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

September 4, 2025

Lois Hybarger
Flat Top Flagstone, LLC
2695 Patterson Road
Suite 2-320
Grand Junction, CO 81506

Re: Flag Creek Mine - File No. M-1997-098
Flat Top Flagstone, LLC
Surety Increase (SI-4)
Post inspection surety increase to account for inflation

Dear Lois Hybarger:

On September 4, 2025 the Division of Reclamation, Mining and Safety increased the current Financial Warranty for this permit to $212,445.00, in accordance with Rule 4.2.1 of the Rules and Regulations. This is an increase of $5,541.00.

Post inspection surety increase to account for inflation

Please see the September 2, 2025 inspection report for details regarding why this surety increase is required.

On September 4, 2025, the Division ordered amendment of the current Financial Warranty or submittal of a new Financial Warranty reflecting the increase, 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 November 3, 2025.

Bond Held:	$206,904.00
Prior Liability:	$206,904.00

Change in Liability:	$5,541.00
Revised Liability:	$212,445.00
Prior Permit Acreage:	140.00
Change in Permit Acreage:	0.00
Revised Permit Acreage:	140.00
Prior Affected Acreage:	140.00
Change in Affected Acreage:	0.00
Revised Affected Acreage:	140.00

If you have any questions, please contact me by telephone at (970) 210-1272, or by email at Amy.yeldell@state.co.us.

Sincerely,

Amy Yeldell

Amy C. Yeldell
Environmental Protection Specialist

M-GR-04

COST SUMMARY WORK

Task description: **Post CT1 Inspection Update**

Site: **Flag Creek Mine** Permit Action: CT1 Permit/Job#: M1997098

PROJECT IDENTIFICATION

Task #: ACY State: Colorado Abbreviation: None
Date: 9/4/2025 County: Rio Blanco Filename: M098-ACY
User: ACY

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
01a	Backfill and Grading of Terraces	DOZER	1	114.32	$24,705
02a	Rip 7.68 acres of terrace	RIPPER	1	29.87	$7,208
03a	Haul topsoil from borrow pit to terraces	TRUCK1	1	69.92	$58,840
04a	Revegetation of 7.68 acres	REVEGE	1	16.00	$67,826
05a	Initial Mobilization	MOBILIZE	1	4.40	$3,992
05b	Initial Mobilization	MOBILIZE	1	4.40	$1,067
	SUBTOTALS:			**238.91**	**$163,638**

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	$3,305
Performance bond:	1.05	Total =	$1,718
Job superintendent:	119.46	Total =	$8,975
Profit:	10.00	Total =	$16,364
		TOTAL O & P =	$30,362
		CONTRACT AMOUNT (direct + O & P) =	$194,000

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	$500	Total =	$500
Engineering work and/or contract/bid preparation:	4.25	Total =	$8,245
Reclamation management and/or administration:	5.00		$9,700
CONTINGENCY:	0.00	Total =	$0
		TOTAL INDIRECT COST =	$48,807
		TOTAL BOND AMOUNT (direct + indirect) =	**$212,445**

BULLDOZER WORK

Task description: **Backfill and Grading of Terraces**

Site: **Flag Creek Mine** Permit Action: CT1 Permit/Job#: M1997098

PROJECT IDENTIFICATION

Task #: 01A State: Colorado Abbreviation: None
Date: 9/4/2025 County: Rio Blanco Filename: M098-01a
User: ACY

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Basic Machine: Cat D7R DS Series II LGP
Horsepower: 240
Blade Type: Straight
Attachment: NA
Shift Basis: 1 per day
Data Source: (CRG)

Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	$97.39	NA
Operating Cost/Hour:	$80.69	100
Ripper own. Cost/Hour:	$0.00	NA
Ripper op. Cost/Hour:	$0.00	0
Operator Cost/Hour:	$38.02	NA

