MME Form 63
Revised 3-62

DMEA-3375
Idm-E686

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

From March 1964 to February 14, 1965

1. ~~XXXXX~~ , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

From March 1964 to February 14, 1965

2. ~~XXXXX~~ , has there been any production from the land subject to the contract? Yes ☐ No ☒

A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Neal Richard Title Office Manager

Address Heflin, Ala. Date 3-18-65

4511

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

March 3, 1965

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

Dixie Mines, Inc.
P. O. Box 365
Heflin, Alabama

Gentlemen:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

OFFICIAL
COPY
O. M. E.
RECEIVED
MAR 22 1965

INITIALS	CODE
ama	800
	~~100~~
KJ	~~110~~
3/24	~~120~~
	~~120~~

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/26	Murphy	120M
	Jeffridge	120
3/26	[illegible]	100
	[illegible]	100
		220

MAR 31 1965

Mrs. Margret W. Verga

Heflin, Alabama

Re: DMEA-2595 (Mica)
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract Idm-E472

and

DMEA-3375 (Mica)
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract Idm-E686

Dear Mrs. Verga:

Enclosed is a self-explanatory letter of today to Dixie Mines, Inc.

This correspondence relates to the Landlord's Subordination Agreement signed by you as agent of the landowners on June 21, 1952, and the Owner's Consent to Lien signed by you as an individual, among others, on December 29, 1954.

Sincerely yours,

George Fumich, Jr.

Acting Director

Enclosure

FMmurphy/mm (3/26/65)
cc: Director's Reading File
R. A. Laurence, Knoxville, Tenn.
Docket 2595
" 3375
Code 120M

23263

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/26	Murphy	120 M
	[illegible]	120
3/26	[illegible]	110
	[illegible]	100
		220

MAR 3 1 1965

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

Re: DMEA-3375 (Mica)
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract I&m-E686

Dear Mr. Randelman:

Enclosed is a self-explanatory letter of today to Dixie Mines, Inc.

This correspondence relates to the subject contract dated February 14, 1955, executed by you under the Defense Minerals Exploration Administration program.

Sincerely yours,

George Fumich, Jr.

Acting Director

Enclosure

MMerrithew/mm (3/26/65)
cc: Director's Reading File
R. A. Laurence, Knoxville, Tenn.
Docket
Code 120M

23263

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C. 20240

OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF THE INTERIOR

RETURNED TO WRITER

REASON CHECKED
Unclaimed
Unknown
Insufficient address
Moved, Left no address
No such office in state
Not found in directory

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

15

SYLACAUGA
APR 3
AM
1965
ALA.

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

MAR 21 1965

Dixie Mines, Inc.
P. O. Box 365
Heflin, Alabama

Re: DMEA-2595 (Mica)
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract Idm-E472

and

DMEA-3375 (Mica)
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract Idm-E686

Gentlemen:

By the terms of the subject contracts, as amended, and the certification of discovery or development dated July 2, 1954, all minerals mined or produced from January 6, 1953, to February 14, 1965, were subject to the Government's royalty as set forth in said contracts.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contracts or any future production therefrom. We, therefore, are closing our books and records on these contracts. Your attention, however, is called to the provisions of the contracts which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Acting Director

220

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

MAR 31 1965

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

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

Dear Mr. Rendelman:

Enclosed is a self-explanatory letter of today to Dixie Mines, Inc.

This correspondence relates to the subject contract dated February 14, 1955, executed by you under the Defense Minerals Exploration Administration program.

Sincerely yours,

Fab.

Acting Director

Enclosure

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 H. Verge [Seal] Ell York (L.S)

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

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

Bertha W. Pritzman (Seal)

Helen V. Wallace (Seal)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 4 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 Rondolman
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.

