M/037/088

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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FACSIMILE COVER SHEET

DATE: JUNE 15, 1998

NUMBER OF PAGES INCLUDING THIS COVER SHEET: 4

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SUBJECT: M/037/088 LISBON VALLEY COPPER PROJECT
SUMMO CORP., LISBON VALLEY COPPER CO. LLC

REMARKS: HERE IS A COPY OF THE 1/21/97 RECLAMATION ESTIMATE PREPARED BY THE WINTERS COMPANY. THE "ORIGINAL" FIRST PAGE HAS SOME DISTORTION ALONG THE NUMBER COLUMN. LET ME KNOW IF IT IS NOT LEGIBLE.

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1/21/97 1418-TUG

FILENAME: [SUMLVRC2.XLW]RECLAIM 1 REV 5
PROJECT: SUMMO CORP., LISBON VALLEY COPPER
DESCRIPTION: RECLAMATION COSTS
21-Jan-97

THE WINTERS CO
TUCSON, ARIZONA
CAPITAL COST ESTIMATE

12:20 PM

	DESCRIPTION	QTY	UNIT	LABOR HR PER UNIT	UNIT COSTS MATL	LABOR	RENTAL EQUIPMEN	SUB/CONT	EXTENDED COSTS MATERIAL	LABOR	RENTAL	SUBTOTAL	TOTAL
1	RECLAMATION OF WASTE DUMPS												
2													
3	WASTE DUMP "A"--190 ACRES												
4	AREA OF TOP	456,444	SY										
5	AREA OF SLOPE	462,680	SY										
6	SCARIFY TOP (FLAT) AREA	456,444	SY					0.20				91,289	
7	12" SOIL ON TOP OF DUMP	152,148	CY					1.25				190,185	
8	12" SOIL ON SLOPE	154,227	CY					1.25				192,783	
9	SEED ENTIRE SURFACE	190	ACRE					174				33,060	
10	TOTAL--WASTE DUMP "A" RECLAMATION												$507,3[illegible]
11													
12	WASTE DUMP "B"--94 ACRES												
13	AREA OF TOP	197,222	SY										
14	AREA OF SLOPE	258,240	SY										
15	SCARIFY TOP (FLAT) AREA	197,222	SY					0.20				39,444	
16	12" SOIL ON TOP OF DUMP	65,741	CY					1.25				82,176	
17	12" SOIL ON SLOPE	86,080	CY					1.25				107,600	
18	SEED ENTIRE SURFACE	94	ACRE					174				16,356	
19	TOTAL--WASTE DUMP "B" RECLAMATION												$245,576
20													
21	WASTE DUMP "C"--120 ACRES												
22	AREA OF TOP	344,222	SY										
23	AREA OF SLOPE	238,633	SY										
24	SCARIFY TOP (FLAT) AREA	344,222	SY					0.20				68,844	
25	12" SOIL ON TOP OF DUMP	114,741	CY					1.25				143,426	
26	12" SOIL ON SLOPE	79,544	CY					1.25				99,430	
27	SEED ENTIRE SURFACE	120	ACRE					174				20,880	
28	TOTAL--WASTE DUMP "C" RECLAMATION												$332,580
29													
30	LEACH PAD--254 ACRES*												
31	RINSE HEAP	18	MOS.										
32	LIME 2.5 LBS/TON X $0.025/LB X 5.9	1	LOT					368,750				368,750	
33	LABOR, POWER, AND PUMP FOR DRAIN-												
34	DOWN AND EVAPORATION (18 MON	1	LOT					446,640				446,640	
35	SUBTOTAL FOR HEAP RINSE												815,390
36	AREA OF TOP	788,556	SY										
37	AREA OF SLOPE	441,653	SY										
38	12" CLAY CAP ON TOP	262,852	CY					2.50				657,130	
39	12" CLAY CAP ON SLOPE	147,218	CY					2.50				368,045	
40	24" CRUSHED ROCK ON TOP	525,704	CY					2.50				1,314,260	
41	24" CRUSHED ROCK ON SLOPE	294,436	CY					2.50				736,090	
42	12" SOIL ON TOP	262,852	CY					1.25				328,565	
43	12" SOIL ON SLOPE	147,218	CY					1.25				184,022	
44	SEED ENTIRE SURFACE	254	ACRE					174				44,196	
45	SUBTOTAL--CAP, ROCK, SOIL, SEEDING												$3,632,308
46													
47	*This number varies from the Plan of Operations acreage of 266 acres. The 12 additional acres is considered buffer area												
48	around the leach pad and is accounted for in other areas. (pond area, plant and crusher area, powerline corridor, etc.)												
49	TOTAL												$5,533,171