Total unit Cost/Hour: $216.10
Total Fleet Cost/Hour: **$216.10**

MATERIAL QUANTITIES

Initial Volume: 18,480
Swell factor: 1.215
Loose volume: **22,453** LCY

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

HOURLY PRODUCTION

Average push distance: 50 feet
Unadjusted hourly production: 800.0 LCY/hr

Materials consistency description: Compacted fill or embankment 0.9

Average push gradient: 10 %
Average site altitude: 8,200 feet

Material weight: 3,300 lbs/LCY

Weight description: Decomposed rock - 75% Rock, 25% Earth

Job Condition Correction Factor		Source
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	(FND-RF)
Push gradient:	0.786	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.697	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.2455

Adjusted unit production: 196.40 LCY/hr
Adjusted fleet production: **196.4** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)
Unit cost: $1.100/LCY

Total job time: **114.32** Hours
Total job cost: **$24,705**

BULLDOZER RIPPING WORK

Task description: **Rip 7.68 acres of terrace**

Site: **Flag Creek Mine** Permit Action: CT1 Permit/Job#: M1997098

PROJECT IDENTIFICATION

Task #: 02A State: Colorado Abbreviation: None
Date: 9/4/2025 County: Rio Blanco Filename: M098-02a
User: ACY

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Basic Machine: Cat D7R DS Series II LGP Horsepower: 240
Ripper Attachment: 1-Shank Ripper Shift Basis: 1 per day
Data Source: (CRG)

Cost Breakdown:

		Utilization %
Ownership Cost/Hour:	$97.39	NA
Operating Cost/Hour:	$80.69	100
Ripper Ownership Cost/Hour:	$14.77	NA
Ripper Operating Cost/Hour:	$10.44	100
Operator Cost/Hour:	$38.02	NA
Total Unit Cost/Hour:	$241.31	

Total Fleet Cost/Hour: **$241.31**

MATERIAL QUANTITIES

Selected estimating method: Area

Alternate Methods:

Seismic: NA Bank Volume: NA BCY NA
Area: 7.68 acres Rip Depth (ft): 2.00 Volume: 24,781 BCY or CCY

Source of estimated quantity: Staff Estimate

HOURLY PRODUCTION

Seismic:

Seismic Velocity: NA feet/second

Area:

Average Ripping Depth:	2.45	feet/pass
Average Ripping Width:	3.68	feet/pass
Average Ripping Length:	50.00	feet/pass
Average Dozer Speed:	88.00	feet/minute
Average Maneuver Time:	0.25	minutes/pass
Production per unit area:	0.310	acres/hour

Job Condition Correction Factors

Unadjusted Hourly Unit Production: 0.310 Acres/hr

Site Altitude:	8,200	feet
Altitude Adj:	1.00	(CAT HB)
Job Efficiency:	0.83	(1 shift/day)
Net Correction:	0.83	multiplier

Adjusted Hourly Unit Production: 0.26 Acres/hr
Adjusted Hourly Fleet Production: **0.26** Acres/hr

JOB TIME AND COST

Fleet size: 1 Grader(s) Total job time: **29.87** Hours

Unit cost: $938.568 Per acre Total job cost: **$7,208**

TRUCK/LOADER TEAM WORK

Task description: **Haul topsoil from borrow pit to terraces**

Site: **Flag Creek Mine** Permit Action: CT1 Permit/Job#: M1997098

PROJECT IDENTIFICATION

Task #: 03A State: Colorado Abbreviation: None
Date: 9/4/2025 County: Rio Blanco Filename: M098-03a
User: ACY

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Shift basis: 1 per day

	Equipment Description
Truck Loader Team -Truck:	Generic 10-12 cy, 6x4
-Loader:	CAT 966H
Support Equipment -Load Area:	Cat D7R DS Series II LGP
-Dump Area:	Cat D7R DS Series II LGP
Road Maintenance –Motor Grader:	NA
-Water Truck:	NA

Cost Breakdown:

