January 26, 2024

Jim Helmericks
Glacier Gravel Products
995 Hwy 3
Durango, CO 81301

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

1313 Sherman Street, Room 215
Denver, CO 80203

RE: J & J Pit, Permit # M-1985-001, Reclamation Costs Update

Dear Operator:

In an effort to ensure the Financial Warranty for the above referenced site adequately reflects the actual current costs of fulfilling the requirements of the approved reclamation plan, the Colorado Division of Reclamation, Mining and Safety (Division) has updated the reclamation cost estimate (copy enclosed) for this site. Division calculations estimate the cost to reclaim the site to be *$54,493.00*. This is an increase of ***$7,103.00*** over the *$47,390.00* currently held by the Division.

Within 15 days, please review the attached estimate and notify me if any calculation errors are noted.

If you require additional information, or have questions or concerns, please contact me.

Sincerely,

Dustin Czapla
Environmental Protection Specialist
Division of Reclamation, Mining and Safety
Phone: (303) 866-3567, ext. 8188

COST SUMMARY WORK

Task description: **2024-01-17 Update**

Site: **J & J Pit** Permit Action: 2024-01-17 Update Permit/Job#: M1985001

PROJECT IDENTIFICATION

Task #: 000 State: Colorado Abbreviation: None
Date: 1/17/2024 County: La Plata Filename: M1985001-000
User: DMC

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
01a	Move stockpile to highwall for backfill	LOADER	1	61.00	$9,842
02a	Backfill north highwall	DOZER	2	13.23	$11,290
03a	Cut and fill remaining highwalls to 2H:1V	DOZER	2	6.90	$5,887
04a	Remove scrap steel and tires	DEMOLISH	1	0.00	$1,550
05a	Revegetate slopes with weed control and mulch	REVEGE	1	16.00	$7,844
06a	Mob/Demob	MOBILIZE	1	4.26	$5,458
		SUBTOTALS:		**101.39**	**$41,871**

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	$846
Performance bond:	1.05	Total =	$440
Job superintendent:	62.67	Total =	$4,079
Profit:	10.00	Total =	$4,187
		TOTAL O & P =	$9,551
		CONTRACT AMOUNT (direct + O & P) =	$51,422

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	$500	Total =	$500
Engineering work and/or contract/bid preparation:	0.00	Total =	$0
Reclamation management and/or administration:	5.00		$2,571
CONTINGENCY:	0.00	Total =	$0
		TOTAL INDIRECT COST =	$12,622
		TOTAL BOND AMOUNT (direct + indirect) =	**$54,493**

WHEEL LOADER – LOAD AND CARRY WORK

Task description: **Move stockpile to highwall for backfill**

Site: **J & J Pit** Permit Action: 2024-01-17 Update Permit/Job#: M1985001

PROJECT IDENTIFICATION

Task #: 01A State: Colorado Abbreviation: None
Date: 1/17/2024 County: La Plata Filename: M001-01a
User: DMC

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Basic Machine: CAT 980H Horsepower: 315
Attachment 1: ROPS Cab Shift Basis: 1 per day
Data Source: (CRG)

Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	$61.69	NA
Operating Cost/Hour:	$58.92	100
Operator Cost/Hour:	$40.71	NA
Total Unit Cost/Hour:	$161.32	
Total Fleet Cost/Hour:	$161.32	

MATERIAL QUANTITIES

Initial volume: 26,000 CCY Swell factor: 1.000
Loose volume: **26,000** LCY

Source of estimated volume: Division of Reclamation, Mining & Safety
Source of estimated swell factor: Cat Handbook

HOURLY PRODUCTION

Loader Cycle Time: Unadjusted Basic Cycle Time (load, dump, maneuver): 0.550 minutes

Cycle Time Factors		Factor (min.)	Source
Material:	Mixed material 0.02	0.020	(Cat HB)
Stockpile:	Conveyor or dozer piled 10 ft. high and up 0.00	0.000	(Cat HB)
Truck Ownership:	Common ownership of trucks and loaders -0.04	-0.040	(Cat HB)
Operation:	Constant operation -0.04	-0.040	(Cat HB)
Dump Target:	Nominal target 0.00	0.000	(Cat HB)
	Net Cycle Time Adjustment:	-0.060	minutes
	Adjusted Basic Cycle Time:	0.490	minutes

