



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

March 22, 2024

Craig Sparrow  
Western Equipment & Truck, Inc.  
2055 1st Avenue  
Greeley, CO 80631

**Re: Western Equipment & Truck Mine#1 – File No. M-2023-042  
Western Equipment & Truck, Inc.  
112c Construction Materials  
Reclamation Application**

Dear Craig Sparrow:

On March 22, 2024 the Division of Reclamation, Mining and Safety concluded its review of the Construction Materials Reclamation Permit Application submitted to the Division on December 6, 2023. The decision reached by the Division is: Approve. The amount of financial warranty set by the Division for this operation is \$75,797.00. You must submit a financial warranty in this amount and a performance warranty in order for us to issue a permit. In the event you have requested a financial warranty form, we will provide you with the applicable form. If you have not, please select a type of financial warranty from Rule 4.3, and then contact us so that we can provide you with the appropriate warranty form. We have enclosed a performance warranty form with this letter for your use.

**PLEASE NOTE THAT MINING OPERATIONS MAY NOT COMMENCE UNTIL A PERMIT HAS BEEN ISSUED BY THE DIVISION AFTER RECEIPT OF YOUR FINANCIAL AND PERFORMANCE WARRANTIES. A PERMIT CANNOT BE ISSUED UNTIL WE HAVE VERIFIED THE ADEQUACY OF YOUR FINANCIAL AND PERFORMANCE WARRANTIES.**

M-2023-042: Approved Surety and Acreage	
Reclamation Liability (Required Surety):	\$75,797.00
Approved Permit Acreage:	74.07
Approved Affected Acreage:	74.07

If you have any questions, please contact me by telephone at (303) 866-3567 x 8176, or by email at [Hunter.ridley@state.co.us](mailto:Hunter.ridley@state.co.us)

Sincerely,



Hunter C. Ridley  
Environmental Protection Specialist

cc: Jason S. Andrews



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

PERFORMANCE WARRANTY

Permittee/Operator: Western Equipment & Truck, Inc.  
Operation known as: Western Equipment & Truck Mine#1

Permit Number: M-2023-042

This form is approved by the Colorado Mined Land Reclamation Board ("Board") pursuant to C.R.S. 34-32-117 of the Colorado Mined Land Reclamation Act and C.R.S. 34-32.5-117 of the Colorado Land Reclamation Act for the Extraction of Construction Materials.

All parties are on Notice from this Document that:

The above listed Operator provides this warranty to the Board in conjunction with a reclamation Permit to conduct the above described mining operation on certain lands in Colorado. The "Affected Lands" are described in the above listed reclamation Permit, and include any Permit Amendment(s) approved by the Division of Reclamation Mining and Safety ("Division").

The Colorado Mined Land Reclamation Act, C.R.S. 34-32-101 et seq. ("Hard Rock Act"), and the Colorado Land Reclamation Act for the Extraction of Construction Materials, C.R.S. 34-32.5-101 et seq. ("Construction Materials Act"), both require a permit issued by the Board to include a written promise by the Operator to comply with all requirements of the Hard Rock and Construction Materials Acts (referred to herein together as "Acts").

Through the terms and conditions of this performance warranty and Permit, the Operator agrees to be bound by all requirements of the Acts and all Mineral Rules and Regulations of the Board for Hard Rock, Metal, and Designated Mining Operations (2 C.C.R. 407-1) and all Mineral Rules and Regulations of the Board for the Extraction of Construction Materials (2 C.C.R. 407-4) (referred to herein together as "Rules").

The Operator hereby provides the Board warranties of performance pursuant to C.R.S. 34-32-117(2), (3), and (4)/C.R.S. 34-32.5-117(2), (3), and (4), and promises the Board it will comply with all applicable requirements of the Acts and Rules.

The Operator hereby promises the Board it will comply with all of the terms of the reclamation Permit, including any Permit Amendment(s) approved by the Division. This performance warranty obligation of the Operator shall continue until the Operator's liability is released by the Board.

The Operator promises to be responsible for reclamation costs up to the amount established by the Board and incorporates its financial warranty to this performance warranty. The Operator agrees to maintain a financial warranty (or warranties) in good standing for the reclamation costs for the entire

life of the Permit. The amount of the financial warranty shall be sufficient to assure the completion of reclamation of affected lands if the Division has to complete such reclamation due to forfeiture. If the Board determines the Operator is in default under this performance warranty and the Operator fails to cure such default, the Operator's financial warranty shall be subject to forfeiture pursuant to C.R.S. 34-32-118/34-32.5-118.

This performance warranty by the Operator is perpetual and shall remain in full force and effect until all obligations have been met and all associated financial warranty is released by the Board. Any release of liability in a succession of Operators shall comply with C.R.S. 34-32-119/34-32.5-119.