	Truck/Loader Team		Support Equipment		Maintenance Equipment	
	Truck	Loader	Load Area	Dump Area	Motor Grader	Water Truck
%Utilization-machine:	100	100	100	100	NA	NA
Ownership cost/hour:	$23.56	$62.55	$97.39	$97.39	NA	NA
Operating cost/hour:	$55.85	$48.99	$80.69	$80.69	NA	NA
%Utilization-riper:	NA	0	NA	NA	NA	NA
Ripper own. cost/hour:	NA	$0.00	$0.00	$0.00	NA	NA
Ripper op. cost/hour:	NA	$0.00	$0.00	$0.00	NA	NA
Operator cost/hour:	$0.00	$59.52	$38.02	$38.02	NA	NA
Unit Subtotals:	$79.41	$171.06	$216.10	$216.10	NA	NA
Number of Units:	3	1	1	1	0	0
Group Subtotals:	Work:	$409.29	Support:	$432.20	Maint:	$0.00

Total work team cost/hour: **$841.49**

MATERIAL QUANTITIES

Initial volume: 8,448 CCY Swell factor: 1.215
Loose volume: **10,264** LCY

Source of estimated volume: Division of Reclamation, Mining & Safety
Source of estimated swell factor: Cat Handbook
Material Purchase Cost: $0.00
Total Cost: $0.00

HOURLY PRODUCTION

Truck Capacity:

Truck Payload (weight) Basis:

Material weight: 1,600 Pounds/LCY
Description: Top Soil
Rated Payload: 35,400 Pounds
Payload Capacity: 22.13 LCY

Truck Bed (volume) Basis:

Struck Volume:	10.00	LCY
Heaped Volume:	12.00	LCY
Average Volume:	11.00	LCY
Adjusted Volume:	12.00	LCY

Final Truck Volume Based on Number of Loader Passes: **11.00** LCY

Loading Tool Capacity

Bucket Size Class: NA

Rated Capacity:	5.000	LCY (heaped)
Bucket Fill Factor:	1.100	Other - rock/dirt mixtures (100-120%) 1.100
Adjusted Capacity:	**5.500**	LCY

Job Condition Corrections: Site Altitude (ft.): 8200 feet

	Truck	Loader	Source
Altitude Adj:	0.970	1.000	(CAT HB)
Job Efficiency:	0.830	0.830	(CAT HB)
Net Correction:	**0.805**	**0.830**	

Loading Tool Cycle Time: Number of Loading Tool Passes Required to Fill Truck: 2 passes

Excavators and Front Shovels:

Machine Cycle Time vs. Job Condition Rating: NA
Selected Value within this Basic Rating: NA

Track Loaders – Material Description:

Cycle Time Elements (min.):

Load: NA Maneuver: NA Dump: 0.100

Wheel and Track Loaders - Unadjusted Basic Loader Cycle Time (load, dump, maneuver): 0.500 minutes

Cycle Time Factors		Factor (min.)	Source
Material:	Mixed material 0.02	0.020	(Cat HB)
Stockpile:	Conveyor or dozer piled 10 ft. high or less 0.01	0.010	(Cat HB)
Truck Ownership:	Common ownership of trucks and loaders -0.04	-0.040	(Cat HB)
Operation:	Inconsistent operation 0.04	0.040	(Cat HB)
Dump Target:	Small target 0.04	0.040	(Cat HB)
	Net Cycle Time Adjustment:	0.070	minutes
	Adjusted Loader Cycle Time:	**0.570**	minutes
	Net Load Time per Truck:	**0.670**	minutes

Truck Cycle Time:

Truck Exchange Time:	0.50	Minutes	Adjusted for site altitude:	0.515	Minutes
Truck Load Time:	0.670	Minutes	Adjusted for site altitude:	0.670	Minutes
Truck Maneuver and Dump Time:	0.90	Minutes	Adjusted for site altitude:	0.928	Minutes

