Check Sheet of Examining Engineer

Operator's Name Dixie Mines, Inc. Heflin, Alabama

Address Assignee of Raymond Rendleman, Sylacauga, Ala.

Exploration Contract No. Idm-E686 Docket No. DMEA-3375

	Check One Yes	No
1. (a) Does the Operator stockpile ore subject to royalty repayment?		x
(b) If so, is segregation and identification procedure adequate?		
2. (a) Does Operator commingle production subject to DMEA royalties with exempt production?		x
(b) If so, do you consider the allocation of the commingled production equitable?		
3. (a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		x
(b) If so, are adequate records maintained on such material to protect the Government's interest?		
4. Do you consider the assay controls in effect are adequate?	x	
5. Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	x	
6. Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA royalties?	x	
7. Does the Operator buy from or sell to other Operators?		x

8. Comment on any item 2 (b) to 6 if answer is No.

Mine not now in operation

Date 19 2-20 -58

Wm. A. Beck, Mining Engineer

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Report of:

Dixie Mines, Inc.
Heflin, Alabama
Assignee of Raymond Rendleman
Sylacauga, Alabama

pertaining to Exploration Project Contract No. Idm-I686, Docket No. DMEA-3375, including Amendment No. 1, for the months of October and November, 1955, covering a project for the exploration of mica on property, known as Liberty Mine located in Randolph County, Alabama.

My review included an examination of the Monthly Report (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team reports, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

all of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs of work actually performed.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by Contractor		$571.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$571.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Four hundred twenty-eight and 25/100 Dollars

$428.25

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

C. E. Fisher
C. E. Fisher, Auditor

February 8, 1956

Division copy

JAN 23 1956

TERMINATION AGREEMENT

It is agreed this 11 day of January, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the Government, and Dixie Mines, Inc., Assignee, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E686, Docket No. DMEA-3375, dated February 14, 1955, hereinafter called the "Contract," that:

1. Effective November 30, 1955, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. All rights of the Government provided for in the Contract with respect to a percentage royalty and lien for its payment are preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By V. J. Lynch
ACTING Executive Officer
DMEA Field Team, Region V

Robin
Sheryer

"Appd. Sol. Off."
Anderson
Houck
Chan
Selford

DIXIE MINES, INC. (Assignee)

By [illegible]

Division Copy

RECEIVED
OCT 19 1955

EXPLORATION PROJECT CONTRACT
DMEA-3375, (mica)
DIXIE MINES, INCORPORATED
Randolph County, Ala.

AMENDMENT No. 1

Contract Docket No. DMEA-3375, Idm-E686, dated February 14, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government", and Dixie Mines, Inc., Assignee P.O. Box 365, Heflin, Alabama, hereinafter called the "Operator," is hereby amended as follows:

1. Article 3 is amended to read....."; and shall bring the project to completion within a period of one year from date of contract.." instead of seven (7) months as written in the contract dated February 14, 1955.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to pay, nor the amount of any item designated as "allowable maximum."

September 12, 1955
[redacted]

THE UNITED STATES OF AMERICA

By W. Lynch
Acting Executive Officer
DMEA Field Team, Region V

DIXIE MINES, INC.

BY Joe W Bailey

s

~~Extra Copy~~

DIVISION COPY

ASSIGNMENT OF CONTRACT

WHEREAS, Raymond Rendelman (hereinafter called the "Assignor"), entered into Exploration Project Contract Idm-E 686 (Docket No. DMEA-3375), dated February 14, 1955, (hereinafter called the "Contract"); and

WHEREAS, Dixie Mines, Inc., a State of Alabama corporation, whose address is P. O. Box 626, Sylacauga, Alabama (hereinafter called the "Assignee"), has acquired the Assignor's interest in the land which is the subject of the Contract and the Assignee desires to complete the work under the Contract; and

WHEREAS, the Government has made a certification of discovery or development of a prior project conducted on the same land that is the subject of the Contract;

NOW THEREFORE, the Assignor, in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration received from the Assignee does hereby assign, transfer, and convey to the Assignee all of his right, title, and interest in the Contract: Provided, That the Government shall make payment to the Assignor for all work performed prior to April 1, 1955, and upon payment thereof the Government shall be and is hereby released by the Assignor from all claims under the Contract.

The Assignor consents to all future amendments and assignments of the Contract and waives notice thereof.

This Assignment is subject to the execution by the Assignee of the acceptance form set forth below and to the written consent of the Government.

Dated this 18 day of April, 1955.

Raymond Rendelman /Seal/
Raymond Rendelman, Assignor

ASSIGNEE'S ACCEPTANCE

The Assignee, Dixie Mines, Inc., hereby accepts the above Assignment and agrees to be bound by the terms, provisions,

and conditions of the Contract.

Dated this 18 day of April, 1955.

DIXIE MINES, INC.

By John M. Langley, Pres.

Dixie Mines, Inc.

I, Raymond Rendelman, certify that I am the secretary of the corporation named herein; that John M. Langley who signed this instrument on behalf of the corporation, was then President of said corporation; that said instrument was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

GOVERNMENT'S CONSENT

The Government, this 1st day of April, 1955, hereby consents to the above Assignment without releasing the Assignor, Raymond Rendelman, from any of the terms, provisions, and conditions of the Contract.

THE UNITED STATES OF AMERICA

By C. M. Mitchell
Administrator, Defense
Minerals Exploration
Administration

Rubin
Hofflund
"Appd. Sol. Off."
Anderson
Talbert
Selfridge

Division copy

MF-200A
(Revised June 1954)

Defense Minerals Administration
RECEIVED
MAR 14 1955

Docket No. DMEA - 3375

Commodity Mica

Contract No. Idm-E 636

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this 14th day of February, 1955 between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Raymond Rendelman,

whose mailing address is Post Office Box 64
Sylacauga, Alabama,

hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and Annex II.

The Operator shall not transfer or assign this contract or any right thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Alabama, County of Randolph, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, [7] un recorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: none

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.), are attached, as follows: Owner's Consent to Lien

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of mica. The work to be performed is described in Exhibit "A." The Operator on or before MAY 1 - 1955 shall commence the work, and on or before September 16, 1955 (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $3,616.00. The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $2,712.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records or accounts.

See annex II substituted for Article 7

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

(For instance: the royalty on an amount of five dollars ($5.00) per ton would be one and one-half (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. *Changes and added provisions.*—

See Annex II substituted for Article 7.

Executed in sextuplicate the day and year first above written.

RAYMOND RENDELMAN

(Operator)

By Raymond Rendelman

THE UNITED STATES OF AMERICA

By C. Mitterdorf

Administrator, Defense Minerals Exploration Administration

Kirkin
Hoffland
Anderson
Houk
~~[illegible]~~
Chandler
Selfridge

I, ..., certify that I am the ..... secretary of the corporation named as Operator herein; that ..... who signed this contract on behalf of the Operator, was then ..... of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70618-1

EXPLORATION PROJECT CONTRACT
RAYMOND RENDELMAN
DOCKET NO. DMRA-3375

ANNEX I

The land referred to in Article 2 of the Contract form and in Annex II is known as The Liberty Mine and was leased for mining purposes to Raymond Rendelman for a period of ten years by Mrs. E. W. York, Helen V. Wallace, Mrs. J. M. Bagley, Hattie W. Wright, Margret W. Verge, and Bertha W. Ritzman, by an instrument dated February 25, 1954, and recorded in Deed Record Book 63, at pages 140, 141 and 142. The Liberty Mine is located about one-half mile southwest of Micaville, Randolph County, Alabama and is described in the lease as follows:

"The Liberty Mine - SW¼ of NE¼,
Section 1, Township 18 South,
Range 10 East."

EXPLORATION PROJECT CONTRACT
RAYMOND FRENDELMAN
DOCKET NO. DMEA-3375

ANNEX II

The Operator acknowledges that he is receiving the benefit of a prior exploration program conducted, on the same land, by Bourne Associates under Exploration Project Contract Idm-E472 (DMEA Docket No. 2595), dated January 6, 1953, and that a Certification of Discovery or Development was made by the Government under said prior contract. Therefore, as a part of the consideration for the Government to enter into the subject contract, the following provisions are substituted for Article 7 of the contract:

Repayment by Operator.--a. Certification.-- A certification of discovery or development is hereby waived.

b. Royalty on production.-- The Operator, as principal, if the Operator is the producer, or as surety, if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2 of the Contract for a period of ten years from the date of the Contract, or until the total net amount contributed by the Government under Contract Idm-E472 (DMEA Docket No. 2595), $13,396.50, and under this Contract, without interest is fully repaid, whichever occurs first.

c. Basis for computation.-- The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight paid by the buyer to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the

Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the raw ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

d. Unsold production.--If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

e. Percentages of royalty.--The percentages of the Government's royalty shall be as follows:

> One and one-half ($1\frac{1}{2}$) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half ($\frac{1}{2}$) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.
>
> (For instance: the royalty on an amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) percent; on an amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

f. Lien for payment.--To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

g. Notice to purchasers.--The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

h. No obligation to produce.--Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

i. Government not obligated to buy.--Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

58694

EXPLORATION PROJECT CONTRACT
RAYMOND KEMPELMAN
DOCKET NO. DMEA-3375

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be accomplished by extending the drift from the bottom of the 190-feet shaft shown on the attached map entitled "Liberty Mica Mine, Randolph County, Alabama," as follows:

1. Construct:

(a) A toolhouse, minimum dimensions 8 feet by 10 feet by 7 feet high.

(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.

(c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

The toolhouse may be unfloored; shall be made from unfinished lumber, with protective roof covering; and shall be equipped with lock and key.

The powder and exploder magazines shall be boxed on all sides; shall be made from 2-inch hardwood or 3-inch softwood; and shall be braced at the corners. Lumber for these two boxes shall be smooth on the inside of boxes. No metal shall be exposed; and the lids shall be securely locked with the equivalent of a 5-tumbler jarproof lock.

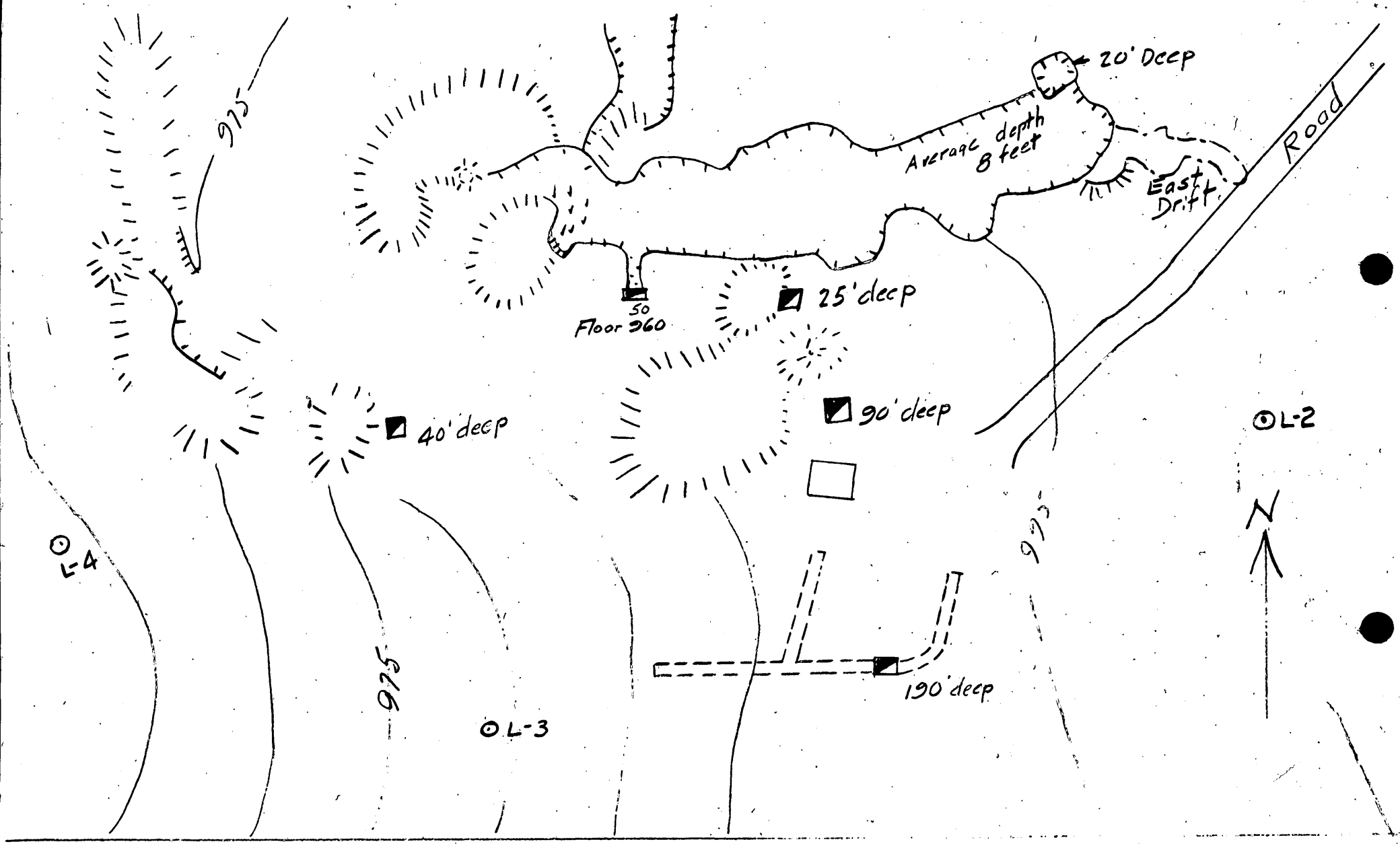
2. Drive not more than 100 feet of drift and/or crosscut, timbered where necessary, with minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

The location, inclination, direction, and extent of all work are subject to the approval of the Government.

Fixed Unit Costs

Constructing -	Toolhouse 1/	$ 78.00	
	Powder magazine 1/	25.00	
	Exploder magazine 1/	13.00	
Driving -	100 feet of drift and/or crosscut @ $35/ft.	3,500.00	
	Estimated Total Cost of Project		$3,616.00
	Government participation @ 75%		$2,712.00

1/ The completed work constitutes the unit.



LIBERTY MICA MINE, RANDOLPH COUNTY, ALABAMA

SCALE - 1 IN. = 40 FT.