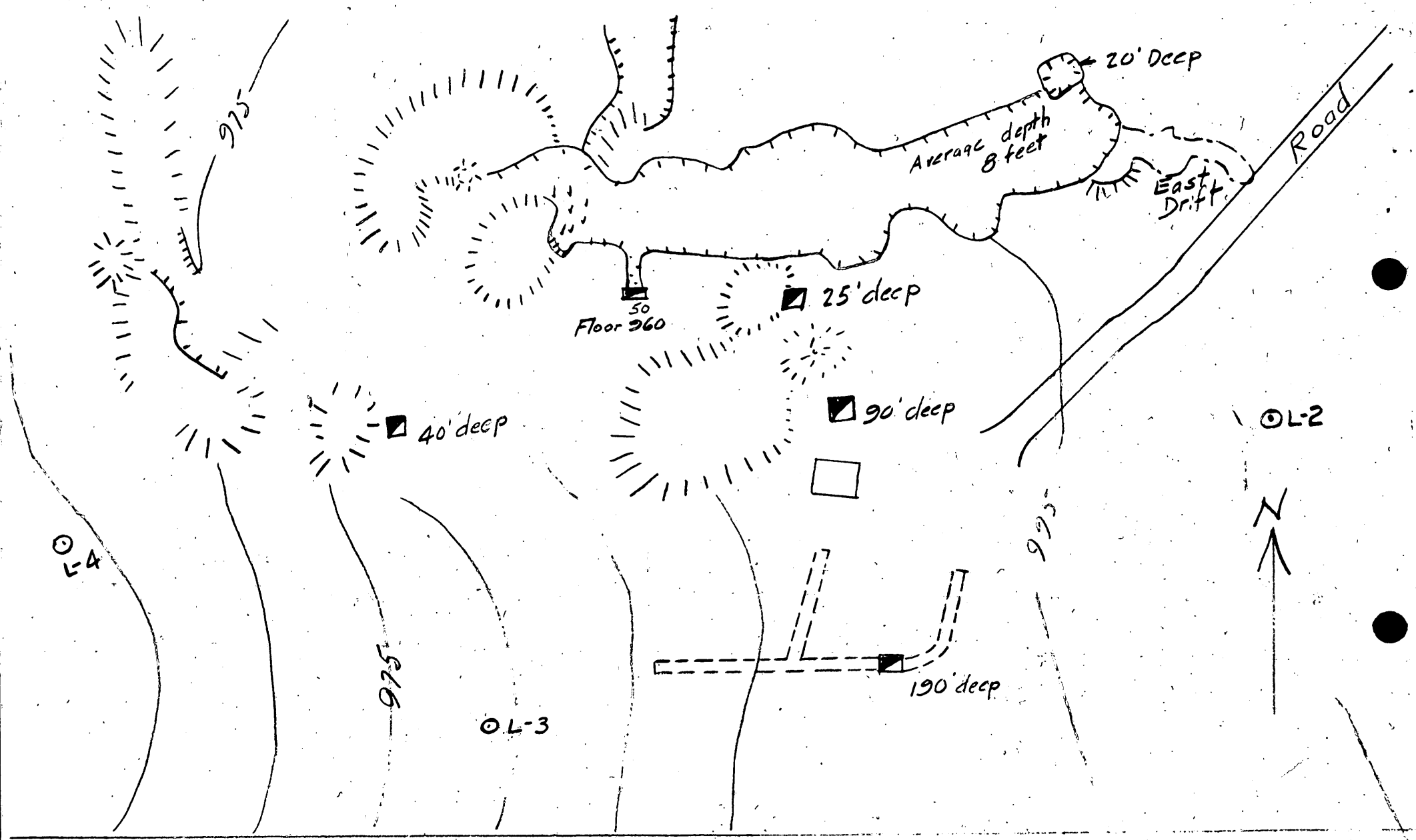
1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in book _____ page _____ official records of said county." If (b) is used, the book and page of recordation cannot be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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 1 4 1955



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

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.

EXPLORATION PROJECT CONTRACT
RAYMOND MENDELMAN
DOCKET NO. DMSA-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-foot 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.

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

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.)

EXPLORATION PROJECT CONTRACT
RAYMOND MENDELMAN
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

EXPLORATION PROJECT CONTRACT
RAYMOND RENDELMAN
DOCKET NO. DMEA-5375

ANNEX I

The land referred to in Article 2 of the Contract form and in Annex IX 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. Turk, 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 Mineville, 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."

Executed in sextuplicate the day and year first above written.

RAYMOND RENDELMAN

(Operator)

By Raymond Rendelman

THE UNITED STATES OF AMERICA

By C. M. Mitchenor

Administrator, Defense Minerals Exploration Administration

Rubin

Hoffhand

Anderson

Hook

Clearman

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.

Selfridge

Fellman

[CORPORATE SEAL]

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

(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.

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.

(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 MAY 1 - 1955 The work to be performed is described in Exhibit "A." The Operator on or before ..... 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

Docket copy

MF-200A
(Revised June 1954)

Department of the Interior
Defense Minerals Administration
RECEIVED
MAR 14 1955

Docket No. DMEA - 3375

Commodity Mica

Contract No. Idm-E 686

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] unrecorded 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."

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. Theodore
Administrator, Defense
Minerals Exploration
Administration

Bm in
Hoffman
"Appl. Sol. Off."
Anderson
Talbott
Selfridge

~~DIVISION COPY~~

DOCKET 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,

Docket Copy

RECEIVED
OCT 13 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

THE UNITED STATES OF AMERICA

By V. J. Lyscka
Acting, Executive Officer
DMEA Field Team, Region V

DIXIE MINES, INC.

BY Joe W Bailey

s

Docket co

JAN 28 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

MINES, INC. (Assignee)

W. A. Bailey

Porter
Dwyer
"Appl. Sol. Off."
Anderson
Hook
Fisher
Chambers
Selfridge
Fl
Mickelwait

DMEA 3375

DOCKET INDEX

ACTION DOCUMENTS

1	APPLICATION	DATE RECEIVED	6/1/54
2	CONTRACT	DATE	2/14/55
3	TERMINATION AGREEMENT	DATE	1-11-56
4	CERTIFICATION	DATE	
5	AUDIT REPORT	DATE	
6	AMENDMENTS - NUMBERS 1	DATE	9-12-55

Date	Surname	Code
		120
		120
		110
		100
		220

OFFICIAL FILE COPY

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
3/26	Murphy	120M
	Selfridge	120
3/26	[illegible]	110
3/26	[illegible]	100
		220

MAR 31 1965

Dixie Mines, Inc.
P. O. Box 365
Heflin, Alabama

Re: DMEA-2595 (Mine)
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract Ida-2471

and

DMEA-3375 (Mine)
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract Ida-2484

Gentlemen:

By the terms of the subject contracts, as amended, and the certification of discovery or development dated July 2, 1964, all minerals mined or produced from January 6, 1963, to February 14, 1965, were subject to the Government's royalty as set forth in said contracts.

