

Charron, David L (DNR)

From: James Buchal <jbuchal@mbllp.com>
Sent: Tuesday, June 25, 2024 10:45 AM
To: Charron, David L (DNR)
Cc: Buckley, Stephen N (DNR); 'Mac Shoulders'
Subject: IPOP LLC, APMA No. F20242875
Attachments: 20240625 RCE attachments for e-mail to D. Charron.pdf

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Dear Mr. Charron:

We have prepared the attached Reclamation Agreement to ensure that the State of Alaska will be in a position to complete reclamation at the cost set forth in the attached updated Reclamation Cost Estimate, and are also transmitting a few explanatory figures. We hope that you can now move forward to issue the long-overdue public notice in this matter, and stand ready to answer any questions you may have.

Sincerely,

James L. Buchal
Murphy & Buchal LLP
P.O. Box 86620
Portland, OR 97286

Cell Phone: 503-314-6597
Phone: 503-227-1011
Fax: 503-573-1939

RECLAMATION AGREEMENT

WHEREAS, the State of Alaska may require IPOP LLC to provide an individual financial assurance to cover estimated costs of reclamation associated with U.S. Army Corps of Engineers Permit No. 2018-00123 and APMA No. F20242785; and

WHEREAS L7 Consulting LLC, a Texas limited liability company is a contractor for the U.S. Army Corps of Engineers and others (including IPOP LLC) on dredging projects; and

WHEREAS, L7 Consulting has provided information for the attached reclamation cost estimate (RCE) based on review of the reclamation plan and other information, which estimate has been accepted by the Alaska Department of Natural Resources (ADNR) as the basis for an individual assurance requirement posted by IPOP LLC; and

WHEREAS that estimate assumes that the suction dredging barge owned by IPOP LLC and certain other equipment onsite will be used in any reclamation of the IPOP LLC mining site;

IT IS HEREBY AGREED THAT:


1. IPOP LLC hereby leases the suction dredging barge, crane, and two push boats to L7 Consulting LLC at a rate of \$1 per year, said lease to commence upon a determination by ADNR that IPOP has violated its reclamation plan resulting in forfeiture of the individual financial assurance ("Forfeiture Declaration), and ending upon either (a) the completion of the reclamation to the reasonable satisfaction of ADNR or (b) upon a determination by ADNR to engage any entity other than L7 Consulting Inc. to complete reclamation after a Forfeiture Declaration.

2. IPOP LLC may not remove the equipment from the vicinity of Nome, Alaska until termination of the lease. L7 Consulting LLC agrees to accept the suction dredging barge and other equipment "as is, where is" for use in executing the reclamation plan and shall be entitled and required to make such repairs and modifications as are necessary to execute the plan.

3. IPOP LLC further agrees that upon any Forfeiture Declaration, title to the suction dredging barge and other equipment is hereby pledged to L7 Consulting LLC as security for any reclamation costs incurred by L7 Consulting LLC not covered by releases from the individual financial assurance. IPOP retains the right to cover any deficiency.

4. Provided that ADNR requires IPOP LLC to post an individual financial assurance in at least the amount of the estimate, and an amount of the individual financial assurance in at least the amount of the estimate is dedicated to payment of L7 Contracting LLC, ADNR may engage, but is not required to engage, L7 Consulting LLC as the contractor to complete reclamation of the IPOP LLC mining site in the event of a Forfeiture Declaration at the full cost provided in the estimate under standard state contracting terms.

IPOP LLC


By Beau Epstein

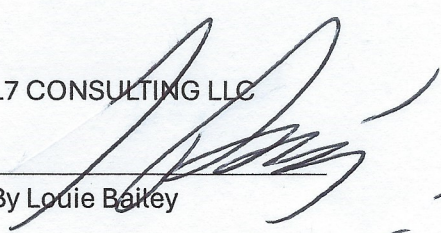
Dated: 6.25-2024

ALASKA DEPARTMENT OF NATURAL RESOURCES

By _____

Dated:

L7 CONSULTING LLC


By Louie Bailey

Dated:

