



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

April 25, 2022

James Blair  
Bureau of Land Management  
Tres Rios Field Office  
29211 HWY 184  
Dolores, CO 81323

**Re: Wedding Bell Project (Groundhog Area), File No. P-2021-008, Notice of Intent to Conduct Prospecting Operations (NOI), Request for Concurrence**

Dear Mr. Blair,

On June 2, 2021 the Division of Reclamation, Mining and Safety received the above listed application for the Wedding Bell Project (Groundhog Area) Notice of Intent to Conduct Prospecting Operations (NOI) located on Bureau of Land Management Lands (BLM) within San Miguel County. During the Division's technical Adequacy Review period a Reclamation Cost Estimate was performed. Based on the details of the project, Division Staff has estimated the total Reclamation Cost to ensure reclamation of all affected lands at \$6,163.00. The Reclamation Cost Estimate Worksheets are enclosed. Per the Memorandum of Understanding, please review these calculations and provide documentation of concurrence for the Financial Warranty amount.

Upon receiving concurrence, the calculation will be provided to the applicant so they may submit the appropriate Financial Warranty for the site. Please note the application will not be granted the final Authorization to Proceed from our office until all necessary permits are also obtained from the BLM and copies are provided to the Division. If you have any questions please feel free to contact me at the Division's Grand Junction Field Office, by phone at 303-866-3567 Ext. 8187 or by email at [lucas.west@state.co.us](mailto:lucas.west@state.co.us).

Sincerely,

**Lucas West**  
Environmental Protection Specialist  
Division of Reclamation, Mining and Safety

Encl: Reclamation Cost Estimate Worksheets

Cc: Jim Guilinger, Standard Metals Processing, Inc.



## COST SUMMARY WORK

Task description: Cost Summary

Site: Wedding Bell Project Permit Action: New App Permit/Job#: P2021008  
(Groundhog Area)

### PROJECT IDENTIFICATION

Task #: 000 State: Colorado Abbreviation: None  
Date: 4/25/2022 County: San Miguel Filename: P008-000  
User: LJW

Agency or organization name: DRMS

### TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	P & A Drill holes	BOREHOLE	1	16.00	\$379
002	Regrade drill pads and roads	DOZER	1	2.27	\$394
003	Revegetate Affected Lands	REVEGE	1	12.00	\$1,120
003a	Secondary Seeding of Affected Lands	REVEGE	1	12.00	\$1,120
004	Mobilization	MOBILIZE	1	4.48	\$1,326
<b><u>SUBTOTALS:</u></b>				<b>46.75</b>	<b>\$4,339</b>

### INDIRECT COSTS

#### OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$88
Performance bond:	1.05	Total =	\$46
Job superintendent:	13.37	Total =	\$963
Profit:	10.00	Total =	\$434
		TOTAL O & P =	\$1,530
		CONTRACT AMOUNT (direct + O & P) =	\$5,869

#### LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	\$0	Total =	\$0
Engineering work and/or contract/bid preparation:	0.00	Total =	\$0
Reclamation management and/or administration:	5.00		\$293

CONTINGENCY: 0.00 Total = \$0

TOTAL INDIRECT COST = \$1,824

**TOTAL BOND AMOUNT (direct + indirect) = \$6,163**

## BOREHOLE SEALING WORK

Task description: P & A Drill holes

**Wedding Bell Project**  
Site: (Groundhog Area)

Permit Action:

New App

Permit/Job#: P2021008

### PROJECT IDENTIFICATION

Task #: 001  
Date: 4/25/2022  
User: LJW

State: Colorado  
County: San Miguel

Abbreviation: None  
Filename: P008-001

Agency or organization name: DRMS

### UNIT COSTS

Borehole Description	Sealing/Item Method	Diameter	Length	Quantity	Unit	Unit Cost	Total Cost
Hole 1- Spider Plug	Stainless steel plug - 6 in. diameter borehole	6	NA	1.00	EA	\$159.72	\$159.72
Hole 1- Bentonite seal	Bentonite seal - 6 in. (labor, equip, materials)	6	4.75	4.75	LF	\$6.32	\$30.02
Hole 2- Spider Plug	Stainless steel plug - 6 in. diameter borehole	6	NA	1.00	EA	\$159.72	\$159.72
Hole 2- Bentonite Seal	Bentonite seal - 6 in. (labor, equip, materials)	6	4.75	4.75	LF	\$6.32	\$30.02