At the period during which production was subject to royalty has now expired, the Government according to the present records retains no claim or lien against the property subject to the contracts or any future production therefrom. We, therefore, are closing our books and records on these contracts. Your attention, however, is called to the provisions of the contracts which require the Operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Fumich, Jr.

Acting Director

FMMurphy/mm
Rewritten:
GCSelfridge/mm (3/26/65)

cc: Director's Reading File
Region IV, Knoxville, Tenn. w/cys of incoming 63s' (DMEA-2595 and DMEA-3375)
CA&A Division Docket Code 120M
Bourne Associates, P.O. Box 35, Murphy, North Carolina
Raymond Rendelman, P.O. Box 64, Sylacauga, Alabama
Mrs. Margret W. Verge, Heflin, Alabama

23263

Gasworld
220

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee ☐ Show address where delivered

(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

Dixie Mines

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

Neal Pruchard

DATE DELIVERED	ADDRESS WHERE DELIVERED *(only if requested in item #1)*
2-24-64	

C55—16—71548-4 GPO

3375

D M & A 3375

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

February 20, 1964

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

REGISTERED MAIL
RETURN RECEIPT REQUESTED

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

Dear Sir:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 11 1964

DATE	INITIALS	CODE
3/11		800
		100
3/11		110
		500
		550

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since January 22, 1962 , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since January 22, 1962 , has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Neal Brickard Title Office Manager

Address Heflin, Ala. Date March 9, 1964

4511

ME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/27		220

July 26, 1962

Memorandum to the File

From: S. P. Holt, Mining Engineer S.P.H.
Division of Minerals

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

Mr. Griswold says statement (in red ink) on Mr. Selfridge's letter of January 22, 1962, can be accepted in lieu of Form 63 as of that date, and so recorded.

43683

(10-50)

Date	Surname	Date
		11
		1
		22

the purchase
, North
the production
not
the fol-

, Field-Mary,

, Field-Mary,

tevens)
, Barnard

, Turley

, Little Sam

, Peterson

, t (Talent)

Director's Reading File
A Division
Region IV Files (2)

6-26-62

Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
2/8	GCS	120
		220

FEB 8 - 1962

Memorandum

To: Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary

From: Chief, Division of Field Operations, OME

Subject: DMEA-2595 (Mica)
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract Idm-2472
and
DMEA-3375 (Mica)
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract Idm-2686

Enclosed for your files are the originals of Reports of Royalty Review on the subject contracts.

George C. Selfridge

Enclosures 2

GCSelfridge/hb (2/8/62)
cc to: Docket DMEA-2595
Docket DMEA-3375
Director's Reading File
CA & A Division
G. C. Selfridge
R. A. Laurence, Region IV w/cy ea. of Reports of Royalty Review dtd 2/6/62 (both) and original copy of memorandum dtd 2/8/62 to Chief, Division of Field Operations from CA & A Division.
V. J. Lynch w/cys of all items listed for Mr. Laurence

43683

Mr. Holt: If you want me to, I'll get docket on DMEA-2595, Bourne Associates, and make these notations on copy of our letter, so that docket may be complete.

gla

Yes, please do.
S. Poff.

Also see Dmea - 2595

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

OFFICIAL FILE COPY
O. M. E
RECEIVED JAN 29 1962

JAN 22 1962

DATE	INITIALS	CODE
		120
1/29		
1/30	Received	
1/30	Hall	500
		220

Dixie Mines, Inc.
P. O. Box 365
Heflin, Alabama

Re: DMEA-2595 (Mica)
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract Idm-E472
and
DMEA-3375 (Mica)
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract Idm-E686

File

Gentlemen:

By letters of February 13 and March 24, 1961, from you, we received royalties on two small shipments of mica from the subject mine. In order that we may clear our records to date, will you please inform us if these are the only two shipments that have been made from the Liberty mine since July 1958. Can you give us any information concerning what may have happened to the 4,000-pound mica stockpile that had been left on the property by the Operator, Bourne Associates, under a previous contract?

Sincerely yours,

George C. Selfridge

Chief, Division of Field Operations

AFFIRMATIVE — These all only shipments made

NEGATIVE —
NEVER HEARD OF THIS.
Joe W. Bailey, Mgr.

orm 7
58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

FEB 8 - 1962

Memorandum

To: Chief, Division of Field Operations

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-2595 (Mica)
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract Idm-E472
and
DMEA-3375 (Mica)
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract Idm-E686

Enclosed are the original and two copies each of Reports of Royalty Review covering the subject Region IV contracts. If you concur in the facts stated therein, please make the following distribution:

(a) Original of each to the Fiscal Section, Division of Administrative Services, Office of the Secretary; and
(b) Two copies of each to Region IV files.

