



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

September 27, 2021

Fred Orr
Baculite Mesa, LLC.
5040 Acoma Street
Denver, CO 80216

RE: Baculite Mesa Pit, Permit No. M1997-011, Financial Warranty Increase, Revision No. SI-1

Dear Mr. Orr,

On September 27, 2021 the Division of Reclamation, Mining and Safety (DRMS) increased the current Financial Warranty for the Baculite Mesa Pit (M1997-011) to \$106,200.00, in accordance with Rule 4.2.1 of the Rules and Regulations. This is an increase of \$46,200.00.

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, **November 26, 2021**.

Please make arrangements with Sara Stevenson-Benn 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 Sara. Her phone number is 303-866-3567 or by email at sara.stevenson-benn@state.co.us.

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

Enclosures: Financial Warranty Cost Estimate Summary

cc: Jared Ebert, DRMS
Sara Stevenson-Benn, DRMS

ec: Fred Orr, Baculite Mesa, LLC., fred@5040group.com
Steve O'Brian, Environment Inc., Environment-inc@outdrs.net



Enclosure

COST SUMMARY WORK

Task description: Cost Summary

Site: Baculite Mesa Pit

Permit Action: Insp 2021

Permit/Job#: M1997011

PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 9/9/2021

County: Pueblo

Filename: M011-000

User: JPL

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Grade Highwall to 3:1	DOZER	1	27.31	\$6,890
002	Spread Topsoil 6" over 38 acres	SCRAPER1	1	11.85	\$23,954
003	Reveg	REVEGE	1	25.00	\$40,473
004	Mob/Demob	MOBILIZE	1	2.44	\$8,708
<u>SUBTOTALS:</u>				66.6	\$80,025

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02
Performance bond: 1.05
Job superintendent: 33.30
Profit: 10.00

Total = \$1,617

Total = \$840

Total = \$2,399

Total = \$8,002

TOTAL O & P = \$12,858

CONTRACT AMOUNT (direct + O & P) = \$92,883

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

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

Total = \$500

Engineering work and/or contract/bid preparation: 8.00

Total = \$7,431

Reclamation management and/or administration: 5.81

\$5,396

CONTINGENCY: 0.00

Total = \$0

TOTAL INDIRECT COST = \$26,185

TOTAL BOND AMOUNT (direct + indirect) = \$106,210