



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

July 26, 2024

Franchesca Mallonee  
Oldcastle SW Group, Inc. dba Four Corners Materials  
9755 CR 213  
Durango, CO 81303

**Re: Mud Creek Pit - File No. M-2008-010**  
**Oldcastle SW Group, Inc. dba Four Corners Materials**  
**Surety Increase (SI-1)**  
**Surety Increase to \$53,311**

Dear Franchesca Mallonee:

On July 26, 2024 the Division of Reclamation, Mining and Safety increased the current Financial Warranty for this permit to \$53,311.00, in accordance with Rule 4.2.1 of the Rules and Regulations. This is an increase of \$3,427.80.

The increase in the Financial Wararnty is due to the increase in the cost of fuel, equipment, and labor since the last update.

Please see the June 11, 2024 inspection report for details regarding why this surety increase is required.

On July 26, 2024, the Division ordered amendment of the current Financial Warranty or submittal of a new Financial Warranty reflecting the increase, within 60 days.

Please make arrangements with Sara M. Stevenson-Benn at the Division's Denver office for submittal of the financial warranty. Any other questions regarding completion, execution and/or submittal of financial warranty forms should also be directed to Sara M. Stevenson-Benn by telephone at (303) 866-3567, or by email at [Sara.stevenson-benn@state.co.us](mailto:Sara.stevenson-benn@state.co.us).

The Permittee for this site may be scheduled for a Formal Board Hearing for possible revocation of the permit if the amount of any increased Financial Warranty has not been provided by September 24, 2024.

Bond Held:	\$49,883.20
Prior Liability:	\$49,883.20



Change in Liability:	\$3,427.80
Revised Liability:	\$53,311.00
Prior Permit Acreage:	154.40
Change in Permit Acreage:	0.00
Revised Permit Acreage:	154.40
Prior Affected Acreage:	154.50
Change in Affected Acreage:	0.00
Revised Affected Acreage:	154.50

If you have any questions, please contact me by telephone at (720) 688-0626, or by email at [Todd.jesse@state.co.us](mailto:Todd.jesse@state.co.us).

Sincerely,



Todd Jesse  
Environmental Protection Specialist

cc: Matt Carnahan

M-GR-04

## COST SUMMARY WORK

Task description: Cost Summary

Site: Mud Creek Pit

Permit Action: 2024

Permit/Job#: M2008010

### PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 7/9/2024

County: Montezuma

Filename: M010-000

User: TJ1

Agency or organization name: DRMS

### TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Demolish and remove all mining related structures	DEMOLISH	1	0.00	\$359
002	Highwall reduction to 3H:1V, 10' high x 1000'L	DOZER	1	1.96	\$147
003	Rip and grade 12 acres affected lands	DOZER	1	33.48	\$2,581
004	Topsoil Replacement 1' deep, 12 acres	DOZER	1	75.96	\$5,554
005	Revegetate 13 acres affected	REVEGE	1	16.00	\$29,673
006	Haul reclamation equipment to and from job site.	MOBILIZE	1	3.80	\$4,281
007	Secondary Mobilization	MOBILIZE	1	3.80	\$1,202
<b><u>SUBTOTALS:</u></b>				<b>135</b>	<b>\$43,797</b>

### INDIRECT COSTS

#### OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$885

Performance bond: 1.05

Total = \$460

Job superintendent: 0.00

Total = \$0

Profit: 10.00

Total = \$4,380

TOTAL O & P = \$5,724

CONTRACT AMOUNT (direct + O & P) = \$49,521

#### LEGAL - ENGINEERING - PROJECT MANAGEMENT:

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

Total = \$0

Engineering work and/or contract/bid preparation: 0.00

Total = \$0

Reclamation management and/or administration: 5.00

\$2,476

CONTINGENCY: 3.00

Total = \$1,314

TOTAL INDIRECT COST = \$9,514

**TOTAL BOND AMOUNT (direct + indirect) = \$53,311**

## DEMOLITION WORK

Task description: Demolish and remove all mining related structures

Site: Mud Creek Pit

Permit Action: 2024

Permit/Job#: M2008010

### PROJECT IDENTIFICATION

Task #: 001

State: Colorado

Abbreviation: None

Date: 7/9/2024

County: Montezuma

Filename: M010-001

User: TJ1

Agency or organization name: DRMS

### UNIT COSTS

Location adjustment: 95.20 %

Structure or Item Description	Dimensions	Demolition Menu Selection	Quantity	Unit	Unit Cost	Total Cost
Truck Scales, concrete pads	8'L x 2.5'W x 0.5'D	Demo. and on-site disposal in existing pit, 1.0 ft. x 2 ft. - Max. 10,000 ft. haul	56.00	LF	\$4.63	\$259.06
Misc debris	10'L x 10'W x 5'H	Bldg. (SN) demo./on-site disposal in existing pit or cut - Max. 200 ft. push	500.00	CF	\$0.24	\$118.10

