



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

July 12, 2024

Bridget Wade
Bureau of Land Management
Tres Rios Field Office
161 Burnett Drive, Unit 4
Durango, CO 81301

Re: Wedding Bell Projects (Groundhog Area, Section 23 Area, Rimrock Area), File No. P-2021-008, P-2021-009, P-2021-010 Notice of Intent to Conduct Prospecting Operations (NOI) Modifications, Request for Concurrence

Dear Ms. Wade,

On May 24, 2024 the Division of Reclamation, Mining and Safety received the above listed applications for Modifications to the Wedding Bell Projects Notice of Intent to Conduct Prospecting Operations (NOI's) located on Bureau of Land Management Lands (BLM) within San Miguel and Montrose Counties. During the Division's technical Adequacy Review period a Reclamation Cost Estimate was performed. Based on the details of the projects, Division Staff has estimated the total Reclamation Cost to ensure reclamation of all affected lands. The Reclamation Costs are as follows:

1. P-2021-008 (Groundhog Area) = \$17,149.00
2. P-2021-009 (Section 23 Area) = \$7,756.00
3. P-2021-010 (Rimrock Area) = \$17,505.00

The Reclamation Cost Estimate Worksheets are enclosed. Per the Memorandum of Understanding, please review these calculations and provide documentation of concurrence for the Financial Warranty amount.

Upon receiving concurrence, the calculation will be provided to the applicant so they may submit the appropriate Financial Warranty for the site. Please note the application will not be granted the final Authorization to Proceed from our office until all necessary permits are also obtained from the BLM and copies are provided to the Division. If you have any questions please feel free to contact me at the Division's Grand Junction Field Office, by phone at 303-919-2997 or by email at lucas.west@state.co.us.

Sincerely,

Lucas West
Environmental Protection Specialist
Division of Reclamation, Mining and Safety



CC: Travis Marshall DRMS

Encl: Reclamation Cost Estimate Worksheets

Ec: Jim Guilinger, Standard Metals Processing, Inc.
Tony Adkins

COST SUMMARY WORK

Task description: Cost Summary

Site: Wedding Bell Project
(Groundhog Area)

Permit Action: MD-1

Permit/Job#: P2021008

PROJECT IDENTIFICATION

Task #: 000
Date: 7/11/2024
User: LJW

State: Colorado
County: San Miguel

Abbreviation: None
Filename: P008-000

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	P & A drill holes up to 4 holes at a time	BOREHOLE	1	16.00	\$903
002	Regrade drill pads and roads	DOZER	1	4.48	\$939
003	Revegetate Affected Lands	REVEGE	1	12.00	\$5,283
003a	Secondary Seeding of Affected Lands	REVEGE	1	12.00	\$2,641
004	Mobilization	MOBILIZE	1	4.48	\$2,961
<u>SUBTOTALS:</u>				48.96	\$12,727

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$257
Performance bond:	1.05	Total =	\$134
Job superintendent:	24.48	Total =	\$1,941
Profit:	10.00	Total =	\$1,273

TOTAL O & P = \$3,604

CONTRACT AMOUNT (direct + O & P) = \$16,331

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>\$817</u>

CONTINGENCY: 0.00 Total = \$0

TOTAL INDIRECT COST = \$4,420

TOTAL BOND AMOUNT (direct + indirect) = \$17,147

COST SUMMARY WORK

Task description: _____

Site: **Wedding Bell Project (Section 23 Area)**

Permit Action: MD-1

Permit/Job#: P2021009

PROJECT IDENTIFICATION

Task #: 000
Date: 7/11/2024
User: LJW

State: Colorado
County: San Miguel

Abbreviation: None
Filename: _____

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	P & A Drill Holes	BOREHOLE	1	8.00	\$452
002	Regrade drill pads and Roads	DOZER	1	1.50	\$315
003	Reveg affected areas	REVEGE	1	16.00	\$858
003a	Secondary seeding of affected areas	REVEGE	1	8.00	\$396
004	Mobilization	MOBILIZE	1	4.40	\$2,929
<u>SUBTOTALS:</u>				37.9	\$4,950

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$100
Performance bond:	1.05	Total =	\$52
Job superintendent:	18.95	Total =	\$1,502
Profit:	10.00	Total =	\$495

TOTAL O & P = \$2,149

CONTRACT AMOUNT (direct + O & P) = \$7,099

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>4.25</u>	Total =	<u>\$302</u>
Reclamation management and/or administration:	<u>5.00</u>		<u>\$355</u>

CONTINGENCY: 0.00 Total = \$0

TOTAL INDIRECT COST = \$2,806

TOTAL BOND AMOUNT (direct + indirect) = \$7,756

COST SUMMARY WORK

Task description: Cost Summary

Site: Wedding Bell Project (Rim
Rock Area)

Permit Action: MD-1

Permit/Job#: P2021010

PROJECT IDENTIFICATION

Task #: 000
Date: 7/12/2024
User: LJW

State: Colorado
County: Montrose

Abbreviation: None
Filename: P010-000

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	P & A Drill Holes	BOREHOLE	1	24.00	\$903
002	Regrade Pads and Roads	DOZER	1	8.62	\$1,806
003	Revegetate Affected Lands	REVEGE	1	8.00	\$5,283
003a	Secondary Seeding of Affected Lands	REVEGE	1	8.00	\$1,321
004	Mobilization	MOBILIZE	1	4.57	\$2,993
<u>SUBTOTALS:</u>				53.19	\$12,306

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$249
Performance bond:	1.05	Total =	\$129
Job superintendent:	26.60	Total =	\$2,108
Profit:	10.00	Total =	\$1,231

TOTAL O & P = \$3,717

CONTRACT AMOUNT (direct + O & P) = \$16,023

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	\$0	Total =	\$0
Engineering work and/or contract/bid preparation:	4.25	Total =	\$681
Reclamation management and/or administration:	5.00		\$801

CONTINGENCY: 0.00 Total = \$0

TOTAL INDIRECT COST = \$5,199

TOTAL BOND AMOUNT (direct + indirect) = \$17,505