**Job Hours:** 16.00

**Total Cost:** \$379.00

**BULLDOZER WORK**Task description: **Regrade drill pads and roads**

Site: **Wedding Bell Project** Permit Action: **Permit Action:**  
**(Groundhog Area)** **New App** Permit/Job#: **P2021008**

**PROJECT IDENTIFICATION**

Task #: 002 State: Colorado Abbreviation: None  
 Date: 4/25/2022 County: San Miguel Filename: P008-002  
 User: LJW

Agency or organization name: DRMS**HOURLY EQUIPMENT COST**

Basic Machine: Cat D6T LGP  
 Horsepower: 200  
 Blade Type: Straight  
 Attachment: NA  
 Shift Basis: 1 per day  
 Data Source: (CRG)

**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	\$66.27	NA
Operating Cost/Hour:	\$66.34	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:	\$173.91	
Total Fleet Cost/Hour:	<b>\$173.91</b>	

**MATERIAL QUANTITIES**

Initial Volume: 315  
 Swell factor: 1.000  
 Loose volume: **315 LCY**

Source of estimated volume: 50 x 50 drill pad, 350 LF x 10 ft road  
 Source of estimated swell factor: Cat Handbook

**HOURLY PRODUCTION**

Average push distance: 50 feet  
 Unadjusted hourly production: 444.6 LCY/hr

Materials consistency description: Loose stockpile 1.2

Average push gradient: 0 %  
 Average site altitude: 6,870 feet

Material weight: 3,300 lbs/LCYWeight description: Decomposed rock - 75% Rock, 25% Earth

Job Condition Correction Factor

		<u>Source</u>
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:	0.600	(FND-SF)
Push gradient:	1.000	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.697	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.3124

Adjusted unit  
production: 138.89 LCY/hr

Adjusted fleet  
production: **138.89** LCY/hr

**JOB TIME AND COST**

Fleet size: 1 Dozer(s)

Unit cost: \$1.252/LCY

Total job time: **2.27** Hours

Total job cost: **\$394**

**REVEGETATION WORK**Task description: Revegetate Affected Lands

Site: Wedding Bell Project (Groundhog Area)
 Permit Action: New App
 Permit/Job#: P2021008

**PROJECT IDENTIFICATION**

Task #: 003 State: Colorado Abbreviation: None  
 Date: 4/25/2022 County: San Miguel Filename: P008-003  
 User: LJW

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
Hand raking (MEANS 32 91 13.23 0250)	\$1,546.38
<b>Total Tilling Cost/Acre</b>	<b>\$1,546.38</b>

**SEEDING**

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Blue Grama - Native	0.48	7.83	\$6.59
Indian Ricegrass - Native	3.71	12.01	\$24.12
Sand Dropseed	0.07	8.36	\$0.68
Bottlebrush Squirreltail	2.04	8.99	\$33.10
Galleta	2.47	9.02	\$55.20
Muttongrass	0.10	2.07	\$3.44
Sagebrush, Mountain or Big	0.10	5.28	\$1.98
Saltbush, Four Wing	0.25	0.34	\$3.13
Winter Fat	0.25	0.64	\$5.13

<b>Totals Seed Mix</b>	9.47	54.54	<b>\$133.35</b>
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**Application**

<b>Description</b>	<b>Cost /Acre</b>
Push spreader (MEANS 32 92 19.14 0020)	\$1,821.68
<b>Total Seed Application Cost/Acre</b>	<b>\$1,821.68</b>

**MULCHING and MISCELLANEOUS****Materials**

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

**Application**

<b>Description</b>	<b>Cost /Acre</b>
	\$
<b>Total Mulch Application Cost/Acre</b>	<b>\$0.00</b>

**NURSERY STOCK PLANTING**

<b>Common Name</b>	<b>No / Acre</b>	<b>Type and Size</b>	<b>Planting Cost</b>	<b>Fertilizer Pellet Cost</b>	<b>Cost /Acre</b>
					\$
<b>Totals Nursery Stock Cost / Acre</b>					<b>\$0.00</b>

