

**STATE OF
COLORADO****Wein - DNR, Clayton** <clayton.wein@state.co.us>

C-1981-008, MR-129 Adequacy Review Letter

1 message

Wein - DNR, Clayton <clayton.wein@state.co.us>

Thu, May 23, 2024 at 9:44 AM

To: "Tennyson, Tony (Colowyo)" <tony.tennyson@tristategt.org>

Good morning Tony,

Attached with this email is the Division's Preliminary Adequacy Review Letter for Minor Revision No. 129. The Reclamation Cost Estimate is included with the letter for your review. Please feel free to contact me with any questions or concerns,

Sincerely,

Clayton Wein**Environmental Protection Specialist****COLORADO**
Division of Reclamation,
Mining and Safety
Department of Natural Resources

P 720.762.6156 | F 303.832.8106

1313 Sherman Street, Room 215, Denver, CO 80203

clayton.wein@state.co.us | <https://www.drms.colorado.gov>**C-1981-008, MR-129 Preliminary Adequacy Review Letter_CCW.pdf**

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

May 23, 2024

Tony Tennyson
Elk Ridge Mining and
Reclamation, LLC
P.O. Box 628
27646 West 5th Avenue
Nucla, CO 81424

**RE: New Horizon 2 Mine, Permit No. C-1981-008
Minor Revision No. 129 Preliminary Adequacy Review**

Dear Mr. Tennyson,

The Colorado Division of Reclamation, Mining and Safety (the Division) has received the New Horizon 2 Mine's submittal of required items for a Minor Revision (MR-129) on May 13, 2024. The information provided allowed the revision to be deemed complete on May 20, 2024. The Division has completed reviewing the application submittal and has the following adequacy comments:

1. The Division has completed calculating a reclamation cost estimate for the proposed activities under MR-129. The Division has calculated the costs associated with the revision to equal \$3,652.00. The current bond held for the New Horizon 2 Mine is \$2,522,994.00. The addition of MR-129's estimate to the existing required bond amount would equal \$2,516,086. The current bond held by the Division would be sufficient enough to cover the costs proposed under MR-129. No additional bond monies will be required for this permitting action.
2. The Division's reclamation estimate for the proposed activities under MR-129 are attached with this letter for your review.

This concludes the Division's preliminary adequacy review for the New Horizon 2 Mine's Minor Revision No. 129 application. If you have any questions or concerns, please feel free to contact me.



Sincerely,

A handwritten signature in black ink that reads "Clayton Wein". The signature is written in a cursive, slightly slanted style.

Clayton Wein
Environmental Protection Specialist
clayton.wein@state.co.us

cc: Travis Marshall, Senior Environmental Protection Specialist

COST SUMMARY WORK

Task description: Plug and Seal 3 Geotechnical Boreholes

Site: New Horizon Mine

Permit Action: MR129

Permit/Job#: C1981008

PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 5/22/2024

County: Montrose

Filename: C008-000

User: CCW

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Plug and Seal 3 Geotechnical Boreholes	BOREHOLE	1	3.00	\$207
002	Equipment Mobilization for sealing MR-129 Geotechnical Boreh	MOBILIZE	1	7.56	\$2,446
<u>SUBTOTALS:</u>				10.56	\$2,653

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$54

Performance bond: 1.05

Total = \$28

Job superintendent: 5.28

Total = \$344

Profit: 10.00

Total = \$265

TOTAL O & P = \$690

CONTRACT AMOUNT (direct + O & P) = \$3,343

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): \$0

Total = \$0

Engineering work and/or contract/bid preparation: 5.23

Total = \$175

Reclamation management and/or administration: 4.00

\$134

CONTINGENCY: 0.00

Total = \$0

TOTAL INDIRECT COST = \$999

TOTAL BOND AMOUNT (direct + indirect) = \$3,652

BOREHOLE SEALING WORK

Task description: Plug and Seal 3 Geotechnical Boreholes

Site: New Horizon Mine

Permit Action: MR129

Permit/Job#: C1981008

PROJECT IDENTIFICATION

Task #: 001

State: Colorado

Abbreviation: None

Date: 5/22/2024

County: Montrose

Filename: C008-001

User: CCW

Agency or organization name: DRMS

UNIT COSTS

Borehole Description	Sealing/Item Method	Diameter	Length	Quantity	Unit	Unit Cost	Total Cost
Water truck	Water Tanker, 2,500 Gal.	NA	NA	1.00	EA	\$34.27	\$34.27
Markers for B-1, B-2 and B-3	Borehole location/identification marker (EA, material cost only)	NA	NA	3.00	EA	\$39.00	\$117.00
Cement cap on borehole B-3	Portland cement grout - 6 in. (labor, equip, materials)	6	3	3.00	LF	\$6.22	\$18.67
Cement cap on borehole B-2	Portland cement grout - 6 in. (labor, equip, materials)	6	3	3.00	LF	\$6.22	\$18.67
Cement cap on borehole B-1	Portland cement grout - 6 in. (labor, equip, materials)	6	3	3.00	LF	\$6.22	\$18.67

Job Hours: 3.00

Total Cost: \$207.00

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Equipment Mobilization for sealing MR-129 Geotechnical Boreh**Site: **New Horizon Mine**Permit Action: **MR129**Permit/Job#: **C1981008****PROJECT IDENTIFICATION**Task #: **002**State: **Colorado**Abbreviation: **None**Date: **5/22/2024**County: **Montrose**Filename: **C008-002**User: **CCW**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
SCHRAMM T450WS	0.00	\$288.33	\$82.29	1	\$370.62	\$82.29	\$250.00

Subtotals: **\$370.62** **\$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, 1 T. Crew	\$27.44	1	\$27.44	\$27.44
Water Tanker, 2,500 Gal.	\$34.27	1	\$34.27	\$34.27

Subtotals: **\$61.71** **\$61.71**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	<u>GRAND JUNCTION</u>	
Total one-way travel distance:	<u>104.00</u>	miles
Average Travel Speed:	<u>55.00</u>	mph

Total Non-Roadable Mob/Demob Cost *	<u>\$2,212.82</u>
'* two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	<u>\$233.38</u>
** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>1.89</u>	<u>1.89</u>
Return Time (Hours):	<u>1.89</u>	<u>1.89</u>
Loading Time (Hours):	<u>0.00</u>	<u>NA</u>
Unloading Time (Hours):	<u>0.00</u>	<u>NA</u>
Subtotals:	<u>3.78</u>	<u>3.78</u>

JOB TIME AND COST

Total job time:	<u>7.56</u>	Hours
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Total job cost:	<u>\$2,446</u>
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