \$0.418/LCY

Total job time: **13.25** Hours
Total job cost: **\$3,132**

Highwall reduction - cut and fill

Highwall Height (ft.)	15.0	
Length of Highwall (lft.)	2400	
 Initial Slope	0.0	H:1V
 Desired Slope	3	H:1V
Volume of material to be moved (ft. ³)	202,500	
Volume of material to be moved (yd. ³)	7,500	

All dimensions measured in feet
Drawing not to scale



BULLDOZER WORKTask description: **Distribute topsoil**Site: **Weimer Ranches #4 Mine**Permit Action: 2021-08-27 Initial
Estimate

Permit/Job#: M2021045

PROJECT IDENTIFICATIONTask #: 02A
Date: 8/27/2021
User: DMCState: Colorado
County: MontroseAbbreviation: None
Filename: M045-02a

Agency or organization name: DRMS

HOURLY EQUIPMENT COSTBasic 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:	\$97.46	NA
Operating Cost/Hour:	\$97.63	100
Ripper own. Cost/Hour:	\$0.00	NA
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$41.30	NA
Total unit Cost/Hour:	\$236.39	
Total Fleet Cost/Hour:	\$236.39	

MATERIAL QUANTITIESInitial Volume: 5,162
Swell factor: 1.000
Loose volume: **5,162 LCY**

Source of estimated volume: 9.6 ac. x 4"

Source of estimated swell
factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 200 feet
Unadjusted hourly
production: 491.9 LCY/hr

Materials consistency description: Loose stockpile 1.2

Average push
gradient: 0 %
Average site altitude: 5,780 feet

Material weight: 1,600 lbs/LCY

Weight description: Top Soil

Job Condition Correction FactorSource

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: 422.69 LCY/hr
Adjusted fleet
production: **422.69** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)
Unit cost: \$0.559/LCY

Total job time: **12.21** Hours
Total job cost: **\$2,887**

REVEGETATION WORKTask description: **Reveg Disturbed Area**Site: **Weimer Ranches #4 Mine**Permit Action: 2021-08-27 Initial EstimatePermit/Job#: M2021045**PROJECT IDENTIFICATION**Task #: 03A
Date: 8/27/2021
User: DMCState: Colorado
County: MontroseAbbreviation: None
Filename: M045-03aAgency 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)	\$114.56
Weed control spraying (MEANS 31 31 16.13 3100)	\$290.40
Total Tilling Cost/Acre	\$404.96

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Blue Grama - Native	0.40	6.53	\$5.49
Indian Ricegrass - Native	2.00	6.47	\$13.00
Buffalograss - Native/Plains	12.00	11.57	\$144.80
Western Wheatgrass - Native	4.00	10.10	\$24.00
Totals Seed Mix	18.40	34.67	\$187.29

Application

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

MULCHING and MISCELLANEOUS**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Straw, delivered {MEANS 31 25 14.16 1200}	2.00	TON	\$307.02	\$614.04
Total Mulch Materials Cost/Acre				\$614.04

Application

Description	Cost /Acre
Crimping, with tractor {DMG survey data}	\$71.57
Power mulcher (MEANS 32 91 13.16 0350)	\$106.29
Total Mulch Application Cost/Acre	\$177.86

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:	9.6	Cost /Acre:	\$1,616.15
Estimated Failure Rate:	25%	Cost /Acre*:	\$1,616.15
*Selected Replanting Work Items:	TILLING, SEEDING, MULCHING		
Initial Job Cost:	\$15,515.04		
Reseeding Job Cost:	\$3,878.76		
Total Job Cost:	\$19,394		
Job Hours:	10.00		

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mobilize Reclamation Crew/Equipment**Site: **Weimer Ranches #4 Mine** Permit Action: 2021-08-27 Initial EstimatePermit/Job#: M2021045**PROJECT IDENTIFICATION**

Task #: 04A State: Colorado Abbreviation: None
 Date: 8/27/2021 County: Montrose Filename: M045-04a
 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:**

Available Rig Capacities	0-25 Tons	26-50 Tons	51+ Tons
Ownership Cost/Hour:	\$21.28	\$37.94	\$47.67
Operating Cost/Hour:	\$26.55	\$50.48	\$56.21
Operator Cost/Hour:	\$20.54	\$20.54	\$20.54
Helper Cost/Hour:	\$0.00	\$23.53	\$23.53
Total Unit Cost/Hour:	\$68.37	\$132.49	\$147.95