**JOB TIME AND COST**

No. of Acres:	0.2	Cost /Acre:	\$3,501.41
Estimated Failure Rate:	60%	Cost /Acre*:	\$3,501.41
*Selected Replanting Work Items:	TILLING,SEEDING		
Initial Job Cost:	<b>\$700.28</b>		
Reseeding Job Cost:	<b>\$420.17</b>		
Total Job Cost:	<b>\$1,120</b>		
Job Hours:	<b>12.00</b>		

**REVEGETATION WORK**Task description: Secondary Seeding of Affected LandsSite: Wedding Bell Project  
(Groundhog Area)Permit Action: New AppPermit/Job#: P2021008**PROJECT IDENTIFICATION**Task #: 003AState: ColoradoAbbreviation: NoneDate: 4/27/2022County: San MiguelFilename: P008-003aUser: LJWAgency 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
Hand raking (MEANS 32 91 13.23 0250)	\$1,546.38
<b>Total Tilling Cost/Acre</b>	<b>\$1,546.38</b>

**SEEDING**

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Blue Grama - Native	0.48	7.83	\$6.59
Indian Ricegrass - Native	3.71	12.01	\$24.12
Sand Dropseed	0.07	8.36	\$0.68
Bottlebrush Squirreltail	2.04	8.99	\$33.10
Galleta	2.47	9.02	\$55.20
Muttongrass	0.10	2.07	\$3.44
Sagebrush, Mountain or Big	0.10	5.28	\$1.98
Saltbush, Four Wing	0.25	0.34	\$3.13
Winter Fat	0.25	0.64	\$5.13



<b>Totals Seed Mix</b>	9.47	54.54	<b>\$133.35</b>
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**Application**

Description	Cost /Acre
Push spreader (MEANS 32 92 19.14 0020)	\$1,821.68
<b>Total Seed Application Cost/Acre</b>	<b>\$1,821.68</b>

**MULCHING and MISCELLANEOUS****Materials**

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

**Application**

Description	Cost /Acre
	\$
<b>Total Mulch Application Cost/Acre</b>	<b>\$0.00</b>

**NURSERY STOCK PLANTING**

Common Name	No / Acre	Type and Size	Planting Cost	Fertilizer Pellet Cost	Cost /Acre
					\$
<b>Totals Nursery Stock Cost / Acre</b>					<b>\$0.00</b>

**JOB TIME AND COST**

No. of Acres:	0.2	Cost /Acre:	\$3,501.41
Estimated Failure Rate:	60%	Cost /Acre*:	\$3,501.41
*Selected Replanting Work Items:	TILLING,SEEDING		
Initial Job Cost:	<b>\$700.28</b>		
Reseeding Job Cost:	<b>\$420.17</b>		
Total Job Cost:	<b>\$1,120</b>		
Job Hours:	<b>12.00</b>		

**EQUIPMENT MOBILIZATION/DEMOBILIZATION**Task description: **Mobilization**

Site: **Wedding Bell Project** Permit Action:                       
**(Groundhog Area)** New App Permit/Job#: P2021008

**PROJECT IDENTIFICATION**

Task #: 004 State: Colorado Abbreviation: None  
 Date: 4/25/2022 County: San Miguel Filename: P008-004  
 User: LJW

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:	\$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 D6T LGP	26.87	\$66.27	\$132.49	1	\$198.76	\$132.49	\$250.00
Subtotals:					<b>\$198.76</b>	<b>\$132.49</b>	<b>\$250.00</b>

**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:			<b>\$12.93</b>	<b>\$12.93</b>

**EQUIPMENT HAUL DISTANCE and Time**

Nearest Major City or Town within project area region:	NATURITA	
Total one-way travel distance:	28.00	miles
Average Travel Speed:	45.00	mph

Total Non-Roadable Mob/Demob Cost *	\$1,309.74
** two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	\$16.09
** one round trip, no haul rig:	

**Transportation Cycle Time:**

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.62	0.62
Return Time (Hours):	0.62	0.62
Loading Time (Hours):	0.50	NA
Unloading Time (Hours):	0.50	NA
Subtotals:	2.24	1.24

**JOB TIME AND COST**

Total job time:	4.49	Hours
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Total job cost:	\$1,326
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