Rolling Resistance – Road Conditions

Haul: Packed snow 2.5
Return: Packed snow 2.5

Haul and Return Time

	Length (feet)	Grade Res. (%)	Rolling Res. (%)	Total Res. (%)	Travel Time (minutes)	Source
Haul Route:	300	0.00	2.50	2.50	0.2190	(Cat HB)
Return Route:	300	0.00	2.50	2.50	0.2112	(Cat HB)

Total Travel Time:	0.4302	minutes
Total Cycle Time:	**0.9202**	minutes

Load Bucket Capacity

Rated Capacity:	7.50	LCY (heaped)	
Bucket Fill Factor:	1.050	Other - moist loam	(100-110%) 1.050
Adjusted Capacity:	**7.88**	LCY	

Job Condition Correction Factors
Site Altitude: 6760 feet

		Source
Altitude Adj:	1.00	(CAT HB)
Job Efficiency:	0.83	(1 shift/day)
Net Correction:	0.83	multiplier

Unadjusted Hourly Unit Production:	513.47	LCY/Hour
Adjusted Hourly Unit Production:	426.18	LCY/Hour
Adjusted Hourly Fleet Production:	**426.18**	LCY/Hour

JOB TIME AND COST

Fleet size:	1	Loader(s)	Total job time:	**61.01**	Hours
Unit cost:	$0.379	/LCY	Total job cost:	**$9,842**	

BULLDOZER WORK

Task description: **Backfill north highwall**

Site: **J & J Pit** Permit Action: 2024-01-17 Update Permit/Job#: M1985001

PROJECT IDENTIFICATION

Task #:	02A	State:	Colorado	Abbreviation:	None
Date:	1/17/2024	County:	La Plata	Filename:	M001-02a
User:	DMC				

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Basic Machine:	Cat D8T - 8SU
Horsepower:	310
Blade Type:	Semi-Universal
Attachment:	NA
Shift Basis:	1 per day
Data Source:	(CRG)

Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	$241.38	NA
Operating Cost/Hour:	$143.92	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: $426.60
Total Fleet Cost/Hour: **$853.20**

MATERIAL QUANTITIES

Initial Volume:	13,333
Swell factor:	1.000
Loose volume:	**13,333** LCY

Source of estimated volume: Existing Conditions
Source of estimated swell factor: Cat Handbook

HOURLY PRODUCTION

Average push distance: 100 feet
Unadjusted hourly production: 852.6 LCY/hr

Materials consistency description: Loose stockpile 1.2

Average push gradient: 5 %
Average site altitude: 6,760 feet

Material weight: 2,100 lbs/LCY

Weight description: Earth - Loam

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:	0.800	(FND-RF)
Push gradient:	0.903	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	1.095	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.5909

Adjusted unit production: 503.80 LCY/hr
Adjusted fleet production: **1007.6** LCY/hr

JOB TIME AND COST

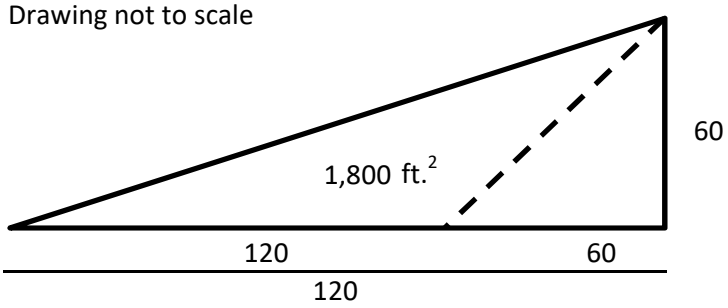
Fleet size: 2 Dozer(s)
Unit cost: $0.847/LCY

