



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

May 16, 2025

Joseph Harrington
ALSH, LLC
8200 S Quebec St, Suite A3-187
Centennial, Co 80112

Re: Sooner Lucky Strike Mine and Mill - File No. M-1982-020
ALSH, LLC
Surety Increase (SI-1)
Increase FW to \$73,103

Dear Joseph Harrington:

On May 16, 2025 the Division of Reclamation, Mining and Safety increased the Financial Warranty requirement for this permit to \$73,103.00, in accordance with Rule 4.2.1 of the Rules and Regulations. This is an increase of **\$23,110.46**.

The Division ordered amendment of the current Financial Warranty or submittal of a new Financial Warranty reflecting the increase is due 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.

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 **July 15, 2025**.

If you have any questions, please contact me by telephone at (970) 433-8393, or by email at Dustin.czapla@state.co.us.

Sincerely,

Dustin M. Czapla
Environmental Protection Specialist

cc: Jacob H. Wilkinson



COST SUMMARY WORK

Task description: _____

Site: Sooner Lucky Strike Mine
and Mill

Permit Action: 2025-01-02 Update

Permit/Job#: M1982020

PROJECT IDENTIFICATION

Task #: 000
Date: 1/2/2025
User: DMC

State: Colorado
County: Gunnison

Abbreviation: None
Filename: M020-000

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
01a	Dewater lined pond	PUMPING	1	1.99	\$121
02a	Remove and dispose of chemicals and debris	DEMOLISH	1	20.00	\$9,200
03a	Seal shafts	MINESEAL	1	8.00	\$5,701
04a	Backfill and grade pond	DOZER	1	19.77	\$6,359
05a	Push overburden over tailings pond area	DOZER	1	35.15	\$11,304
06a	Distribute topsoil	DOZER	1	20.85	\$6,707
07a	Revegetate disturbed areas	REVEGE	1	4.00	\$10,900
08a	Mobilize reclamation crew and equipment	MOBILIZE	1	3.14	\$3,184
<u>SUBTOTALS:</u>				112.9	\$53,476

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$1,080
Performance bond:	1.05	Total =	\$561
Job superintendent:	56.45	Total =	\$4,475
Profit:	10.00	Total =	\$5,348
		TOTAL O & P =	\$11,464
		CONTRACT AMOUNT (direct + O & P) =	\$64,940

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	\$500	Total =	\$500
Engineering work and/or contract/bid preparation:	6.80	Total =	\$4,416
Reclamation management and/or administration:	5.00		\$3,247

CONTINGENCY: 0.00 Total = \$0

TOTAL INDIRECT COST = \$19,627

TOTAL BOND AMOUNT (direct + indirect) = \$73,103

PUMPING WORK

Task description: Dewater lined pond

Site: Sooner Lucky Strike Mine Ltd Permit Action: 2025-01-02 Update Permit/Job#: M1982020

PROJECT IDENTIFICATION

Task #: 01A State: Colorado Abbreviation: None
Date: 1/2/2025 County: Gunnison Filename: M020-01a
User: DMC

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

	Description	Quantity
Make and Model:	Centrifugal pump - 90M, 6 in.	1
Attachment 1:	Suction hose - 6 in. diam., 25 ft.	2
Attachment 2:	Discharge hose - 6 in. D., 25 ft.	4
Labor Unit 1:	Pump operator	1
Horsepower:	<u>65</u>	
Shift Basis:	<u>1 per day</u>	
Weight:	<u>1.05</u>	
	(US Tons)	

Cost Breakdown:

	Utilization %
Ownership Cost/Hour: <u>\$16.51</u>	<u>NA</u>
Operating Cost/Hour: <u>\$22.21</u>	<u>100</u>
Operator Cost/Hour: <u>\$22.07</u>	<u>NA</u>
Total Unit Cost/Hour: <u>\$60.79</u>	
Total Fleet Cost/Hour: <u>\$60.79</u>	

PUMPING QUANTITIES

Initial Pond Volume: <u>28,800.00</u>	Conversion factor: <u>7.4805</u>
Final Pond Volume: <u>215,438.40</u>	gallons
Total Pond Inflow Surface Area: <u>520</u>	Sq. ft.
Total Pond Inflow Volume per Hour: <u>0.00</u>	gallons
	Unit inflow rate in gph/sq. ft.: <u>0.0000</u>

