

March 13, 2024

Doug Flowers
Rock Pile, LLC
20965 Hwy 550
Montrose, CO 81403



1313 Sherman Street, Room 215
Denver, CO 80203

RE: Base Products Gravel Pit 1, Permit # M-1994-053, 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 \$41,265.00. This is an increase of \$8,962.00 over the \$32,303.00 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,

A handwritten signature in blue ink, appearing to read 'Dustin Czapla'.

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



COST SUMMARY WORK

Task description: _____

Site: Base Product Gravel Pit 1

Permit Action: 2024-03-13

Permit/Job#: M1994053

PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 3/13/2024

County: Montrose

Filename: M053-000

User: DMC

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
01a	Reduce highwall slope to 3H:1V	DOZER	1	6.96	\$2,968
02a	Rip pit floor	RIPPER	1	16.12	\$7,226
03a	Topsoil slopes	DOZER	1	1.26	\$538
04a	Topsoil pit floor	DOZER	1	18.69	\$7,975
05a	Vegetate disturbed area	REVEGE	1	24.00	\$12,450
06a	Mobilize reclamation crew and equipment	MOBILIZE	1	2.66	\$1,595
<u>SUBTOTALS:</u>				69.69	\$32,752

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$662
Performance bond:	1.05	Total =	\$344
Job superintendent:	34.85	Total =	\$2,268
Profit:	10.00	Total =	\$3,275

TOTAL O & P = \$6,548

CONTRACT AMOUNT (direct + O & P) = \$39,300

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>\$1,965</u>

CONTINGENCY: 0.00 Total = \$0

TOTAL INDIRECT COST = \$8,513

TOTAL BOND AMOUNT (direct + indirect) = \$41,265

BULLDOZER WORKTask description: **Reduce highwall slope to 3H:1V**Site: **Base Product Gravel Pit 1**Permit Action: **2024-03-13**Permit/Job#: **M1994053****PROJECT IDENTIFICATION**Task #: **01A**State: **Colorado**Abbreviation: **None**Date: **3/13/2024**County: **Montrose**Filename: **2024031301a**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:**

		<u>Utilization %</u>
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: **\$426.60****MATERIAL QUANTITIES**Initial Volume: **5,208**Swell factor: **1.060**Loose volume: **5,520 LCY**Source of estimated volume: **Based on current conditions 2500lf x 15'h 1:1 to 3:1**Source of estimated swell factor: **Cat Handbook****HOURLY PRODUCTION**Average push distance: **50 feet**Unadjusted hourly production: **1,400.0 LCY/hr**Materials consistency description: **Compacted fill or embankment 0.9**Average push gradient: **-15 %**Average site altitude: **5,750 feet**Material weight: **2,900 lbs/LCY**Weight description: **Sand and gravel - Dry****Job Condition Correction Factor**

		<u>Source</u>
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:	0.800	(FND-RF)
Push gradient:	1.329	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.793	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.5668

Adjusted unit production: 793.52 LCY/hr

Adjusted fleet production: **793.52** LCY/hr

JOB TIME AND COST



Fleet size: 1 Dozer(s)

Unit cost: \$0.538/LCY

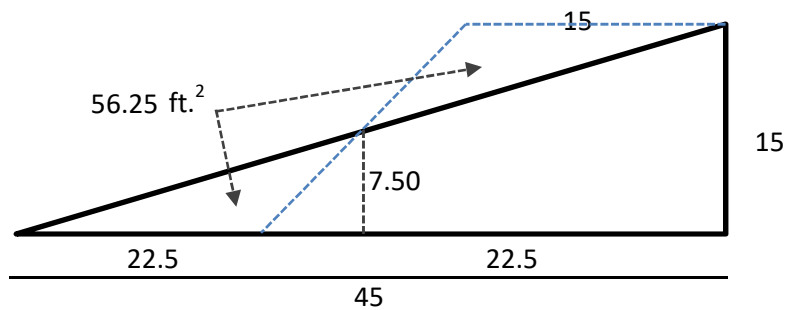
Total job time: **6.96** Hours

Total job cost: **\$2,968**

Highwall reduction - cut and fill

Highwall Height (ft.)	15.0
Length of Highwall (lft.)	2500
 Initial Slope	1.0 H:1V
 Desired Slope	3 H:1V
Volume of material to be moved (ft. ³)	140,625
Volume of material to be moved (yd. ³)	5,208

All dimensions measured in feet
Drawing not to scale



BULLDOZER RIPPING WORK

Task description: Rip pit floor

Site: Base Product Gravel Pit 1

Permit Action: 2024-03-13

Permit/Job#: M1994053

PROJECT IDENTIFICATION

Task #: 02A

State: Colorado

Abbreviation: None

Date: 3/13/2024

County: Montrose

Filename: 2024031302a

User: DMC

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Basic Machine: Cat D8T - 8SU