Truck Travel (Haul & Return) Time: Road Condition: Soft, rutted dirt, no maintenance or water, 4" tire penetration 8.0

Haul Route:

Seg #	Haul Distance (Ft)	Grade (%)	Roll. Res (%)	Total Res (%)	Velocity (fpm)	Travel Time (min)
1	4500.00	10.00	8.00	18.00	600	7.503

Haul Time: **7.503** minutes

Return Route:

Seg #	Haul Distance (Ft)	Grade (%)	Roll. Res (%)	Total Res (%)	Velocity (fpm)	Travel Time (min)
1	4500.00	-10.00	8.00	-2.00	2938	1.579

Return Time: **1.579** minutes
Total Truck Cycle Time: **11.195** minutes

Loading Tool unit Production 556.74 LCY/Hour Adjusted for job efficiency: 462.10 LCY/Hour

Truck Unit Production 58.95 LCY/Hour Adjusted for job efficiency: 48.93 LCY/Hour

Optimal No. of Trucks: 9 Truck(s) Selected Number of Trucks: 3 Truck(s)

Adjusted hourly truck team production: 146.79 LCY/Hour
Adjusted single truck/loader team production: 146.79 LCY/Hour
Adjusted multiple truck/loader team production: **146.79** LCY/Hour

JOB TIME AND COST

Fleet size: 1 Team(s) Total job time: **69.92** Hours

Unit cost: $5.732 /LCY Total job cost: **$58,840**

REVEGETATION WORK

Task description: **Revegetation of 7.68 acres**

Site: **Flag Creek Mine** Permit Action: CT1 Permit/Job#: M1997098

PROJECT IDENTIFICATION

Task #: 04A State: Colorado Abbreviation: None
Date: 9/4/2025 County: Rio Blanco Filename: M098-04a
User: ACY

Agency or organization name: DRMS

FERTILIZING

Materials

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
			$	$
			Total Fertilizer Materials Cost/Acre	**$0.00**

Application

Description	Cost /Acre
	$
Total Fertilizer Application Cost/Acre	**$0.00**

TILLING

Description	Cost /Acre
Disc harrowing, 6" deep (MEANS 32 91 13.23 6100)	$114.13
Weed control spraying (MEANS 31 31 16.13 3100)	$338.80
Total Tilling Cost/Acre	**$452.93**

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Big Bluegrass - Sherman	3.00	61.98	$48.69
Bluebunch Wheatgrass - Secar	3.00	9.64	$32.29
Canby Bluegrass - Canbar	3.00	63.77	$46.05
Mountain Brome - Bromar	3.00	4.82	$18.48
Slender Wheatgrass - Pryor	3.00	10.95	$18.98
Totals Seed Mix	15.00	151.17	**$164.50**

Application

Description	Cost /Acre
Broadcast seeding [DMG]	$279.08
Total Seed Application Cost/Acre	**$279.08**

MULCHING and MISCELLANEOUS

Materials

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Herbicide - Curtail @ 4.0 pt/ac	1.00	ACRE	$38.14	$38.14
Jute mesh #2, stapled (MEANS 31 25 14.16 0300)	1.00	ACRE	$2,758.80	$2,758.80
Total Mulch Materials Cost/Acre				**$2,796.94**

Application

Description	Cost /Acre
Jute mesh #2 (MEANS 31 25 14.16 0300)	$2,371.60
Weed spray, hand, non-aquatic area, nox. [DMG]	$243.21
Total Mulch Application Cost/Acre	**$2,614.81**

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: 7.68 Cost /Acre: $6,308.26
Estimated Failure Rate: 40% Cost /Acre*: $6,308.26
*Selected Replanting Work Items: TILLING,SEEDING,MULCHING

Initial Job Cost: **$48,447.44**
Reseeding Job Cost: **$19,378.97**
Total Job Cost: **$67,826**
Job Hours: **16.00**

