



Memo to File

Date: September 25, 2023

To: Whom it May Concern

From: Lucas West, DRMS

RE: Ophir Lode; DRMS File No. M-2001-063; Memo to File

To Whom It May Concern,

The Enclosed reclamation cost estimate worksheets are based on the site conditions observed during the August 30, 2023 Inspection. The site was permitted over historic disturbance and modern operations have not commenced. The Cost Estimate reflects the reclamation of the current disturbance, not the details of the mining Plan.

Sincerely,
DRMS Minerals Staff



COST SUMMARY WORK

Task description: Cost Summary Based on Current Conditions, not Mining Plan

Site: Ophir Lode

Permit Action: 2023 Update

Permit/Job#: M2001063

PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 9/25/2023

County: Hinsdale

Filename: M063-000

User: LJW

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Upgrade Gated Closure	MINESEAL	1	8.00	\$3,281
002	Grade/blend waste rock	EXCAVATE	1	1.99	\$279
003	Reveg waste rock areas	REVEGE	1	4.00	\$216
004	Mobilization	MOBILIZE	1	4.00	\$1,010
<u>SUBTOTALS:</u>				17.99	\$4,786

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02
Performance bond: 1.05
Job superintendent: 0.00
Profit: 10.00

Total = \$97
Total = \$50
Total = \$0
Total = \$479

TOTAL O & P = \$626

CONTRACT AMOUNT (direct + O & P) = \$5,412

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

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

Total = \$0
Total = \$0
Total = \$271

CONTINGENCY: 0.00

Total = \$0

TOTAL INDIRECT COST = \$896

TOTAL BOND AMOUNT (direct + indirect) = \$5,682

SAFEGUARDING UNDERGROUND OPENINGS

Task description: Upgrade Gated Closure

Site: Ophir Lode

Permit Action: 2023 Update

Permit/Job#: M2001063

PROJECT IDENTIFICATION

Task #: 001

State: Colorado

Abbreviation: None

Date: 9/25/2023

County: Hinsdale

Filename: M063-001

User: LJW

Agency or organization name: DRMS

UNIT COSTS

Opening Description	Dimensions	Closure Method	Quantity	Unit	Unit Cost	Total Cost
Main Portal	8 x 8	Adit closure - grate only, no door (per opening)	1.00	EA	\$3,281.25	\$3,281.25

Job Hours: 8.00

Total Cost: \$3,281.25

HYDRAULIC EXCAVATOR WORK

Task description: Grade/blend waste rock

Site: Ophir Lode

Permit Action: 2023 Update

Permit/Job#: M2001063

PROJECT IDENTIFICATION

Task #: 002

State: Colorado

Abbreviation: None

Date: 9/25/2023

County: Hinsdale

Filename: M063-002

User: LJW

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Basic Machine: Cat 311D LRR 8'-6" Stick

Horsepower: 80

Attachment 1: ROPS Cab

Weight (MT): 12.74

Shift Basis: 1 per day

Data Source: (CRG)

Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	\$62.67	NA
Operating Cost/Hour:	\$39.89	100
Operator Cost/Hour:	\$37.32	NA
Total Unit Cost/Hour:	\$139.88	
Total Fleet Cost/Hour:	\$139.88	

MATERIAL QUANTITIES

Initial volume: 200

CCY

Swell factor: 1.000

Loose volume: 200

LCY

Source of estimated volume: Division of Reclamation, Mining & Safety

Source of estimated swell factor: Cat Handbook

HOURLY PRODUCTION

Excavator Cycle Time (load bucket, swing loaded, dump bucket, swing empty):

Basic Job Condition Description: AVERAGE

Secondary Job Condition within Basic Description: AVERAGE

Cycle Time Value: 0.242 minutes

Load Bucket Capacity

Bucket Size Class: Medium

Rated Capacity: 0.68 LCY (heaped)

Bucket Fill Factor: 0.825 Blasted rock - avg. blasted (75 - 90%) 0.825

Adjusted Capacity: 0.56 LCY

Job Condition Correction Factors

Site Altitude: 11200 feet

Altitude Adj:	0.87	Source (CAT HB)
Job Efficiency:	0.83	(1 shift/day)
Net Correction:	0.72	multiplier

Unadjusted Hourly Unit Production: 139.09 LCY/Hour

Adjusted Hourly Unit Production: 100.44 LCY/Hour

Adjusted Hourly Fleet Production: 100.44 LCY/Hour

JOB TIME AND COST

Fleet size: 1 Excavator Total job time: 1.99 Hours

Unit cost: \$1.393 /LCY Total job cost: \$279

REVEGETATION WORKTask description: Reveg waste rock areasSite: Ophir LodePermit Action: 2023 UpdatePermit/Job#: M2001063PROJECT IDENTIFICATIONTask #: 003State: ColoradoAbbreviation: NoneDate: 9/25/2023County: HinsdaleFilename: M063-003User: LJWAgency 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
Alpine Fescue	2.00	59.69	\$36.20
Sheep Fescue - Bighorn	8.00	124.89	\$35.20
Tufted Hairgrass	2.00	114.78	\$22.05
Totals Seed Mix	12.00	299.36	\$93.45

Application

Description	Cost /Acre
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Push spreader (MEANS 32 92 19.14 0020)	\$2,069.10
Total Seed Application Cost/Acre	\$2,069.10

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: 0.1
 Estimated Failure Rate: 20%
 *Selected Replanting Work Items: NONE

Cost /Acre: \$2,162.55
 Cost /Acre*: \$0.00

Initial Job Cost: **\$216.26**
 Reseeding Job Cost: **\$0.00**
 Total Job Cost: **\$216**
 Job Hours: **4.00**

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mobilization**Site: **Ophir Lode**Permit Action: **2023 Update**Permit/Job#: **M2001063****PROJECT IDENTIFICATION**Task #: **004**State: **Colorado**Abbreviation: **None**Date: **9/25/2023**County: **Hinsdale**Filename: **M063-004**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:**

Available Rig Capacities	0-25 Tons	26-50 Tons	51+ Tons
Ownership Cost/Hour:	\$20.26	\$36.04	\$47.05
Operating Cost/Hour:	\$39.51	\$76.08	\$82.85
Operator Cost/Hour:	\$22.52	\$22.52	\$22.52
Helper Cost/Hour:	\$0.00	\$23.53	\$23.53
Total Unit Cost/Hour:	\$82.29	\$158.17	\$175.95

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 311D LRR 8'-6"Stick	14.01	\$62.67	\$82.29	1	\$144.96	\$82.29	\$250.00

Subtotals: **\$144.96** **\$82.29** **\$250.00****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.	\$15.83	1	\$15.83	\$15.83

Subtotals: **\$15.83** **\$15.83**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	<u>LAKE CITY</u>	
Total one-way travel distance:	<u>15.00</u>	miles
Average Travel Speed:	<u>20.00</u>	mph

Total Non-Roadable Mob/Demob Cost *	<u>\$985.84</u>
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 '* two round trips with haul rig:

Total Roadable Mob/Demob Cost **	<u>\$23.75</u>
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 ** one round trip, no haul rig:

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>0.75</u>	<u>0.75</u>
Return Time (Hours):	<u>0.75</u>	<u>0.75</u>
Loading Time (Hours):	<u>0.25</u>	<u>NA</u>
Unloading Time (Hours):	<u>0.25</u>	<u>NA</u>
Subtotals:	<u>2.00</u>	<u>1.50</u>

JOB TIME AND COST

Total job time:	<u>4.00</u>	Hours
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Total job cost:	<u>\$1,010</u>
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