Ripper Attachment: 3-Shank Ripper

Horsepower: 310

Shift Basis: 1 per day

Data Source: (CRG)

Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	\$241.38	NA
Operating Cost/Hour:	\$143.92	100
Ripper Ownership Cost/Hour:	\$14.11	NA
Ripper Operating Cost/Hour:	\$7.45	100
Operator Cost/Hour:	\$41.30	NA
Total Unit Cost/Hour:	\$448.16	
Total Fleet Cost/Hour:	\$448.16	

MATERIAL QUANTITIES

Selected estimating method: Area

Alternate Methods:

Seismic: NA Bank Volume: NA BCY NA
Area: 11.00 acres Rip Depth (ft): 1.50 Volume: 26,620 BCY or CCY

Source of estimated quantity: Current conditions

HOURLY PRODUCTION

Seismic:

Seismic Velocity: NA feet/second

Area:

Average Ripping Depth:	<u>2.56</u>	feet/pass
Average Ripping Width:	<u>7.08</u>	feet/pass
Average Ripping Length:	<u>500.00</u>	feet/pass
Average Dozer Speed:	<u>88.00</u>	feet/minute
Average Maneuver Time:	<u>0.25</u>	minutes/pass
Production per unit area:	<u>0.822</u>	acres/hour

Job Condition Correction Factors

Unadjusted Hourly Unit Production:	<u>0.822</u>	Acres/hr
Site Altitude:	<u>5,750</u>	feet
Altitude Adj:	<u>1.00</u>	(CAT HB)
Job Efficiency:	<u>0.83</u>	(1 shift/day)
Net Correction:	<u>0.83</u>	multiplier

Adjusted Hourly Unit Production: 0.68 Acres/hr

Adjusted Hourly Fleet Production: **0.68** Acres/hr

JOB TIME AND COST

Fleet size: 1 Grader(s) Total job time: **16.12** Hours

Unit cost: \$656.865 Per acre Total job cost: **\$7,226**

BULLDOZER WORKTask description: Topsoil slopesSite: Base Product Gravel Pit 1Permit Action: 2024-03-13Permit/Job#: M1994053**PROJECT IDENTIFICATION**Task #: 03AState: ColoradoAbbreviation: NoneDate: 3/13/2024County: MontroseFilename: M053-03aUser: DMCAgency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D8T - 8SUHorsepower: 310Blade Type: Semi-UniversalAttachment: NAShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	<u>\$241.38</u>	<u>NA</u>
Operating Cost/Hour:	<u>\$143.92</u>	<u>100</u>
Ripper own. Cost/Hour:	<u>\$0.00</u>	<u>NA</u>
Ripper op. Cost/Hour:	<u>\$0.00</u>	<u>0</u>
Operator Cost/Hour:	<u>\$41.30</u>	<u>NA</u>

Total unit Cost/Hour: \$426.60Total Fleet Cost/Hour: **\$426.60****MATERIAL QUANTITIES**Initial Volume: 2,420Swell factor: 1.000Loose volume: **2,420** LCYSource of estimated volume: Current conditions aprox. 3 ac. x 6"Source of estimated swell factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 50 feetUnadjusted hourly production: 1,400.0 LCY/hrMaterials consistency description: Loose stockpile 1.2Average push gradient: -15 %Average site altitude: 5,750 feetMaterial weight: 1,600 lbs/LCYWeight description: Top Soil**Job Condition Correction Factor**

		<u>Source</u>
Operator Skill:	<u>0.750</u>	<u>(AVG.)</u>
Material consistency:	<u>1.200</u>	<u>(CAT HB)</u>
Dozing method:	<u>1.200</u>	<u>(SLOT)</u>
Visibility:	<u>1.000</u>	<u>(AVG.)</u>

Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.800	(FND-RF)
Push gradient:	1.329	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	1.438	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 1.3705

Adjusted unit production: 1,918.70 LCY/hr

Adjusted fleet production: **1918.7** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)

Unit cost: \$0.222/LCY

Total job time: **1.26** Hours

Total job cost: **\$538**

BULLDOZER WORKTask description: Topsoil pit floorSite: Base Product Gravel Pit 1Permit Action: 2024-03-13Permit/Job#: M1994053**PROJECT IDENTIFICATION**Task #: 04AState: ColoradoAbbreviation: NoneDate: 3/13/2024County: MontroseFilename: M053-04aUser: DMCAgency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D8T - 8SUHorsepower: 310Blade Type: Semi-UniversalAttachment: NAShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	<u>\$241.38</u>	<u>NA</u>
Operating Cost/Hour:	<u>\$143.92</u>	<u>100</u>
Ripper own. Cost/Hour:	<u>\$0.00</u>	<u>NA</u>
Ripper op. Cost/Hour:	<u>\$0.00</u>	<u>0</u>
Operator Cost/Hour:	<u>\$41.30</u>	<u>NA</u>

