

NOV 21 2023



Himes Consulting LLC

November 17, 2023

Reference No. 22-31

Arizona State Mine Inspector
Amanda Lothner, Reclamation Specialist
1700 W. Washington, Suite 403
Phoenix, AZ 85007-2805

Re: Reclamation Plan for Red Lake Properties, LLC Red Lake Material Source

Dear Ms. Lothner:

Enclosed please find two copies of the revised pages for the Reclamation and Closure Plan for the Red Lake Material Source in response to your August 24 Technical Comments. The following changes have been made:

1. The cost estimate has been updated (Appendix 1)
2. The acreage in Section 2.4 has been corrected (page 3)
3. Sections 2.9.1 and 4.2 have been updated to explain that the cost estimate includes stockpile grading in the case they remain due to unforeseen circumstances (pages 5 and 8)
4. The cover page has been updated with the new date (November 2023).

Please feel free to contact me in regards to any questions.

Sincerely,

A handwritten signature in cursive script that reads "Jill A. Himes".

HIMES CONSULTING, LLC
Jill A. Himes

Cc: Michael Fann, Red Lake Properties, LLC

STATE MINE INSPECTOR

NOV 21 2023

RECLAMATION AND CLOSURE PLAN

RED LAKE PROPERTIES, LLC
RED LAKE MATERIAL SOURCE

**SUBMITTED TO THE STATE MINE
INSPECTOR'S OFFICE FOR REVIEW AND
APPROVAL IN ACCORDANCE WITH
ARIZONA REVISED STATUTE
TITLE 27 - CHAPTER 6
STATE MINE INSPECTOR AGGREGATE
MINED LAND RECLAMATION**

NOVEMBER 2023

2.4 CURRENT OWNERSHIP AND LAND USE INCLUDED IN THE AGGREGATE MINING UNIT

Red Lake Properties, LLC is conducting aggregate mining and processing operations for commercial use at the Red Lake Material Source. The site boundary consists of 241 acres, and includes disturbed and undisturbed areas as shown in Table 1 below, and in Figure 3. The extraction/processing operation consists of mining to remove aggregate material as described in A.R.S. § 27-441. At the Red Lake Material Source, material is excavated, stockpiled, and processed onsite. Processing operations include a crusher, screen, and hot plant. Operations include excavation, stockpiling, loading, hauling, and processing. Access is from State Route 64 via an existing access road. Land use is currently open space and mining. A cell tower does occur within the property. Red Lake Properties, LLC has estimated the removal of up to 5.2 million cubic yards over a period of 30 years.

The project vicinity lies within the Great Basin Conifer Woodland vegetation community as described by Brown (1994). Vegetation is dominated by juniper (*Juniperus monosperma*) with shrub live oak (*Quercus turbinella*), pinyon pine (*Pinus edulis*), rabbitbrush (*Chrysothamnus nauseosus*), globe mallow (*Sphaeralcea ambigua*), and blue grama grass (*Bouteloua gracilis*) common. Russian thistle (*Salsola kali*) is also common.

The project site is not located within an Arizona Game and Fish Department Game Management Unit; however, the site is located immediately east of Game Management Unit 7W in the Flagstaff Regional District. This unit is managed for antelope, black bear, elk, Merriam's turkey, and mule deer. Wildlife and/or wildlife sign observed in the project vicinity include mourning dove (*Zenaidura macroura*), common raven (*Corvus corax*), great-tailed grackle (*Quiscalus mexicanus*), and elk (*Cervus canadensis*).

Table 1
Existing Surface Disturbance

Feature	Acres
Access Roads	0.7
Truck Scales	0.5
Mining	40.6
Staging (Equipment/Parking)	13.1
Undisturbed	186.1
Total	241.0

2.5 PROPOSED POST-AGGREGATE MINING LAND USE

Proposed post-aggregate mining land use of the site is open space. Current nearby use is open space, railroad, and grazing.

2.9 ACREAGE AFFECTED BY EACH TYPE OF SURFACE DISTURBANCE

Area Descriptions:

2.9.1 Mining Area

Proposed surface disturbances include increasing the aggregate mining to a final disturbance of approximately 136.4 acres. The mining areas will extend to the north, east, and west over the life of the mine, as shown in Figure 4, with 3H:1V slopes incorporated into their mining plan. Stockpiles, the crusher area, fuel tanks, and hot plant are mobile and will move around within the pit area. Final build-out is shown in Figure 4. Stockpiles are planned to be sold by the end of mine life. If stockpiles remain onsite at closure due to unforeseen circumstances, grading of stockpiles has been included in the cost estimate (Appendix 1). Mobile equipment is used at multiple sites and will be removed at the end of each project.

