



April 30, 2012

**RECEIVED**

Mr. Dustin Czapla  
Division of Reclamation, Mining & Safety  
101 South 3<sup>rd</sup>. St, Suite 301  
Grand Junction, CO 81501

MAY 01 2012  
GRAND JUNCTION FIELD OFFICE  
DIVISION OF  
RECLAMATION MINING & SAFETY

RE: Bunn Ranch Pit, Permit No. M-1980-131, Surety Increase SI-2

Dear Mr. Czapla,

I have received your calculations for reclamation costs for the Bunn Ranch Pit, which were detailed in your letter dated April 20, 2012. Upon reviewing your calculations, I feel the hours listed for the Job Superintendent of 738.89 is over estimated. In fact, the Superintendent hours are approximately 5% more than the total task hours of 702.68.

Construction firms utilize their superintendents to oversee multiple tasks during the course of any project. With this in mind, I feel the number of Job Superintendent hours should reflect approximately 50-percent of the Task hours or 351.34. The reduction in cost for the Job Superintendent should also reflect a reduction in the cost for Reclamation Management and/or administration.

Please consider this request for a reduction in the calculated Financial Warranty and don't hesitate to contact me if you have any questions.

Sincerely,

Gayle Lyman  
Resource Development  
Elam Construction, Inc.