Source of estimated volume: Approx. 180' x 80' x 2' (avg. depth)

PUMPING TIME

Maximum Pump Capacity:	<u>90,000</u>	gph/pump
Estimated Suction Head:	<u>2</u>	feet
Estimated Discharge Head:	<u>0</u>	feet
Total Head:	<u>2</u>	feet
CPB Pump Capacity:	<u>90,000</u>	gph/pump
Site Altitude:	<u>9,150</u>	feet
Adjusted Pumping Capacity:	<u>90,000</u>	gph
Initial Unadjusted Pumping Time:	<u>2.39</u>	hours
Inflow during Initial Pumping:	<u>0</u>	gallons
Net Unadjusted Pumping Time:	<u>2.39</u>	Hours
Altitude Adjustment Factor:	<u>0.9100</u>	(3% rule)
Pump Efficiency Factor:	<u>0.9167</u>	(55 min./hr.)
Total Adjusted Pumping Time:	<u>2.00</u>	hours

JOB TIME AND COST

Total job time: 2.00 Hours

Unit cost: \$0.000563 /Gallon

Total job cost: \$121

DEMOLITION WORK

Task description: Remove and dispose of chemicals and debris

Site: Sooner Lucky Strike Mine Ltd

Permit Action: 2025-01-02 Update

Permit/Job#: M1982020

PROJECT IDENTIFICATION

Task #: 02A
Date: 1/2/2025
User: DMC

State: Colorado
County: Gunnison

Abbreviation: None
Filename: M020-02a

Agency or organization name: DRMS

UNIT COSTS

Location adjustment: 92.10 %

Structure or Item Description	Dimensions	Demolition Menu Selection	Quantity	Unit	Unit Cost	Total Cost
Remove and haul (inert) items from mill	35 cy	Loading and 2 mile haul, no salvage - Hand loading	35.00	CY	\$58.50	\$2,047.50
Chem & hydrocarbon disposal	55 gal drum	Hazardous waste removal - Drum solids/liquids, per drum, (7+ drum job)	22.00	DRUM	\$360.98	\$7,941.52

Job Hours: <u>20.00</u>	Subtotal (unadjusted): <u>\$9,989.02</u>	Total Cost (adjusted for location): <u>\$9,199.89</u>
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Notes for final reclamation:

1. Mill structure will remain onsite as permanent building.
2. Select mill-related items (certain vats, pumps, valves, belting, for example) that are inert and/or are subject to degradation will be removed and disposed of at licensed facility.
3. The operator will maintain all chemicals and hydrocarbons in their original packaging, with legible labels.
4. All mill-related chemicals and hydrocarbons will be removed from the site.
5. All unopened drums and bags will be returned to the supplier, with no net charge for removal.
6. All opened drums and bags will be removed by licensed contractor and disposed of in licensed facility for hazardous or contaminated materials.
7. Assume average package to remove is 55-gallon drum, dry or liquid contents, drum is intact and labeled with no need for testing or use of overpack drum for transportation.
8. Used oil will be pumped to 55-gallon drums and properly disposed of.
9. Bulk diesel fuel will be pumped to tank truck and returned to supplier, no net charge.

SAFEGUARDING UNDERGROUND OPENINGS

Task description: Seal shafts

Site: Sooner Lucky Strike Mine
Ltd

Permit Action: 2025-01-02 Update

Permit/Job#: M1982020

PROJECT IDENTIFICATION

Task #: 03A
Date: 1/2/2025
User: DMC

State: Colorado
County: Gunnison

Abbreviation: None
Filename: M020-03a

Agency or organization name: DRMS

UNIT COSTS

Opening Description	Dimensions	Closure Method	Quantity	Unit	Unit Cost	Total Cost
Shafts (primary and escapeway)	10' x 10'	Shaft closure - backfilling (per opening)	2.00	EA	\$2,850.69	\$5,701.38

Job Hours: 8.00

Total Cost: \$5,701.38

BULLDOZER WORKTask description: **Backfill and grade pond**

Site: **Sooner Lucky Strike Mine Ltd** Permit Action: **2025-01-02 Update** Permit/Job#: **M1982020**