Job Hours: 0.00

Subtotal  
(unadjusted): \$377.16

Total Cost  
(adjusted for location): \$359.06

**BULLDOZER WORK**Task description: Highwall reduction to 3H:1V, 10' high x 1000'LSite: Mud Creek PitPermit Action: 2024Permit/Job#: M2008010**PROJECT IDENTIFICATION**Task #: 002State: ColoradoAbbreviation: NoneDate: 7/9/2024County: MontezumaFilename: M010-002User: TJ1Agency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: OBSOLETE-Cat D8T - 8UHorsepower: 305Blade Type: UniversalAttachment: 3-shank ripperShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	\$10.00	NA
Operating Cost/Hour:	\$10.00	100
Ripper own. Cost/Hour:	\$14.53	NA
Ripper op. Cost/Hour:	\$1.99	25
Operator Cost/Hour:	\$38.59	NA

Total unit Cost/Hour: \$75.10Total Fleet Cost/Hour: \$75.10**MATERIAL QUANTITIES**Initial Volume: 1,389Swell factor: 1.000Loose volume: 1,389 LCYSource of estimated volume:  $((15'L \times 5'H) / 2) \times 1000'L / 27 = 1,388.89 \text{ cy}$ Source of estimated swell factor: NA**HOURLY PRODUCTION**Average push distance: 50 feetUnadjusted hourly production: 1,627.0 LCY/hrMaterials consistency description: Compacted fill or embankment 0.9Average push gradient: -10 %Average site altitude: 6,800 feetMaterial weight: 2,900 lbs/LCYWeight 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:	1.000	(GEN.)
Visibility:	1.000	(AVG.)

Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.800	(FND-RF)
Push gradient:	1.225	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.793	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.4354

Adjusted unit production: 708.40 LCY/hr

Adjusted fleet production: **708.4** LCY/hr

### **JOB TIME AND COST**

Fleet size: 1 Dozer(s)

Unit cost: \$0.106/LCY

Total job time: **1.96** Hours

Total job cost: **\$147**

**BULLDOZER WORK**Task description: **Rip and grade 12 acres affected lands**Site: **Mud Creek Pit**Permit Action: 2024Permit/Job#: M2008010**PROJECT IDENTIFICATION**Task #: 003State: ColoradoAbbreviation: NoneDate: 7/9/2024County: MontezumaFilename: M008-003User: TJ1Agency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: OBSOLETE-Cat D8T - 8UHorsepower: 305Blade Type: UniversalAttachment: 3-shank ripperShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	<u>\$10.00</u>	<u>NA</u>
Operating Cost/Hour:	<u>\$10.00</u>	<u>100</u>
Ripper own. Cost/Hour:	<u>\$14.53</u>	<u>NA</u>
Ripper op. Cost/Hour:	<u>\$3.98</u>	<u>50</u>
Operator Cost/Hour:	<u>\$38.59</u>	<u>NA</u>

Total unit Cost/Hour: \$77.09Total Fleet Cost/Hour: **\$77.09****MATERIAL QUANTITIES**Initial Volume: 19,360Swell factor: 1.000Loose volume: **19,360 LCY**Source of estimated volume: (12ac)(43560sf/ac)(1'D) / 27 = 19,360 cySource of estimated swell factor: NA**HOURLY PRODUCTION**Average push distance: 50 feetUnadjusted hourly production: 1,627.0 LCY/hrMaterials consistency description: Compacted fill or embankment 0.9Average push gradient: 0 %Average site altitude: 6,800 feetMaterial weight: 2,900 lbs/LCYWeight description: Sand and gravel - Dry**Job Condition Correction Factor**

		<u>Source</u>
Operator Skill:	<u>0.750</u>	<u>(AVG.)</u>
Material consistency:	<u>0.900</u>	<u>(CAT HB))</u>
Dozing method:	<u>1.000</u>	<u>(GEN.)</u>
Visibility:	<u>1.000</u>	<u>(AVG.)</u>

Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.800	(FND-RF)
Push gradient:	1.000	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.793	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.3554

Adjusted unit production: 578.24 LCY/hr

Adjusted fleet production: **578.24** LCY/hr

### **JOB TIME AND COST**

Fleet size: 1 Dozer(s)