The provisions hereof shall bind and inure to the benefit of the parties hereto and their successors and assigns.

SIGNED, SEALED AND

DATED this \_\_\_\_\_ day of \_\_\_\_\_ , \_\_\_\_\_  
(date) (month) (year)

Operator: Western Equipment & Truck, Inc.

Signature:

Name: \_\_\_\_\_

Title: \_\_\_\_\_  
\_\_\_\_\_

NOTARIZATION OF OPERATOR'S ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_ )  
\_\_\_\_\_ ) ss.

COUNTY OF \_\_\_\_\_ )

The foregoing instrument was \_\_\_\_\_ day  
acknowledged before me this \_\_\_\_\_ of \_\_\_\_\_ , \_\_\_\_\_  
(date) (month) (year)

by: \_\_\_\_\_ as \_\_\_\_\_ of Western Equipment & Truck,  
\_\_\_\_\_ Inc.  
(name) (title) (Operator)

Notary Public: \_\_\_\_\_

My Commission Expires \_\_\_\_\_



APPROVED:

State of Colorado

Mined Land Reclamation Board

Division of Reclamation, Mining and Safety

By: Michael A.

Cunningham

Division Director

Date

Executed: \_\_\_\_\_



## COST SUMMARY WORK

Task description: New Application

Site: Western Equipment & Truck  
Mine#1

Permit Action: New Application

Permit/Job#: M2023042

### PROJECT IDENTIFICATION

Task #: 000  
Date: 3/6/2024  
User: HR1

State: Colorado  
County: Weld

Abbreviation: None  
Filename: M042-000

Agency or organization name: DRMS

### TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Haul remaining topsoil (5 acres)	TRUCK1	1	43.39	\$13,634
002	Grade affected area	GRADER	1	39.23	\$6,949
003	Revegetation	REVEGE	1	64.00	\$35,545
004	Mob / demob	MOBILIZE	1	7.77	\$4,662
<b><u>SUBTOTALS:</u></b>				<b>154.39</b>	<b>\$60,790</b>

### INDIRECT COSTS

#### OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$1,228
Performance bond:	1.05	Total =	\$638
Job superintendent:	53.05	Total =	\$3,452
Profit:	10.00	Total =	\$6,079

TOTAL O & P = \$11,398

CONTRACT AMOUNT (direct + O & P) = \$72,188

#### LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	<u>\$0</u>	Total =	<u>\$0</u>
Engineering work and/or contract/bid preparation:	<u>0.00</u>	Total =	<u>\$0</u>
Reclamation management and/or administration:	<u>5.00</u>		<u>\$3,609</u>

CONTINGENCY: 0.00 Total = \$0

TOTAL INDIRECT COST = \$15,007

**TOTAL BOND AMOUNT (direct + indirect) = \$75,797**

**TRUCK/LOADER TEAM WORK**Task description: Haul remaining topsoil (5 acres)Site: Western Equipment & Truck  
Mine#1Permit Action: New ApplicationPermit/Job#: M2023042**PROJECT IDENTIFICATION**

Task #: 001 State: Colorado Abbreviation: None  
 Date: 3/6/2024 County: Weld Filename: M042-001  
 User: HR1

Agency or organization name: DRMS**HOURLY EQUIPMENT COST**Shift basis: 1 per day

	Equipment Description
Truck Loader Team -Truck:	Generic 15-18 cy, 6x4
-Loader:	CAT 966H
Support Equipment -Load Area:	NA
-Dump Area:	NA
Road Maintenance -Motor Grader:	NA
-Water Truck:	Water Tanker, 2,500 Gal.

**Cost Breakdown:**

	Truck/Loader Team		Support Equipment		Maintenance Equipment	
	Truck	Loader	Load Area	Dump Area	Motor Grader	Water Truck
%Utilization-machine:	100	100	NA	NA	NA	100
Ownership cost/hour:	\$32.13	\$65.69	NA	NA	NA	\$11.35
Operating cost/hour:	\$73.27	\$48.09	NA	NA	NA	\$22.92
%Utilization-ripper:	NA	0	NA	NA	NA	NA
Ripper own. cost/hour:	NA	\$0.00	NA	NA	NA	\$0.00
Ripper op. cost/hour:	NA	\$0.00	NA	NA	NA	\$0.00
Operator cost/hour:	\$24.82	\$35.97	NA	NA	NA	\$0.00
Unit Subtotals:	\$130.22	\$149.75	NA	NA	NA	\$34.27
Number of Units:	1	1	0	0	0	1
Group Subtotals:	Work:	\$279.97	Support:	\$0.00	Maint:	\$34.27

Total work team cost/hour: \$314.24**MATERIAL QUANTITIES**

Initial volume: 10,083 CCY Swell factor: 1.000  
 Loose volume: 10,083 LCY

Source of estimated volume: Exhibit D, avg 15 in topsoil over 5 acres  
 Source of estimated swell factor: Cat Handbook  
 Material Purchase Cost: \$0.00  
 Total Cost: \$0.00