DMEA-3375

Mapped by J. C. Olson & E. Wm Heinrich, June, 1944
Traced by W. C. Anderson, July 1, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 14 1955

Department of the Interior
Bureau of Mines Minerals Management
RECEIVED
JAN 24 1955

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, ~~co-owner, lessor, or seller~~ has an interest in certain property in the State of Alabama, County of Randolph, described as follows:1/

Southwest quarter of Northeast quarter (SW¼ of NE¼) of Section One(1), Township Eighteen(18)S,Range Ten(10)E. Lease recorded Randolph County, April 12, 1954, at 3 P.M., Deed Record Book 63, Pages 140,141 and 142.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Raymond Rendelman
Post Office Box 64
Sylacauga, Alabama

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract or any amendment thereof shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract or any amendment thereof there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

2/ Insert the name of the Operator as it will appear in the exploration project contract.

3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

(OVER)

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions _____

Dated this 29th day of December, 1954.

Margret W. Verge [Seal] Ell York (L.S)

Jessie M. Bagley [Seal] _____ (L.S.

Hattie W Wright [Seal] _____ (L.S.

Bertha W. Ritzman (Seal)

Helen V. Wallace (Seal)

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Nonmetallic Minerals Division Date 1/23/58

Semi-Annual Report - Certified Project Date 1/16/58

DMEA No. 2595 & 3375 Operator Bourne Associates Contract No. Idm-E 472

Ore Reserves

Ore Estimates	Tons	Analysis		
Original (DMEA)	80	Run of mine	$600	$48,000
Increase (Operator)	0	-------	-0-	-0-
Total				
Decrease (Production)	1.7			$1000 (1)
Net Available	78.3			

Investment

Shafts			Winzes			Drifts & Crosscuts		
Size	Feet	Cost	Size	Feet	Cost	Size	Feet	Cost

Raises			Drilling			Rehabilitation	
Size	Feet	Cost	Type & Size	Feet	Cost	Description	Cost

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

(1) $4400 of scrap produced @ $20 - 220 Ton Scrap See sheet #2
No work in 1/2 57
No work in 2/2 57

Docket Copy

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Nonmetallic Minerals Division Date 1/23/58

Semi-Annual Report - Certified Project Date 1/16/58

DMEA No. 2595 & 3375 Operator Bourne Associates Contract No. Idm-E 472

Ore Reserves

Ore Estimates	Tons	Analysis	
Original (DMEA)	0	Scrap @ $20 Ton	
Increase (Operator)	22		
Total	22		
Decrease (Production)	22		$4400
Net Available	0		

Investment

Shafts			Winzes			Drifts & Crosscuts		
Size	Feet	Cost	Size	Feet	Cost	Size	Feet	Cost

Raises			Drilling			Rehabilitation	
Size	Feet	Cost	Type & Size	Feet	Cost	Description	Cost

Facilities

Mine Plant		Mill		Roads	
Description	Cost	Description	Cost	Description	Cost

Remarks

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the records of the Executive Officer, DMEA Field Team, Region V, Knoxville, Tennessee, pertaining to Contract Idm-E686, Docket No. DMEA-3375 (Mica), dated February 14, 1955, with

Dixie Mines, Inc.
Assignee of Raymond Rendelman
Sylacauga, Alabama

for the purpose of determining the amount of royalty due the U. S. Government on sale of mica from property referred to as Liberty Mine, located in Randolph County, Alabama, during the period February 14, 1955, to February 19, 1958.

Certification of discovery or development was waived by Annex II of the contract which states that the certification dated January 6, 1953, under Contract Idm-E472, Docket No. DMEA-2595, Bourne Associates, was applicable to the same land. Annex II provides that a royalty shall be payable to the Government on the net proceeds from production from the land described in Article 2 of Contract Idm-E686 during a period of 10 years from the date of that contract or until the total net amount contributed by the Government under Contract Idm-E472, $13,396.50, and under Contract Idm-E686, without interest is fully repaid, whichever occurs first. A report of review in lieu of final audit dated February 8, 1956, indicated accepted costs under Contract Idm-E686 amounting to $571.00 with the Government's contribution, on a 75 percent basis, being $428.25. The scope of the present royalty review and the reasons therefor are stated on Schedule "A" attached.

My review established the total sales of mica to be $4,434.03. Royalty due the Government at the 5 percent rate provided in the contract is $221.70. The royalty paid and balance due are as follows:

Total Royalty Due	$221.70
Total Royalty Paid	221.70
Balance of Royalty Due	-0-

March 14, 1958

C. E. Fisher

C. E. Fisher, Auditor

Schedule "A"

Contract Idm-L686, Docket No. DMLA-3375 (Mica)

Report of Royalty Review

The files of the Executive Officer, Region V and investigation at the Mica Purchase Depot, Spruce Pine, North Carolina, disclosed that the Operator did not sell any strategic mica to that Depot. Except for small local sales of hand-cobbed, all of the production was sold as scrap mica at $30.00 per ton. A summary of the indicated production, sales, and royalty paid to the Government follows:

Item	Production (Pounds)	Sales
Hand-cobbed mica	65	$ 40.73
Scrap mica	272,277	4,393.30
Totals	272,342	$4,434.03
Royalty paid @ 5%		$ 221.70

Bourne Associates produced 119.97 pounds of sheet mica which was sold to the Depot for $966.59, or $8.06 per pound. As stated in report of royalty review dated March 21, 1955, the royalty due the Government amounting to $48.33 under Contract Idm-L472 has been paid.

An on-site royalty audit was not made at this time because the administrative cost to the Government would be excessive in relation to the amount of possible additional royalty which might be disclosed.

EXTRA COPY
DMEA
RECEIVED JUL 8 1957
DATE | INITIALS | CODE
600

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMEA-2595, Idm-E472 and DMEA-3375, Idm-E686, LIBERTY MINE
(mica)

Reporting Period: 1-1-57 to 7-1-57

Operator: Dixie Mines, Inc. P.O. Box 365, Heflin, Alabama
Assignee of Raymond Rendleman, Sylacauga, Alabama

Location: One-half mile southwest of Micaville, Alabama in SW 1/4 of NE 1/4, Sec. 1, Township 18 South, Range 10 East.

This property was visited by the writer June 11, 1957. No work was being done there and Joe W. Bailey, Manager of the Company stated that they had no plans to work on the property in the immediate future.

June 11, 1957

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

z

ACTION ON INTERIM 3375
OR FINAL FIELD TEAM REPORT
Date 2/25

Referred to:

1. ~~Mr. Mc[illegible]ndorf~~
2. ~~Mr. [illegible]~~
3. ~~Mr. Cr[illegible]~~
4. ~~Docket Control Mails and Files~~
5. Non Metallic Minerals Divisi
6. Docket Control Mails and Files

Note comments in report regarding:

1. Expiration date of royalty payments erroneous.
2. ama
3.
4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

Robert E. Adams

RECEIVED FEB 25 1957 D.M.E.A.

DMEA EXPLORATION PROJECT

Semi-Annual Report of Certified Project

Reporting Period: 7-1-56 to 1-1-57 Date of Examination: 2-13-57

Name of Operator: Dixie Mines, Inc. Heflin, Ala. Assignee of Raymond Rendelman

Mine Name: Liberty. County: Randolph State: Alabama

Docket No. DMEA-3375) DMEA-2595) . Contract: Idm-E686) Idm-E472) Commodity: Mica

Date of Contract: 1-6-53 Date of Certification: 6-30-54

Expiration Date of Royalty Payments: January 6, 1963 - 2-14-65 amd

Total Amount of Contract: $18,500.00 + $3,616 = $22,116.00

Total Expenditures under contract: $14,885.00 + $571.00 = $15,456.00

Amount of Government Participation at: 90%--$13,396.50) 75%-- 428.25) = $13,824.75

Royalty Payments this Period: $221.57

Previous Royalty Payments : 48.46

Total Royalty paid to date : $270.03

Percent Government Participation Repaid: 1.95%

Royalty Due on Production to Date: None

Royalty Remarks: Above royalty paid on production prior to last visit.

Estimate of Reserves (from final Engr.-Geol. Report):

	Lbs. Book Mica.	Lbs. Sheet Mica
Above 180 ft. level	60,000	3,600
180' -270 ft.	100,000	6,000

Production this period:

Type	Pounds	Value
Hand Cobbed	62.00	$39.83
Scrap	272,113.00	$4,391.66
Total	272,175.00	$4,431.49

Previous Production:

Sheet	119.97	$966.59
Hand cobbed	3.00	.90
Scrap	164.00	1.64
Total	286.97	$969.13

Total DMEA Production to January 1, 1957

Sheet	119.97	$966.59
Hand cobbed	65.00	40.73
Scrap	272,277.00	$4,393.30
Total	272,261.97	$5,400.62

Remarks: The property was visited by the writer and E. L. Boudette, Geologist, USGS, February 13, 1957. No work had been done since the last visit on July 27, 1956. Joe W. Bailey, Vice President and Manager, and E. L. Loudermilk, Officer Manager were interviewed.

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

February 13, 1957

z

DMEA EXPLORATION PROJECT

Semi-Annual Report of Certified Project

Reporting Period: 7-1-56 to 1-1-57 Date of Examination: 2-13-57

Name of Operator: Dixie Mines, Inc. Heflin, Ala. Assignee of Raymond Rendelman

Mine Name: Liberty. County: Randolph State: Alabama

Docket No. DMEA-3375) DMEA-2595) . Contract: Idm-E686) Idm-E472) Commodity: Mica

Date of Contract: 1-6-53 Date of Certification: 6-30-54

Expiration Date of Royalty Payments: January 6, 1963

Total Amount of Contract: $18,500.00 + $3,616 = $22,116.00

Total Expenditures under contract: $14,885.00 + $571.00 = $15,456.00

Amount of Government Participation at: 90%--$13,396.50) 75%-- 428.25) = $13,824.75

Royalty Payments this Period: $221.57

Previous Royalty Payments : 48.46

Total Royalty paid to date : $270.03

Percent Government Participation Repaid: 1.95%

Royalty Due on Production to Date: None

Royalty Remarks: Above royalty paid on production prior to last visit.

Estimate of Reserves (from final Engr.-Geol. Report):

	Lbs. Book Mica.	Lbs. Cheet Mica
Above 180 ft. level	60,000	3,600
180' -270 ft.	100,000	6,000

Production this period:

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Remarks: The property was visited by the writer and E. L. Boudette, Geologist, USGS, February 13, 1957. No Work had been done since the last visit on July 27, 1956. Joe W. Bailey, Vice President and Manager, and E. L. Loudermilk, Officer Manager were interviewed.

February 13, 1957

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

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AUG 10 1956

Semi-Annual Reports of Certified Projects

Reporting Period 1-1-56 to 7-1-56 Date of Examination ~~xxx~~ 7-27-56

Operator : Dixie Mines, Inc. Heflin, Alabama
Assignee: Raymond Rendleman, Sylacauga, Ala. Assignee
Mine Name : Libety - Liberty

County and State : Randolph County, Alabama

Docket Number and Commodity --- DMEA- 2595 and DMEA-3375 --Mica

Contract Number --- Idm-E 686 and 472

Date of Contract : January 6, 1953

Date of Certification : June 30, 1954

Expiration Date of Royalty Payments : January 6, 1963

Total Amount of Contract : $18,500 + ~~$22,116~~ $3,616 = $22,116.00

Total Expenditures under Contract: $14,885 +$571 = $15,456.00

Amount of Government Participation at 90 % $13,396.50 + 428.25 = $13,824.75

Royalty Payments this Period : $0.13

Previous Royalty Payments : $48.88

Total Royalty Payments to Date : $48.46

Percent Government Participation Repaid :0.35%

Royalty Due on Production to Date : None

Royalty Remarks : A small sale of sheet mica was made this month (July). The returns on it have not been received.

		lbs. hand mica	lbs. sheet mica
Original Estimate of Reserves (from final Engr.-Geol. Report):	Above 125 ft.	80,000	3,600
	level	100,000	6,000
	180'-270' level		

Increase (or Decrease) of Reserves by work performed subsequent to original and last Field Team estimates: none

Revised Estimate of Reserves: none

Production this Period (Ore or Concentrates) in suitable detail none

Amount of Previous Production (since date of contract) 112.97 lbs. sheet mica
3 " hand cobbed
106 " scrap

Total DMEA Production to Date none

Percent of Revised Reserves Mined

Production Remarks: This mine has not been in production during this period. A little bulldozing and hand work has done during this month (July) and some mica that could be sheeted was produced.

Other Remarks:

(Investments, description of additional exploration or development work, production facilities, and plant installations, etc. since completion of the exploration project work)

The pegmatite property was visited on July 27, 1956. Eldridge Lauderslin, office manager for the Company accompanied the writer to the property. He stated that Mr. Sandlemen is no longer associated with the Company. The present officers are as follows:

John Langley, President
Joe E. Bailey, Vice President & Manager
Karl C Vaellers, Geologist
G.P. Gent, Director
E.J. Smith, Treasurer
Sidney Goldberg, Secretary
Ernest Kretschmar, Director and largest stockholder, Western Mica Co/
St. Louis, Mo.

RECEIVED
AUG 10 1956

Signed W. A. Beck Engineer

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 SHIRK POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
SEP 10 1956

September 6, 1956

Memorandum

To: Helen Miller - Region V - Norris, Tenn.

From: Acting Executive Officer -DMEA - Region V

Subject: Royalty payment - Idm-E686, DMEA-3375 (mica)
Liberty Minm, Randolph County, ALa.

Transmitted is a letter from Joe Bailey of the Dixie Mines, Inc., and a royalty check for $1.50 royalty to be credited to the subject contract.

Wm. A. Beck
Alternatém Acting
Executive Officer, DMEA
Region V

ZM.
cc
Lynch
Shirley
Files

Mittendorf

DIXIE MINES, INC.

PLANT SITES
Micaville, Ala.
Heflin, Ala.

P. O. Box 365
HEFLIN, ALABAMA

RECEIVED
SEP 10 1956

September 1, 1956

Mr. Robert A. Laurence
U. S. Dept. of the Interior
Defense Minerals Exploration Administration
Room 13, Post Office Bldg.
Knoxville 2, Tenn.

Re: DMEA-3375, ldm-E686 (Mica)
Liberty Mine, Randolph Co., Ala.

Dear Bob:

We are enclosing copy of invoice for strategic quality mica delivered to Spruce Pine Depot as lot No. SPB-R 272(a).

