



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

Bob Munz  
Mountain Coal Company, LLC  
5174 Highway 133  
Somerset, CO 81434

July 17, 2025

**Re: West Elk Mine (Permit No. C-1980-007)**  
**Minor Revision No. 488, (MR-488)**  
**Initial Adequacy Review**

Dear Mr. Munz,

The Colorado Division of Reclamation, Mining and Safety (Division) has completed the initial review of materials submitted by Mountain Coal Company, LLC (MCC) in support of the MR-488 application.

Please respond to the following adequacy items:

1. The Division completed a Reclamation Cost Estimate (RCE) for the demolition of the shed, based on information given in the application. The required surety would increase by \$826 to \$14,473,138 (assuming that MR-487, which is still under review, is approved). Since the Division currently holds a bond of \$15,000,000 no additional bond would need to be posted.  
**Please review the attached RCE and respond with any comments.**
2. Map 53 must show all surface facilities at the main mine site.  
**Please revise Map 53 to show the shed.**

The decision due date for MR-488 is July 27, 2025.

Yours sincerely,

Leigh Simmons  
Environmental Protection Specialist



## COST SUMMARY WORK

Task description: Demolition of breaker building shed

Site: West Elk Mine

Permit Action: MR-488

Permit/Job#: C1980007

### PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 7/17/2025

County: Delta

Filename: C007-000

User: LDS

Agency or organization name: DRMS

### TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Demolition of breaker building shed	DEMOLISH	1	8.00	\$465
<b><u>SUBTOTALS:</u></b>				<b>8</b>	<b>\$465</b>

### INDIRECT COSTS

#### OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$9

Performance bond: 1.05

Total = \$5

Job superintendent: 4.00

Total = \$301

Profit: 10.00

Total = \$46

TOTAL O & P = \$361

CONTRACT AMOUNT (direct + O & P) = \$826

#### 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: 0.00

\$0

CONTINGENCY: 0.00

Total = \$0

TOTAL INDIRECT COST = \$361

**TOTAL BOND AMOUNT (direct + indirect) = \$826**

## DEMOLITION WORK

Task description: Demolition of breaker building shed

Site: West Elk Mine

Permit Action: MR-488

Permit/Job#: C1980007

### PROJECT IDENTIFICATION

Task #: 001

State: Colorado

Abbreviation: None

Date: 7/17/2025

County: Delta

Filename: 488-001

User: LDS

Agency or organization name: DRMS

### UNIT COSTS

Location adjustment: 89.80 %

Structure or Item Description	Dimensions	Demolition Menu Selection	Quantity	Unit	Unit Cost	Total Cost
Breaker building shed	10' x 20' x 10'10"	Bldg. (SN) demo./on-site disposal in existing pit or cut - Max. 200 ft. push	2,200.00	CF	\$0.24	\$518.10

Job Hours: 8.00

Subtotal  
(unadjusted): \$518.10

Total Cost  
(adjusted for location): \$465.25



STATE OF  
COLORADO

Simmons - DNR, Leigh <leigh.simmons@state.co.us>

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## C1980007, West Elk Mine, MR-488, Initial Adequacy Review

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**Simmons - DNR, Leigh** <leigh.simmons@state.co.us>  
To: "Munz, Robert" <RobertMunz@coreresources.com>

Thu, Jul 17, 2025 at 2:10 PM

Bob,

Please find the Division's initial adequacy review of MR-488 attached.

Leigh Simmons  
Environmental Protection Specialist



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**Adequacy letter, West Elk, MR-488, 1\_withRCE.pdf**  
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