Unit cost: \$0.133/LCY

Total job time: **33.48** Hours

Total job cost: **\$2,581**



**BULLDOZER WORK**Task description: Topsoil Replacement 1' deep, 12 acresSite: Mud Creek PitPermit Action: 2024Permit/Job#: M2008010**PROJECT IDENTIFICATION**Task #: 004State: ColoradoAbbreviation: NoneDate: 7/9/2024County: MontezumaFilename: M008-004User: TJ1Agency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: OBSOLETE-Cat D8T - 8UHorsepower: 305Blade Type: UniversalAttachment: 3-shank ripperShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	\$10.00	NA
Operating Cost/Hour:	\$10.00	100
Ripper own. Cost/Hour:	\$14.53	NA
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$38.59	NA

Total unit Cost/Hour: \$73.12Total Fleet Cost/Hour: \$73.12**MATERIAL QUANTITIES**Initial Volume: 19,360Swell factor: 1.000Loose volume: 19,360 LCYSource of estimated volume: (12ac)(43560sf/ac)(1'D) / 27 = 19,360 cySource of estimated swell factor: NA**HOURLY PRODUCTION**Average push distance: 200 feetUnadjusted hourly production: 515.8 LCY/hrMaterials consistency description: Partly consolidated stockpile 1.1Average push gradient: 0 %Average site altitude: 6,800 feetMaterial weight: 2,550 lbs/LCYWeight description: Earth - Dry packed**Job Condition Correction Factor**

		<u>Source</u>
Operator Skill:	0.750	(AVG.)
Material consistency:	1.100	(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:	1.000	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.902	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.4941

Adjusted unit production: 254.86 LCY/hr

Adjusted fleet production: **254.86** LCY/hr

### **JOB TIME AND COST**

Fleet size: 1 Dozer(s)

Unit cost: \$0.287/LCY

Total job time: **75.96** Hours

Total job cost: **\$5,554**

**REVEGETATION WORK**Task description: Revegetate 13 acres affectedSite: Mud Creek PitPermit Action: 2024Permit/Job#: M2008010**PROJECT IDENTIFICATION**Task #: 005State: ColoradoAbbreviation: NoneDate: 7/9/2024County: MontezumaFilename: M008-005User: TJ1Agency or organization name: DRMS**FERTILIZING****Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
10-34-0, 18-46-0, 5-10-5	200.00	pound	\$0.51	\$102.32
			<b>Total Fertilizer Materials Cost/Acre</b>	<b>\$102.32</b>

**Application**

Description	Cost /Acre
Tractor towed spreader (MEANS 32 01 90.13 0120)	\$43.12
<b>Total Fertilizer Application Cost/Acre</b>	<b>\$43.12</b>

**TILLING**

Description	Cost /Acre
Disc harrowing, 6" deep (MEANS 32 91 13.23 6100)	\$117.61
<b>Total Tilling Cost/Acre</b>	<b>\$117.61</b>

**SEEDING**

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Rye, Annual Tetraploid - Barmultra	2.00	8.72	\$3.86
Meadow Brome - Regar	6.00	5.51	\$33.75
Orchardgrass - Paiute	1.50	18.60	\$6.88
Smooth Brome - Manchar	2.00	6.66	\$10.44
Intermediate Wheatgrass - Rush	3.00	6.40	\$14.19
Burnett, Small (or Little) - Delar	2.00	2.53	\$8.91
Sainfoin - Renumex	3.00	1.31	\$12.96
<b>Totals Seed Mix</b>	<b>19.50</b>	<b>49.72</b>	<b>\$91.00</b>

**Application**

Description	Cost /Acre
Drill Seeding (DRMS Survey Cost)	\$236.64
<b>Total Seed Application Cost/Acre</b>	<b>\$236.64</b>

**MULCHING and MISCELLANEOUS****Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
	1.00		\$0.00	\$0.00
Hay, delivered {MEANS 31 25 14.16 1200}	2.00	TON	\$492.78	\$985.56
<b>Total Mulch Materials Cost/Acre</b>				<b>\$985.56</b>

**Application**

Description	Cost /Acre
Crimping, with tractor {DMG survey data}	\$85.37
Power mulcher (MEANS 32 91 13.16 0350)	\$157.25
Weed spray, truck, non-aquatic area, nox. [DMG]	\$83.26
<b>Total Mulch Application Cost/Acre</b>	<b>\$325.89</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: 13 Cost /Acre: \$1,902.14  
 Estimated Failure Rate: 20% Cost /Acre\*: \$1,902.14  
 \*Selected Replanting Work Items: FERTILIZING,TILLING,SEEDING,MU  
LCHING