This lot consisted of 1430 # which came from several different locations, and was combined in order to make a minimum sale quantity. Of this amount, 62# came from the Liberty mine. Total gross value of the lot was $918.63.

Our computation of royalty is as follows:

$918.63 ÷ 1430 = .6424/lb. X 62# = $39.83 X 5% = $1.99

As for the scrap mica, the following tabulation is made:

Shipping Date	Tons of Liberty Mica	Price Per ton	Amount	Car#
3-31-56	.7000	$30.00	$ 21.00	Sou 280505
6-30-56	.5060	32.29	16.34	Sou 94963
7-6-56	67.2500	32.29	2171.50	Sou 325513
7-12-56	66.0000	32.29	2131.14	Sou 280515
7-28-56	1.6005	32.29	51.68	Sou 94963
			$4391.66	

Total $4391.66 X 5% =	$219.58
Sheet	1.99
Royalty due	$221.57
Less payment made our check #753	220.07
Balance due	$ 1.50

We are enclosing our check in the amount of $1.50.

RECEIVED
SEP 4 - 1956
Knoxville, Tenn.

RECEIVED
SEP 10 1956

Mr. Robert A. Laurence "2" September 1, 1956
U. S. Dept. of the Interior

This information is taken from our office records which show the orgin of all mica in each car shipped. Only two of the shipments listed consisted entirely of Liberty mica.

Hoping that this is the information you desire, I am

Sincerely,

DIXIE MINES, INC.

Joe W. Bailey

Joe W. Bailey

Enclosures: 2

JWB/el

DIXIE MINES, INC.

PLANT SITES
Micaville, Ala.
Heflin, Ala.

P. O. Box 365
HEFLIN, ALABAMA

RECEIVED
SEP 10 1956

September 1, 1956

Mr. Robert A. Laurence
U. S. Dept. of the Interior
Defense Minerals Exploration Administration
Room 13, Post Office Bldg.
Knoxville 2, Tenn.

Re: DMEA-3375, Idm-E686 (Mica)
Liberty Mine, Randolph Co., Ala.

Dear Bob:

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7-12-56	66.0000	32.29	2131.14	Sou 280515
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RECEIVED

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Hoping that this is the information you desire, I am

Sincerely,

DIXIE MINES, INC.

Joe W. Bailey

Enclosures: 2

JWB/el

C
O
P
Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON, D.C.~~
ROOM 13 POST OFFICE BUILDING
KNOXVILLE, 2, TENN.

AUGUST 16, 1956

Memorandum

To: Finance Office - Norris - Region V

From: Executive Officer, DMEA - Region V

Subject: Royalty Payments

Transmitted are bills-of-sale with checks attached on the following:

Idm-E454, DMEA-2634, U. S. Pipe & Foundry Co.....$178.58

Idm-E922, DMEA-4008, Knob Mining Co..... 23.16

Idm-E686, DMEA-3375, Dixie Mines, Inc..... 220.07

Robert A. Laurence

ZM

Mittendorf
Lynch
Files

RECEIVED

August 20, 1956

DIXIE MINES, INC.

PLANT SITES
Micaville, Ala.
Heflin, Ala.

P. O. Box 365
HEFLIN, ALABAMA

August 14, 1956

U. S. Department of the Interior
Defense Minerals Exploration Administration
Knoxville, Tennessee

Re: DMEA-3375, Idm-E686 (Mica)
Liberty Mine, Randolph Co. Ala

Gentlemen:

Our sales of mica, from the Liberty property, thru July 1956 are as follows:

Scrap Mica	$4,391.66
Block Mica	39.68
	$4,401.34

Royalty Due-

5% of $4,401.34 - $220.07

We are enclosing our check in the above amount.

Additional mica sales have been made for which we have not received a final settlement, and will be reported when final settlement is received.

Yours very truly,

DIXIE MINES, INC.

E. L. Loudermilk

E. L. Loudermilk

EL/

See ltr 9/1/56

RECEIVED
AUG 16 1956
U. S. Geological Survey
Knoxville, Tenn.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM POST OFFICE BLDG.
KNOXVILLE 2, TENN.

August 21, 1956

Mr. E. L. Loudermilk
Dixie Mines, Inc.
P.O. Box 363
Heflin, Alabama

Re: DMEA-3375, Idm-E686 (mica)
Liberty Mine
Randolph County, Alabama

Dear Mr. Loudermilk:

This will acknowledge with thanks, your letter of August 14, and check for $220.07 royalties.

Please note that, due to an error in addition, the total sales were given as $4401.34, whereas it should have been $4431.34. Thus, royalty due was $221.57, instead of $220.07. Please add $1.50 to the amount of your next royalty check, when final settlement is received for the sales referred to in your letter.

For our records, we need to know not only the value, but the quantity and unit price of the mica. The best way is to send us a certified copy of a sales slip or an invoice with the royalty payment. Please send me, at your earliest convenience, this information for the sales reported in your August 14 letter, as well as those reported from the Hurst mine.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V

RAL/xm
cc
Opr. Com.-2
Lynch
Files

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

RECEIVED
JUL 3 - 1956

June 29, 1956

Re: DMSA 3375 Idm 686
Dixie Mines Inc.
Liberty Mine
Randolph Co., Ala.
$3,500 - Mica

Memorandum

To: L. G. Houk, Defense Minerals Exploration Administration

From: H. A. Nelson, U. S. Geological Survey

Subject: Review of Field Team Final Report.

The referenced mine was the site of work under DMSA 2595, Idm-472, the approved cost of which was $14,885.00 and the Government's share $13,396.50 (90%). Work done consisted of a headframe, 190 feet of vertical shaft and 103.5 feet of drift. During and following the operation $966.60 worth of mica was produced and sold. The work ceased about Dec. 31, 1953.

As a result of the work the examiners estimated reserves at:

Inferred	Lbs. Book Mica	Lbs. Sheet Mica
Above 180 ft. level	60,000	3,600
180-270 level	100,000	6,000

A certificate of discovery was executed, July 2, 1954, as:

"No conformable pegmatite was explored on the 180-foot level, and as a result of this work sufficient data were obtained to calculate inferred reserves of mica".

Contract Idm-686 (DMSA 3375) was entered into in 1955. Rehabilitation work was started Oct. 18, 1955, and ceased Nov. 8, 1955. Underground work started Nov. 9, 1955, and 7 rounds in the west drift on the 180-foot level were drilled and blasted. Little or no mica was recovered, the work was stopped and the contract terminated by mutual agreement.

No new reserves resulted from the work, and the inferred reserves listed in the Final Report, DMSA 2595, stand, as does the certification under Contract Idm-472.

During the fall of 1944 the U. S. Bureau of Mines drilled four exploratory holes totalling about 550 feet on the Liberty mine property.

The examiners recommend that no further work be done.

I concur with that recommendation.

W. E. Nelson

W. E. Nelson

N:Nelson:btr
6/29/56

cc: W. F. Di trich, 3061
Director's reading file (4212)
Branch reading file (4212)
DPRA (3)
Chron. file
Docket file

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

COPY

~~WASHINGTON 25, D.C.~~
ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

January 23, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville, Tenn.

Subject: Final Reports - DMEA-3375, Idm-E686 (mica) Dixie Mines Inc. Liberty Mine, Randolph County, Alabama

Enclosed are 4 copies each of the Operator's and Field Team final reports on the subject contract.

Recommendation for certification of discovery is not needed as certification is waived by Articles (a) and (b) of Annex II to the contract.

/s/ ROBERT A. LAURENCE
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

/s/ V. J. LYNCH
V. J. Lynch, Member
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
1-27-56
(date)

RECEIVED
JAN 25 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

DMEA FIELD TEAM, REGION V

On

DMEA-3375, DIXIE MINES, INC. (mica)
Randolph County, Alabama

By

Wm. A. Beck, Mining Engineer
Bureau of Mines

and

A. R. Taylor, Geologist
Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
1-24-56
(date)

January 19, 1956

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JAN 25 1956

FINAL REPORT

DMEA-3375 (mica) LIBERTY MINE
Idm-E686

Operators: Dixie Mines, Inc. Box 365, Heflin, Ala. c/o Joe Bailey

Location : One-half mile southwest of Micaville, Randolph County, Ala., In SW 1/4. NE 1/4, Sec. 1, T. 18S., R 10 E .

Summary: Ruby mica recovered from 13 feet of new work was small, severely ruled, and locked. A dense, quartzose pegmatite, generally barren of mica existed throughout the new work. The Operator requested termination by mutual consent. The field examiners recommend termination.

Previous work:

As a result of a previous contract, DMEA-2595, Idm-E472, with Bourne Associates, the Liberty Mine was certified as a discovery. DMEA-2595 was started February 10, 1953, and terminated by mutual agreement after expending $14,885.00 (Gov. share @ 90% = $13,396.50) on December 31, 1953. About 6000 lbs. of "mine-run" mica was recovered. Out of 700 lbs. of book mica, 45.3 lbs. of trimmed mica was obtained. The work consisted of erecting a headframe, sinking 190 feet of vertical shaft (178 ft timbered) and driving 103.5 feet of drift. Scattered beryl crystals up to 3 inches in diameter and mica books up to 18 inches in diameter were recovered from a 3.5 to 7 feet pegmatite. Royalties paid to March 21, 1955 was $48.33.

Work Under Contract: DMEA-3375.

Dewatering and rehabilitation of the 190 foot shaft at the Liberty mine began October 18, 1955, and was terminated November 8, 1955. An electric sump pump was installed to pump the large volume of water that continued to flow in.

Seven rounds, drilled and blasted from November 9, 1955 to November 24, 1955, advanced the northwest drift from the 65 foot point to 78 feet from the shaft. Bits drilled an average of 4 feet. The first drilling was done using "made on" carbide bits on 1 inch hexagonal drill steel, and the last was done using "throw-away, knock-off" bits. An average of 30 holes were drilled in each heading.

The workings consist of a 190 foot shaft with a large headframe, and two drifts at the 178 foot level. One drift extends 12 feet N 80° E to USBM diamond drill Hole No. L-1, then N 45° E to a total of 38 1/2 feet. It ended with a small quartz stringer in the heading. The other drift extends from the shaft 78 feet N 85° W. At the 27 foot point in the N 85° W drift, a small raise extends 40 feet N 15° E.

All new work was in the N 85° W drift. The drift is inclined at ∠ 12° from the shaft, except for the last 13 feet, which is level. In the heading at 74 feet, the 3 feet thick pegmatite consisted of a dense, hard, tough, quartzose, mica-garnet dike rock, which had a dip and strike of 40° SW and N 85° W. Thickness of the pegmatite varied from 2 to 3 1/2 feet.

Ruby mica is ruled, bent, and locked. About 120 lbs. of mica recovered from the new work and 47 lbs. from slabbing walls in the old drifts, represent the total production. It is estimated that only about three pounds of good mica can be trimmed from the 120 lbs.

The work was performed in an efficient, workman-like manner.

The field examiners recommend that no further work be done.

Expenditures:

(a)	Total approved	$3,616.00
(b)	Total spent	571.00
(c)	Government's share of cost	428.25
(d)	Government's share unexpended	2,283.75
(e)	Royalty paid	.13

Date of Report: January 19, 1956.

Wm. A. Beck, Mining Engineer
Bureau of Mines
and
A. R. Taylor, Geologist
Geological Survey

References: (1) Liberty Mine, Randolph County, Ala (DMEA-2595) Final Report; K. H. Teague, D. H. Amos and J. F. O'Neill. May 4,1954.

(2) Mica Deposits of the Southeastern Piedmont - Part II. Alabama District; G.C. Olson, and E Wm. Heinrich: USGS Prof. Paper - 248, p.424, 1953.

(3) Report of Royalty Review, G. E. Fisher, Auditor, March 21, 1955.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1500 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
JAN 25 1956

January 23, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville, Tenn.

Subject: Final Reports - DMEA-3375, Idm-E686 (mica) Dixie Mines Inc. Liberty Mine, Randolph County, Alabama

Enclosed are 4 copies each of the Operator's and Field Team final reports on the subject contract.

Recommendation for certification of discovery is not needed as certification is waived by Articles (a) and (b) of Annex II to the contract.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch, Member
Bureau of Mines

RAL/xm

cc:

Beck

Lynch

Files

RECEIVED
DEC 5 - 1955
U.
RECEIVED
JAN 25 1956

[illegible]

Date: Oct 13th thru Nov., 1955 Report No. [illegible]75

Contractor's Name: Liberty Blanc [illegible], Inc.
Moffia, Ala.

Contract No. [illegible]

Shotholes: 100

Detonation of the Liberty Blanc was run on October 13th using a 4 x 4 x 6 cubic foot pump operated with air supplied by a 315 ft rotary type compressor, placed on the drivers. A 500 foot section of 2" plastic pipe was used for the discharge line, but in the working area steel 1 pipe was used. Before hole loading number of the discharge line was reduced to 1 so as to work at each place the pipe was supposed to start there.

Detonation was completed on Nov. 8th, and an electric motor driven 2" centrifugal pump was purchased for use in pumping during loading, leaving the air pump installed for emergency use.

Prior to detonation the line was tested to see if it would blow out holes to the free. The working face, that is, first row, the charges for the outward drift were 1.5 feet in 15 feet of hole, which was the minimum possible.

From Nov. 8th to Nov. 14th 7 rounds were fired in blocks, resulting in a drive of the drift for 55 to 73 feet, a net of 19 feet. Pipe-drilling was done using 1" pipe drill steel. Holes were proved crooked, and the last work was done with throw-away mesh-off type pipe. Most of these holes averaged an average of 4 feet before being discarded.

Geologic conditions in very fault with high pressure of water. Country rock was tough and dense. Some broken and porous in addition in part to the difference in structural characteristics of these two rocks, and in part to the fact that may brecciate exhibited very slow drilling (30 holes in boring), but now the discontinue before the most drilling patterns had been developed. Primarily incidental to the whole project was the awkward way in which work was carried by circumstances from the beginning, as the cross of the project reduced the use of mechanical shovels to a minimum.

The repositio dynamite used was from 2 to 2-1/2 feet in thickness, and the pipe included was 5", 6 oil, rock usually sold, rock and lenses. 100 rounds of this dynamite were fired along with 47 rounds which was removed from shotholes while in [illegible] in the old workings. [illegible] thus will be [illegible] from all the [illegible] will [illegible] 3 rounds.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

RECEIVED
FEB - 3 1956

February 2, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3375 (mica)

Applicant: Dixie Mines Inc.