2.9.2 Access Roads/Truck Scales

Existing roadways include a pre-existing private access from SR 64 through Sands Motor Company to access the parcel. The access splits into to entrance/exit access roads to the active operations. No change is planned to these access roads, as shown in Figures 3 and 4. Interior pit access may change over time as mining progresses. The truck scales along the roadway are mobile and would be removed for use at other sites prior to closure.

2.9.3 Staging Area (Equipment/Parking)

The staging area is located on the south side of the property and includes employee vehicle parking, equipment staging, and temporary parking for haul trucks when in use. A camp for employees (trailers) occurs on the west side of the staging area. This area is not proposed to increase in size and is currently approximately 13.1 acres (excluding access roads and the truck scale).

4.0 MINE CLOSURE

4.1 MINING AREAS

Reclamation of the mining area will commence immediately upon closure of mining operations. There will be no substantial period between operation and reclamation.

4.2 PROCESSING AND OTHER AREAS

Stockpile areas will be removed by the end of mine life. If stockpiles remain onsite at closure due to unforeseen circumstances, grading of stockpiles has been included in the cost estimate (Appendix 1). Mobile processing units are frequently moved to other off-site locations and will be removed prior to closure. Reclamation will commence immediately upon completion of mining operations. There will be no substantial period between operation and reclamation.

4.3 PERSONNEL

Personnel employed at this site will be re-assigned to other job sites if possible or assigned to assist with the reclamation process and then re-assigned.

4.4 MONITORING

The closure of operations at this site will be monitored in accordance with the approved conditions of this plan in accordance with the Arizona State Mine Inspector's Office. During reclamation, monitoring will occur annually to remove trash and conduct a general inspection.

**RED LAKE MATERIAL SOURCE
Reclamation Construction Estimate**

11/10/2023

Red Lake Material Source - S 1/2 of Section 4, T 24 N, R 2 E, G&SRB&M, Coconino County, Arizona
Excavation areas will be graded and scarified.

As there are no concrete pads or infrastructure at the site, no removals will be needed.

Unit price quotes are provided by Total Maintenance Erosion Control, LLC; TMEC is a DBE Contractor on several State projects in Phoenix & Northern AZ.

Proposed Reclamation Cost Estimation Summary - WorkSheet

Reclamation Item	Units	Description	Suggested Cost	Number of Units	Reclamation Cost	Reference	
Mining Area							
	Acre	Grading & Scarifying	\$ 668	136.4	\$ 91,132	TMEC Task 1	
	Acre	Revegetation Cost (Disc)			\$ -		
	Acre	Revegetation Cost (Hydro-seed)			\$ -		
	Each	Containerized Trees and Shrubs			\$ -		
Roads & Parking Areas							
(Roads with Side Slope < 30%)	Linear Ft.	Re-Grading and Topsoiling Costs			\$ -	TMEC Task 1	
(Roads with Side Slope >30%)	Linear Ft.	Re-Grading and Topsoiling Costs			\$ -		
	Acre	Grading & Scarifying	\$ 668	14.3	\$ 9,550		
	Acre	Revegetation Cost (Hydro-seed)			\$ -		
Structures							
(Break-up and bury Slab)	Sq. Ft.	Demolition & Removal - Metal Building			\$ -		
(Break-up and bury Slab)	Sq. Ft.	Demolition & Removal - Masonry Block Building			\$ -		
(Break-up and bury Slab)	Sq. Ft.	Demolition & Removal - Concrete Building			\$ -		
	Linear Mile	Powerline Removal (Single Pole Utility)			\$ -		
	each	Transformer Removal			\$ -		
	Linear Ft.	Demolition - Chain Link Fencing			\$ -		
	Linear Ft.	Demolition - Barb Wire Fencing (3 strand)			\$ -		
	Linear Ft.	Removal - 15" Culvert			\$ -		
	Linear Ft.	Removal - 36" Culvert			\$ -		
	Each	Processing Equipment Removal			\$ -		
Construction							
	Linear Ft.	Construction - Fencing	\$ 8.00		\$ -		TMEC Task 2
	Sq. Yard	Install Berm and/or Rock Barrier	\$ 43.06	200.0	\$ 8,600		
Material Haulage for Backfill							
	Cu. Yard	Truck and Loader - 2000Ft. One Way			\$ -		
	Cu. Yard	Dozer and Scraper - 1000Ft. One Way			\$ -		
Care and Maintenance							
*includes fuel storage area	Each	Processing Area Cleanup	\$ 2,168.00	1.0	\$ 2,200	TMEC Task 3	
	Annual	Site Monitor and Reporting	\$ 1,500	1.0	\$ 1,500	P.E. Task 4	