Total unit Cost/Hour: \$426.60Total Fleet Cost/Hour: **\$426.60****MATERIAL QUANTITIES**Initial Volume: 8,873Swell factor: 1.000Loose volume: **8,873** LCYSource of estimated volume: Current conditions aprox. 11 ac x 6"Source of estimated swell factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 250 feetUnadjusted hourly production: 377.8 LCY/hrMaterials consistency description: Loose stockpile 1.2Average push gradient: -15 %Average site altitude: 5,750 feetMaterial weight: 1,600 lbs/LCYWeight description: Top Soil**Job Condition Correction Factor**

		<u>Source</u>
Operator Skill:	<u>0.750</u>	<u>(AVG.)</u>
Material consistency:	<u>1.200</u>	<u>(CAT HB)</u>
Dozing method:	<u>1.100</u>	<u>(50% SL)</u>
Visibility:	<u>1.000</u>	<u>(AVG.)</u>

Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.800	(FND-RF)
Push gradient:	1.329	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	1.438	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 1.2563

Adjusted unit production: 474.63 LCY/hr

Adjusted fleet production: **474.63** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)

Unit cost: \$0.899/LCY

Total job time: **18.69** Hours

Total job cost: **\$7,975**

REVEGETATION WORKTask description: Vegetate disturbed areaSite: Base Product Gravel Pit 1Permit Action: 2024-03-13Permit/Job#: M1994053**PROJECT IDENTIFICATION**Task #: 05AState: ColoradoAbbreviation: NoneDate: 3/13/2024County: MontroseFilename: M053-05aUser: DMCAgency 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
Chisel plowing {DMG}	\$100.40
Weed control spraying (MEANS 31 31 16.13 3100)	\$338.80
Total Tilling Cost/Acre	\$439.20

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Rye, Perennial Tetraploid - Elgon	1.00	5.67	\$1.80
Crested Wheatgrass - Hy-Crest	1.30	5.97	\$5.17
Crested Wheatgrass - Nordan	1.30	5.97	\$5.07
Smooth Brome - Lincoln	1.80	5.99	\$5.99
Russian Wildrye - VNS	1.50	6.03	\$8.88
Intermediate Wheatgrass - Rush	4.75	10.14	\$13.30
Totals Seed Mix	11.65	39.77	\$40.20

Application

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

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: 14 Cost /Acre: \$711.40
 Estimated Failure Rate: 25% Cost /Acre*: \$711.40
 *Selected Replanting Work Items: TILLING,SEEDING

Initial Job Cost: **\$9,959.60**
 Reseeding Job Cost: **\$2,489.90**
 Total Job Cost: **\$12,450**
 Job Hours: **24.00**

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mobilize reclamation crew and equipment**Site: **Base Product Gravel Pit 1**Permit Action: **2024-03-13**Permit/Job#: **M1994053****PROJECT IDENTIFICATION**Task #: **06A**State: **Colorado**Abbreviation: **None**Date: **3/13/2024**County: **Montrose**Filename: **M053-06a**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 D8T - 8SU	53.08	\$255.49	\$175.95	1	\$431.44	\$175.95	\$250.00
Subtotals:					\$431.44	\$175.95	\$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
Drill/Broadcast Seeder with Tractor	\$14.81	1	\$14.81	\$14.81
Power Mulcher (Bowie LD-90)	\$57.02	1	\$57.02	\$57.02
Subtotals:			\$87.66	\$87.66

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region: MONTROSE
 Total one-way travel distance: 5.00 miles
 Average Travel Speed: 30.00 mph

Total Non-Roadable Mob/Demob Cost * \$1,565.34
 ** two round trips with haul rig:
 Total Roadable Mob/Demob Cost ** \$29.22
 ** one round trip, no haul rig:

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>0.17</u>	<u>0.17</u>
Return Time (Hours):	<u>0.17</u>	<u>0.17</u>
Loading Time (Hours):	<u>0.50</u>	<u>NA</u>
Unloading Time (Hours):	<u>0.50</u>	<u>NA</u>
Subtotals:	<u>1.33</u>	<u>0.33</u>

JOB TIME AND COST

Total job time: 2.67 Hours

Total job cost: \$1,595