Name and Location of Property: Liberty Mine, Randolph Co., Alabama

Contract Number: Im-E 686

Date of Field Team Report: 1/19/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 1/26/56

Field Team Recommendation: Recommend termination

Comments:

1. Under DMEA 2595 the Liberty Mine was certified as a discovery on December 31, 1953.

2. Additional work under DMEA 3375 did not disclose any additional reserves of strategic mica.

Recommendation: I concur with the recommendation of the field examiners for termination of the project by mutual consent.

Signed

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
KNOXVILLE 2, TENN.

RECEIVED
JAN 23 1956

January 19, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V

Subject: Termination Agreement - DMEA-3375, Idm-E686 (mica)
Dixie Mines, Inc. Randolph County, Ala.

Transmitted are three signed copies of the subject termination agreement. The usual distribution of the other copies have been made by this office.

Robert A. Laurence

RM.
cc:
Lynch
Beck
Finance Office
Files

FEB - 2 1956

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Dear Mr. Laurence:

For your information we are listing below the executed certifications by agreement made in the Nonmetallic Minerals Division:

DMEA	Idm-E	Name	Date
2579	459	Mica Industries, Inc.	1/1/54
2610	431	Dixie Minerals, Inc.	4/7/54
2873	562	Empire Mica Company	6/7/54
3375	686	Raymond Rendelman	2/14/55

Semi-annual reports on production, royalty received, and future plans should be submitted using the same format as is used for certified projects. The total production from the Chalk Hill Mine, DMEA-1665, Mica Development Corporation, would be of interest, if available.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

/s/ Robert W. Geehan
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

LQHouk:gad 1/26/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 SHIPPING POST OFFICE BLDG.
KNOXVILLE 2, TENN.

January 5, 1956

Mr. Joe Bailey
Dixie Mines, Inc.
Roflin, Alabama

Re: DMEA-3375, Idm-8686 (mica)
Dixie Mines, Inc., Assignee
Liberty Mine, Randolph County, Ala.

Dear Joe:

We have a termination agreement ready to present for signature, which will terminate the Liberty contract by mutual agreement, effective November 30, 1955.

However, we cannot execute the termination agreement until any royalties due the Government have been paid. Therefore, will you please send me a check for 5 per cent of the value of any mica produced from the property since Dixie Mines took it over? We will then forward the termination agreement for signature.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RECEIVED
JAN 9 1956

RAL/mm

cc:
Lynch
Book
Files
Opr. Com.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM POST OFFICE BLDG.
KNOXVILLE 2, TENN.

A

RECEIVED
JAN 13 1956

January 11, 1956

Memorandum

To: Helen Miller, Ass't Administrative Officer, Region V

From: Acting Executive Officer, DMEA - Region V

Subject: Royalty payments. January 1956

Transmitted are bills-of-sale and royalty checks on the following:

DMEA-1402, Idm-2702, John Jarrett, Sale $10.50, Check- 53¢.

DMEA-3375, Idm-2686, Dixie Mines, Inc. Sale $2.54, Check- 13¢.

V. J. Lynch

CC:
Mittendorf
Shirley
Book
Files

DIXIE MINES, INC.

Matter dropped

P. O. Box 365

HEFLIN ALABAMA

PLANT SITES
Micaville, Ala.
Heflin, Ala.

January 7, 1956

RECEIVED
JAN 13 1956

Mr. Robert A. Laurence
U. S. Dept. of the Interior
Defense Minerals Exploration Administration
Room 13, Post Office Bldg.
Knoxville, Tennessee

Dear Bob:

This is in reply to your letter of January 5th regarding royalties due the Government on mica produced from the Liberty mine.

The quantity of mica recovered from the Liberty mine was not of sufficient weight to make a sale to the Government Purchasing Depot. However, we have weighed out 3 pounds of block mica which we believe will be acceptable to the Government at a purchase price of $600.00 per ton, or 30 cents per pound. We also, have 164 pounds of scrap mica taken from the Liberty mine, which in this area is worth $20.00 per ton or 1 cent per pound.

In accordance with the above we are enclosing our check in the amount of $0.13 for all royalties due on the Liberty mine. This is computed as follows:

3 pounds block mica @ $0.30 per pound	$ .90
164 pounds scrap mica @ $0.01 per pound	1.64
	$2.54
5% due Government	$0.13

Yours very truly,

DIXIE MINES, INC.

Joe W. Bailey

Joe W. Bailey

JWB/el

Enclosure

RECEIVED
JAN 11 1956
Geologic Division
Knoxville, Tenn.

DEC 22 1955 600

Mr. Robert A. Lawrence
Executive Officer, DMEA
Field Team, Region V
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-3375 - Miss Raymond Randolman
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract No. Xim-2666

Dear Mr. Lawrence:

Reference is made to your memorandum of November 28,1955, requesting a termination agreement for the subject contract.

Pursuant to your request we have prepared and enclosed herewith the original and five copies of a termination agreement with effective date for your signature. If it meets with your approval please sign in behalf of the Government and present it to the Operator for approval and signature. We wish to advise that this contract should not be terminated until all royalties due the Government have been paid.

After execution of the termination agreement, the copies are to be distributed in the usual manner.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

/s/ Robert W. Geehan
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures 6

WCAnderson:gad 12/19/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Oct., & Nov., 1955 Docket No. DMEA 3375 RECEIVED Contract No. IGB-M 686
Operator's Name Dixie Mines, Inc. DEC 16 1955 Minerals Mica
Address Heflin, Ala.
Contract Amount, $3,616.00 Government Participation: 75 % Amount, $2,712.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting	$455.00	None	$455.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Tool House	73.00	None	73.00			
Magazines (2)	38.00	None	38.00			
(8) Contingencies (specify):						
TOTALS	$571.00	None	$571.00	571.00		571.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Nov. 30, 1955 *Payee Dixie Mines, Inc.
Per Joe W. Bailey Title Gen. Mgr.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

→ NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$428.25
Signature Helen R. Miller
(Authorized Certifying Officer)
Date DEC 13 1955 Vou. No. 126
(See other side)

142.75

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Ida. E 686 in accordance with the terms of the contract.

Signature W. M. Beck Title Mining Engr. USBM Date 12-9-55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lane Title EXECUTIVE OFFICER DMEA REGION V Date DEC 9 1955

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

RECEIVED
DEC 16 1955

Month of Oct., & Nov. 1955 Docket No. DMEA 3375 Contract No. Idm-E 686
Operator's Name Dixie Mines, Inc. Minerals Mica
Address Heflin, Ala.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	455.00	13	455.00	13	35.00	100	35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		455.00	13	455.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs Tool House		78.00	1	78.00				78.00
New Buildings, Improvements, etc. Powder magazine		25.00	1	25.00				25.00
Exploder magaxine		13.00	1	13.00				13.00
TOTAL COSTS		$571.00		571.00				571.00

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

Date Nov. 30, 1955 Operator Dixie Mines, Inc.
Per Joe W. Bailey Title Gen. Mgr.

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

(Instructions on reverse)

REMARKS:

(For Government use only)

W. A. Beck, Mining Engr
U.S.B.M.

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report:—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

OPERATOR'S MONTHLY REPORT OF PROGRESS
ZOL. 1.
Months of October and November, 1955

RECEIVED
DEC 16 1955

Date work began: Oct 18, 1955

Dwg. No. 3375 IAM-B-686

Work Accomplished

Set up machinery, constructed tool house, powder and exploder magazines, pumped water out of mine, repaired head frame, drilled, blasted and mucked 7 rounds for a total of 19 feet.

Daily Notes

October 18 Set up 315 cf air compressor, and air hoist

19 Completed air line to water level in shaft, started pumping with piston type pump using plastic pipe for discharge.

20 Pumped, worked on tool house

21 Worked on tool house

22 Plastic pipe developed holes, cut and repaired with steel couplings

23 Pumped

24 Plastic pipe developed more holes, water raised on pump. Installed steel pipe line for discharge.

25 Completed pipe line for discharge.

26 Worked on tool house and pumped.

27 Completed tool house and pumped.

28 Worked on powder and exploder magazines, pistons stuck on pump, water raised on pump.

29 Repaired pump, compressor stopped.

31 Repaired compressor

November 1 Started pumping again, worked on hoist house.

2 Worked on hoist house and pumped

3 Worked on electric line and hoist house

4 Worked on head frame and pumped.

November 5	Lost foot valve off pump - Repaired pump and worked on head frame
7	Worked on head frame and pumped
8	Pumped water out of shaft, sent for electric pump, dynamite and exploders.
9	Extended electric line and air line and started to drill.
10	Finished drilling and pulled small shot to straighten up heading - used 25 sticks dynamite and 9 exploders.
11	Mucked out and started to install electric pump.
14	Finished installation of electric pump and started drilling.
15	Finished drilling and shot, using 57 sticks dynamite and 19 exploders.
16	Mucked out and started drilling.
17	Finished drilling and shot using 61 sticks dynamite and 19 exploders
18	Mucked out, drilled, and shot using 46 sticks dynamite and 13 exploders
19	Mucked out, drilled, and shot using 44 sticks dynamite and 8 exploders.
21	Mucked out and started drilling
22	Finished drilling and shot using 62 sticks dynamite and 19 exploders, started mucking.
23	Mucked out, drilled, and shot using 58 sticks dynamite and 17 exploders.

12/7/55

Mr. Houk: DMEA-3375 Raymond Rendelman

In covering letter of termination agreement to Field Team they should be advised that contract should not be terminated until all royalties due have been paid.

Mr. Johnson

December 8, 1955

Memorandum

To: Mr. Robert Dwyer, Associate Solicitor

From: C. O. Mittendorf, Administrator

Subject: Termination Agreement - Docket No. DMEA-3375 - Miss Raymond Rendelman
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract No. Idm-E686

Please prepare a termination agreement, effective November 30, 1955, on the subject contract to be signed by the Executive Officer, DMEA Field Team, Region V, pursuant to his request in memorandum of November 28, 1955.

The subject property was explored under Contract No. Idm-E472, Docket No. DMEA-2595, by Bourne Associates, and was certified as a discovery. Raymond Rendelman was awarded a contract to do addition work. This latter contract contained a provision in Annex II attached thereto, providing for payment of royalty on all production from the property described in the contract until the Government's contribution under both contracts was repaid or until the time requirement for payment has elapsed. Rendelman assigned to the Dixie Mines, Inc., who have requested termination after completing 13 feet of drifting. The Field Team have recommended a mutual termination agreement.

The termination agreement should retain the Government's rights with respect to royalties.

C. O. Mittendorf

C. O. Mittendorf
Administrator

LGHouk:gad 12/8/55
Copy to: Admr. R. File
Docket
Mr. Houk
Mr. Anderson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 WASHINGTON POST OFFICE BLDG.
KNOXVILLE 2, TENN.

December 2, 1955

RECEIVED
DEC - 5 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville, Tennessee

Subject: DMEA-3375, Idm-E686 (mica) Dixie Mines, Inc. Assignee
Liberty Mine, Randolph County, Alabama

This memorandum is prepared in response to Mr. Houk's telephone call, requesting additional justification for our request for termination of the subject contract.

This request is based on the examination made by Mr. Beck and Mr. Taylor on November 22, 1955. They are both of the opinion that additional work is not likely to result in a significant discovery. The quantity of strategic mica is small, and most of it of poor grade.

The certification under the old contract was not a strong one, and was recommended chiefly on the basis of the pegmatite known to exist above the drift level, developed chiefly at Government expense by the 90% contribution to the cost of the shaft. Further work to the west on the drift does not appear to be justified.

The present Operator does not think it will be profitable to mine the mica discovered by the old work, chiefly because of the high cost of pumping, and the relatively small amount of high grade mica.

Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V

V. J. Lynch, Member
Bureau of Mines

AL/sm
s
ch
rence

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 204 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

November 23, 1955

Mr. Joe Bailey
Dixie Mines, Inc.
P.O. Box 365
Heflin, Alabama

Re: Idm-2686, DMEA-3375 (mica)
Dixie Mines, Inc.
Liberty Mine, Randolph County, Ala.

Dear Mr. Bailey:

We have obtained permission from Defense Minerals Exploration Administration to terminate the subject contract by mutual agreement. The effective date of termination will be November 24, 1955.

The termination agreement papers will be forwarded to you for signature within the next few days.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V

VJL/mm
cc:
Opr. Com.-2
Lynch
Beck
Files

RECEIVED
NOV 25 1955

December 1, 1955

Mr. L. G. Houk calling Mr. R. A. Laurence, Knoxville, Tenn.

Docket No. DMEA-3375 - Mica
Raymond Rendelman
Assigned to Dixie Mines, Inc.
Liberty Mine
Randolph County, Alabama
Contract No. Idm-2686

Mr. Houk: I want to talk about the Raymond Rendelman, Docket DMEA-3375, Liberty Mine. Have you sent him a termination agreement?

Mr. Laurence: We wrote the Operating Committee and asked for permission to terminate. We told him on the phone to quit.

Mr. Houk: No termination has been sent?

Mr. Laurence: That is right.

Mr. Houk: We will prepare the termination agreement here because Dixie Mines have a pseudo certification.

Mr. Laurence: They have a true certification too.

Mr. Houk: On the Bourne Associates, but in the contract that Rendelman signed there is a pseudo certification that they assumed the liability for $13,369. Mr. Frank Johnson says we must have a justification for allowing to terminate. It cannot be because he wants to quit.

Mr. Laurence: We sent him a letter.

Mr. Houk: That is not enough. The progress of 9 ft. does it indicate the geologic improbability of making a significant discovery?

Mr. Laurence: It was 13 ft. It doesnt say in those words.

Mr. Houk: From the Field Team Report: "It is in the best interests of the Government to terminate by mutual agreement as soon as possible." All that they say is the recovery is low and the mica is poor in quality. Bailey and Van Horn encountered more water. The Government should allow (line read from report.... It has to be based on the geologic probability of making a significant discovery. We did not want to let Bourne quit then we certified. How come this guy has not been doing the mining on the certified portion? Is he letting it fill up?

Mr. Laurence: Yes. They are going to pull out completely.

Mr. Houk: If Beck has some information on the reserves it would be interesting.