Estimated Reclamation Operating and Material (O&M) Cost Sub-Total = \$ 112,982

Administrative Costs						
	% of O&M Cost	Contingency		10%	\$ 11,298	
	% of O&M Cost	General Mobilization / De-Mobilization		4%	\$ 4,519	
	% of O&M Cost	Indirect costs		2%	\$ 2,260	
	% of O&M Cost	Contractor Profit		10%	\$ 11,298	
	% of O&M Cost	Contract Administration		10%	\$ 11,298	

Total Estimated Financial Assurance Amount = \$ 153,655

PREPARED BY: Greg Gentsch, P.E.

Mine Site Quote - Total Maintenance Erosion Control

TASK 1

DATE: 10/30/2023

TASK: Regrading & Leveling, including using stockpile material, if remaining

UNITS: per Acre

QUANT 136.4 ac mining area/ 14.3 ac roads & parking area

7.5 ton dozer	\$58/hr
JD 210 Gannon tractor	\$50/hr
Service truck/PU with fuel	\$11/hr
Operators (2 @ \$25/hr)	\$50/hr
Foreman/grade checker	\$27/hr
Labor burden (all)	\$45/hr
Fuel	\$39/hr
OH, taxes & fixed costs	\$90/hr
Per diem (\$100/day) 3 people	\$38/hr
Total hourly rate	\$408/hr
Heavy Haul Transport	\$7,600 total
Production rate (approx.)	0.67 ac/hr

Duration 204 hrs

Task Total \$7,900 + \$408 x 204 hrs = \$91,132

Price per acre \$91,132/136.4 ac = \$668.12 per acre

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Skip Loader / Landscape Loader Rental Rates

Equipment	Description	Daily Rate	Weekly Rate	Monthly Rate	Rent To Own Available?
Skip Loader	80-110 HP	\$285	\$1,150	\$3,175	YES
84" Gannon Type Scraper Box		\$110	\$460	\$895	YES

Mine Site Quote - Total Maintenance Erosion Control

TASK 2

DATE: 10/30/2023
 TASK: Install Berm and/or Rock Barrier
 UNITS: per Square Yard (SY)
 QUANT 200 SY

JD 210 Gannon tractor \$50/hr
 Service truck/PU with fuel \$11/hr
 Operator \$25/hr
 Foreman/grade checker \$27/hr
 Labor burden (all) \$30/hr
 Fuel \$22/hr
 OH, taxes & fixed costs \$81/hr
 Per diem (\$100/day) 2 people \$25/hr
 Total hourly rate \$271/hr
 Heavy Haul Transport \$5,000 total
 Production rate (approx.) 15 SY/hr

Duration 13.33 hrs

Task Total \$5,000 + \$271 x 13.33 hrs = \$8,612

Price per acre \$8,612/200 SY = \$43.06 per SY



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Skip Loader / Landscape Loader Rental Rates

Equipment	Description	Daily Rate	Weekly Rate	Monthly Rate	Rent To Own Available?
Skip Loader	80-110 HP	\$285	\$1,150	\$3,175	YES
84" Gannon Type Scraper Box		\$110	\$460	\$895	YES

Mine Site Quote - Total Maintenance Erosion Control

TASK 3

DATE: 10/30/2023

TASK: Processing Area Cleanup *Fuel storage berm to be leveled.

UNITS: Each

QUANT 1

JD 210 Gannon tractor	\$50/hr
Service truck/PU with fuel	\$11/hr
Operator	\$25/hr
Foreman/grade checker	\$27/hr
Labor burden (all)	\$30/hr
Fuel	\$22/hr
OH, taxes & fixed costs	\$81/hr
Per diem (\$100/day) 2 people	\$25/hr
Total hourly rate	\$271/hr
Heavy Haul Transport	\$0 Combined with other tasks
Production rate (approx.)	1 day /task

Duration 8 hrs

Task Total \$271 x 8 hrs = \$2,168



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Skip Loader	80-110 HP	\$285	\$1,150	\$3,175	YES
84" Gannon Type Scraper Box		\$110	\$460	\$895	YES

Mine Site Quote - Professional Engineer/Site Monitor

TASK 4

DATE: 10/30/2023

TASK: Site Monitor & reporting

UNITS: site visit

QUANT 1 Quote from P.E. for 1 site visit = \$1,500

Photograph completed site and summarize work items completed.