FILENAME: RECC2.XLS REV 5
PROJECT: SUMMO CORP., LISBON VALLEY COPPER
DESCRIPTION:RECLAMATION COSTS
21-Jan-97

THE WINTERS CO
TUCSON, ARIZONA
CAPITAL COST ESTIMATE

10:05 AM

	DESCRIPTION	QTY	UNIT	LABOR HR PER UNIT	UNIT COSTS MATL	LABOR	#REF! EQUIPMEN	RENTAL SUB/CONT	EXTENDED COSTS MATERIAL	LABOR	RENTAL	SUBTOTAL	TOTAL
1	RECLAMATION OF MISCELLANEOUS AREAS												
2													
3	POND AREA--11 ACRES												
4	RAFFINATE POND--12 INCHES SOIL	4,852	CY					1.25				6,065	
5	PLS POND--12 INCHES SOIL	4,852	CY					1.25				6,065	
6	WATER RUNOFF POND--12 INCHES SOI	8,229	CY					1.25				10,286	
7	SEED 3 POND AREAS	11	ACRE					174				1,914	
8	TOTAL--POND AREA RECLAMATION												$24,330
9													
10	PLANT & CRUSHER AREA--25.5 ACRES												
11	APPLY 12 INCHES SOIL	41,080	CY					1.25				51,350	
12	SEED ENTIRE AREA	25.5	ACRE					174				4,437	
13	TOTAL--PLANT AREA RECLAMATION												$55,787
14													
15	HAUL ROADS--40 ACRES												
16	SCARIFY	192,889	SY					0.20				38,578	
17	CONTOUR	64,296	CY					1.25				80,370	
18	APPLY 12 INCHES SOIL	67,511	CY					1.25				84,389	
19	SEED ENTIRE AREA	40	ACRE					174				6,960	
20	TOTAL--HAUL ROAD RECLAMATION												$210,297
21													
22	POWER LINE CORRIDOR--64 ACRES*												
23	*NOTE--POWER CO HAS REQUESTED	64	ACRE					N/C					
24	LINE REMAIN OPEN.												
25													
26													
27	RESEED SOIL STOCKPILE AREAS--40 ACRES												
28	RESEED 40 ACRES	40	AC					174				6,960	
29	TOTAL--RESEED SOIL STOCKPILE AREAS												$6,960
30													
31	FENCES & BERMS* AROUND OPEN PITS												
32	FENCE AROUND SENTINEL PIT 1	5,620	LF					3.02				16,972	
33	FENCE AROUND SENTINEL PIT 2	2,140	LF					3.02				6,463	
34	FENCE AROUND CENTENNIAL PIT	8,980	LF					3.02				27,120	
35	FENCE AROUND GTO PIT	7,410	LF					3.02				22,378	
36	TOTAL--PIT FENCES												$72,933
37	*NOTE--COST FOR BERMS IS NOT SHOWN, AS THESE WILL												
38	BE BUILT DURING PLANT CONSTRUCTION PHASE.												
39	FENCING MATERIAL WILL BE RECYCLED FROM THE												
40	LEACH PAD AREA.												
41													
42	SURFACE DRAINAGE DIVERSION DITCHES*												
43	LEACH PAD AREA	7,473	CY					1.25				9,341	
44	PLANT AREA	1,595	CY					1.25				1,993	
45	CRUSHER AREA	1,810	CY					1.25				2,263	
46	DUMP AREAS	13,668	CY					1.25				17,085	
47	TOTAL--DRAINAGE DIVERSION DITCHES												$30,682
48	*WORK IS FOR REMOVING DIVERSION SEDIMENT STRUCTURES.												
49													
50	TOTAL												$400,989

FILENAME: SUMRECC.XLS REV 5
PROJECT: SUMMO CORP., LISBON VALLEY COPPER
DESCRIPTION: SUMMARY OF RECLAMATION COSTS
D 21-Jan-97

THE WINTERS CO
TUCSON, ARIZONA
CAPITAL COST ESTIMATE

12:26 PM

Remarks
SUMMARY OF RECLAMATION COSTS FOR LISBON VALLEY

TOTAL $8,636,846

	DESCRIPTION	QTY	UNIT	UNIT COSTS: LABOR HR PER UNIT	MATL	LABOR	RENTAL EQUIPMENT	SUBCONTR	EXTENDED COSTS: MATERIAL	LABOR	RENTAL	SUBCONT	TOTAL
1	DIRECT COSTS												
2													35,000
3	MOBILIZATION AND DEMOBILIZATION	1	LOT										5,533,171
4	LEACH PAD AND WASTE DUMPS	1	LOT										400,989
5	MISC. SURFACE AREAS	1	LOT										$5,969,160
6	TOTAL DIRECT COSTS	1	LOT										
7													
8	INDIRECT COSTS												
9													450,000
10	PLANT DISMANTLING*	1	LOT										
11	PLUG 4 IN. (PROCESS AREA) MONITOR												5,500
12	WELLS (5 X 500 FT.) AT $2.20/FT.	1	LOT										
13	PLUG 6 IN. (NAVAJO) MONITOR WELLS												23,760
14	(6 X 1,200 FT.) AT $3.30/FT.	1	LOT										
15													
16	*PLANT DISMANTLING ASSUMES NO SALVAGE VALUE.												
17	DISMANTLING INVOLVES REMOVAL OF ABOVE GROUND STRUCTURES												
18	AND THE BREAKING UP AND BURIAL OF CONCRETE FOUNDATION												
19													298,458
20	ENGINEERING	1	LOT										
21	WATER QUALITY MONITORING--11 WELLS												55,000
22	X 2 SAMPLES/YR. X 5 YRS. X $500.00/S	1	LOT										
23	REVEGETATION MONITORING--5 YEARS												25,000
24	X $5,000/YR.	1	LOT										180,199
25	CONSTRUCTION MANAGEMENT	1	LOT										598,916
26	CONTINGENCY (10% OF TOTAL DIRECT	1	LOT										$1,634,833
27	TOTAL INDIRECT COSTS	1	LOT										
28													$7,603,993
29	UNADJUSTED TOTAL COSTS												
30													
31	TOTAL ESCALATION COST												$1,032,853
32	2.58%/YR X 5 YRS.	1	LOT										
33													
34	TOTAL												$8,636,846
37													
38	*PRIOR TO THE END OF THE PROJECT, SUMMO WILL ASSESS THE EVALUATION, AND IF NECESSARY, DISPOSAL COST FOR REMOVAL OF												
39	RESIDUAL PROCESS POND SLUDGES. THE BOND WILL BE ADJUSTED ACCORDINGLY THROUGH COORDINATION WITH THE AGENCIES.												

JAN-21-97 TUE 14:30