PROJECT IDENTIFICATION

Task #: **04A** State: **Colorado** Abbreviation: **None**
 Date: **1/2/2025** County: **Gunnison** Filename: **M020-04a**
 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:	\$173.32	NA
Operating Cost/Hour:	\$109.71	100
Ripper own. Cost/Hour:	\$0.00	NA
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$38.59	NA

Total unit Cost/Hour: **\$321.62**
 Total Fleet Cost/Hour: **\$321.62**

MATERIAL QUANTITIES

Initial Volume: **5,000**
 Swell factor: **1.125**
 Loose volume: **5,625 LCY**

Source of estimated volume: **Division of Reclamation, Mining & Safety**
 Source of estimated swell factor: **Cat Handbook**

HOURLY PRODUCTION

Average push distance: **200 feet**
 Unadjusted hourly production: **491.9 LCY/hr**

Materials consistency description: **Loose stockpile 1.2**

Average push gradient: **-5 %**
 Average site altitude: **9,150 feet**

Material weight: **2,650 lbs/LCY**Weight description: **Decomposed rock - 25% Rock, 75% Earth****Job Condition Correction Factor**

		<u>Source</u>
Operator Skill:	0.750	(AVG.)
Material consistency:	1.200	(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:	1.115	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.868	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.5784

Adjusted unit production: 284.51 LCY/hr

Adjusted fleet production: **284.51 LCY/hr**

JOB TIME AND COST

Fleet size: 1 Dozer(s)

Unit cost: \$1.130/LCY

Total job time: **19.77 Hours**

Total job cost: **\$6,359**

BULLDOZER WORKTask description: **Push overburden over tailings pond area**Site: **Sooner Lucky Strike Mine Ltd**Permit Action: 2025-01-02 UpdatePermit/Job#: M1982020**PROJECT IDENTIFICATION**Task #: 05A
Date: 1/2/2025
User: DMCState: Colorado
County: GunnisonAbbreviation: None
Filename: M020-05aAgency 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:	<u>\$173.32</u>	<u>NA</u>
Operating Cost/Hour:	<u>\$109.71</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>\$38.59</u>	<u>NA</u>

Total unit Cost/Hour: \$321.62
Total Fleet Cost/Hour: **\$321.62****MATERIAL QUANTITIES**Initial Volume: 8,889
Swell factor: 1.125
Loose volume: **10,000 LCY**Source of estimated volume: Division of Reclamation, Mining & Safety
Source of estimated swell factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 200 feet
Unadjusted hourly production: 491.9 LCY/hrMaterials consistency description: Loose stockpile 1.2Average push gradient: -5 %
Average site altitude: 9,150 feetMaterial weight: 2,650 lbs/LCYWeight description: Decomposed rock - 25% Rock, 75% Earth**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>1.000</u>	<u>(GEN.)</u>

Visibility:	1.000	(AVG.)
Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.800	(FND-RF)
Push gradient:	1.115	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.868	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.5784

Adjusted unit production: 284.51 LCY/hr

Adjusted fleet production: **284.51 LCY/hr**

JOB TIME AND COST

Fleet size: 1 Dozer(s)

Unit cost: \$1.130/LCY

Total job time: **35.15 Hours**

Total job cost: **\$11,304**

BULLDOZER WORKTask description: **Distribute topsoil**

Site: **Sooner Lucky Strike Mine Ltd** Permit Action: **2025-01-02 Update** Permit/Job#: **M1982020**

PROJECT IDENTIFICATION

Task #: **06A** State: **Colorado** Abbreviation: **None**
 Date: **1/2/2025** County: **Gunnison** Filename: **M020-06a**
 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:	\$173.32	NA
Operating Cost/Hour:	\$109.71	100
Ripper own. Cost/Hour:	\$0.00	NA
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$38.59	NA

Total unit Cost/Hour: **\$321.62**
 Total Fleet Cost/Hour: **\$321.62**

MATERIAL QUANTITIES

Initial Volume: **8,815**
 Swell factor: **1.000**
 Loose volume: **8,815 LCY**

Source of estimated volume: **Division of Reclamation, Mining & Safety**
 Source of estimated swell factor: **Cat Handbook**

HOURLY PRODUCTION

Average push distance: **200 feet**
 Unadjusted hourly production: **491.9 LCY/hr**

