



Memorandum

Date: September 6, 2023

To: File

From: Lucas West, DRMS

RE: Camp Bird Tailings Exploration Project; DRMS File No. P-2012-017; Required Surety Memo

This memo is intended to document the change in Required Surety for Modification 2, Approved on Wednesday September 6, 2023. The original NOI filed 2012, set the Required Surety at 10, 863.00. The Operator posted a Financial Warranty in the amount of \$11,000.00. The associated disturbance with the original NOI was reclaimed prior to the reclamation work conducted in 2018. In 2023, two NOI Modifications were filed, each with the minimum required \$2,000.00 Financial Warranty bringing the Actual Surety to \$15,000.00. The Reclamation Cost Estimate for MD-1 totaled \$4,963.00 and \$5,216.00 for MD-2 (Copies of RCE Enclosed). Since the disturbance associated with the original NOI has been reclaimed, the currently held \$15,000.00 has been reallocated to the disturbances associated with MD-1 and MD-2. The total reclamation liability for this site is \$10,179.00 and the currently held amount is \$15,000.00. The Permit System was updated to reflect this change with the approval of MD-2.



COST SUMMARY WORK

Task description: Cost Summary

Site: Camp Bird Tailings Permit Action: MD-1 Permit/Job#: P2012017
Exploration Project

PROJECT IDENTIFICATION

Task #: 000 State: Colorado Abbreviation: None
Date: 6/8/2023 County: Ouray Filename: P017-000
User: LJW

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	P & A Water Quality Monitoring Wells	BOREHOLE	1	16.00	\$2,376
002	Mobilization	MOBILIZE	1	4.00	\$1,123
<u>SUBTOTALS:</u>				20	\$3,499

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$71
Performance bond:	1.05	Total =	\$37
Job superintendent:	10.00	Total =	\$751
Profit:	10.00	Total =	\$350
		TOTAL O & P =	\$1,209
		CONTRACT AMOUNT (direct + O & P) =	\$4,708

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		\$235

CONTINGENCY: 3.00 Total = \$105

TOTAL INDIRECT COST = \$1,549

TOTAL BOND AMOUNT (direct + indirect) = \$5,048

COST SUMMARY WORK

Task description: _____

Site: **Camp Bird Tailings**
Exploration Project

Permit Action: _____
MD-2

Permit/Job#: P2012017

PROJECT IDENTIFICATION

Task #: 000
Date: 9/6/2023
User: LJW

State: Colorado
County: Ouray

Abbreviation: None
Filename: P017-000

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	P & A 8 exploration drill holes	BOREHOLE	1	16.00	\$1,259
002	Backfill and grade tailings area	EXCAVATE	1	0.89	\$125
003	Mobilization	MOBILIZE	1	4.00	\$2,408
<u>SUBTOTALS:</u>				20.89	\$3,792

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$77
Performance bond:	1.05	Total =	\$40
Job superintendent:	10.45	Total =	\$680
Profit:	10.00	Total =	\$379

TOTAL O & P = \$1,175

CONTRACT AMOUNT (direct + O & P) = \$4,967

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		\$248

CONTINGENCY: 0.00 Total = \$0

TOTAL INDIRECT COST = \$1,424

TOTAL BOND AMOUNT (direct + indirect) = \$5,216