These reports are for OME record purposes only; therefore, no copies have been provided for the Operators.

As evidence of your concurrence, copies of your memoranda transmitting the original reports to the Department's Fiscal Section should be furnished this Division. If for any reason you do not concur, the originals and all copies should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 2-7-62

cc:
Docket - DMEA-3375
Director's Reading File
CA & A Division
Mr. Rothrock

43683

Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/19	[illegible]	120
		500
		800
1/22	[illegible]	110
1-22	[illegible]	100
		220

JAN 22 1962

Dixie Mines, Inc.
P. O. Box 365
Heflin, Alabama

Re: DMEA-2595 (Mica)
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract Idm-2472
and
DMEA-3375 (Mica)
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract Idm-2606

Gentlemen:

By letters of February 13 and March 24, 1961, from you, we received royalties on two small shipments of mica from the subject mine. In order that we may clear our records to date, will you please inform us if these are the only two shipments that have been made from the Liberty mine since July 1958. Can you give us any information concerning what may have happened to the 4,000-pound mica stockpile that had been left on the property by the Operator, Bourne Associates, under a previous contract?

Sincerely yours,

Chief, Division of Field Operations

GCSelfridge/hb
1/18/62
cc: Docket DMEA-2595
Docket DMEA-3375
Director's Reading File
CA&A Division
Region IV (2)
G. C. Selfridge

43683

Form 7
-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/19	GCS	120
		500
		800
1/22	Johnson	110
22	Finch	100
		220

JAN 22 1962

Mrs. Margaret W. Verge
Ruffin, Alabama

Re: DMEA-2595 (Mica)
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract Idm-2472
and
DMEA-3375 (Mica)
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract Idm-2686

Dear Mrs. Verge:

Reference is made to the Landlord's Subordination Agreement signed by you as Agent of the landowners on June 21, 1952, and the Owner's Consent to Lien signed by you as an individual, among others, on December 29, 1954. Will you please inform us whether there has been any production from the Liberty mine land since July 1958.

Sincerely yours,

George C. Selfridge

Chief, Division of Field Operations

GCSelfridge/hb
1/18/62
cc: Docket DMEA-2595
Docket DMEA-3375
Director's Reading File
CA&A Division
Region IV (2)
G. C. Selfridge

43683

MME Form 7
(10-58)

DMEA-33

OFFICIAL FILE COPY

Date	Surname	Code
		220

JAN 17 1962

Memorandum

To: Chief, Division of Field Operations

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: DMEA-2595 (Mica)
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract Idm-R472
and
DMEA-3375 (Mica)
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract Idm-E686

This Division is in the process of preparing Reports of Royalty Review covering the subject contracts. The operating status, however, is in doubt because the property apparently was last examined on July 17, 1958, and the pertinent records of the Spruce Pine Mica Depot were last checked during June 1960. The latter is probably irrelevant because the property is primarily a scrap mica source.

The files indicate that the property was idle from July 1956 to July 1958. There is no indication of the status thereafter; however, the Operator-Assignee under the later contract reported and paid royalty on two shipments of scrap mica during early 1961, the first since 1956.

It is suggested that an inquiry as to operations of the property since July 1958 be addressed to the Operator-Assignee, Dixie Mines, Inc., P. O. Box 365, Heflin, Alabama, which runs scrap mica plants in both Heflin and Micaville, the latter being only one-half mile from the property. Specific confirmation that the two 1961 scrap shipments were the only sales since July 1956 should be requested. Also, the disposition of a 4,000 pound stockpile left on the property by the Operator under the first contract should be requested.

For confirmation purposes, it is suggested further that a general inquiry as to operations since July 1958 be addressed to the agent

43683

of the landowners, Mrs. Margaret W. Verge, Heflin, Alabama. By the terms of the Landlord's Subordination Agreement of June 21, 1952, the owners assumed the royalty obligation of the Operator under the first contract upon his surrender of the lease.

EDTalbert/ama 1-17-62

cc:
Docket
Director's Reading File
CA & A Division
Mr. Talbert

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

March 28, 1961

Memorandum

To: Fiscal Section, Div. of Administrative Services
Office of the Secretary, Dept. of the Interior

From: V. J. Lynch, Knoxville Field Office, Tennessee

Subject: Royalty Payment: DMEA-3375, Idm-E686(mica)
Liberty Mine,
Randolph County, Alabama
Dixie Mines, Inc.
Revolving Fund-14x4401

Attached please find check No.649, dated March 24, 1961 in the amount of $1.49 for royalty due on production from the subject contract.

