



March 6, 2025

Matthew Mueller  
Siloam Stone, Inc.  
315 N. 7<sup>th</sup> St  
Canon City, CO 81212

**RE: Pinon Mine, Permit No. M-1997-094; Technical Revision Application (TR-2), Revise Reclamation Plan, Preliminary Adequacy Review #2**

Dear Mr. Mueller,

On February 3, 2025, the Division of Reclamation, Mining, and Safety (the Division/DRMS) received the technical revision application (TR-2) revising the reclamation plan to reduce the amount of growth medium to be replaced from 12 inches to 6 inches and remove the use of mulch. Please address the following item and provide comments and/or supplemental information if needed.

**Rule 6.4.12 Exhibit L – Reclamation Costs**

1. According to discussion had over the phone and the decision date extension request letter sent to the Division, a less aggressive weed control method will be implemented in calculating the required financial warranty. The updated reclamation cost estimate (RCE) with the adjusted cost associated with weed control amounts to \$11,627; an increase of \$3,327 of the current \$8,300 bond amount. The Division's calculated RCE is attached with this letter for your review.

This concludes the Division's preliminary adequacy review of the TR-4 application. The decision date for this revision is **March 19, 2025**. Please reply to this letter at least 5 days prior to the decision date, **March 14, 2025**, to allow for the Division to review your response. If more time is needed to address these issues, an extension request must be submitted to the Division in writing prior to the decision date.

If you have any questions or concerns, please reach out to me at [Jocelyn.carter@state.co.us](mailto:Jocelyn.carter@state.co.us) or (720) 666-1065.

Sincerely,

Jocelyn Carter



March 6, 2025  
Mr. Matthew Mueller  
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Environmental Protection Specialist

Ec: Amy Eschberger, DRMS  
Steve O'Brien, Environment, Inc.

Enclosures: Updated Reclamation Cost Estimate (RCE)

## COST SUMMARY WORK

Task description: Cost Summary

Site: Pinon Mine

Permit Action: 2025 TR2

Permit/Job#: M1997094

### PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 2/19/2025

County: Pueblo

Filename: M094-000

User: JLC

Agency or organization name: DRMS

### TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Topsoil: 6" over 2.70 acres	DOZER	1	4.36	\$1,475
002	Revegetation	REVEGE	1	8.10	\$4,371
003	Mob/Demob	MOBILIZE	1	3.34	\$2,407
<b><u>SUBTOTALS:</u></b>				<b>15.8</b>	<b>\$8,253</b>

### INDIRECT COSTS

#### OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$167

Performance bond: 1.05

Total = \$87

Job superintendent: 7.90

Total = \$626

Profit: 10.00

Total = \$825

TOTAL O & P = \$1,705

CONTRACT AMOUNT (direct + O & P) = \$9,958

#### LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): \$500

Total = \$500

Engineering work and/or contract/bid preparation: 4.25

Total = \$423

Reclamation management and/or administration: 5.00

\$498

CONTINGENCY: 3.00

Total = \$248

TOTAL INDIRECT COST = \$3,374

**TOTAL BOND AMOUNT (direct + indirect) = \$11,627**

**BULLDOZER WORK**Task description: Topsoil: 6" over 2.70 acresSite: Pinon MinePermit Action: 2025 TR2Permit/Job#: M1997094**PROJECT IDENTIFICATION**Task #: 001State: ColoradoAbbreviation: NoneDate: 2/19/2025County: PuebloFilename: 001User: JLCAgency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D8T - 8SUHorsepower: 310Blade Type: Semi-UniversalAttachment: 1-shank ripperShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	\$173.32	NA
Operating Cost/Hour:	\$109.71	100
Ripper own. Cost/Hour:	\$13.69	NA
Ripper op. Cost/Hour:	\$1.39	15
Operator Cost/Hour:	\$40.04	NA

Total unit Cost/Hour: \$338.14Total Fleet Cost/Hour: \$338.14**MATERIAL QUANTITIES**Initial Volume: 2,178Swell factor: 1.000Loose volume: 2,178 LCYSource of estimated volume: Division of Reclamation, Mining & SafetySource of estimated swell factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 150 feetUnadjusted hourly production: 634.3 LCY/hrMaterials consistency description: Partly consolidated stockpile 1.1Average push gradient: -5 %Average site altitude: 5,850 feetMaterial weight: 2,650 lbs/LCYWeight description: Decomposed rock - 25% Rock, 75% Earth**Job Condition Correction Factor**

		<u>Source</u>
Operator Skill:	0.900	(AB.AVG.)
Material consistency:	1.100	(CAT HB)
Dozing method:	1.100	(50% SL)
Visibility:	1.000	(AVG.)

Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.900	(SSD-FC)
Push gradient:	1.115	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.868	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.7873

Adjusted unit production: 499.38 LCY/hr

Adjusted fleet production: **499.38** LCY/hr

### **JOB TIME AND COST**

Fleet size: 1 Dozer(s)

Unit cost: \$0.677/LCY

Total job time: **4.36** Hours

Total job cost: **\$1,475**

REVEGETATION WORKTask description: RevegetationSite: Pinon MinePermit Action: 2025 TR2Permit/Job#: M1997094PROJECT IDENTIFICATIONTask #: 002State: ColoradoAbbreviation: NoneDate: 2/19/2025County: PuebloFilename: 002User: JLCAgency or organization name: DRMSFERTILIZING**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)	\$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
Blue Grama - Native	0.50	8.16	\$10.66
Sideoats Grama - Butte	3.00	9.85	\$72.47
Thickspike Wheatgrass - Critana	1.00	3.54	\$8.15
Western Wheatgrass - Barton	2.00	5.05	\$18.79
Needlegrass, Green - Lodorm	1.00	4.16	\$8.65
Prairie Junegrass	0.50	26.58	\$24.37
<b>Totals Seed Mix</b>	<b>8.00</b>	<b>57.33</b>	<b>\$143.08</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
Herbicide - 2,4D @ 1.0 pt/ac	2.00	ACRE	\$4.13	\$8.25
<b>Total Mulch Materials Cost/Acre</b>				<b>\$8.25</b>

## Application

Description	Cost /Acre
Weed spray, truck, non-aquatic area, nox. [DMG]	\$83.26
<b>Total Mulch Application Cost/Acre</b>	<b>\$83.26</b>

## 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:	<u>6.22</u>	Cost /Acre:	<u>\$588.84</u>
Estimated Failure Rate:	<u>30%</u>	Cost /Acre*:	<u>\$379.72</u>
*Selected Replanting Work Items:	<u>SEEDING</u>		
Initial Job Cost:	<u><b>\$3,662.58</b></u>		
Reseeding Job Cost:	<u><b>\$708.56</b></u>		
Total Job Cost:	<u><b>\$4,371</b></u>		
Job Hours:	<u><b>8.10</b></u>		

**EQUIPMENT MOBILIZATION/DEMOBILIZATION**Task description: **Mob/Demob**Site: **Pinon Mine**Permit Action: 2025 TR2Permit/Job#: M1997094**PROJECT IDENTIFICATION**Task #: 003State: ColoradoAbbreviation: NoneDate: 2/19/2025County: PuebloFilename: 003User: JLCAgency 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	52.21	\$187.01	\$125.64	1	\$312.65	\$125.64	\$250.00
Drill/Broadcast Seeder with Tractor	25.00	\$41.02	\$59.44	2	\$200.92	\$118.88	\$250.00

Subtotals: **\$513.57** **\$244.52** **\$500.00****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	\$24.60	1	\$24.60	\$24.60

Subtotals: **\$24.60** **\$24.60**



**EQUIPMENT HAUL DISTANCE and Time**

Nearest Major City or Town within project area region:	<u>PUEBLO</u>	
Total one-way travel distance:	<u>35.00</u>	miles
Average Travel Speed:	<u>55.00</u>	mph

Total Non-Roadable Mob/Demob Cost *	<u>\$2,375.70</u>
** two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	<u>\$31.31</u>
** one round trip, no haul rig:	

**Transportation Cycle Time:**

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>0.64</u>	<u>0.64</u>
Return Time (Hours):	<u>0.64</u>	<u>0.64</u>
Loading Time (Hours):	<u>0.20</u>	<u>NA</u>
Unloading Time (Hours):	<u>0.20</u>	<u>NA</u>
Subtotals:	<u>1.67</u>	<u>1.27</u>

**JOB TIME AND COST**

Total job time:	<u>3.35</u>	Hours
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Total job cost:	<u>\$2,407</u>
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