



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

June 27, 2023

Bridget Wade
Bureau of Land Management
Tres Rios Field Office
161 Burnett Drive, Unit 4
Durango, CO
81301

Re: Wedding Bell Project (Groundhog Area), File No. P-2023-009, Notice of Intent to Conduct Prospecting Operations (NOI), Request for Concurrence

Dear Ms. Wade,

On May 19, 2023 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 \$8,503.00. 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.

Sincerely,

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

Encl: Reclamation Cost Estimate Worksheets

Ec: Jim Guilinger, Standard Metals Processing, Inc.
Tony Adkins



COST SUMMARY WORK

Task description: Cost Summary

Site: Wedding Bell Project
(Groundhog Area)

Permit Action: New App

Permit/Job#: P2023009

PROJECT IDENTIFICATION

Task #: 000
Date: 6/27/2023
User: LJW

State: Colorado
County: San Miguel

Abbreviation: None
Filename: P009-000

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	8.00	\$314
002	Regrade Pads	DOZER	1	6.42	\$1,232
003	Grade Access Roads	DOZER	1	4.44	\$851
004	Rip compacted areas	RIPPER	1	1.06	\$210
005	Revegetation	REVEGE	1	16.00	\$585
006	Secondary Seeding	REVEGE	1	8.00	\$288
007	Mobilization	MOBILIZE	1	4.48	\$2,074
<u>SUBTOTALS:</u>				48.4	\$5,554

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$112
Performance bond:	1.05	Total =	\$58
Job superintendent:	24.20	Total =	\$1,818
Profit:	10.00	Total =	\$555
		TOTAL O & P =	\$2,544
		CONTRACT AMOUNT (direct + O & P) =	\$8,098

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		\$405

CONTINGENCY: 0.00 Total = \$0

TOTAL INDIRECT COST = \$2,949

TOTAL BOND AMOUNT (direct + indirect) = \$8,503

BOREHOLE SEALING WORK

Task description: P & A Drill Holes

Site: Wedding Bell Project Permit Action: New App Permit/Job#: P2023009
(Groundhog Area)

PROJECT IDENTIFICATION

Task #: 001 State: Colorado Abbreviation: None
Date: 6/27/2023 County: San Miguel Filename: P009-001
User: LJW
Agency or organization name: DRMS

UNIT COSTS

Borehole Description	Sealing/Item Method	Diameter	Length	Quantity	Unit	Unit Cost	Total Cost
Exploration holes x 8	Bentonite seal - 6 in. (labor, equip, materials)	5.5	5	40.00	LF	\$6.32	\$252.80
Spider Plug	PVC plug - 6 in. diameter borehole	5.5	NA	1.00	EA	\$61.43	\$61.43

Job Hours: 8.00 Total Cost: \$314.00

BULLDOZER WORKTask description: **Regrade Pads**

Site: **Wedding Bell Project** Permit Action: **Permit/Job#: P2023009**
(Groundhog Area) **New App**

PROJECT IDENTIFICATION

Task #: 002 State: Colorado Abbreviation: None
 Date: 6/27/2023 County: San Miguel Filename: P009-002
 User: LJW

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

Basic Machine: Cat D6T LGP
 Horsepower: 200
 Blade Type: Straight
 Attachment: 3-shank ripper
 Shift Basis: 1 per day
 Data Source: (CRG)

Cost Breakdown:

		<u>Utilization %</u>
Ownership Cost/Hour:	\$75.83	NA
Operating Cost/Hour:	\$66.34	100
Ripper own. Cost/Hour:	\$8.37	NA
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$41.30	NA
Total unit Cost/Hour:	\$191.84	
Total Fleet Cost/Hour:	\$191.84	

MATERIAL QUANTITIES

Initial Volume: 1,111
 Swell factor: 1.000
 Loose volume: **1,111 LCY**

Source of estimated volume: 8 pads, 2500 SQ Ft. Each, 1.5 Depth Avg /27 for CY
 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: 2,650 lbs/LCY

Weight description: **Decomposed rock - 25% Rock, 75% Earth****Job Condition Correction Factor****Source**

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:	0.868	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.3890

Adjusted unit
production: 172.95 LCY/hr
Adjusted fleet
production: **172.95** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)
Unit cost: \$1.109/LCY