V. J. Lynch

OFFICIAL FILE COPY
C. M. F.
REC

3/29	coa	210
3/30		806
"	S.T.H	500
		220

xm.
cc
Geo. C. Selfridge-2
OME-Knoxville
Lynch-USBM

Telephone HObart 3-5031

Dixie Mines, Inc.

MICA

Heflin, Alabama

March 24, 1961

U. S. Dept. of the Interior
Defense Minerals Exploration Administration
Post Office Building
Knoxville, Tenn.

Re: DMEA-3375, Idm-E 686 (Mica)
Liberty Mine, Randolph Co., Ala.

Gentlemen:

Our sales of mica from the Liberty property in February 1961 is as follows:

DATE	CAR #	TONS	PRICE PER TON	AMOUNT
2-17-61	SOU 94963	.92	$32.29	$29.71

Royalty Due

5% of $29.71 $1.49

We are enclosing our check in the above amount.

Yours very truly,

DIXIE MINES, INC.

Neal Prichard

Neal Prichard

NP/s

Encl: 1

RECEIVED
MAR 27 1961
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

OFFICIAL FILE COPY O. M. E RECEIVED FEB 20 1961		
DATE	INITIAL	CODE
2-20	gad	2-20
2/20	[illegible]	800
"	Hart Staff	~~500~~
		220

February 17, 1961

Memorandum

To: Fiscal Section, Division of Administrative Services, Office of the Secretary, Dept. of the Interior Washington 25, D. C.

From: V. J. Lynch, Knoxville, Tennessee

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

Attached please find check No.595, dated February 13, 1961, in the amount of $2.85 for royalty due on production from the subject contract.

V. J. Lynch

VJL/zm
cc
Selfridge-2
Lynch
Knoxville U.S.G.S.

Dixie Mines, Inc.

MICA

Heflin, Alabama

Feb. 13, 1961

Telephone HObart 3-503
OFFICIAL FILE COPY
O. M. E
RECEIVED FEB 20 1961
DATE | INITIALS

U. S. Dept. of the Interior
Defense Minerals Exploration Administration
Post Office Building
Knoxville, Tenn.

Re: DMEA-3375, Idm-E 686 (Mica)
Liberty Mine, Randolph Co., Ala.

Gentlemen:

Our sales of mica from the Liberty property in January 1961 is as follows:

DATE	Ticket #	Tons	Price Per Ton	Amount
1-2-61	3853	.89	$64.00	$56.96

Royalty Due

5% of $56.96 $2.85

We are enclosing our check in the above amount.

Yours very truly,

DIXIE MINES, INC.

Neal Prichard

Neal Prichard

NP/s

Encl: 1

RECEIVED
FEB 15 1961
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

[illegible] EXPLORATION

SEMI-ANNUAL REPORT ON CERT[illegible]

Inactive Pending [illegible]

ALABAMA

Reporting Period: January 1, 1950 to July 1, 1950

[illegible]	Line-E	Operator
[illegible] (Ala.)	618	Dixie Mines, Inc., Heflin, Ala. (Hurst Mine)
[illegible] (Ala.)	472) 586)	Raymond Rendleman, Assignee of [illegible]acauga, Ala. (Liberty Mine)
[illegible] (Ga)	601	Burleson & Phillips, Spruce Pine [illegible] (Jones-Bowman)
[illegible] (Ga)	684	Alex Teague, Jasper, Ga. (Tomahoon Line)
[illegible] (Ga)	840	[illegible] Beam, Spruce Pine, N.C. (Barnett Mine)

REMARKS: These projects were not visited, but the sales records at the Spruce Pine Mica Purchasing Depot did not list any sales.

W. J. Lynch.

SEMI-ANNUAL REPORT OF CERTIFIED AND PSEUDO CERTIFIED MINES

Inactive since last report

Reporting Period: January 1, 1958 to July 1, 1958

Commodity: Mica

DMEA No.	Idm-E	Operator	Mine	Date Examined
2595 & 3375	472 & 686	Dixie Mines Inc.	Liberty	July 17, 1958
2873	562	Empire Mica Co. (Pseudo)	Short Mitchell	July 16, 1958
3050	601	M.E. Burleson, et al.	Jones-Bozeman	July 17, 1958
3132	618	Dixie Mines, Inc.	Hurst Mine	July 17, 1958
3244	684	Alex Teague	Old Denson	July 17, 1958
3799	840	J. R. Beam	Bennett	July 17, 1958

Commodity: Manganese

1709X	321	Hale Georgia Minerals Corp.	Hales Mine-7-17-58

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 21 1958
DATE INITIAL CODE
7/24 C 220
225

Wm. A. Beck, Mining Engineer
Bureau of Mines (DMEA)

IMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/14	Fisher	800
3/17	C	220
		225

MAR 14 1958

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

Re: Docket No. DMEA-3375 (Mica)
Dixie Mines, Inc.
Liberty Mine
Randolph County, Alabama
Contract No. Idm-F686

Dear Mr. Laurence:

I am enclosing the original and two copies of Mr. Fisher's Report of Royalty Review dated March 14, 1958, pertaining to the subject contract.