**HOURLY PRODUCTION****Truck Capacity:**Truck Payload (weight) Basis:

Material weight: 1,600 Pounds/LCY  
 Description: Top Soil  
 Rated Payload: 63,980 Pounds

Payload Capacity: 39.99 LCY

**Truck Bed (volume) Basis:**

Struck Volume: 15.00 LCY  
 Heaped Volume: 18.00 LCY  
 Average Volume: 16.50 LCY  
 Adjusted Volume: 18.00 LCY

Final Truck Volume Based on Number of Loader Passes: 14.63 LCY

**Loading Tool Capacity**

Bucket Size Class: NA

Rated Capacity: 5.000 LCY (heaped)  
 Bucket Fill Factor: 0.975 Loose material - uniform aggregates to 1/8" (95-100%) 0.975  
 Adjusted Capacity: 4.875 LCY

**Job Condition Corrections:**

Site Altitude (ft.): 4632 feet

	<b>Truck</b>	<b>Loader</b>	<b>Source</b>
Altitude Adj:	1.000	1.000	(CAT HB)
Job Efficiency:	0.830	0.830	(CAT HB)

Net Correction: **0.830** **0.830**

**Loading Tool Cycle Time:** Number of Loading Tool Passes Required to Fill Truck: 3 passes

**Excavators and Front Shovels:**

Machine Cycle Time vs. Job Condition Rating: NA  
 Selected Value within this Basic Rating: NA

Track Loaders – Material Description: \_\_\_\_\_

**Cycle Time Elements (min.):**

Load: NA Maneuver: NA Dump: 0.100

Wheel and Track Loaders - Unadjusted Basic Loader Cycle Time (load, dump, maneuver): 0.500 minutes

Cycle Time Factors		Factor (min.)	Source
Material:	Mixed material 0.02	0.020	(Cat HB)
Stockpile:	Dumped by truck 0.02	0.020	(Cat HB)
Truck Ownership:	Independently owned trucks 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:		0.040	minutes
Adjusted Loader Cycle Time:		<b>0.540</b>	minutes
Net Load Time per Truck:		<b>1.180</b>	minutes

**Truck Cycle Time:**

Truck Exchange Time: 0.50 Minutes Adjusted for site altitude: 0.500 Minutes  
 Truck Load Time: 1.180 Minutes Adjusted for site altitude: 1.180 Minutes  
 Truck Maneuver and Dump Time: 0.90 Minutes Adjusted for site altitude: 0.900 Minutes

**Truck Travel (Haul & Return) Time:**  
penetration 4.0

Road Condition: Rutted dirt, little maintenance, no water, 1" tire



## Haul Route:

Seg #	Haul Distance (Ft)	Grade (%)	Roll. Res (%)	Total Res (%)	Velocity (fpm)	Travel Time (min)
1	500.00	0.00	4.00	4.00	2394	0.347

Haul Time: **0.347** minutes

## Return Route:

Seg #	Haul Distance (Ft)	Grade (%)	Roll. Res (%)	Total Res (%)	Velocity (fpm)	Travel Time (min)
1	500.00	0.00	4.00	4.00	2910	0.207

Return Time: **0.207** minutesTotal Truck Cycle Time: **3.134** minutes

Loading Tool unit  
 Production 522.32 LCY/Hour      Adjusted for job efficiency: 433.53 LCY/Hour  
 Truck Unit Production  
279.99 LCY/Hour      Adjusted for job efficiency: 232.39 LCY/Hour  
 Optimal No. of Trucks: 2 Truck(s)      Selected Number of Trucks: 1 Truck(s)

Adjusted hourly truck team production: 232.39 LCY/Hour  
 Adjusted single truck/loader team production: 232.39 LCY/Hour  
 Adjusted multiple truck/loader team production: **232.39** LCY/Hour

**JOB TIME AND COST**Fleet size: 1 Team(s)      Total job time: **43.39** HoursUnit cost: \$1.352 /LCY      Total job cost: **\$13,634**

## MOTOR GRADER WORK

Task description: Grade affected area

Western Equipment & Truck  
Site: Mine#1

Permit Action:  
New Application

Permit/Job#: M2023042

### PROJECT IDENTIFICATION

Task #: 002 State: Colorado Abbreviation: None  
Date: 3/6/2024 County: Weld Filename: M042-002  
User: HR1

Agency or organization name: DRMS

### HOURLY EQUIPMENT COST

Basic Machine: CAT 12M Horsepower: 158  
Ripper Attachment:  Shift Basis: 1 per day  
Data Source: (CRG)

#### Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	\$74.98	NA
Operating Cost/Hour:	\$55.26	100
Ripper Ownership Cost/Hour:	\$0.00	NA
Ripper Operating Cost/Hour:	\$0.00	
Operator Cost/Hour:	\$46.87	NA
Total Unit Cost/Hour:	\$177.11	
Total Fleet Cost/Hour:	<b>\$177.11</b>	

### MATERIAL QUANTITIES

Total Area to be graded or ripped: 64.20 acres

Source of estimated acreage: Exhibit E - Reclamation Plan

### HOURLY PRODUCTION

Average Grader Speed: 1.50 mph  
Selected Application: Finish grading (0-2.5 mph) - 1.5  
Selected Blade Angle: 0 degrees  
Effective Blade Length: 12.00 feet  
Width of blade overlap per pass: 2.00 feet  
Net grading or ripping width per pass: 10.00 feet  
Unadjusted Hourly Unit Production: 1.8182 acres/hour

#### Job Condition Correction Factors

Site Altitude: 4626 feet

Altitude Adj:	<u>1.00</u>	Source
Job Efficiency:	<u>0.90</u>	(CAT HB)
Net Correction:	<u>0.9000</u>	(1sh/d, fav.)
		multiplier

Adjusted Hourly Unit Production: 1.6364 acres/Hour  
Adjusted Hourly Fleet Production: **1.6364** acres/Hour

### JOB TIME AND COST

Fleet size: 1 Grader(s) Total job time: **39.23** Hours

Unit cost: \$108.23 per acre Total job cost: **\$6,949**

**REVEGETATION WORK**Task description: RevegetationSite: Western Equipment & Truck  
Mine#1Permit Action: New ApplicationPermit/Job#: M2023042**PROJECT IDENTIFICATION**Task #: 003  
Date: 3/6/2024  
User: HR1State: Colorado  
County: WeldAbbreviation: None  
Filename: 003Agency 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
Disc harrowing, 6" deep (MEANS 32 91 13.23 6100)	\$112.82
<b>Total Tilling Cost/Acre</b>	<b>\$112.82</b>

**SEEDING**

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Buffalograss - Native/Plains	10.00	9.64	\$120.67
<b>Totals Seed Mix</b>	<b>10.00</b>	<b>9.64</b>	<b>\$120.67</b>

**Application**

Description	Cost /Acre
Drill Seeding (DRMS Survey Cost)	\$232.00

<b>Total Seed Application Cost/Acre</b>	<b>\$232.00</b>
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**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:	64.2	Cost /Acre:	\$465.49
Estimated Failure Rate:	25%	Cost /Acre*:	\$352.67
*Selected Replanting Work Items:	SEEDING		

Initial Job Cost:	<b>\$29,884.46</b>
Reseeding Job Cost:	<b>\$5,660.35</b>
Total Job Cost:	<b>\$35,545</b>
Job Hours:	<b>64.00</b>

**EQUIPMENT MOBILIZATION/DEMOBILIZATION**Task description: Mob / demobSite: Western Equipment & Truck  
Mine#1Permit Action: New ApplicationPermit/Job#: M2023042**PROJECT IDENTIFICATION**

Task #: 004 State: Colorado Abbreviation: None  
 Date: 3/6/2024 County: Weld Filename: M042-004  
 User: HR1

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:	\$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 12M	16.01	\$74.98	\$82.29	1	\$157.27	\$82.29	\$250.00
CAT 966H	25.80	\$65.69	\$82.29	1	\$147.98	\$82.29	\$250.00
Drill/Broadcast Seeder with Tractor	25.00	\$6.73	\$82.29	1	\$89.02	\$82.29	\$250.00

Subtotals: **\$394.27** **\$246.87** **\$750.00**

**ROADABLE EQUIPMENT:**

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Water Tanker, 2,500 Gal.	\$34.27	1	\$34.27	\$34.27
Light Duty Pickup, 4x4, 3/4 T.	\$15.83	1	\$15.83	\$15.83
Generic 15-18 cy, 6x4	\$130.22	1	\$130.22	\$130.22

Subtotals: **\$180.32** **\$180.32**

**EQUIPMENT HAUL DISTANCE and Time**

Nearest Major City or Town within project area region: DENVER  
 Total one-way travel distance: 65.00 miles  
 Average Travel Speed: 45.00 mph

Total Non-Roadable Mob/Demob Cost \* \$4,140.72  
 \*\* two round trips with haul rig:  
 Total Roadable Mob/Demob Cost \*\* \$520.92  
 \*\* one round trip, no haul rig:

**Transportation Cycle Time:**

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	1.44	1.44
Return Time (Hours):	1.44	1.44
Loading Time (Hours):	0.50	NA
Unloading Time (Hours):	0.50	NA
Subtotals:	3.89	2.89

**JOB TIME AND COST**

Total job time: 7.78 Hours

Total job cost: \$4,662