Total job time: **6.42** Hours
Total job cost: **\$1,232**

BULLDOZER WORKTask description: **Grade Access Roads**

Site: **Wedding Bell Project** Permit Action: **Permit Action:**
(Groundhog Area) **New App** Permit/Job#: **P2023009**

PROJECT IDENTIFICATION

Task #: **003** State: **Colorado** Abbreviation: **None**
 Date: **6/27/2023** County: **San Miguel** Filename: **P009-003**
 User: **LJW**

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

Basic Machine: **Cat D6T LGP**
 Horsepower: **200**
 Blade Type: **Straight**
 Attachment: **3-shank ripper**
 Shift Basis: **1 per day**
 Data Source: **(CRG)**

Cost Breakdown:

		<u>Utilization %</u>
Ownership Cost/Hour:	\$75.83	NA
Operating Cost/Hour:	\$66.34	100
Ripper own. Cost/Hour:	\$8.37	NA
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$41.30	NA
Total unit Cost/Hour:	\$191.84	
Total Fleet Cost/Hour:	\$191.84	

MATERIAL QUANTITIES

Initial Volume: **895**
 Swell factor: **1.000**
 Loose volume: **895 LCY**

Source of estimated volume: **30% of total based on overland travel, compl. resp. pg2**
 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: **2,650 lbs/LCY**Weight description: **Decomposed rock - 25% Rock, 75% Earth**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:	0.700	(FND-MF)
Push gradient:	1.000	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.868	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.4539

Adjusted unit
production: 201.80 LCY/hr
Adjusted fleet
production: **201.8 LCY/hr**

JOB TIME AND COST

Fleet size: 1 Dozer(s)
Unit cost: \$0.951/LCY

Total job time: **4.44 Hours**
Total job cost: **\$851**

BULLDOZER RIPPING WORK

Task description: Rip compacted areas

Site: Wedding Bell Project Permit Action: New App Permit/Job#: P2023009
(Groundhog Area)

PROJECT IDENTIFICATION

Task #: 004 State: Colorado Abbreviation: None
Date: 6/27/2023 County: San Miguel Filename: P009-004
User: LJW

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Basic Machine: Cat D6T LGP Horsepower: 200
Ripper Attachment: 3-Shank Ripper Shift Basis: 1 per day
Data Source: (CRG)

Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	<u>\$75.83</u>	<u>NA</u>
Operating Cost/Hour:	<u>\$66.34</u>	<u>100</u>
Ripper Ownership Cost/Hour:	<u>\$8.37</u>	<u>NA</u>
Ripper Operating Cost/Hour:	<u>\$4.99</u>	<u>100</u>
Operator Cost/Hour:	<u>\$41.30</u>	<u>NA</u>
Total Unit Cost/Hour:	<u>\$196.83</u>	
Total Fleet Cost/Hour:	<u>\$196.83</u>	

MATERIAL QUANTITIES

Selected estimating method: Area

Alternate Methods:

Seismic: NA Bank Volume: NA BCY NA
Area: 0.49 acres Rip Depth (ft): 1.00 Volume: 791 BCY or CCY

Source of estimated quantity: _____

HOURLY PRODUCTION

Seismic:

Seismic Velocity: NA feet/second

Area:

Average Ripping Depth: 1.64 feet/pass
Average Ripping Width: 6.58 feet/pass
Average Ripping Length: 50.00 feet/pass
Average Dozer Speed: 88.00 feet/minute
Average Maneuver Time: 0.25 minutes/pass
Production per unit area: 0.554 acres/hour

Job Condition Correction Factors

Unadjusted Hourly Unit Production: 0.554 Acres/hr
Site Altitude: 6,870 feet
Altitude Adj: 1.00 (CAT HB)
Job Efficiency: 0.83 (1 shift/day)
Net Correction: 0.83 multiplier

Adjusted Hourly Unit Production: 0.46 Acres/hr
Adjusted Hourly Fleet Production: 0.46 Acres/hr

JOB TIME AND COST

Fleet size: 1 Grader(s) Total job time: 1.07 Hours

Unit cost: \$428.158 Per acre

Total job cost: **\$210**

REVEGETATION WORKTask description: RevegetationSite: Wedding Bell Project
(Groundhog Area)Permit Action: New AppPermit/Job#: P2023009PROJECT IDENTIFICATIONTask #: 005
Date: 6/27/2023
User: LJWState: Colorado
County: San MiguelAbbreviation: None
Filename: P009-005Agency or organization name: DRMSFERTILIZING**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
	\$
Total Tilling Cost/Acre	\$0.00