If you concur with the findings, the original should be forwarded to the Regional Finance Officer, one copy should be retained in your files, and a copy should be sent to the landowners.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosures

CEFisher/ama
March 14, 1958

Copy to: Docket
Admr. Reading File
Helen R. Miller
Mr. Chambers

8623

DMEA - SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

DMEA-2595, Idm-E472 and DMEA-3375, Idm-E686

LIBERTY MINE (mica) Randolph County, Ala.

Reporting Period: July 1, 1957 to January 1, 1958

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

This property was visited January 6, 1958. No work had been done since the last inspection.

They are currently mining a large scrap mica deposit not too far distant from the Liberty Mine. About 30 tons of scrap mica is produced daily and being shipped to Texas for grinding. A grinding plant is now under construction in Heflin by Dixie Mines, Inc. Joe W. Bailey, Mgr. and Vice President of the company said they did not plan to operate on the Liberty property in the immediate future.

January 16, 1958

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

RECEIVED
DATE | CODE
1/23 | C | 220
1/23 | Com | 100

z

Official

EXTRA COPY
DMEA
RECEIVED JUL 8 1957

DATE	INITIALS	CODE
7-9	C	225

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

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

August 21, 1956

Mr. H. L. Loudermilk
Dixie Mines, Inc.
P.O. Box 365
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/sm
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: DMEA 3375 Idm E686
Dixie Mines Inc.
Liberty Mine
Randolph Co., Ala.
$3,500 - Mica

Memorandum

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

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team Final Report.

The referenced mine was the site of work under DMEA 2595, Idm-E472, the approved cost of which was $14,885.00 and the Governments 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:

"A 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-E686 (DMEA 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, DMEA 2595, stand, as does the certification under Contract Idm-E472.

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.

N. E. Nelson

N. E. Nelson

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: Idm-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.

W. F. Dietrich

W. F. Dietrich

Docket Copy
Surname:
Houk

Selfridge
Talbert
Johnson
Mattendorf

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

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-R	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 (HB)

Approved:

/s/ Robert W. Geehan (HB)
Member, Bureau of Mines

Thor H. Kiilsgaard (HB)
Member, Geological Survey

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

R.G.S.

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. Certified under DMEA-2595 Dec. 5 1952

/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
1-27-56
(date)

January 19, 1956

FINAL REPORT

DMEA-3375 (mica) LIBERTY MINE
Idm-E686

RECEIVED
JAN 2 5 1956

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 LL. Alabama District; G.C. Olson, and E Wm. Heinrich: USGS Prof. Paper - 248, p.424, 1953.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1550 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

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch

V. J. Lynch, Member
Bureau of Mines

RECEIVED
DEC 5 - 1955
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

RECEIVED
JAN 2 5 1956

FINAL REPORT

LIBERTY MINE

Date: Oct 18th thru Nov., 1955

Docket No. DMEA 3375

Operator's Name: Dixie Mines, Inc.
Heflin, Ala.

Contract No. Idm-E 686

Minerals: Mica

Unwatering of the Liberty mine was begun on October 18th using a 6 X 4 X 6 duplex steam pump operated with air supplied by a 315 IR Rotary type compressor, diesel engine driven. A 200 foot section of 2" plastic pipe was used for the discharge line, but it was replaced with standard steel pipe and rubber hoses because surging of the discharge line caused the plastic line to wear at each place the pipe was supported to shaft timbers.

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

Prior to unwatering the mine, plans were made to use rail haulage of buckets to and from the working face, but the fact that the floor of the Southwest drift rose 8.8 feet in 65 feet of length rendered this type haulage impossible.

From Nov. 9th to Nov. 24th 7 rounds were drilled and blasted, resulting in an advance of the heading from 65 to 78 feet, a net of 13 feet. First drilling was done using "made on" carbide bits on 1" hex drill steel. Steel breakage proved excessive, and the last work was done with throw-away knock-off type bits. Each of these bits drilled an average of 4 feet before being discarded.

Pegmatite encountered was very dense with high percentage of quartz. Country rock was tough and dense. Poor breakage experienced is attributed in part to the difference in breaking characteristics of these two rocks, and in part to the fact that any breakage required very close drilling (30 holes to heading), but work was discontinued before the best drilling pattern had been developed. Principal impediment to the whole project was the awkward way in which muck was removed by stage-shoveling from the heading, as the scope of the project precluded the use of mechanical slushing equipment.

The pegmatite encountered ranged from 2 to 3-1/2 feet in thickness, and the mica included was sparse, small, and usually bent, ruled and locked. 120 pounds of this mica were saved along with 47 pounds which were recoved from slabbing walls in favorable looking spots in the old workings. It is doubtful that trimmed mica recovery from all mica saved will total 3 pounds.

RECEIVED
DEC 5 - 1955
Contract Office
Knoxville, Tenn.

[illegible]

[illegible] Date: [illegible] Contract No. [illegible]
[illegible]

RECEIVED
JAN 25 1956

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

RECEIVED
DEC 5 - 1955
U. Geologic Division
Knoxville, Tenn.

RECEIVED
JAN 25 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
HOXWA SHIRPOSTOFFICEBLDG.
KNOXVILLE 2, TENN.

