



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

May 15, 2025

Kareen L. Hollenbeck
Duane E. Hollenbeck
P.O. Box 902
Gunnison, CO 81230

Re: Hollenbeck Pit - File No. M-1985-023
Duane E. Hollenbeck
Surety Increase (SI-3)
Increase FW to \$32,842

Dear Kareen L. Hollenbeck:

On May 15, 2025 the Division of Reclamation, Mining and Safety increased the current Financial Warranty requirement for this permit to \$32,842.00, in accordance with Rule 4.2.1 of the Rules and Regulations. This is an increase of **\$13,813.00** over the existing amount (\$19,029.00).

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 14, 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



COST SUMMARY WORK

Task description: 2025-01-02 Update

Site: Hollenbeck Pit

Permit Action: 2025-01-02 Update

Permit/Job#: M1985023

PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 1/2/2025

County: Gunnison

Filename: 000

User: DMC

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
01a	reduce pit highwalls and process area slopes to 3:1	DOZER	1	2.31	\$778
02a	rip roads and lower pad	RIPPER	1	3.01	\$1,037
03a	carry topsoil to upper pit for replacement	LOADER	1	8.59	\$866
04a	spread topsoil upper pit	DOZER	1	1.68	\$579
05a	debris disposal	DEMOLISH	1	4.00	\$545
06a	reveg of 10 acres	REVEGE	1	24.00	\$21,445
07a	mobilization to site	MOBILIZE	1	3.00	\$2,413
<u>SUBTOTALS:</u>				46.59	\$27,663

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$559

Performance bond: 1.05

Total = \$290

Job superintendent: 0.00

Total = \$0

Profit: 10.00

Total = \$2,766

TOTAL O & P = \$3,616

CONTRACT AMOUNT (direct + O & P) = \$31,279

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

\$1,564

CONTINGENCY: 0.00

Total = \$0

TOTAL INDIRECT COST = \$5,179

TOTAL BOND AMOUNT (direct + indirect) = \$32,842

BULLDOZER WORKTask description: Reduce pit highwalls and process area slopes to 3:1Site: Hollenbeck PitPermit Action: 2025-01-02 UpdatePermit/Job#: M1985023**PROJECT IDENTIFICATION**Task #: 01AState: ColoradoAbbreviation: NoneDate: 1/2/2025County: GunnisonFilename: 01aUser: DMCAgency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D8T - 8SUHorsepower: 310Blade Type: Semi-UniversalAttachment: 3-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:	\$14.53	NA
Ripper op. Cost/Hour:	\$0.80	10
Operator Cost/Hour:	\$38.59	NA

Total unit Cost/Hour: \$336.94Total Fleet Cost/Hour: **\$336.94****MATERIAL QUANTITIES**Initial Volume: 1,232Swell factor: 1.330Loose volume: **1,639** LCYSource of estimated volume: Division of Reclamation, Mining & SafetySource of estimated swell factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 50 feetUnadjusted hourly production: 1,400.0 LCY/hrMaterials consistency description: Compacted fill or embankment 0.9Average push gradient: -20 %Average site altitude: 7,800 feetMaterial weight: 2,900 lbs/LCYWeight description: Decomposed rock - 50% Rock, 50% Earth**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	(SSD-AC)
Push gradient:	1.426	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.793	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.5068

Adjusted unit production: 709.52 LCY/hr

Adjusted fleet production: **709.52** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)

Unit cost: \$0.475/LCY

Total job time: **2.31** Hours

Total job cost: **\$778**

BULLDOZER RIPPING WORK

Task description: Rip roads and lower pad

Site: Hollenbeck Pit Permit Action: 2025-01-02 Update Permit/Job#: M1985023

PROJECT IDENTIFICATION

Task #: 02A State: Colorado Abbreviation: None
Date: 1/2/2025 County: Gunnison Filename: 02a
User: DMC