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Blue Grama - Native	0.96	15.67	\$13.18
Indian Ricegrass - Native	7.42	24.02	\$48.23
Sand Dropseed	0.14	16.71	\$1.37
Bottlebrush Squirreltail	4.08	17.98	\$66.20
Galleta	4.94	18.03	\$110.41
Muttongrass	0.20	4.13	\$6.88
Sagebrush, Mountain or Big	0.20	10.56	\$3.95
Saltbush, Four Wing	0.50	0.69	\$6.25

Winter Fat	0.50	1.27	\$10.25
Totals Seed Mix	18.94	109.07	\$266.71

Application

Description	Cost /Acre
Broadcast seeding [DMG]	\$267.22
Total Seed Application Cost/Acre	\$267.22

MULCHING and MISCELLANEOUS**Materials**

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

Application

Description	Cost /Acre
	\$
Total Mulch Application Cost/Acre	\$0.00

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: 0.73 Cost /Acre: \$533.93
 Estimated Failure Rate: 50% Cost /Acre*: \$533.93
 *Selected Replanting Work Items: TILLING,SEEDING

Initial Job Cost: **\$389.77**
 Reseeding Job Cost: **\$194.88**
 Total Job Cost: **\$585**
 Job Hours: **16.00**

REVEGETATION WORKTask description: Secondary SeedingSite: Wedding Bell Project
(Groundhog Area)Permit Action: New AppPermit/Job#: P2023009**PROJECT IDENTIFICATION**Task #: 006
Date: 6/27/2023
User: LJWState: Colorado
County: San MiguelAbbreviation: None
Filename: P009-006Agency 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
	\$
Total Tilling Cost/Acre	\$0.00

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Blue Grama - Native	0.96	15.67	\$13.18
Indian Ricegrass - Native	7.42	24.02	\$48.23
Sand Dropseed	0.14	16.71	\$1.37
Bottlebrush Squirreltail	4.08	17.98	\$66.20
Galleta	4.94	18.03	\$110.41
Muttongrass	0.20	4.13	\$6.88
Sagebrush, Mountain or Big	0.20	10.56	\$3.95
Saltbush, Four Wing	0.50	0.69	\$6.25

Winter Fat	0.50	1.27	\$10.25
Totals Seed Mix	18.94	109.07	\$266.71

Application

Description	Cost /Acre
Broadcast seeding [DMG]	\$267.22
Total Seed Application Cost/Acre	\$267.22

MULCHING and MISCELLANEOUS**Materials**

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

Application

Description	Cost /Acre
	\$
Total Mulch Application Cost/Acre	\$0.00

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: 0.36 Cost /Acre: \$533.93
 Estimated Failure Rate: 50% Cost /Acre*: \$533.93
 *Selected Replanting Work Items: TILLING,SEEDING

Initial Job Cost: **\$192.21**
 Reseeding Job Cost: **\$96.11**
 Total Job Cost: **\$288**
 Job Hours: **8.00**

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mobilization**

Site: **Wedding Bell Project** Permit Action: **New App** Permit/Job#: **P2023009**
(Groundhog Area)

PROJECT IDENTIFICATION

Task #: **007** State: **Colorado** Abbreviation: **None**
 Date: **6/27/2023** County: **San Miguel** Filename: **P009-007**
 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:**

Available Rig Capacities	0-25 Tons	26-50 Tons	51+ Tons
Ownership Cost/Hour:	\$15.25	\$23.06	\$37.58
Operating Cost/Hour:	\$25.26	\$30.83	\$51.41
Operator Cost/Hour:	\$27.71	\$27.71	\$27.71
Helper Cost/Hour:	\$0.00	\$20.22	\$20.22
Total Unit Cost/Hour:	\$68.22	\$101.82	\$136.92

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	28.63	\$84.20	\$101.82	1	\$186.02	\$101.82	\$250.00
Drill/Broadcast Seeder with Tractor	25.00	\$6.25	\$68.22	1	\$74.47	\$68.22	\$250.00
Subtotals:					\$260.49	\$170.04	\$500.00

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.	\$14.23	1	\$14.23	\$14.23
Subtotals:			\$14.23	\$14.23

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 *	\$2,056.75
** two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	\$17.71
** 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:	\$2,074
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