JAN 20 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

Robert A. Laurence

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1031 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

January 5, 1956

RECEIVED
JAN 9 1956

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

Re: DMEA-3375, Idm-E686 (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

RAL/am

cc:
Lynch
Book
Files
Opr. Gen.

Docket Copy
Surname:
Anderson
Houk
Fisher
Chambers
Selfridge
Johnson
Hollenbeck

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

DEC 22 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 Randolman
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract No. Idm-E686

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 (2/B)

Approved:

/s/ Robert W. Geeham (2/B)
Member, Bureau of Mines

[illegible] H. Kiilsgaard (2/B)
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

R.C.S.

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

December 16, 1955

Memorandum

To: Miss Curtin, Statistics and Control Division, DMEA

From: Hazel Berry, Operating Committee, DMEA

Subject: Amendment to Contract

Attached is the following docket copy of an amendment to a contract which has been reviewed and approved by the Commodity Division, Contract Administration and Audit Division, and the Legal Division.

Raymond Randelman (Dixie Mines, Inc.), DMEA-3375, Idm-E686, Amendment No. 1.

Attachment-1

Docket Copy
Surname:
Houk
KJohnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

December 8, 1955

Memorandum

To: Mr. Robert Dwyer, Associate Solicitor

From: C. O. Mittendorf, Administrator

Subject: Termination Agreement - Docket No. DMEA-3375 - Mica
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.

Cy 257

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 ADMINISTRATION
WASHINGTON 25, D. C. 600

December 5, 1955

Memorandum

To: Mr. Robert Dwyer, Associate Solicitor

From: C. O. Mittendorf, Administrator

Subject: Termination Agreement - Docket No. DMEA-3375 - Mica
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 additional work, ~~and the~~ contract ~~made a pseudo-certification~~. 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.

~~We suggest~~ The termination agreement should return the ~~spell out the order of liability of the various operators and require the Dixie Mines, Inc., to pay all back royalties if any are due.~~ Government rights under contract & royalties with respect to royalties. contained a provision in Annex II attached thereto, providing for payment of royalty on all production from the property discovered in the contract under the government's exploration, under both, contract was signed the time requirement for payment had elapsed.

C. O. Mittendorf
Administrator

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

RECEIVED
DEC - 5 1955

December 2, 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
Robert A. Laurence
Executive Officer, DMEA
Field Team, Region V

V. J. Lynch
V. J. Lynch, Member
Bureau of Mines

December 1, 1955

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

RECEIVED
DEC - 6 1955

Docket No. DMEA-3375 - Mica
Raymond Rendelman
Assigned to Dixie Mines, Inc.
Liberty Mine
Randolph County, Alabama
Contract No. Idm-E686

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 pseudo 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.

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

Mr. Anderson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 1025 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
NOV 30 1955

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

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

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 $35.00/ft 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. Taylor, Geologist
U. S. Geological Survey

z

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

November 23, 1955

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

Re: Idm-E686, 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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C. 600

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.

Walter C. Anderson

Walter C. Anderson
Nonmetallic Minerals Division

RECEIVED
NOV - 2 1955

INTERIM REPORT

DMEA-3375, Idm-E686 (mica) 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

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

A R Taylor
RAC

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

October 26, 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1025 FEDERAL BLDG.
KNOXVILLE 2, TENN.

RECEIVED
OCT 27 1955

October 25, 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. Taylor, 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
ROOM 1025 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
OCT 1 9 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
Robert A. Laurence

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

RECEIVED
OCT 17 1955

October 12, 1955

Dixie Mines, Inc.
P.O. Box 965
Heflin, Alabama

Re: DMEA-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
Beck
Files
Opr. Com.-2

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

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.

Robert A. Laurence

Robert A. Laurence

Docket Copy
Surname:
Anderson
Houk
Selfridge
Mathewson
Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

SEP 13 1955

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

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

Dear Mr. Laurence:

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 (SHB)

Approved:

P. F. Yopes (SHB)
Member, Bureau of Mines

/s/ N. E. Nelson (SHB)
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

R.C.L.

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

RECEIVED
SEP 15 1955

September 13, 1955

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

Re: DMEA-3375, Idm-8686 (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 V

RAL/mm

cc:

Lynch
Beck
Opr. Com.-2
Files

DOCKET FILE
Surname:
Anderson
Houk
Chairman
Selfridge
Johnson

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

600

FEB 14 1955

INTERIOR DEPT
FEB 3 - 1955
SOLICITOR

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

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-E472 (Docket No. DMEA-2595).

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

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

R.C.D.

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

May 25, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3375, Idm-E686 (mica) Dixie Mines, Inc. (Assigned by R. Rendelman) 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 "Assginee'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. Laurence

Robert A. Laurence

Docket Copy
Surname:
Anderson
Houk
Selfridge
Kiilsgaard
Mittendorf

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

MAY 23 1955

Mr. Robert A. Laurence
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-E686

Dear Mr. Laurence:

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 (GCS)

Approved:

J. H. Hedges (JHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (THK)
Member, Geological Survey

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

R.S.L.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE 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

Wm. A. Beck

5-18
Pers assignment
not set from field

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

May 16, 1955

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

Re: DMA A-3375, Ida-5686(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. Rendelman 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 some one will be present at the mine when we get there.