Mr. Laurence: They are responsible for any royalties within the ten year period. Is Bourne released from his liability?

Mr. Houk: In drawing up this termination we will ask legal to point out the primary liability and the secondary liability.

Mr. Laurence: We are still trying to send out the Bourne certification we have three or four of those there is a list of five or six heirs. We have been able to locate two of them.

Mr. Houk: It is regretable that they only did that small amount of work. Too many have been pulling out whenever they feel like it.

Mr. Laurence: Some of these men used to work for Bourne. When Bourne pulled out they wrote they wanted to go in there and finish it. Bourne apparently did not give them any information. They knew we had wanted Bourne to finish and they applied and it apparently was not as good as they were lead to believe.

Mr. Houk: Was the certification a weak one?

Mr. Laurence: Yes.

Mr. Houk: A lot of people take that certification and use it. I have said it might get us into trouble.

Mr. Laurence: They use it for selling purposes. They are disappointed. Several people have been quite disappointed because we have not certified. It was a weak one.

Mr. Houk: I thought Van Horn and Bailey would go in there and mine. Has Bourne sold any mica in there? Did we get any royalty?

Mr. Laurence: I think so.

Mr. Houk: These fellows know they have to pay royalty.

Mr. Laurence: Yes. We told them. They donot think they will get enough to sell. I think we got $60 or $70 from Bourne.

Mr. Houk: We will get legal to draw up the termination and spell out the liability.

Mr. Laurence: Will the certification include anything on this new footage?

Mr. Houk: No the original Bourne deal was a certification; the Rendelman was a pseude certification because we had certified before. Legal will spell out who is liable 1st and 2nd but get that justification in.

Mr. Laurence: Ok. We will get that in tomorrow.

LQHouk:gad 12/6/55
Copy to: Docket
Admr. R. File
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 25 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

November 28, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville, Tenn.

Subject: DMEA-3375, Idm-E686 (mica) Dixie Mines, Inc., Assignee
Liberty Mine, Randolph County, Alabama

Enclosed are four copies of the latest interim report on the subject exploration contract.

Following a telephone call to Mr. Houk on November 23, Mr. Laurence notified the Operator to cease work, and that we would send termination agreement for signature.

Permission is requested to terminate the contract by mutual agreement, effective November 30. We do not think the additional work has resulted in a discovery; therefore, we recommend no change in the certification which resulted from the earlier contract with Bourne Associates.

Robert A. Laurence, Exec. Officer
DMEA Field Team, Region V

W. J. Lynch, Member
DMEA Field Team, Region V
Bureau of Mines

RAL/sm

cc:
Lynch
Houk
Files

RECEIVED
NOV 30 1955

INTERIM REPORT

DMEA-3375, Idm-E686 (mica) LIBERTY MINE

Operator: Dixie Mines, Inc., Assignee, P.O. Box 365, Heflin, Ala.

Location: One-half mile southwest of Micaville, Randolph County, Ala.

Accompanied by Joe Bailey, Manager, Dixie Mines, Inc., the subject mine was examined November 22, 1955. Drifting had been in progress for about two weeks and an advance of nine feet had been made. The heading was then 74 feet from the shaft. The ground is very tight and breakage is exceptionally bad. They are making about four rounds every five days. In the nine feet driven to date approximately 75 pounds of very poor mica has been recovered. It is estimated that this will not sheet more than one pound of saleable mica and then of poor quality.

When inspected, a shot in the heading had just been made. No mica of sheeting quality was seen in the muck and there was none in the face. The pegmatite was three feet wide in the heading and dipped 40° SW. It consisted of quartz, feldspar, muscovite and garnet in order of abundance.

Mr. Bailey stated that they had spent $2,000 rehabilitating the shaft. They are encountering more water as they advance the heading and the cost of driving the drift is far more than the $3500/set up in the contract. He stated the Government should have made an allowance in the contract for rehabilitation and at least $10 more per foot should have been allowed in the drifting. He also stated that from the looks of the pegmatite and the mica recovered they would be glad to terminate the project now.

The examiners are of the opinion that it will be in the best interest of the Government to terminate the project by mutual agreement as soon as possible. Mr. Bailey was advised to continue drifting in the direction he was going and he would be advised of any action taken by the Government.

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

A. R. Tayler, Geologist
U. S. Geological Survey

November 29, 1955

Mr. Robert A. Laurence calling Mr. L. G. Houk, from Knoxville, Tenn.

Docket No. DMEA-3375 - Mica
Raymond Rendelman
Liberty Mine
Randolph County, Georgia
Contract No. Idm-E686

Mr. Laurence: I am calling about Docket No. DMEA-3375 the Liberty Mine. Beck is dowm there and he called in and the Operator wants to terminate. They have advanced the southwest drift ten feet and it is costing a lot of money and they want to terminate and Beck recommended termination. We have certified that project on the basis of the old work (Bourne Associates - DMEA-2595). It is costing more money than they expected and the new Operator wants to quit.

Mr. Houk: Ok. We have certified that.

Mr. Laurence: We certified the old mine after that hazzle with Bourne Associates.

Mr. Houk: This might put us in a bad light -- did they get any mica?

Mr. Laurence: Not much. Bourne did produce a little but they shot it all to pieces. Now apparently in this additional work they have not gotten much and they are very anxious to quit.

Mr. Houk: I would ~~like to see~~ prone to say if Beck recommends a mutual termination, we could go along. I talk it over with Frank Johnson and I will call you back if he says no. If it is ok I will not call you back.

Mr. Laurence: Ok. I will get a letter off to him.

Mr. Houk: If you dont hear from me by noon you will know it is ok to go ahead.

Mr. Laurence: Ok. If we dont hear from you by noon it will be ok to get a letter off to him to terminate.

DEFENSE MINERALS ADMINISTRATION

97023

PRODUCTION EXPANSION DIVISION

PROCUREMENT APPLICATIONS

Name of Company and Address _____

Name of Mine and Location _____

Docket No. DMA - _____ Date received by P.E.D. _____

Metals or Minerals involved _____

Length of Contract (preproduction plus production) _____

Amount of Metals or Minerals in tons, units or pounds _____

Floor price or Guaranteed price and whether or not escalated _____

Maximum Government Commitment _____

Comments on Contract: _____

_____

_____

_____

_____

_____

Date sent to Legal Division _____

Date of Recommendation to D.P.A. for Certification _____

Date Certification sent to G.S.A. by D.P.A. _____

Date signed into Contract by G.S.A. _____

Additional Remarks: _____

_____

_____

_____

_____

NOTE: If application is denied, or if it is recommended for change into exploration, etc., please state under additional remarks.

Interior—Duplicating Section, Washington, D. C.

Signed _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

October 12, 1955

RECEIVED
OCT 17 1955

Dixie Mines, Inc.
P.O. Box 865
Heflin, Alabama

Re: DMA-3375, Idm-E686 (mica)
Liberty Mine, Randolph County, Ala

Dear Mr. Bailey:

Enclosed are six copies of Amendment No. I, on the subject contract extending the completion date for five months, or making the length of the contract one year.

Please sign all six copies, keep the one marked "Operator's Copy" and return all others to this office at once.

We would appreciate your notifying this office the exact date you began work.

Very truly yours,

V. J. Lynch, Acting
Executive Officer, DMEA
Region V

ZM
cc:
Lynch
Book
Files
Opr. Cos.-2

RECEIVED
NOV - 2 1955

INTERIM REPORT

DMEA-3375, Ida-E686 (adoa) LIBERTY MINE

OPERATOR: Raymond Rendelman, P. O. Box 64, Sylacauga, Alabama

LOCATION: one-half mile southwest of Micaville, Randolph County, Alabama

This project began work on October 18, 1955. Necessary equipment has been moved to the mine site, a single-phase power line has been run to the mine from an adjoining scrap mica plant, and unwatering of the mine is underway. Up to the time of this visit, the mine had been unwatered to about the 100-foot level, and the foreman estimates that drift work will probably be started about October 31, 1955. An electric pump is in use, and continuous pumping has been in progress since October 24, 1955. The timber in the shaft to the present level is reported in good condition, with the exception of a few feet at the collar.

Equipment at the site, in addition to pumps, consists of a 315 c.f.m. rotary-type air compressor, gasoline-powered double drum hoist and small hand tools. Timber necessary for rehabilitation of the shaft is on the job, a toolhouse is being built, and powder and cap magazines will be constructed in the near future.

Instructions were given concerning level work to begin upon completion of unwatering. Progress on this contract is satisfactory.

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

A. R. Taylor, Geologist
U. S. Geological Survey

October 26, 1955

November 2, 1955

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. DMEA-3375 - Mica
Raymond Rendelman
(Assigned to Dixie Mines, Inc.)
Liberty Mine
Randolph County, Alabama
Contract No. Idm-E686

The Nonmetallic Minerals Division concurs in Amendment No. 1 to the subject contract as written and executed in the field. This amendment extends the completion date from September 16, 1955, to February 14, 1956.

This amendment is justified since the Operator has indicated that a delay in starting would be desirable while they are installing equipment on adjoining tracts which they own and plan to mine for scrap mica. It is in the Government's interest to complete the work provided for in the contract.

/s/
Walter C. Anderson
Nonmetallic Minerals Division

WCAnderson:ad 11/2/55
Copy to: Admr. R. File
Docket
Mr. Houk
Mr. Anderson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

October 25, 1955

RECEIVED
OCT 27 1955

Mr. Joe Bailey
Dixie Mines, Inc.
P.O. Box 365
Heflin, Alabama

Re: DMEA-3375, Idm-E686 (mica)
Dixie Mines, Inc., Assignee
Liberty Mine, Randolph County, Ala.

Dear Joe,

Just to confirm the date given you over the telephone yesterday:

Under the previous contract, the Liberty shaft was deepened to 190 feet, the northeast drift extended 38.5 feet from the edge of the shaft, and the southwest drift extended 65 feet from the edge of the shaft.

Work under the new contract should begin by extending the southwest drift.

Our Field Examiners, Mr. L. E. Shirley and A. R. Tayler, will visit the mine on Wednesday afternoon, October 26.

Sincerely,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/sm
cc:
Lynch
Shirley
Files
Opr. Com-2

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

RECEIVED
OCT 19 1955

October 17, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V

Subject: Amendment No. 1 - on DMEA-3375, Idm-E686 (mica)
Dixie Mines, Inc. Liberty Mine, Randolph County, Ala.

Transmitted are three copies of the subject amendment extending the completion date of this project for five months. The usual distribution of the other copies has been made.

Robert A. Laurence

ZM.
cc:
Lynch
Beck
Finance Office
Files

10/28
Mr Anderson
Mr Rubin advised me (telephone) that this is a pseudo certification & should be carried as such on the records.
gad

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

RECEIVED
SEP 19 1955

September 16, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V

Subject: DMEA-3375, Idm-E686 (mica) Dixie Mines, Inc., Assignee
Liberty Mine, Randolph County, Alabama

Reference: Your letter of September 13, 1955

Earlier this week, we wrote the Operator asking about this project, and copies of the correspondence sent to you evidently crossed your letter in the mail.

At two or three times during the summer, the Operator has indicated that a delay in starting would be desirable while they are installing equipment on adjoining tracts which they own or plan to mine for scrap mica. As soon as we receive a reply to my recent letter, we will prepare an amendment authorizing additional time, as we believe the current Operator will do a satisfactory job of exploration when they get started.

RAL/mm
cc:

Lynch
Beck
Shirley
Files

Robert A. Laurence

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

September 13, 1955

RECEIVED
SEP 15 1955

Mr. Earl C. VanHorn
Dixie Mines Inc.
P.O. Box 385
Heflin, Alabama

Re: DMEA-3375, Idm-2686 (mica)
Dixie Mines, Inc., Assignee
Liberty Mine, Randolph County,
Alabama

Dear Van:

According to the contract, work at the Liberty mine was to have been completed by September 16. As far as I can find out, work has never been started, except for some work on a power line. We have never had a monthly report of any kind on the project.

Please let me know when you are going to start work, and also a realistic estimate of a completion date, so that we may prepare an amendment to the contract.

Sincerely yours,

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VI

RAL/mm

cc:

Lynch
Beck
Opr. Com.-2
Files

600

SEP 13 1955

Mr. Robert A. Lawrence
Executive Officer, DMEA
Field Team, Region V
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-3375 - Mica
Raymond Remelman
(Assigned to Dixie Mines, Inc.)
Liberty Mine
Randolph County, Alabama
Contract No. Ida-E686

Dear Mr. Lawrence:

Reference is made to the subject contract for exploration work at the Liberty Mine.

There is no record in our files of any work being done at the Liberty Mine since your memorandum of May 16, 1955. The completion date for the project is September 16, 1955. Kindly advise concerning the status of this contract. If it becomes necessary and you approve, please furnish us copies of a time extension amendment.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

P. F. Yopes
Member, Bureau of Mines

/s/ M. E. Nelson
Member, Geological Survey

WCAnderson:gad 9/9/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson

C Opr. Com.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

July 1, 1955

RECEIVED
JUL - 5 1955

Mr. E. C. Van Horn
Dixie Mines, Inc.
P.O. Box 365
Heflin, Alabama

Re: DMEA-3375, Idm-E686 (mica)
Liberty Mine, Randolph County, Ala.

Dear Van:

As no monthly report and voucher for May has been received, we assume that no work, except preliminary work as outlined in your letter of May 13, was done under the contract.

It there is to be no voucher for June, will you please advise us to that effect. Also, please let us know approximately when you expect to begin underground work on the contract so that we may plan the next inspection trip?

Can you send me the mailing addresses of Mr. & Mrs. J. M. Bagley, Mrs. Helen Wallace, Mr. & Mrs. L. R. Wright, and Mr. & Mrs. A. T. Ritzman, all of whom signed the Consent to Lien.

Sincerely yours,

Robert A. Laurence
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

AL/am
cc:
Lynch
Files
Peck

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 4 ASHEVILLE POST OFFICE BLDG.
KNOXVILLE 2, TENN.

May 25, 1955

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 27 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region 5, Knoxville, Tennessee

Subject: DMEA-3375, Idm-2686 (mica) Dixie Mines, Inc. (Assigned by R. Tendelman) Liberty Mine, Randolph County, Ala.

Reference is made to your letter of May 23 concerning the assignment and acceptance forms for the subject contract.