6-25-2024

Project Feature to be Reclaimed	Gravel/Sand CY	Organics CY		
Access Channel	96,096	17,591		Derived from Eilers 2021 bathymetry
Final Mine Cut	55,581	2400		From 2020 Narrative and Plan of Operations
Total	151,677	19,991		(see figure transmitted herewith)
CY to be reclaimed	171,668			
Hourly production (CY/hour)	250			From 2020 Narrative and Plan of Operations
Hours	687		Total Cost	
Fuel (18 gal/hour @ \$8/gal)	\$ 98,880.77	Days	\$ 98,880.77	
Labor	(3) @ 78.00/hr	57	\$ 160,681.25	State of Alaska, Pamphlet 600 (dredgemen)
Push/Fuel Boat	\$250/day	57	\$ 14,305.67	
Per Diem	(3)@ \$100/Day	57	\$ 16,500.00	
Dredge Demob to Nome				
110 ton Crane Rental/with operator	\$5000/day	\$5000@3 days	\$ 15,000.00	Quote from North Star Transport LLC
Backhaul to Nome	\$1200/load	2 loads@\$1200	\$ 2,400.00	
Processing Barge Demob				
110 ton Crane Rental/with operator	\$5000/day	\$5000@2 days	\$ 10,000.00	
Backhaul to Nome	\$1200/load	14 loads@\$1200	\$ 16,800.00	
Support Containers (including fuel cells)	\$1200/load	7 Loads@\$1200	\$ 8,400.00	
Push/Fuel Boat (2)	\$1200/load	2 Loads@\$1200	\$ 2,400.00	
Housing RV/Trailers (pickup towable)			\$ 2,500.00	
Total Direct Cost			\$ 347,867.68	
Indirect Costs		2% (contingency)	\$ 6,957.35	
Management		2%	\$ 6,957.35	
Total Cost			\$ 361,782.39	

Bonanza Channel Access
Channel and Final Mining Cut Volumes CY
(Eilers, 2021, ESRI ArcGIS Pro 2.6.1, NAD 1983 (2011) State Plane Alaska 8 FIPS 5008 (US Feet))



Reclamation Feature	Sand/Gravel CY	Organics CY
Access Channel	96,096	17,591
Final Mining Cut	55,581	2,400
Total	151,677	19,991

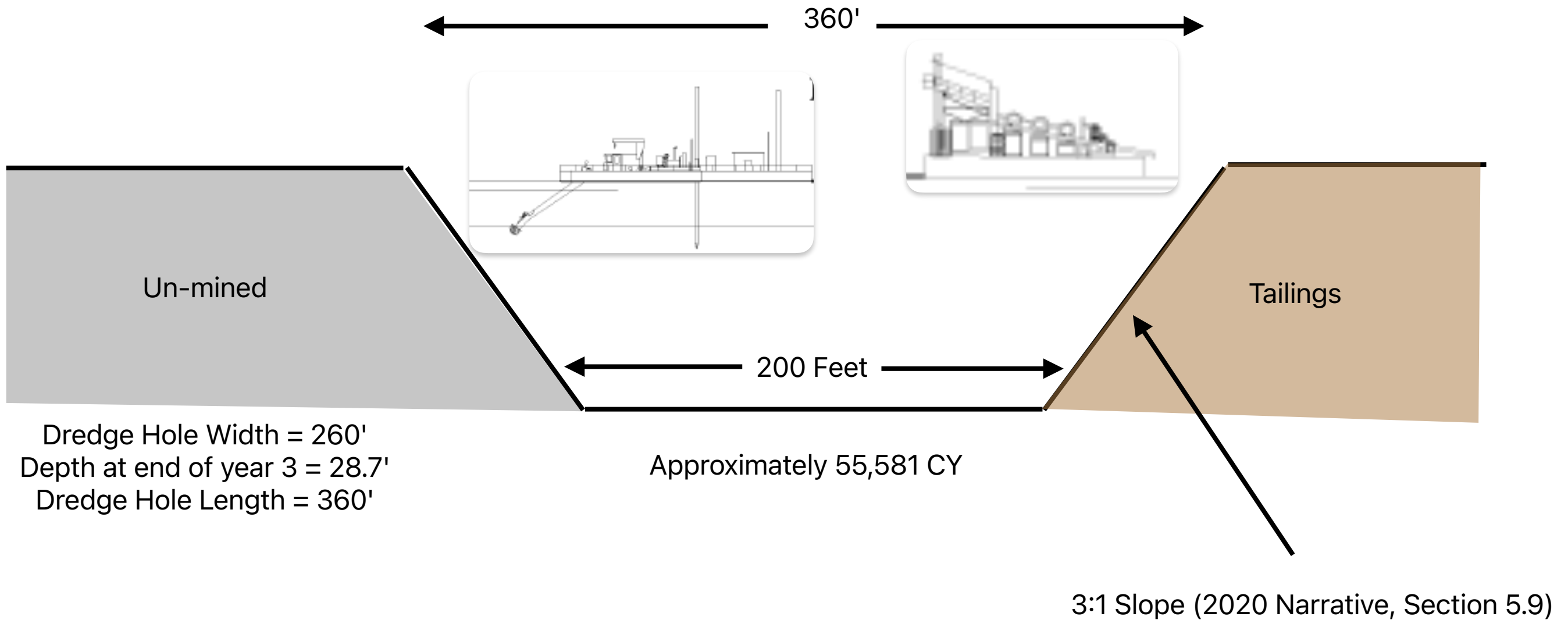
Total CY 171,668

Reclamation Feature

- Access Channel
- Final Mining Cut (260'x360')



Final Dredge Hole Cross Section



Top of Dredge Hole