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Basic Machine: Cat D8T - 8SU Horsepower: 310
Ripper Attachment: 3-Shank Ripper Shift Basis: 1 per day
Data Source: (CRG)

Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	<u>\$173.32</u>	<u>NA</u>
Operating Cost/Hour:	<u>\$109.71</u>	<u>100</u>
Ripper Ownership Cost/Hour:	<u>\$14.53</u>	<u>NA</u>
Ripper Operating Cost/Hour:	<u>\$7.95</u>	<u>100</u>
Operator Cost/Hour:	<u>\$38.59</u>	<u>NA</u>
Total Unit Cost/Hour:	<u>\$344.10</u>	
Total Fleet Cost/Hour:	<u>\$344.10</u>	

MATERIAL QUANTITIES

Selected estimating method: Area

Alternate Methods:

Seismic: NA Bank Volume: NA BCY NA
Area: 2.00 acres Rip Depth (ft): 1.00 Volume: 3,227 BCY or CCY

Source of estimated quantity: Previous accepted calculations

HOURLY PRODUCTION

Seismic:

Seismic Velocity: NA feet/second

Area:

Average Ripping Depth:	<u>1.50</u>	<u>feet/pass</u>
Average Ripping Width:	<u>7.08</u>	<u>feet/pass</u>
Average Ripping Length:	<u>300.00</u>	<u>feet/pass</u>
Average Dozer Speed:	<u>88.00</u>	<u>feet/minute</u>
Average Maneuver Time:	<u>0.25</u>	<u>minutes/pass</u>
Production per unit area:	<u>0.800</u>	<u>acres/hour</u>

Job Condition Correction Factors

Unadjusted Hourly Unit Production:	<u>0.800</u>	<u>Acres/hr</u>
Site Altitude:	<u>7,800</u>	<u>feet</u>
Altitude Adj:	<u>1.00</u>	<u>(CAT HB)</u>
Job Efficiency:	<u>0.83</u>	<u>(1 shift/day)</u>
Net Correction:	<u>0.83</u>	<u>multiplier</u>
Adjusted Hourly Unit Production:	<u>0.66</u>	<u>Acres/hr</u>
Adjusted Hourly Fleet Production:	<u>0.66</u>	<u>Acres/hr</u>

JOB TIME AND COST

Fleet size: 1 Grader(s) Total job time: **3.01** Hours

Unit cost: \$518.516 Per acre Total job cost: **\$1,037**

WHEEL LOADER – LOAD AND CARRY WORKTask description: Carry topsoil to upper pit for replacementSite: Hollenbeck PitPermit Action: 2025-01-02 UpdatePermit/Job#: M1985023**PROJECT IDENTIFICATION**Task #: 03AState: ColoradoAbbreviation: NoneDate: 1/2/2025County: GunnisonFilename: 03aUser: DMCAgency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: CAT 938HAttachment 1: ROPS CabHorsepower: 172Shift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		Utilization %
Ownership Cost/Hour:	\$32.87	NA
Operating Cost/Hour:	\$31.02	100
Operator Cost/Hour:	\$36.85	NA
Total Unit Cost/Hour:	\$100.74	
Total Fleet Cost/Hour:	\$100.74	

MATERIAL QUANTITIESInitial volume: 1,111

CCY

Swell factor: 1.000Loose volume: 1,111

LCY

Source of estimated volume: Division of Reclamation, Mining & SafetySource of estimated swell factor: Cat Handbook**HOURLY PRODUCTION**Loader Cycle Time: Unadjusted Basic Cycle Time (load, dump, maneuver): 0.483 minutes

Cycle Time Factors		Factor (min.)	Source
Material:	Mixed material 0.02	0.020	(Cat HB)
Stockpile:	No adjustment - factor not applicable 0.00	0.000	(Cat HB)
Truck Ownership:	No adjustment - factor not applicable 0.00	0.000	(Cat HB)
Operation:	No adjustment - factor not applicable 0.00	0.000	(Cat HB)
Dump Target:	No adjustment - factor not applicable 0.00	0.000	(Cat HB)
Net Cycle Time Adjustment:		0.020	minutes
Adjusted Basic Cycle Time:		0.503	minutes