All copies received in this office were returned to you after execution by the Assignor and Assignee, except two copies marked "Assignor's Copy" and "Assignee's Copy." The Docket Copy was not among the original and five copies transmitted by your letter of April 4, 1955. If the Docket Copy is located and sent to me, we will get the necessary signatures on it.

Robert A. Lawrence

RL.

~~Use extra copy for Dixie Copy~~
" Dixie Copy for Docket Copy

MAY 23 1955

Mr. Robert A. Lawrence
Executive Officer, DMEA
Field Team, Region V
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-3375 - Mica
Dixie Mines, Inc. (Assigned
by Raymond Rendelman)
Liberty Mine
Randolph County, North Carolina
Contract No. Idm-2686

Dear Mr. Lawrence:

Reference is made to your memorandum of May 16, 1955, transmitting the Government and Division copies of the assignment of the subject contract to Dixie Mines, Inc.

The signed docket copy should also have been enclosed. Please forward it at your earliest convenience.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

WCAnderson:gad 5/19/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

Anderson

MI

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 5/18

REFERRED TO:

1. GC
2.
3.
4.

FOR:

Action	Recommendation
Approval	Record of
Comment	Referring to
Conference	Reply for signature of
Consideration	Rewriting
Filing	Signature
Instructions	Suggestions
Investigation	Your information
Initials	
Mailing	
Previous correspondence	

REMARKS:

Gert: if you will take note region has not returned M&F signed cy of contract. Will your division please req. return. CC

Check (X) before the items needing attention.

ROBERT E. ADAMS

Initials of sender.

GPO 16—63815-1

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 5 OF FED. BLDG.
KNOXVILLE 2, TENN.

May 16, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region 5, Knoxville

Subject: Assignment of Contract - Idm-E686, DMEA-3375 (mica) Liberty Mine
Raymond Rendelman, Randolph County, Alabama

Transmitted are the Government and Division copies of the assignment of the subject contract to Dixie Mines, Inc. We have retained our copy and given the Finance Office theirs.

Prior to May 1, 1955, the Assignee had constructed a power line to the shaft and a transformer station had been set up about 100-feet west of the head frame. A hoist had also been moved to the shaft. It therefore can be considered that the contract was started by the date set forth in the contract.

The Operator is in the process of constructing storage dams to store water from the Liberty shaft when it is pumped out. This water will be utilized in their other adjacent mica operations.

Wm. A. Beck

WAB/sm

Anderson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM POST OFFICE BLDG.
WASHINGTON 25, D.C.
KNOXVILLE 2, TENN.

May 16, 1955

Mr. E. C. Van Horn
Dixie Mines Inc.
P.O. Box 365
Heflin, Alabama

Re: DMEA-3375, Idm-E686(mica)
Liberty Mine, Randolph County
Alabama. Dixie Mines, Inc.
Assignee

Dear Van:

This morning we received your letter of May 13, transmitting the original and three copies of the assignment papers on the subject contract. We were wrong in stating that the original and six copies were sent Mr. Randolman for signature as only five copies were sent with the original.

When Mr. Teague visited the property he did notice that there was a hoist there, but failed to mention the work done on the power line and transformer station. I believe that we can consider the work has started and that no Amendment will be required. We will advise you in advance of our next visit to Alabama so that someone will be present at the mine when we get there.

Very truly yours,

Wm. A. Beck, Acting.
EXECUTIVE OFFICER
DMEA REGION V

AH/am
cc:
Lynch
Opr. Com.
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 2[illegible] POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 12 1955

May 10, 1955

Mr. Raymond Mendelman
P.O. Box 64
Sylacauga, Alabama

Ref DMA-3375, Com-1686 (mica)
Liberty Mine, Randolph County, Ala.

Dear Mr. Mendelman:

When Mr. Teague visited the Liberty Mine on April 29, there was no evidence that work had begun under the exploration contract which was signed in February. According to the contract, work was to have been begun by May 1. Please advise me how soon you can start work, so that an amendment may be prepared extending the starting date.

On April 6, we sent you for signature, the Assignment, Acceptance and Consent Forms approving assignment of the contract to Dixie Mines, Inc. We have not received these papers back from you. If Dixie Mines intends to take over the contract, please send me the signed copies; if they do not intend to take it over, please return all copies unsigned.

Very truly yours,

Executive Officer, DMA
Region V

[illegible]/mm
cc:
Lynch
Opr. Con.-2
Files
Allman

APR - 4 1955

Mr. Robert A. Lawrence
Executive Officer, DMRA
Field Team, Region V
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMRA-3375 - Mine
Hayneal Bankhead
Liberty Mine
Randolph County, Alabama
Contract No. 2Ab-2565

Dear Mr. Lawrence:

Reference is made to the field team memorandum of March 11, 1955, advising that the subject Operator has transferred his lease to Ebbie Mines, Inc., and wants to have the contract assigned to that company.

Pursuant to your request, there are transmitted herewith the original and five copies of the Assignment, Acceptance and Consent Form, transferring the subject contract from Hayneal Bankhead to Ebbie Mines, Inc. The consent to the assignment has been signed by the Government. Please forward these documents to the Operator for signatures by the assignor and assignee.

After execution of the assignment, the copies are to be distributed in the usual manner.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges
Director, Bureau of Mines

/s/ R. D. Trace
Director, Geological Survey

Enclosures 6

Mimeographed 3/30/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Killingsord, 5222
Mr. Eberlein, 5261
Mr. Rank

600

March 17, 1955

Memorandum

To: Mr. J. L. Kafflund, Acting Assistant Solicitor

From: Nonmetallic Minerals Division

Subject: Assignment of Contract: Docket No. DMEA-3375 - Mica
Raymond Randelman
Liberty Mine
Randolph County, Alabama
Contract No. I&m-2666

Reference is made to Field Team memorandum of March 11, 1955, advising that the subject Operator has transferred his lease to Dixie Mines, Inc., P. O. Box 626, Sylacauga, Alabama, and wants to have the Contract assigned to that company.

Please prepare the usual assignment, acceptance and consent forms for this type of Contract. The lease assignment is filed in the official docket.

Walter C. Anderson
Nonmetallic Minerals Division

WCAnderson:ad 3/17/55
Copy to: Admr. R. File
Docket
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 WASHINGTON POST OFFICE BLDG.
KNOXVILLE 2, TENN.

March 11, 1955

Memorandum

To: Operating Committee- DMEA - Washington

From: Field Team - DMEA- Region V - Knoxville, Tennessee

Subject: Signed Contract, DMEA-3375, Idm-E686 (mica)- Liberty Mine- Raymond Randelman, Sylacauga, Alabama, Randolph Co.,Ala.

Enclosed are the original and two copies of the subject contract, which has been signed by the Operator. The usual distribution of the other copies has been made.

The Operator has transferred his lease to Dixie Mines, Inc., P.O. Box 626, Sylacauga, Ala., and wants to have the contract assigned to that company. The lease assignment is enclosed herewith. Please prepare the usual assignment, acceptance and consent forms for this type of contract, and we will forward them to the Operator for the necessary signatures. Dixie Mines, Inc., is capable of performing the work and has done satisfactory work on earlier contract. This firm is not to be confused with Dixie Minerals Inc., of Sylva, N. C.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch,
Member Field Team DMEA,
U. S. Bureau of Mines

DAL?7M
cc:
Allsman
Lynch
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

March 11, 1955

Mr. Raymond Rendelman
P.O. Box 64
Sylacauga, Alabama

Re: DMEA-8375, Idm-E686 (mica)
Liberty Mine, Randolph Co., Ala.

Dear Mr. Rendelman:

I am returning herewith your copy of the subject contract, which you sent along with the other copies. I have asked our Washington office to prepare an assignment of the contract to Dixie Mines, Inc., and this will be forwarded to you for signatures as soon as we receive it.

Work under the contract may begin at any time. Please advise Mr. W. A. Beck, Room 1, Post Office Bldg., Knoxville 2, Tenn. when you plan to begin work, and send your monthly vouchers and reports to him.

Will you please send me the mailing addresses of the several owners who signed the Owner's Consent to Lien?

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V.

RAL/sm

Cyrc Com;
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DIXIE MINES, INC.
P.O. Box 626
Sylacauga, Alabama

February 6, 1955

Mr. Robert A. Laurence
DMEA; Region 7
Post Office Bldg.
Knoxville, Tenn.

Dear Mr. Laurence:

Please be advised that I have assigned over my lease my lease on the Liberty Mine to the Dixie Mines Corporation of Sylacauga, Alabama.

Please advise me whether or not Dixie Mines will have to make a new application for DMEA aid.

Thanks for your kind consideration in this matter.

Sincerely,

Raymond Rondelman

Copied by zm (SIC)
cc: Opr. Com.-3
Lynch.

C
O
P
Y

C
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Y

DIXIE MINES, INC.
P.O. Box 626
Sylacauga, Alabama

February 6, 1955

Mr. Robert A. Laurence
DMEA; Region 7
Post Office Bldg.
Knoxville, Tenn.

Dear Mr. Laurence:

Please be advised that I have assigned over my lease my lease on the Liberty Mine to the Dixie Mines Corporation of Sylacauga, Alabama.

Please advise me whether or not Dixie Mines will have to make a new application for DMEA aid.

Thanks for your kind consideration in this matter.

Sincerely,

Raymond Rendelman

Copied by sm (SIC)
cc: Opr. Com.-3
Lynch.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 25 P.O. BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INT
Defense Minerals Administ
RECEIVED
FEB 2 1955

January 31, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville, Tenn.

Subject: DMEA-3375 (mica) Raymond Rendelman, applicant.
Liberty Mine, Randolph County, Alabama

I have just been advised by telephone (written confirmation to follow) that Mr. Rendelman is assigning his lease on the Liberty Mine to Dixie Mines, Inc., of which he is an officer, and that Dixie Mines, Inc., wishes to do the additional exploratory work under a DMEA contract.

As soon as I receive Rendelman's letter and a copy of the new lease, I will forward them to you. As no contract has been signed by Rendelman, I suggest that a contract with Dixie Mines, Inc. be prepared, unless that would necessitate getting a new Owner's Consent to Lien. In that case, it would be much easier to make a contract with Rendelman and then assign it to Dixie Mines Inc.

Was signed

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

RAL/sm
cc:
Beck
O'Neill
Files

680

FEB 1 4 1955

Mr. Robert A. Lawrence
Executive Officer, DMEA
Field Team, Region V
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-3375 - Mine
Raymond Randolph
Liberty Mine
Randolph County, Alabama
Contract No. Idm-[illegible]

Dear Mr. Lawrence:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by the Government with register number and effective date as shown. Please direct the Operator's attention to Annex II, Sec. (b), which stipulates that the Operator assumes the liability from Contract No. Idm-2472 (Docket No. DMEA-2995).

If the contract meets with your approval present it to the Operator for his approval and signature. Please explain to the Operator that the contract, when executed, is a firm commitment under the terms of which he is obligated to complete the work outlined at the agreed unit cost. If any part of this contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

After execution of the contract, the copies are to be distributed in the usual manner.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures 6

WGAnderson:ad 2/2/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

October 29, 1954

Memorandum

To: The Administrator, DMEA
Attention: Mr. L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Raymond Rendelman, Docket No. DMEA-3375 (mica)
Contract No. Idm-E686

Pursuant to request in memorandum dated October 18 from Mr. Houk, the subject contract has been rewritten on the latest short form.

The Owner's Consent to Lien on the latest form is required, and the comments in our memorandum dated September 8 concerning this contract are still applicable.

J. L. Hofflund
end

J. L. Hofflund
Acting Assistant Solicitor

Attachments 8

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

October 29, 1954

Memorandum

To: The Administrator, DMEA
Attention: Mr. L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Raymond Rendelman, Docket No. DMEA-3375 (mica)
Contract No. Idm-E686

Pursuant to request in memorandum dated October 18 from Mr. Houk, the subject contract has been rewritten on the latest short form.

The Owner's Consent to Lien on the latest form is required, and the comments in our memorandum dated September 8 concerning this contract are still applicable.

J. L. Hofflund
emd

J. L. Hofflund
Acting Assistant Solicitor

Attachments 8

HCRubin/emd
Copy to: DMEA Docket
Solicitor's Docket
L. G. Houk (2)
J. L. Hofflund
H. C. Rubin
chron.

October 29, 1954

Memorandum

To: The Administrator, DMEA
Attention: Mr. L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Raymond Rendelman, Docket No. DMEA-3375 (mica)
Contract No. Idm-E686

Pursuant to request in memorandum dated October 18 from Mr. Houk, the subject contract has been rewritten on the latest short form.

The Owner's Consent to Lien on the latest form is required, and the comments in our memorandum dated September 8 concerning this contract are still applicable.

J. L. Hofflund emd

J. L. Hofflund
Acting Assistant Solicitor

Attachments 8

HCRubin/emd
Copy to: DMEA Docket
Solicitor's Docket
L. G. Houk (2)
J. L. Hofflund
H. C. Rubin
chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

September 8, 1954

Memorandum

To: Administrator, DMEA
Through: Mr. L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Raymond Rendelman, Docket No. DMEA-3375 (Mica)
Proposed Contract

With a transmittal slip dated August 26 the subject proposed contract, drafted in this office, was returned to us for addition of a provision requiring Rendelman to assume the liability of Bourne Associates to pay royalty under Contract Idm-E472, Docket No. DMEA-2595.

The proposed contract is in the amount of $3,613, with the Government's share of the cost being 75 percent, or $2,709. Under the Bourne contract the Government contributed $13,396.50, and a certification was made. In a memorandum dated August 12 we pointed out that as Bourne had abandoned, Bourne had no further liability to pay royalty to the Government, but that the landlord remained liable under the Landlord's Subordination Agreement.

We are confronted here with a case of first impression, where in order to obtain Government aid to the extent of $2,709 an Operator is required to assume the additional obligation to repay the amount of $13,396.50 which the Government contributed under a prior DMEA contract, to a former lessee of the same land. We have set forth this requirement by a "pseudo-certification" on the first page of Annex II. There is no legal objection to the contract, but we suggest a re-examination of this proposal from the administrative viewpoint prior to execution of the contract.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

Attachments 7

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

September 8, 1954

Memorandum

To: Administrator, DMEA
Through: Mr. L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Raymond Rendelman, Docket No. DMEA-3375 (Mica)
Proposed Contract

With a transmittal slip dated August 26 the subject proposed contract, drafted in this office, was returned to us for addition of a provision requiring Rendelman to assume the liability of Bourne Associates to pay royalty under Contract Idm-E472, Docket No. DMEA-2595.