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	\$97.46	\$132.49	1	\$229.95	\$132.49	\$250.00
Drill/Broadcast Seeder with Tractor	25.00	\$7.98	\$68.37	1	\$76.35	\$68.37	\$250.00
Power Mulcher (Bowie LD-90)	6.00	\$14.98	\$68.37	1	\$83.35	\$68.37	\$250.00

Subtotals: **\$389.65** **\$269.23** **\$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.	\$12.93	1	\$12.93	\$12.93

Subtotals: **\$12.93** **\$12.93**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	NATURITA	
Total one-way travel distance:	5.00	miles
Average Travel Speed:	35.00	mph

Total Non-Roadable Mob/Demob Cost *	\$2,467.55
** two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	\$3.69
** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.14	0.14
Return Time (Hours):	0.14	0.14
Loading Time (Hours):	0.50	NA
Unloading Time (Hours):	0.50	NA
Subtotals:	1.29	0.29

JOB TIME AND COST

Total job time:	2.57	Hours
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Total job cost:	\$2,471
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COLORADO
Division of Reclamation,
Mining and Safety
Department of Natural Resources

1313 Sherman St. Room 215
Denver, CO 80203

PERFORMANCE WARRANTY

Permittee/Operator: Weimer Ranches, LLLP

Operation known as: Weimer Ranches #4 Mine

Permit No: M-2021-045

This form is approved by the Colorado Mined Land Reclamation Board (“Board”) pursuant to C.R.S. 34-32-117 of the Colorado Mined Land Reclamation Act and C.R.S. 34-32.5-117 of the Colorado Land Reclamation Act for the Extraction of Construction Materials.

All parties are on Notice from this Document that:

The above listed Operator provides this warranty to the Board in conjunction with a reclamation Permit to conduct the above described mining operation on certain lands in Colorado. The “Affected Lands” are described in the above listed reclamation Permit, and include any Permit Amendment(s) approved by the Division of Reclamation Mining and Safety (“Division”).

The Colorado Mined Land Reclamation Act, C.R.S. 34-32-101 *et seq.* (“Hard Rock Act”), and the Colorado Land Reclamation Act for the Extraction of Construction Materials, C.R.S. 34-32.5-101 *et seq.* (“Construction Materials Act”), both require a permit issued by the Board to include a written promise by the Operator to comply with all requirements of the Hard Rock and Construction Materials Acts (referred to herein together as “Acts”).

Through the terms and conditions of this performance warranty and Permit, the Operator agrees to be bound by all requirements of the Acts and all Mineral Rules and Regulations of the Board for Hard Rock, Metal, and Designated Mining Operations (2 C.C.R. 407-1) and all Mineral Rules and Regulations of the Board for the Extraction of Construction Materials (2 C.C.R. 407-4) (referred to herein together as “Rules”).

The Operator hereby provides the Board warranties of performance pursuant to C.R.S. 34-32-117(2), (3), and (4)/C.R.S. 34-32.5-117(2), (3), and (4), and promises the Board it will comply with all applicable requirements of the Acts and Rules.

The Operator hereby promises the Board it will comply with all of the terms of the reclamation Permit, including any Permit Amendment(s) approved by the Division. This performance warranty obligation of the Operator shall continue until the Operator’s liability is released by the Board.



The Operator promises to be responsible for reclamation costs up to the amount established by the Board and incorporates its financial warranty to this performance warranty. The Operator agrees to maintain a financial warranty (or warranties) in good standing for the reclamation costs for the entire life of the Permit. The amount of the financial warranty shall be sufficient to assure the completion of reclamation of affected lands if the Division has to complete such reclamation due to forfeiture. If the Board determines the Operator is in default under this performance warranty and the Operator fails to cure such default, the Operator's financial warranty shall be subject to forfeiture pursuant to C.R.S. 34-32-118/34-32.5-118.

This performance warranty by the Operator is perpetual and shall remain in full force and effect until all obligations have been met and all associated financial warranty is released by the Board. Any release of liability in a succession of Operators shall comply with C.R.S. 34-32-119/34-32.5-119.

The provisions hereof shall bind and inure to the benefit of the parties hereto and their successors and assigns.

SIGNED, SEALED AND DATED this _____ day of _____, 20_____.

Operator: _____

Signature: _____

Name: _____

Title: _____

NOTARIZATION OF OPERATOR'S ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20_____
(Day) (Month) (Year)
by _____ as _____
(Name) (Title)
of _____.
(Operator)

NOTARY PUBLIC

My Commission expires: _____

APPROVED:
State of Colorado
Mined Land Reclamation Board
Division of Reclamation, Mining and Safety

By: _____ Date: _____
Division Director