Rolling Resistance – Road ConditionsHaul: Rutted dirt, little maintenance, no water, 2" tire penetration 5.0Return: Rutted dirt, little maintenance, no water, 2" tire penetration 5.0**Haul and Return Time**

	Length (feet)	Grade Res. (%)	Rolling Res. (%)	Total Res. (%)	Travel Time (minutes)	Source
Haul Route:	500	5.00	5.00	10.00	0.6430	(Cat HB)
Return Route:	500	-5.00	5.00	0.00	0.3196	(Cat HB)

Total Travel Time: 0.9626 minutes
 Total Cycle Time: 1.4651 minutes

Load Bucket Capacity

Rated Capacity: 3.90 LCY (heaped)
 Bucket Fill Factor: 0.975 Loose material - mixed moist aggregates (95-100%) 0.975
 Adjusted Capacity: 3.80 LCY

Job Condition Correction Factors

Site Altitude: 7800 feet

		Source
Altitude Adj:	<u>1.00</u>	(CAT HB)
Job Efficiency:	<u>0.83</u>	(1 shift/day)
Net Correction:	<u>0.83</u>	multiplier

Unadjusted Hourly Unit Production: 155.73 LCY/Hour
 Adjusted Hourly Unit Production: 129.25 LCY/Hour
 Adjusted Hourly Fleet Production: 129.25 LCY/Hour

JOB TIME AND COST

Fleet size: 1 Loader(s) Total job time: 8.60 Hours
 Unit cost: \$0.779 /LCY Total job cost: \$866

BULLDOZER WORKTask description: Spread topsoil upper pitSite: Hollenbeck PitPermit Action: 2025-01-02 UpdatePermit/Job#: M1985023**PROJECT IDENTIFICATION**Task #: 04AState: ColoradoAbbreviation: NoneDate: 1/2/2025County: GunnisonFilename: 04aUser: DMCAgency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D8T - 8SUHorsepower: 310Blade Type: Semi-UniversalAttachment: 3-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:	\$14.53	NA
Ripper op. Cost/Hour:	\$7.95	100
Operator Cost/Hour:	\$38.59	NA

Total unit Cost/Hour: \$344.10Total Fleet Cost/Hour: \$344.10**MATERIAL QUANTITIES**Initial Volume: 1,111Swell factor: 1.215Loose volume: 1,350 LCYSource of estimated volume: Division of Reclamation, Mining & SafetySource of estimated swell factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 50 feetUnadjusted hourly production: 1,400.0 LCY/hrMaterials consistency description: Dry, non-cohesive 0.8Average push gradient: 0 %Average site altitude: 7,800 feetMaterial weight: 1,600 lbs/LCYWeight description: Top Soil**Job Condition Correction Factor**

		<u>Source</u>
Operator Skill:	0.750	(AVG.)
Material consistency:	0.800	(CAT HB)
Dozing method:	1.000	(GEN.)
Visibility:	1.000	(AVG.)

Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.800	(SSD-AC)
Push gradient:	1.000	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	1.438	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.5729

Adjusted unit production: 802.06 LCY/hr

Adjusted fleet production: **802.06** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)

Unit cost: \$0.429/LCY

Total job time: **1.68** Hours

Total job cost: **\$579**

DEMOLITION WORK

Task description: Debris disposal

Site: Hollenbeck Pit

Permit Action: 2025-01-02 Update

Permit/Job#: M1985023

PROJECT IDENTIFICATION

Task #: 05A

State: Colorado

Abbreviation: None

Date: 1/2/2025

County: Gunnison

Filename: 05a

User: DMC

Agency or organization name: DRMS

UNIT COSTS

Location adjustment: 91.30 %

Structure or Item Description	Dimensions	Demolition Menu Selection	Quantity	Unit	Unit Cost	Total Cost
misc. debris	10X10X5	Loading and 2 mile haul, no salvage - Machine loading	18.50	CY	\$21.15	\$391.28
disposal at dump	10X20X5	Dump fees - Building construction materials.	18.50	CY	\$11.10	\$205.35