Very truly yours,

Wm. A. Beck, Acting.

[illegible]/mm
cc:
Lynch
Opr. Com.
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1025 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

WASHINGTON 25, D.C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 12 1955

May 10, 1955

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

Re: DMEA-3375, Idm-D686 (mica)
Liberty Mine, Randolph County, Ala.

Dear Mr. Rendelman:

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, DMEA
Region V

MM/zm
cc:
Lynch
Opr. Com.-2
Files
Allsman

FILE COPY
Surname:
Anderson
Talbert
Selfridge
Hedges

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

APR - 4 1955

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

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

Dear Mr. Laurence:

Reference is made to the field team memorandum of March 11, 1955, advising that the subject Operator has transferred his lease to Dixie 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 forms, transferring the subject contract from Raymond Rendelman to Dixie 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 (GHB)

Approved:

J. H. Hedges (GHB)
Member, Bureau of Mines

/s/ R. D. Grace (GHB)
Member, Geological Survey

Enclosures 6

WCAnderson:ad 3/30/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Hook

R.C.L.

DOCKET COPY
Surname:
Anderson

Lawrence G. Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

March 17, 1955

Memorandum

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

From: Nonmetallic Minerals Division

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

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 WASHINGTON, D.C. 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 Rendelman, 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
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

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

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

Department of the Interior
Defense Minerals Administration
MAR 14 1955

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/xm

Operations
Files

C
O
P
Y

C
O
P
Y

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

February 6, 1955

RECEIVED
FEB 11 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 zm (SIC)
cc: Opr. Cem.-3
Lynch.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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.

Robert A. Laurence

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

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

DMEA Docket
Files
Rubin

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.

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

J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

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: K 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
J. L. Hofflund
Acting Assistant Solicitor

Attachments 8

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

Rubin

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
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1005 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

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 suggested that if these forms are used that attention be given to the starting dates thereon.

Wm. A. Beck

Wm. A. Beck

Docket Copy
Surname:
Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

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

INTERIOR DEPT.
OCT 19 1954
SOLICITOR

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
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM POST OFFICE BLDG.
KNOXVILLE 2, TENN.

August 23, 1954

INTERIOR DEPT.
AUG 26 1954
SOLICITOR

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

Wm. A. Beck

RECEIVED
SEP - 2 1954
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Docket File
Surname:
Houk

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 600

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 Rendelman
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 Rendelman 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

(Received in Admin's office 8/18/54, 11:15 a.m.)

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
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 the 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 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 rights 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 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.

(2) It may be desirable to delete certain land from 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.

Harry C. Butler
For J. L. Hofflund
Acting Assistant Solicitor
Defense Minerals

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

DMEA
File copy
Surname

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
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 the 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 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 rights 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 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.

(2) It may be desirable to delete certain land from 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. Hofflund
Acting Assistant Solicitor
Defense Minerals

HCRubin:lm

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

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

Wm. A. Beck

(Docketed JD 7-20-54)

ME-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Docket No.
DMEA-3375

REFERENCE SLIP

DATE 8-9-54

REFERRED TO:

1. ~~Mr. Parriott~~
2. ~~Solicitor's Docket Rm.~~
3. DMEA Docket Room 4539
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: Docket recd July 23 with Docket No. 2595 (Bourne Associates) for opinion on royalty obligations in each case. Rendleman Docket 3375 needed by Mr. Houk.

Check (X) before the items needing attention.

JLHofflund (ep)
Initials of sender.

GPO 16—63815-1

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.

Mr. 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?

Mr. 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.

Mr. Rubin gave a message [redacted] Rendelman - DMEA-3375 (Mr. Ru[redacted] will be off Mon. but will be here Tues.)

He said in looking over the Rendelman case concerning the royalties he noticed they did not delete the proviso in the second sentence of Article 7. The contract was sent out the second time on July 22 and he suggests that we write or wire the Exec. Officer or Mr. Houk might be talking to him and have him add in Article 9 of the contract "that part of the second ~~[illegible]~~ sentence of Article 7 beginning with the word 'provided' is deleted." (This is conditioned upon the fact that the Operator hasn't signed it yet)

EF

To Rubin
Mr Beck will delete the part of Art. 7

Houk

August 6, 1954

SURNAME COPY

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

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-E636

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. O. Mittendorf

Administrator

Enclosures-6

LGHouk/COMittendorf/gd/fw
7/27/54

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

R.C.G.

DOCKET COPY
Surname:
Houk
Fachut

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

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

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

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

July 20, 1954

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3375, Idm-E 686, Raymond Rendleman, 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. Rendelman (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

Robert A. Laurence

July 20, 1954

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

Re: DMEA-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. E. W. York, Helen V. Wallace, Mrs. J. M. Bailey, Hattie W. 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. Laurence, