

**STATE OF
COLORADO**

Cazier - DNR, Tim <tim.cazier@state.co.us>

Re: DRMS Permit Finalization

3 messages

Carter, Stephanie <sscarter@blm.gov>

Thu, Jul 25, 2013 at 12:37 PM

To: Randy DiLuzio <RDiluzio@tezakheavyequipment.com>

Cc: "Cazier - DNR, Tim" <tim.cazier@state.co.us>

Randy,

Thanks for the email. Just so you know, when I am talking swell factor - I am talking exactly what you guys are referencing above and what was written in the bond estimate.

So, when we talked a while ago and I remember the number 2.25 - you were talking conversion and I was meaning swell factor. :)

So, as long as the 1.5 is the true estimated "average swell factor", then that makes sense and will make edits in my notes for this site to reflect that.

Thanks for the clarification everyone!!!

Stephanie Carter, P.G.
Geologist

BLM, Royal Gorge Field Office
3028 East Main Street
Canon City, Colorado 81212
Phone - 719.269.8551

On Thu, Jul 25, 2013 at 12:29 PM, Randy DiLuzio <RDiluzio@tezakheavyequipment.com> wrote:

Steph,

I know you're in MSHA training today and didn't have your cell phone # so I thought I would try reaching you by email. I did talk to Tim concerning the couple of subjects we had discussed, i.e., swell factor, powder truck mob,..... Tim confirmed as I had discussed with you, the "Swell Factor" of 1.5 is a calculation for product volume (the difference between what material in place would volumize at versus loose or stockpiled), not a conversion factor from Cubic Yards to Tons. Also, I did touch base with him on your question regarding the powder truck location. Tim explained that they usually calculate off the closest location, which in this case would be Holcim in Penrose.

Call me when you get a free minute, Thanks.....

Randy DiLuzio
General Manager

Tezak Heavy Equipment Co., Inc.

205 Tunnel Drive

Canon City, Co. 81212

Ph.# 719-269-1173

Fax# 719-269-1148

www.tezakheavyequipment.com

Carter, Stephanie <sscarter@blm.gov>

Thu, Jul 25, 2013 at 2:08 PM

To: Randy DiLuzio <RDiluzio@tezakheavyequipment.com>

Cc: "Cazier - DNR, Tim" <tim.cazier@state.co.us>

Sounds good Randy...

I am good with the bond estimate after discussing these clarifications. Tim - the only thing left was just the clerical stuff with regards to "Phase I vs. Phase II" typos.

Thanks!

Stephanie Carter, P.G.
Geologist

BLM, Royal Gorge Field Office
3028 East Main Street
Canon City, Colorado 81212
Phone - 719.269.8551

On Thu, Jul 25, 2013 at 1:10 PM, Randy DiLuzio <RDiluzio@tezakheavyequipment.com> wrote:

The miss-understanding surrounding the 2.25 very well could have been my description as well Steph, but yes the 2.25 would be conversion based on the cu. yds. to tons. Don't get to use to that number as we have found from our inventory control that the actual number is less.

Randy DiLuzio

General Manager

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From: Carter, Stephanie [mailto:sscarter@blm.gov]

Sent: Thursday, July 25, 2013 12:38 PM

To: Randy DiLuzio

Cc: Cazier - DNR, Tim

Subject: Re: DRMS Permit Finalization

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Randy DiLuzio <RDiluzio@tezakheavyequipment.com>

Thu, Jul 25, 2013 at 2:23 PM

To: "Carter, Stephanie" <sscarter@blm.gov>, "tim.cazier@state.co.us" <tim.cazier@state.co.us>

Cc: "azurite@wildblue.net" <azurite@wildblue.net>

Stephanie/Tim,

Attached is the revised map with "Direction of Mining Arrows" on Phase 1. Look it over and let me know if everyone is good with it and I'll have Ken Finalize.

Thanks,

Randy DiLuzio

General Manager

Tezak Heavy Equipment Co., Inc.

205 Tunnel Drive

Canon City, Co. 81212

Ph.# [719-269-1173](tel:719-269-1173)

Fax# [719-269-1148](tel:719-269-1148)

www.tezakheavyequipment.com

From: Carter, Stephanie [mailto:sscarter@blm.gov]

Sent: Thursday, July 25, 2013 2:08 PM

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DRMS Mining plan Map - Finalized.pdf

8251K

EXHIBIT L Reclamation Costs

(1) All information necessary to calculate the costs of reclamation must be submitted and broken down into the various major phases of reclamation. The information provided by the Operator/Applicant must be sufficient to calculate the cost of reclamation that would be incurred by the state.

The reclamation costs for the site include cost estimates separate for the high wall areas, the final pit floors, roadways, and ditches, and the storm water management area to the north of the mining area. Also, costs of materials, structures, and mining equipment removal are listed below.

Area	Activity & Acreage	Cost per Acre	Total Cost
Sitewide	Reclamation equipment mobilization		\$1000
Sitewide	Demolition, burial of concrete waste, removal of scrap and mining equipment		\$3000
Highwalls	Highwall bench final configuration and ditch construction approx 65 acres. Note: 10 acres already under final reclamation along southwestern aspects of site.	\$1700	\$110,500
Main pit areas	Haul topsoil, grading, seeding, fertilization, mulching, maintenance, roadway removal, approx 92 acres	\$2400	\$220,800
Road easement	Removal of pavement from road easement, City of Canon City property, scarifying roadway and revegetation of road easement area (1.5 acres)		\$4,200
Demolish and remove office building and scale house	Reclaim area on site with structures currently on it.		\$7,830
Total Reclamation Cost			\$347,330
15% overhead and contractor margin			\$52,100
Total Closure Estimate, 314 acres			\$399,430

(2) The Office may request the Operator/Applicant to provide additional, reasonable data to substantiate said Operator/Applicant's estimate of the cost of reclamation for all Affected Lands.