



STATE OF  
COLORADO

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

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## C1980007, West Elk Mine, MR-487, Initial Adequacy Review

1 message

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

Thu, Jul 17, 2025 at 12:03 PM

Bob,

Please find the Division's initial adequacy review of MR-487 attached.

(Note that a similar letter will likely be sent for MR-488. A single updated version of Map 53 to incorporate changes in both revisions will be sufficient)

Leigh Simmons  
Environmental Protection Specialist



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

P [720.220.1180](https://drms.colorado.gov/720.220.1180)

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**Adequacy letter, West Elk, MR-487, 1\_withRCE.pdf**  
443K



**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. 487, (MR-487)**  
**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-487 application.

Please respond to the following adequacy items:

1. The Division completed a Reclamation Cost Estimate (RCE) for the demolition of the dozer barn, based on information given in the application. The required surety would increase by \$35,743 to \$14,472,312. 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 dozer barn.**

The decision due date for MR-487 is July 27, 2025.

Yours sincerely,

Leigh Simmons  
Environmental Protection Specialist



## COST SUMMARY WORK

Task description: Demolition of Dozer Barn

Site: West Elk Mine

Permit Action: MR-487

Permit/Job#: C1980007

### PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 7/17/2025

County: Delta

Filename: 000-487

User: LDS

Agency or organization name: DRMS

### TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Demolition of dozer barn	DEMOLISH	1	72.00	\$29,219
<b><u>SUBTOTALS:</u></b>				<b>72</b>	<b>\$29,219</b>

### INDIRECT COSTS

#### OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$590

Performance bond: 1.05

Total = \$307

Job superintendent: 36.00

Total = \$2,705

Profit: 10.00

Total = \$2,922

TOTAL O & P = \$6,524

CONTRACT AMOUNT (direct + O & P) = \$35,743

#### 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 = \$6,524

**TOTAL BOND AMOUNT (direct + indirect) = \$35,743**

## DEMOLITION WORK

Task description: Demolition of dozer barn

Site: West Elk Mine

Permit Action: MR-487

Permit/Job#: C1980007

### PROJECT IDENTIFICATION

Task #: 001

State: Colorado

Abbreviation: None

Date: 7/17/2025

County: Delta

Filename: 001-487

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
Dozer barn building	56' x 60' x 27'	Bldg. (SN) demo./on-site disposal in existing pit or cut - Max. 200 ft. push	90,720.00	CF	\$0.24	\$21,364.56
Dozer barn foundation blocks	2' x 2' x 752'	Demo. and on-site disposal in existing pit, 2.0 ft. x 3 ft. - Max. 200 ft. push	752.00	LF	\$14.86	\$11,173.52

Job Hours: 72.00

Subtotal  
(unadjusted): \$32,538.08

Total Cost  
(adjusted for location): \$29,219.20