Job Hours: 4.00

Subtotal
(unadjusted): \$596.63

Total Cost
(adjusted for location): \$544.72

REVEGETATION WORKTask description: Reveg of 10 acresSite: Hollenbeck PitPermit Action: 2025-01-02 UpdatePermit/Job#: M1985023**PROJECT IDENTIFICATION**Task #: 06AState: ColoradoAbbreviation: NoneDate: 1/2/2025County: GunnisonFilename: 06aUser: DMCAgency 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
			Total Fertilizer Materials Cost/Acre	\$102.32

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
Total Tilling Cost/Acre	\$102.41

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Indian Ricegrass - Paloma	0.95	3.08	\$19.51
Crested Wheatgrass - Nordan	2.00	9.18	\$10.63
Russian Wildrye - Vinal	1.50	6.03	\$10.84
Pubescent Wheatgrass - Luna	3.90	8.06	\$19.52
Sheep Fescue - Bighorn	0.25	3.90	\$1.24
Western Wheatgrass - Arriba	1.40	3.54	\$12.65
Totals Seed Mix	10.00	33.78	\$74.38

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
Hay, delivered {MEANS 31 25 14.16 1200}	2.00	TON	\$492.78	\$985.56
Total Mulch Materials Cost/Acre				\$985.56

Application

Description	Cost /Acre
Crimping, with tractor {DMG survey data}	\$85.37
Power mulcher (MEANS 32 91 13.16 0350)	\$157.25
Total Mulch Application Cost/Acre	\$242.63

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: 10 Cost /Acre: \$1,787.06
 Estimated Failure Rate: 20% Cost /Acre*: \$1,787.06
 *Selected Replanting Work Items: FERTILIZING, TILLING, SEEDING,
MULCHING

Initial Job Cost: \$17,870.60
 Reseeding Job Cost: \$3,574.12
 Total Job Cost: \$21,445
 Job Hours: 24.00

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mobilization to site**Site: **Hollenbeck Pit**Permit Action: **2025-01-02 Update**Permit/Job#: **M1985023****PROJECT IDENTIFICATION**

Task #: **07A** State: **Colorado** Abbreviation: **None**
 Date: **1/2/2025** County: **Gunnison** Filename: **07a**
 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	53.08	\$187.85	\$125.64	1	\$313.49	\$125.64	\$250.00
CAT 938H	16.34	\$32.87	\$59.44	1	\$92.31	\$59.44	\$0.00
Drill/Broadcast Seeder with Tractor	25.00	\$41.02	\$59.44	1	\$100.46	\$59.44	\$250.00

Subtotals: **\$506.26** **\$244.52** **\$500.00**

ROADABLE EQUIPMENT:

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Flatbed Truck, 4x2, 30K GVW	\$50.30	1	\$50.30	\$50.30

Subtotals: **\$50.30** **\$50.30**

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>40.00</u>	mph

Total Non-Roadable Mob/Demob Cost *	<u>\$2,387.91</u>
** two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	<u>\$25.15</u>
** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>0.25</u>	<u>0.25</u>
Return Time (Hours):	<u>0.25</u>	<u>0.25</u>
Loading Time (Hours):	<u>0.50</u>	<u>NA</u>
Unloading Time (Hours):	<u>0.50</u>	<u>NA</u>
Subtotals:	<u>1.50</u>	<u>0.50</u>

JOB TIME AND COST

Total job time:	<u>3.00</u>	Hours
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Total job cost:	<u>\$2,413</u>
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