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We are confronted here with a case of first impression, where in order to obtain Government aid to the extent of $2,709 an Operator is required to assume the additional obligation to repay the amount of $13,396.50 which the Government contributed under a prior DMEA contract, to a former lessee of the same land. We have set forth this requirement by a "pseudo-certification" on the first page of Annex II. There is no legal objection to the contract, but we suggest a re-examination of this proposal from the administrative viewpoint prior to execution of the contract.

J. L. Hofflund

HCRubin/emd
Copy to: Sol. Docket Rm.
DMEA Docket
L.G.Houk (2)
J.L.Hofflund
H.C.Rubin
Attachments 7 chron.

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 503 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 26 1955

January 21, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA -Region V - Knoxville

Subject: DMEA-3375 (mica) Raymond Rendelman, Liberty Mine, Randolph County, Alabama

Transmitted are the original and five copies of the Owner's Consent to Lien on the subject property.

On August 23, 1954 we returned to you all copies of an unsigned contract for rewording of the royalty annex. This contract was originally signed for the Government on July 16, 1954. It is suggest that if these forms are used that attention be given to the starting dates thereon.

Wm. A. Beck

WAB/sm
cc:
Beck
O'Neill
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM POST OFFICE BLDG.
KNOXVILLE 2, TENN.

August 23, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region VII

Subject: DMEA-3375, (mica) Raymond Rendelman, Liberty Mine, Alabama

As requested in Mr. Mittendorf's letter of August 19, we are returning the original and all copies of the subject contract for revision. As the contract was originally signed for the Government on July 16, 1954, it is suggested that the starting date be changed from 60 days to 120 days, and that the completion period be extended to seven months.

Wm. A. Beck

WB/
zm.

cc;
Beck
O'Neill
Files

October 18, 1954

Memorandum

To: Mr. John L. Hofflund, Acting Assistant Solicitor

From: Lawrence G. Houk, Chief, Nonmetallic Minerals Division

Subject: Raymond Rendelman, Docket No. DMEA-3375 - Mica
Liberty Mine
Randolph County, Alabama
Contract No. Idm-E686

Inasmuch as we must await the new Owner's Consent to Lien before this contract is executed, it is felt that it might be placed on the new contract forms.

Attachment

LGHouk:gad 10/18/54
Copy to: Admr. R. File
Docket
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

September 8, 1954

Memorandum

To: Administrator, DMEA
Through: Mr. L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Raymond Rendelman, Docket No. DMEA-3375 (Mica)
Proposed Contract

With a transmittal slip dated August 26 the subject proposed contract, drafted in this office, was returned to us for addition of a provision requiring Rendelman to assume the liability of Bourne Associates to pay royalty under Contract Idm-E472, Docket No. DMEA-2595.

The proposed contract is in the amount of $3,613, with the Government's share of the cost being 75 percent, or $2,709. Under the Bourne contract the Government contributed $13,396.50, and a certification was made. In a memorandum dated August 12 we pointed out that as Bourne had abandoned, Bourne had no further liability to pay royalty to the Government, but that the landlord remained liable under the Landlord's Subordination Agreement.

We are confronted here with a case of first impression, where in order to obtain Government aid to the extent of $2,709 an Operator is required to assume the additional obligation to repay the amount of $13,396.50 which the Government contributed under a prior DMEA contract, to a former lessee of the same land. We have set forth this requirement by a "pseudo-certification" on the first page of Annex II. There is no legal objection to the contract, but we suggest a re-examination of this proposal from the administrative viewpoint prior to execution of the contract.

J. L. Hofflund

HCRubin/emd
Copy to: Sol. Docket Rm.
DMEA Docket
L.G.Houk (2)
J.L.Hofflund
H.C.Rubin
Attachments 7 chron.

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

AUG 19 1954

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region VII
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMEA-3375 - Mica
Raymond Randelman
Liberty Mine
Randolph County, Alabama
Contract No. Idm-E686

Dear Mr. Laurence:

Transmitted herewith is a copy of a memorandum from the Acting Assistant Solicitor which was discussed in a telephone conversation of August 18, 1954, with Mr. Houk on the royalty obligations of the lessors and first and second lessees.

The so called "double-barreled" liability of the owners has a number of intricate angles which we hope to have clarified by the time the Owner's Consent to Lien forms are returned.

Please return all copies of the subject contract as it will be necessary to reword the royalty annex and add a provision that Randelman assumes liability for all royalties due under Bourne Associates, DMEA-2595, Contract No. Idm-E472.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

LGHouk:gad 8/19/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Newcomb, 5227
Mr. Houk

August 18, 1954

Mr. L. G. Houk calling Mr. Robert A. Laurence, Knoxville, Tenn.

Subject: Docket No. DMEA-3375 - Mica
Raymond Rendelman
Liberty Mine, Randolph County, Alabama

Mr. Houk: Have you executed that Rendelman contract yet?

Mr. Laurence: No. He has not sent it back - the owner's consent to lien forms.

Mr. Houk: Drag your feet. We have a memorandum which we are sending you written by Legal which outlines the owner's liability. I'll read you some: "The landowner may not recognize the 'double-barreled' liability and, if apprised of it, he may want to make some provision concerning it in his lease; or he may not wish to execute an Owner's Consent to Lien".

Mr. Laurence: This is the second time he has had to go back to the owners and there are about ten of them all over the country. He had all the owners on the old form then we sent him the new form and he is circulating that now and the owners are all the way to the Pacific Coast. Isn't it rather late to have him go back again?

Mr. Houk: If he reads and executes the owner's consent to lien he does have an idea about what Rendelman has to pay back.

Mr. Laurence: You mean the owner?

Mr. Houk: Yes.

Mr. Laurence: We sent the woman who is the agent a copy of the certification.

Mr. Houk: You are certain that they understand the liability?

Mr. Laurence: Yes. We sent them a copy of the certification and if they read the owners consent which they signed they should realize.

Mr. Houk: I have Rendelman's lease here and there is no mention of it. They did not put it in. They get 12½% and the Government gets 5%.

Mr. Laurence: That is the customary figure down here - 12½%.

Mr. Houk: Yes. But Mitt asked me to call and say to hold.

Mr. Laurence: Shall we hold until we get the memo.

Mr. Houk: Yes. When you get the owners consent and have had a chance to read the memo call us here.

Mr. Laurence: I am pretty sure he is paying a good sized royalty on the lease.

Mr. Houk: The lease I have here does not get tough until the second year.

LGHouk:gad 8/18/54
Copy to: Mr. Mittendorf Mr. Johnson Docket Mr. Houk

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

August 12, 1954

Memorandum

To: The Administrator, DMEA

From: Acting Assistant Solicitor, Defense Minerals

Subject: Royalty obligations on certified projects
Dockets Nos. 2595 and 3375
Bourne Associates and Raymond Rendelman
Liberty Mine
Randolph County, Alabama
Contract Idm-E472 and proposed Contract Idm-E686

This responds to your memorandum dated July 19, which posed certain questions with respect to payment of royalty under the subject contract with Bourne Associates and under the proposed contract with Rendelman.

In a memorandum dated July 27 to you from this office, it was pointed out that under the abandonment provision in the current contract forms (MF-200 and MF200A of February 1952) neither a lessee-operator nor his landlord who has signed an Owner's Consent to Lien is liable for royalty on production after abandonment by the lessee-operator.

The Bourne Associates' contract is written on Form MF-200A, but instead of an Owner's Consent to Lien being attached to the contract (the form which was intended for use with the current contract forms), a Landlord's Subordination Agreement is attached. The contract was terminated by agreement dated December 31, 1953, which preserved the Government's rights with respect to royalty and lien for payment. The project was certified July 2, 1954. Your memorandum sets forth that the operator has abandoned the property and that the lessors have leased it to Mr. Raymond Rendelman, who has applied for another project on the same land. With this background, the questions raised in your memorandum will be stated and answered below:

1. Is the first lessee, Bourne Associates, under any royalty obligation to the Government?

No. The contract permitted abandonment and the operator's abandonment relieved him of obligation to pay royalty.

2. By the terms of the first contract and certification, are the lessors obligated for royalty payments if there is production from the land?

Yes. The Landlord's Subordination Agreement attached to the contract contains an express assumption of the lessee's (operator's) obligations to make repayment to the Government according to the terms of the contract. Therefore, in this exceptional case, the landlord remains liable for the payment of royalty even though the lessee's obligation is ended.

3. Who is primarily obligated to assume the royalty payments under first contract, if due, under the second contract if finally executed?

(a) In the circumstances, as stated in the answers to questions 1 and 2, the only one obligated to pay royalty under the first contract is the landlord.

(b) If a contract is executed with Rendelman, the obligation of the landlord to pay royalty under the first contract (Bourne Associates) will not change. On the other hand, Rendelman would have no obligation to the Government with respect to the first contract merely because his project is on the same land which was the subject of a prior DMEA project, because he is not a party to the first contract. With a new royalty annex added to Rendelman's second contract and the abandonment provision stricken, Rendelman would be primarily obligated under the second contract if he were the producer, and would be obligated as surety if he were not the producer, and in addition, payment would be secured by an Owner's Consent to Lien.

4. If a second certification is issued on the same land, what royalties are due the Government, and whose obligation is it to pay royalties if there is production within the ten-year certification period after possible abandonment of the property by the second lessee, Raymond Rendelman?

This question has been partially answered under 3 with respect to the parties liable under each contract. The second part of the question, with respect to "what royalties are due the Government," is answered in connection with the next question.

5. In the eventuality of the two certifications on the subject property, would the Government be entitled simultaneously to collect royalty on both?

Yes. The undertakings under each contract are separate. A royalty would be due under each contract on any production from the land described in each contract.

Comment

Apart from the Government's roghts in a situation of this kind, it follows from the foregoing that there are practical considerations involved which require administrative decision before a second contract is entered into in any case where the same land may be subject to royalty under two contracts at the same time. Some of them are:

(1) The landowner may not recognize the "double-barreled" liability, and, if appraised of it, he may want to make some provision concerning it in his lease; or he may not wish to execute an Owner's Consent to Lien.

(2) It may be desirable to delete certain land fron Article 2, so as not to subject the same production to two royalty payments.

(3) The Government may not consider a second contract feasible in the circumstances.

/s/ Henry C. Rubin
For J. L. Hufflund
Acting Assistant Solicitor
Defense Minerals

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM WASHINGTON POST OFFICE BLDG.
KNOXVILLE 2, TENN.

August 9, 1954

Memorandum

To: L. G. Houk, Chief, Non-Metallic Minerals Division - D M E A.

From: Acting Executive Officer, DMEA - Region VII

Subject: Docket No. 3375(mica) Raymond Rendelman (Liberty Mine)
Randolph County, Alabama

In accordance with your telephone request this morning we have made the following insertion under Article 9 of the subject contract - "that part of the second sentence in Article 7 beginning with the word 'Provided' is deleted."

A letter from Mr. Rendelman this morning states he is having the new Owner's Consent to Lien forms signed. Upon receipt of these forms, the contract will be mailed for signature.

Wm. L. Beck

ZM.
cc:
Beck
Lynch
Opr. Com.
Files

Mr. Houk telephoning Mr. Beck, Knoxville, Tennessee, Region VII
(Mr. Laurence is in Denver, Colorado)

August 9, 1954

Re: Docket No. DMEA-3375 - Mica
Raymond Rendelman
Contract No. Idm-E686

Mr. Houk: On DMEA-3375, Raymond Rendelman - has the contract been signed yet?

Mr. Beck: It has not been returned yet. That is on the Liberty Mine. Wait a minute, we are checking in the other office.

Mr. Houk: Legal forgot to put in Article 9 of the contract that part of the 2nd sentence of Article 7 beginning with the word provided is deleted. Inasmuch as it has gone out and probably returned, there is no chance of getting it corrected. If we amend it we might put it in as a condition of the amendment. Then they cannot abandon it.

Beck: I will make a note of that and refer to it if we make an amendment.

On the Owner's Consent to Lien they want us to get the addresses, why not have that put in the form?

Houk: That is a good idea, we are having a little talk here and that might be provided.

Mr. Beck: We just got a letter from Rendelman. He says just as soon as the Owner's Consent to Lien forms are signed he will return them. We have not sent out the contract yet. It is here in this office.

Mr. Houk: Ok fine - write in under Article 9 (the last article in the contract) Just put - I quote: "That part of the 2nd sentence of Article 7 beginning with the word provided is deleted".
Just copy it on that contract when you send it out and that does not give them the right to abandon it.

Mr. Beck: We will write that in and send it when we receive the Owner's Consent to Lien forms.

Mr. Houk: Fine.

Copy to: Mr. Johnson
Docket
Mr. Houk

JUL 27 1954

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region VII
Room 13, Post Office Building
Knoxville 2, Tennessee

Re: Docket No. DMEA-3375 - Mica
Raymond Rendelman
Liberty Mine
Randolph County, Alabama
Contract No. Idm-E686

Dear Mr. Laurence:

Reference is made to your memorandum of July 20, 1954, returning the subject contract for signature.

I regret that, due to an oversight, these contracts were forwarded to you without first being signed in behalf of the Government. The original and five copies, properly signed, are enclosed.

Sincerely yours,

C. D. Mittendorf

Administrator

Enclosures-6

LGHouk/CDMittendorf/gd/fw
7/27/54

cc: Mails & Files
Admr. Reading File
Mr. Houk
Operating Committee

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region VII
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Re: Docket No. DMEA-3375 - Mine
Raymond Rendelman
Liberty Mine
Randolph County, Alabama
Contract No. Idm-2686

Dear Mr. Laurence:

Reference is made to your memorandum of July 20, 1954, returning the subject contract for signature.

Please find enclosed the original and five copies of the contract which have been signed by Mr. Mittendorf for the Government.

Sincerely yours,

Chairman, Operating Committee

Approved:

LGHouk:gad 7/27/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, 5216
Mr. Houk

Member, Bureau of Mines

Member, Geological Survey

Enclosures 6

July 20, 1954

Mr. Raymond Rendleman
P.O. Box 64
Sylacauga, Alabama

Re: DMA-3375 (mica) Liberty Mine
Randolph County, Alabama

Dear Mr. Rendelman:

A contract for the following work at the Liberty Mine has been approved, and will be forwarded for your signature as soon as it is received here:

Constructing toolhouse	$75.00	
Powder Magazine	25.00	
Exploder Magazine	13.00	$113.00
Drifting and/or crosscutting 100 feet @ $35.00 per foot		3,500.00
Agreed Estimated Total Cost.....		$3,613.00
Government Participation @ 75%		$2,709.75

It will be necessary to obtain signatures of the owners on the new Owner's Consent to Lien Forms, seven of which are enclosed. Please send me six copies with the signatures of Mrs. L. W. York, Helen V. Wallace, Mrs. J. M. Bailey, Hattie M. Wright, Margret W. Verge and Bertha Ritzman, leaving the seventh with the owners. It will be appreciated also, if you will provide me with the address of Mrs. Margret W. Verge.

Very truly yours,

Robert A. Lawrence, Executive Officer
DMA - Region VII

RAL/zm
cc:
Beck
O'Neill
Opr. Com.
Files

July 20, 1954

Memorandum

To: Operating Committee, DMA - Washington

From: Robert A. Laurence, Executive Officer, DMA - Region VII

Subject: DMA-3375, Idm-E 881, Raymond Fendleman, Sylacauga, Ala.
Liberty Mine, Randolph County, Ala.

The original and five copies of the subject exploration contract have been received. The contract as drawn is satisfactory to us, but they have not been signed by Mr. Mittendorf. Therefore, I am returning them for his signature.

The new Owner's Consent to Lien forms have been sent to Mr. Fendelman (see copy of my letter, enclosed). The contract forms will be sent to him as soon as we receive them from you.

Robert A. Laurence

RAL/zm

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

July 19, 1954

Memorandum

To: Mr. John Heffland
Acting Assistant Solicitor

From: The Administrator

Subject: Royalty obligations on certified projects
Dockets Nos. 2595 and 3375
Bourne Associates and Raymond Mandelman
Liberty Mine
Randolph County, Alabama
Contract No. Ida-2472 and proposed contract Ida-2686

In accordance with the agreement reached during your conversation with Messrs. Johnson and Selfridge on July 15, 1954, relating to royalties under the subject contracts, I am sending you the two dockets for study in order that you give me your legal interpretation of the royalty obligations of the lessors and the lessee under each contract.

Contract Ida-2472 was executed on the Short Form DF-200(A), February 1953. The lessors signed the Landlord's Subordination Agreement, Form DF-202. The project was terminated by agreement effective December 31, 1953, and certified July 2, 1954.

After abandonment of the property by the lessee (Bourne Associates), the lessors lease the property to a second lessee, Mr. Raymond Mandelman, who has applied for exploration aid. A proposed contract, No. Ida-2686, has been drawn up on Form DF-200(A), (February 1952) which incorporates Royalty Annex II. The lessors will be expected to sign the new Owner's Consent to Lien, Form DF-203 (Revised July 1, 1954).

Will you please give me your opinion on the following questions:

1. Is the first lessee, Bourne Associates, under any royalty obligation to the Government?

2. By the terms of the first contract and certification, are the lessors obligated for royalty payments if there is production from the land

3. Who is primarily obligated to secure the royalty payments under the first contract, if any, under the second contract if finally executed?

4. If a second certification is issued on the same land, what royalties are due the Government, and whose obligation is it to pay royalties if there is production within the ten-year certification period after possible abandonment of the property by the second lessee, Raymond Remington?

5. In the eventuality of two certificationson the subject property, would the Government be entitled to simultaneously collect royalty on both?

C. O. Mittendorf

Administrator

GCSelfridge/esf
7/19/54

cc to: Dockets (2)
Admr. F. File
Messrs: Mittendorf
Johnson
Hook (2)
Selfridge
Chron.

Mr. Robert A. Laurence
Executive Officer, DMSA
Field Team, Region VII
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Subject: Docket No. DMSA-3375 - Mica
Raymond Randolman
Liberty Mine
Randolph County, Alabama

Dear Mr. Laurence:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by the Government with register number and effective date as shown. It is subject to the attachment of new Owner's Consent to Lien forms, executed by Mrs. Elizabeth W. York, Helen V. Wallace, Mrs. Jessie W. Bagley, Hattie W. Wright, Margret W. Verge and Bertha W. Mitsman. A copy of memorandum from the Legal Division is enclosed.

If the contract meets with your approval present it to the Operator for approval and signature. Please explain to the Operator that the contract, when executed, is a firm commitment under the terms of which he is obligated to complete the work outlined at the agreed unit cost. If any part of this contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from the Geological Survey, dated June 3, 1954, and from the Bureau of Mines, dated June 15, 1954, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

D. M. Larrabee
Member, Geological Survey

Enclosures 17

WCAnderson:ag 7/9/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, 5216
Mr. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C. 140

July 2, 1954

Memorandum

To: The Administrator, DMEA
Through: Mr. L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Raymond Rendelman, Docket No. DMEA-3375 (Mica)

Attached is a contract covering the above-described project in satisfactory legal form for execution, subject to the attachment to the contract of the Owner's Consent-to-Lien form provided herewith executed by the six lessors, and the attachment of the map referred to in Exhibit "A."

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor

Attachments 12

HCRubin:lm - 7-2-54

Copies to: Docket, DMEA
Docket, Solicitor
Mr. Houk (2)
Mr. Hofflund
Mr. Rubin
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

140

July 2, 1954

Memorandum

To: The Administrator, DMEA
Through: Mr. L. G. Houk

From: Acting Assistant Solicitor, Defense Minerals

Subject: Raymond Rendelman, Docket No. DMEA-3375 (Mica)

Attached is a contract covering the above-described project in satisfactory legal form for execution, subject to the attachment to the contract of the Owner's Consent-to-Lien form provided herewith executed by the six lessors, and the attachment of the map referred to in Exhibit "A."

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor

Attachments 12

HCRubin:lm - 7-2-54

Copies to: Docket, DMEA
Docket, Solicitor
Mr. Houk (2)
Mr. Hofflund
Mr. Rubin
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

June 15, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Acting Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3375 (mica)

Applicant: Raymond Rendelman

Name and Location of Property: Liberty Mine
Randolph County, Alabama

Date of Field Team Report: May 28, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: June 2, 1954

Field Team Recommendation:

1. Exploration program in the amount of $4,225.

Comments:

1. The field team's recommendation allows for the cost of constructing a tool house and powder magazines, but does not include funds for dewatering the mine.

2. The field team is in agreement that additional drifting to the west on the 190-foot level is warranted.

Recommendation:

I concur in the field team's recommendation for an exploration project, but suggest that the dewatering of the mine is a legitimate expense against the exploration, and therefore recommend that the $4,225 sum be increased by an amount sufficient to cover the cost of dewatering.

Signed

Donald R. Irving

IN REPLY REFER TO:

G-MD-CNM

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
WASHINGTON 25, D. C.

June 3, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3375 (see DMEA-2595) Mica

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant's name and address: Raymond Randelman, Sylacauga, Alabama.
Name of property: Liberty Mine.
Location of property: Randolph County, Alabama.
Summary of applicant's proposal:
Buildings.
Drift 100'
$4,225.
Sources of information on applicant's property: DMEA-2595.
Comments:

1. Recovery of sheet from mine run was very low, under #2595, - 0.75%

2. Reserves have already been estimated to 270' level, from #2595.

3. Why shouldn't the applicant go ahead and mine (2) above? The ~~reason~~ for additional work ~~now~~ is not clear. justification

RECOMMENDATION:
Would additional information on this be advisable?

D. M. Larrabee

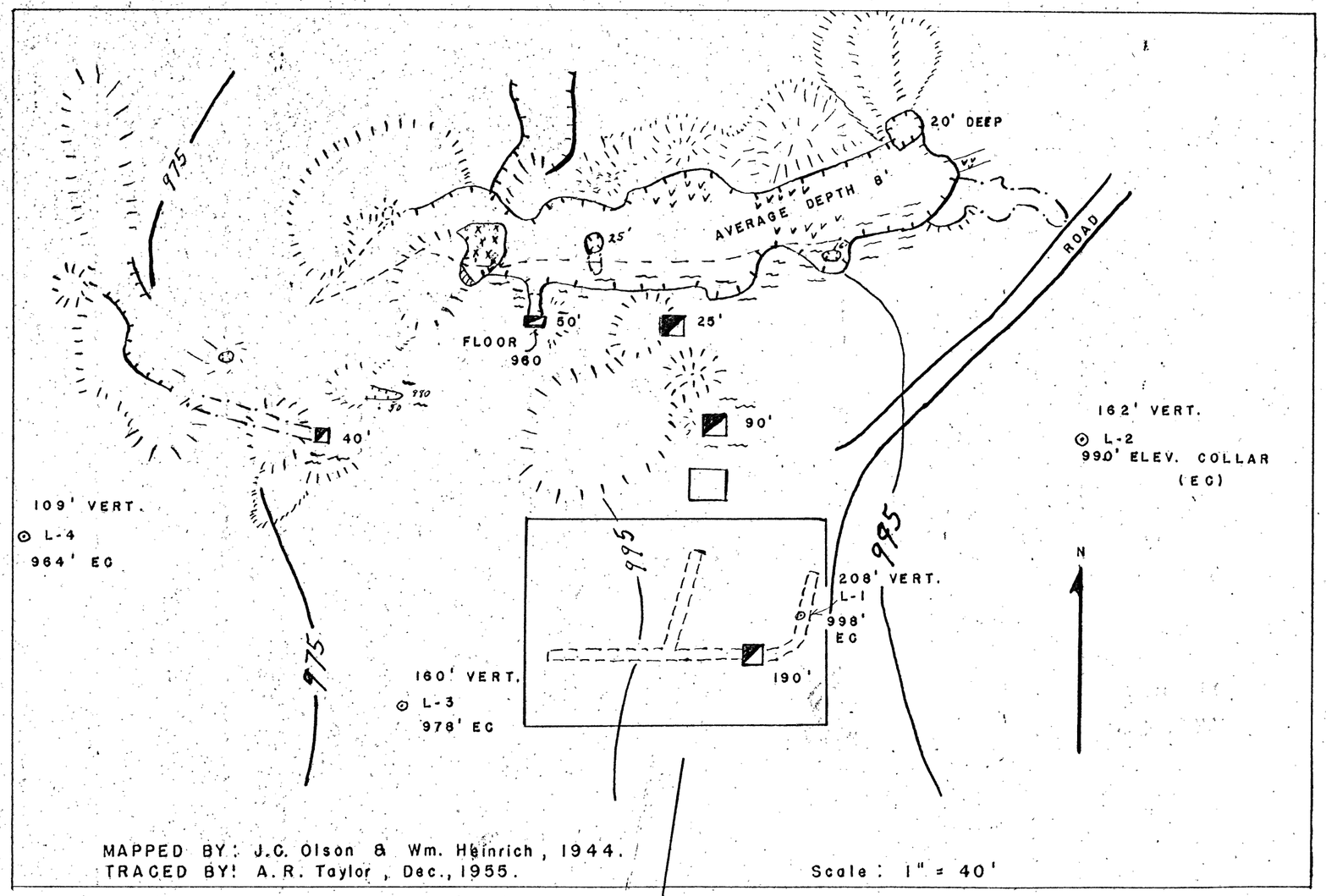
Larrabee:jeh
6/3/54

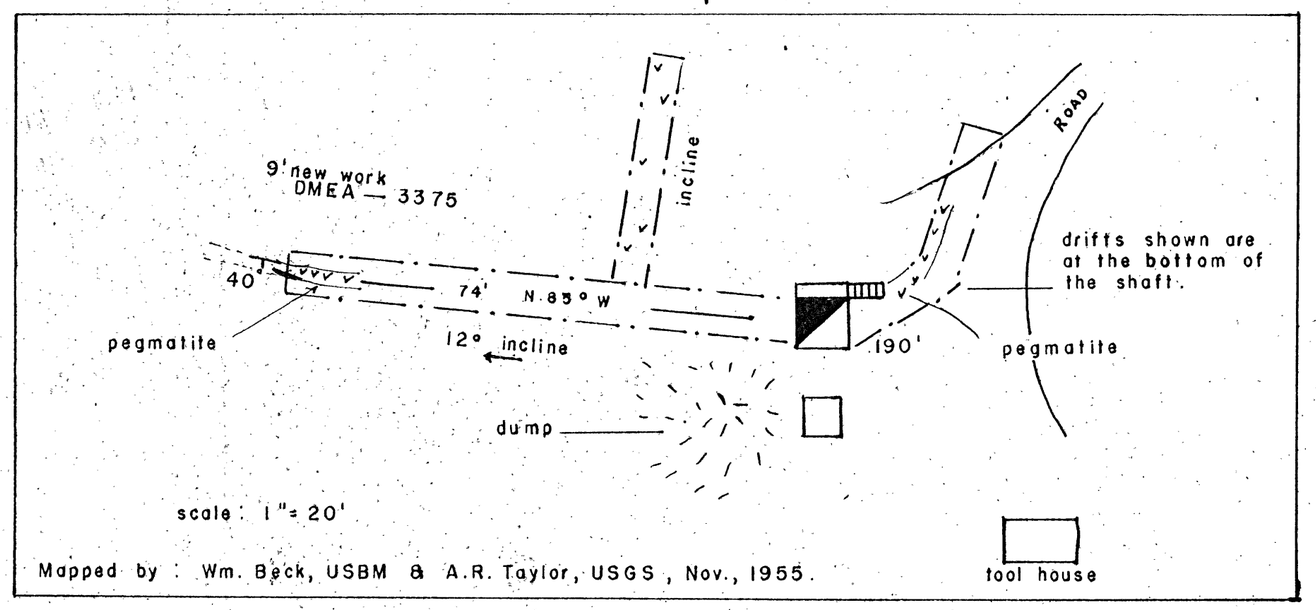
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Larrabee G-230

LIBERTY MINE

RANDOLPH CO., ALABAMA

DMEA — 3375





DUMP MATERIAL
MASSIVE QUARTZ
FELDSPAR — QUARTZ — MUSCOVITE PEGMATITE
MICA SCHIST
USBM DIAMOND DRILL HOLES
RIM OF EXCAVATION
OUTLINE OF UNDERGROUND WORKS
STRIKE & DIP OF FOLIATION
STRIKE & DIP OF PEGMATITE

N

Taylor, A.R.
Dec., 1955