Total job time: **13.23** Hours
Total job cost: **$11,290**

Highwall reduction - backfill

Highwall Height (ft.)	60.00	
Length of Highwall (lft.)	200.00	
Initial Slope	1.00	H:1V
Desired Slope	2.00	H:1V
Volume of material to be moved ($ft.^3$)	**360,000**	
Volume of material to be moved ($yd.^3$)	**13,333**	

All dimensions measured in feet
Drawing not to scale



BULLDOZER WORK

Task description: **Cut and fill remaining highwalls to 2H:1V**

Site: **J & J Pit** Permit Action: 2024-01-17 Update Permit/Job#: M1985001

PROJECT IDENTIFICATION

Task #:	03A	State:	Colorado	Abbreviation:	None
Date:	1/17/2024	County:	La Plata	Filename:	M001-03a
User:	DMC				

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Basic Machine:	Cat D8T - 8SU
Horsepower:	310
Blade Type:	Semi-Universal
Attachment:	NA
Shift Basis:	1 per day
Data Source:	(CRG)

Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	$241.38	NA
Operating Cost/Hour:	$143.92	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: $426.60
Total Fleet Cost/Hour: **$853.20**

MATERIAL QUANTITIES

Initial Volume:	10,000
Swell factor:	1.115
Loose volume:	**11,150** LCY

Source of estimated volume: Existing Conditions
Source of estimated swell factor: Cat Handbook

HOURLY PRODUCTION

Average push distance: 70 feet
Unadjusted hourly production: 1,093.7 LCY/hr

Materials consistency description: Compacted fill or embankment 0.9

Average push gradient: -5 %
Average site altitude: 6,760 feet

Material weight: 2,100 lbs/LCY

Weight description: Earth - Loam

Job Condition Correction Factor		Source
Operator Skill:	0.750	(AVG.)
Material consistency:	0.900	(CAT HB))
Dozing method:	1.200	(SLOT)
Visibility:	1.000	(AVG.)

Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.900	(SSD-FC)
Push gradient:	1.115	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	1.095	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.7387

Adjusted unit production: 807.92 LCY/hr
Adjusted fleet production: **1615.84** LCY/hr

JOB TIME AND COST

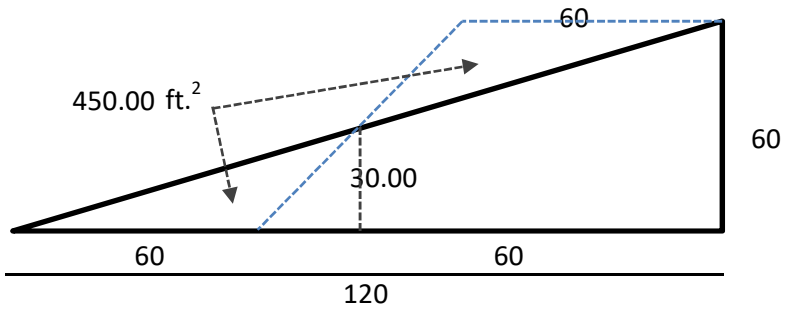
Fleet size: 2 Dozer(s)
Unit cost: $0.528/LCY

Total job time: **6.90** Hours
Total job cost: **$5,887**

Highwall reduction - cut and fill

Highwall Height (ft.)	60.0	
Length of Highwall (lft.)	600	
Initial Slope	1.0	H:1V
Desired Slope	2	H:1V
Volume of material to be moved ($ft.^3$)	**270,000**	
Volume of material to be moved ($yd.^3$)	**10,000**	

All dimensions measured in feet
Drawing not to scale



DEMOLITION WORK

Task description: **Remove scrap steel and tires**

Site: **J & J Pit** Permit Action: 2024-01-17 Update Permit/Job#: M1985001

PROJECT IDENTIFICATION

Task #: 04A State: Colorado Abbreviation: None
Date: 1/17/2024 County: La Plata Filename: M001-04a
User: DMC