Materials consistency description: **Loose stockpile 1.2**

Average push gradient: **0 %**
 Average site altitude: **9,150 feet**

Material weight: **1,600 lbs/LCY**Weight description: **Top Soil**

<u>Job Condition Correction Factor</u>		<u>Source</u>
Operator Skill:	0.750	(AVG.)
Material consistency:	1.200	(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:	1.438	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.8593

Adjusted unit production: 422.69 LCY/hr

Adjusted fleet production: **422.69** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)

Unit cost: \$0.761/LCY

Total job time: **20.85** Hours

Total job cost: **\$6,707**

REVEGETATION WORKTask description: Revegetate disturbed areasSite: Sooner Lucky Strike Mine LtdPermit Action: 2025-01-02 UpdatePermit/Job#: M1982020PROJECT IDENTIFICATIONTask #: 07A
Date: 1/2/2025
User: DMCState: Colorado
County: GunnisonAbbreviation: None
Filename: M020-07aAgency or organization name: DRMSFERTILIZING**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost / Acre
6-24-24, 10-20-10, 15-15-15	200.00	pound	\$0.45	\$90.64
			Total Fertilizer Materials Cost/Acre	\$90.64

Application

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

TILLING

Description	Cost / Acre
Chisel plowing {DMG}	\$102.41
Weed control spraying (MEANS 31 31 16.13 3100)	\$338.80
Total Tilling Cost/Acre	\$441.21

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost / Acre
Arizona Fescue - Redondo	1.00	11.48	\$15.06
Bitterbrush, Antelope	2.00	0.62	\$113.03
Crested Wheatgrass - Fairway	2.40	11.02	\$13.98
Pubescent Wheatgrass - Luna	7.20	14.88	\$36.03
Totals Seed Mix	12.60	37.99	\$178.11

Application

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

MULCHING and MISCELLANEOUS**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Herbicide - Curtail @ 4.0 pt/ac	1.00	ACRE	\$36.14	\$36.14
Straw, delivered {MEANS 31 25 14.16 1200}	2.00	TON	\$492.78	\$985.56
Total Mulch Materials Cost/Acre				\$1,021.70

Application

Description	Cost /Acre
Crimping, with tractor {DMG survey data}	\$85.37
Weed spray, truck, non-aquatic area, nox. [DMG]	\$83.26
Total Mulch Application Cost/Acre	\$168.64

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: 4 Cost /Acre: \$2,180.06
 Estimated Failure Rate: 25% Cost /Acre*: \$2,180.06
 *Selected Replanting Work Items: FERTILIZING,TILLING,SEEDING,MU
LCHING

Initial Job Cost: **\$8,720.24**
 Reseeding Job Cost: **\$2,180.06**
 Total Job Cost: **\$10,900**
 Job Hours: **4.00**

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mobilize reclamation crew and equipment**Site: **Sooner Lucky Strike Mine Ltd**Permit Action: **2025-01-02 Update**Permit/Job#: **M1982020****PROJECT IDENTIFICATION**

Task #: **08A** State: **Colorado** Abbreviation: **None**
 Date: **1/2/2025** County: **Gunnison** Filename: **M020-08a**
 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:	\$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
CAT 972H	28.00	\$62.43	\$122.78	1	\$185.21	\$122.78	\$250.00
Drill/Broadcast Seeder with Tractor	25.00	\$41.02	\$59.44	1	\$100.46	\$59.44	\$250.00

Subtotals: **\$581.77** **\$305.00** **\$750.00****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>GUNNISON</u>	
Total one-way travel distance:	<u>10.00</u>	miles
Average Travel Speed:	<u>35.00</u>	mph

Total Non-Roadable Mob/Demob Cost *	<u>\$3,170.27</u>
** two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	<u>\$14.06</u>
** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>0.29</u>	<u>0.29</u>
Return Time (Hours):	<u>0.29</u>	<u>0.29</u>
Loading Time (Hours):	<u>0.50</u>	<u>NA</u>
Unloading Time (Hours):	<u>0.50</u>	<u>NA</u>
Subtotals:	<u>1.57</u>	<u>0.57</u>

JOB TIME AND COST

Total job time:	<u>3.14</u>	Hours
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Total job cost:	<u>\$3,184</u>
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