EQUIPMENT MOBILIZATION/DEMOBILIZATION

Task description: **Initial Mobilization**

Site: **Flag Creek Mine** Permit Action: CT1 Permit/Job#: M1997098

PROJECT IDENTIFICATION

Task #: 05A State: Colorado Abbreviation: None
Date: 9/4/2025 County: Rio Blanco Filename: M098-05a
User: ACY

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:	$21.47	$38.32	$48.96
Operating Cost/Hour:	$31.47	$60.11	$65.86
Operator Cost/Hour:	$22.52	$22.52	$22.52
Helper Cost/Hour:	$0.00	$22.25	$22.25
Total Unit Cost/Hour:	$75.46	$143.20	$159.59

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 D7R DS Series II LGP	34.57	$97.39	$143.20	1	$240.59	$143.20	$250.00
CAT 966H	25.80	$62.55	$75.46	1	$138.01	$75.46	$250.00
Drill/Broadcast Seeder with Tractor	25.00	$5.99	$75.46	1	$81.45	$75.46	$250.00

Subtotals:	**$460.05**	**$294.12**	**$750.00**

ROADABLE EQUIPMENT:

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Generic 10-12 cy, 6x4	$104.27	3	$312.81	$312.81
Light Duty Pickup, 4x4, 3/4 T.	$127.20	1	$127.20	$127.20
Light Duty Pickup, 4x4, 1 T. Crew	$52.87	1	$52.87	$52.87
Flatbed Truck, 4x2, 15K GVW	$63.02	1	$63.02	$63.02

Subtotals:	**$555.90**	**$555.90**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	MEEKER	
Total one-way travel distance:	15.00	miles
Average Travel Speed:	25.00	mph
Total Non-Roadable Mob/Demob Cost * '* two round trips with haul rig:	$3,325.10	
Total Roadable Mob/Demob Cost ** ** one round trip, no haul rig:	$667.08	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.60	0.60
Return Time (Hours):	0.60	0.60
Loading Time (Hours):	0.50	NA
Unloading Time (Hours):	0.50	NA
Subtotals:	2.20	1.20

JOB TIME AND COST

Total job time:	**4.40**	Hours
Total job cost:	**$3,992**	

EQUIPMENT MOBILIZATION/DEMOBILIZATION

Task description: **Initial Mobilization**

Site: **Flag Creek Mine** Permit Action: CT1 Permit/Job#: M1997098

PROJECT IDENTIFICATION

Task #: 05B State: Colorado Abbreviation: None
Date: 9/4/2025 County: Rio Blanco Filename: M098-05b
User: ACY

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:	$21.47	$38.32	$48.96
Operating Cost/Hour:	$31.47	$60.11	$65.86
Operator Cost/Hour:	$22.52	$22.52	$22.52
Helper Cost/Hour:	$0.00	$22.25	$22.25
Total Unit Cost/Hour:	$75.46	$143.20	$159.59

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
Drill/Broadcast Seeder with Tractor	25.00	$5.99	$75.46	1	$81.45	$75.46	$250.00
Subtotals:					**$81.45**	**$75.46**	**$250.00**

ROADABLE EQUIPMENT:

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Light Duty Pickup, 4x4, 3/4 T.	$127.20	1	$127.20	$127.20
Light Duty Pickup, 4x4, 1 T. Crew	$52.87	1	$52.87	$52.87
Subtotals:			**$180.07**	**$180.07**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	MEEKER	
Total one-way travel distance:	15.00	miles
Average Travel Speed:	25.00	mph
Total Non-Roadable Mob/Demob Cost * '* two round trips with haul rig:	$851.19	
Total Roadable Mob/Demob Cost ** ** one round trip, no haul rig:	$216.08	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.60	0.60
Return Time (Hours):	0.60	0.60
Loading Time (Hours):	0.50	NA
Unloading Time (Hours):	0.50	NA
Subtotals:	2.20	1.20

JOB TIME AND COST

Total job time:	**4.40**	Hours
Total job cost:	**$1,067**	