Agency or organization name: DRMS

UNIT COSTS **Location adjustment: 93.10 %**

Structure or Item Description	Dimensions	Demolition Menu Selection	Quantity	Unit	Unit Cost	Total Cost
Various scrap Iron and metal	100	Loading and 5 mile haul, salvage allowed - Steel frame structures	75.00	CY	$12.50	$937.50
Disposal of Tires	25	Hazardous waste removal - Bulk solids, small quantities (up to 1.5 tons)	0.50	TON	$1,455.71	$727.86

Job Hours: 0.00 **Subtotal (unadjusted): $1,665.36** **Total Cost (adjusted for location): $1,550.45**

REVEGETATION WORK

Task description: **Revegetate slopes with weed control and mulch**

Site: **J & J Pit** Permit Action: 2024-01-17 Update Permit/Job#: M1985001

PROJECT IDENTIFICATION

Task #: 05A State: Colorado Abbreviation: None
Date: 1/17/2024 County: La Plata Filename: M001-05a
User: DMC

Agency 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
Disc harrowing, 6" deep (MEANS 32 91 13.23 6100)	$112.82
Total Tilling Cost/Acre	**$112.82**

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Indian Ricegrass - Native	1.80	5.83	$11.70
Intermediate Wheatgrass - Oahe	2.00	4.27	$5.60
Mahogany, Mountain	0.50	0.68	$18.40
Western Wheatgrass - Barton	2.40	6.06	$16.80
Needle and Thread	1.50	3.96	$62.78
Totals Seed Mix	8.20	20.79	**$115.28**

Application

Description	Cost /Acre
Drill seeding (MEANS 32 92 19.13 0020)	$468.00
Total Seed Application Cost/Acre	**$468.00**

MULCHING and MISCELLANEOUS

Materials

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Hay, delivered {MEANS 31 25 14.16 1200}	2.00	TON	$429.79	$859.57
Total Mulch Materials Cost/Acre				**$859.57**

Application

Description	Cost /Acre
Power mulcher (MEANS 32 91 13.16 0350)	$147.67
Weed spray, hand, aquatic area, nox. [DMG]	$183.16
Total Mulch Application Cost/Acre	**$330.83**

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: 3.5
Estimated Failure Rate: 20%
*Selected Replanting Work Items: SEEDING,MULCHING

Cost /Acre: $1,886.50
Cost /Acre*: $1,773.68

Initial Job Cost: **$6,602.75**
Reseeding Job Cost: **$1,241.58**
Total Job Cost: **$7,844**
Job Hours: **16.00**

EQUIPMENT MOBILIZATION/DEMOBILIZATION

Task description: **Mob/Demob**

Site: **J & J Pit** Permit Action: 2024-01-17 Update Permit/Job#: M1985001

PROJECT IDENTIFICATION

Task #: 06A State: Colorado Abbreviation: None
Date: 1/17/2024 County: La Plata Filename: M001-06a
User: DMC

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 980H	33.12	$61.69	$158.17	1	$219.86	$158.17	$250.00
Cat D8T - 8SU	47.71	$241.38	$158.17	1	$399.55	$158.17	$250.00
Drill/Broadcast Seeder with Tractor	25.00	$6.73	$82.29	1	$89.02	$82.29	$250.00
Power Mulcher (Bowie LD-90)	6.00	$25.94	$82.29	1	$108.23	$82.29	$250.00
Subtotals:					**$816.66**	**$480.92**	**$1,000.00**

ROADABLE EQUIPMENT:

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Generic 15-18 cy, 6x4	$137.31	1	$137.31	$137.31
Subtotals:			**$137.31**	**$137.31**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	DURANGO	
Total one-way travel distance:	2.00	miles
Average Travel Speed:	30.00	mph
Total Non-Roadable Mob/Demob Cost * '* two round trips with haul rig:	$5,439.65	
Total Roadable Mob/Demob Cost ** ** one round trip, no haul rig:	$18.31	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.07	0.07
Return Time (Hours):	0.07	0.07
Loading Time (Hours):	1.00	NA
Unloading Time (Hours):	1.00	NA
Subtotals:	2.13	0.13

JOB TIME AND COST

Total job time:	**4.27**	Hours
Total job cost:	**$5,458**	