Initial Job Cost: **\$24,727.82**  
 Reseeding Job Cost: **\$4,945.56**  
 Total Job Cost: **\$29,673**  
 Job Hours: **16.00**

**EQUIPMENT MOBILIZATION/DEMOBILIZATION**Task description: Haul reclamation equipment to and from job site.Site: Mud Creek PitPermit Action: 2024Permit/Job#: M2008010**PROJECT IDENTIFICATION**Task #: 006State: ColoradoAbbreviation: NoneDate: 7/9/2024County: MontezumaFilename: M008-006User: TJ1Agency or organization name: DRMS**EQUIPMENT TRANSPORT RIG COST**Shift basis: 1 per dayCost Data Source: CRG DataTruck 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:	\$10.44	\$22.18	\$23.94
Operating Cost/Hour:	\$26.48	\$54.55	\$55.65
Operator Cost/Hour:	\$22.52	\$22.52	\$22.52
Helper Cost/Hour:	\$0.00	\$23.53	\$23.53
Total Unit Cost/Hour:	\$59.44	\$122.78	\$125.64

**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	47.71	\$173.32	\$122.78	1	\$296.10	\$122.78	\$250.00
Drill/Broadcast Seeder with Tractor	25.00	\$41.02	\$59.44	2	\$200.92	\$118.88	\$250.00
Power Mulcher (Bowie LD-90)	6.00	\$27.21	\$59.44	2	\$173.30	\$118.88	\$500.00

Subtotals: **\$670.32** **\$360.54** **\$1,000.00****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.	\$13.77	1	\$13.77	\$13.77

Subtotals: **\$13.77** **\$13.77**

**EQUIPMENT HAUL DISTANCE and Time**

Nearest Major City or Town within project area region: CORTEZ  
 Total one-way travel distance: 18.00 miles  
 Average Travel Speed: 40.00 mph

Total Non-Roadable Mob/Demob Cost \* \$4,268.41  
 \*\* two round trips with haul rig:  
 Total Roadable Mob/Demob Cost \*\* \$12.39  
 \*\* one round trip, no haul rig:

**Transportation Cycle Time:**

	Non- Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.45	0.45
Return Time (Hours):	0.45	0.45
Loading Time (Hours):	0.50	NA
Unloading Time (Hours):	0.50	NA
Subtotals:	1.90	0.90

**JOB TIME AND COST**

Total job time: 3.80 Hours

Total job cost: \$4,281

**EQUIPMENT MOBILIZATION/DEMOBILIZATION**Task description: Secondary MobilizationSite: Mud Creek PitPermit Action: 2024Permit/Job#: M2008010**PROJECT IDENTIFICATION**Task #: 007State: ColoradoAbbreviation: NoneDate: 7/9/2024County: MontezumaFilename: M010-007User: TJ1Agency or organization name: DRMS**EQUIPMENT TRANSPORT RIG COST**Shift basis: 1 per dayCost Data Source: CRG DataTruck 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:	\$10.44	\$22.18	\$23.94
Operating Cost/Hour:	\$26.48	\$54.55	\$55.65
Operator Cost/Hour:	\$22.52	\$22.52	\$22.52
Helper Cost/Hour:	\$0.00	\$23.53	\$23.53
Total Unit Cost/Hour:	\$59.44	\$122.78	\$125.64

**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
Drill/Broadcast Seeder with Tractor	25.00	\$41.02	\$59.44	2	\$200.92	\$118.88	\$250.00

Subtotals: **\$200.92** **\$118.88** **\$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.	\$13.77	1	\$13.77	\$13.77

Subtotals: **\$13.77** **\$13.77**

**EQUIPMENT HAUL DISTANCE and Time**

Nearest Major City or Town within project area region: CORTEZ  
 Total one-way travel distance: 18.00 miles  
 Average Travel Speed: 40.00 mph

Total Non-Roadable Mob/Demob Cost \* \$1,189.66  
 \*\* two round trips with haul rig:  
 Total Roadable Mob/Demob Cost \*\* \$12.39  
 \*\* one round trip, no haul rig:

**Transportation Cycle Time:**

	Non- Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.45	0.45
Return Time (Hours):	0.45	0.45
Loading Time (Hours):	0.50	NA
Unloading Time (Hours):	0.50	NA
Subtotals:	1.90	0.90

**JOB TIME AND COST**

Total job time: 3.80 Hours

Total job cost: \$1,202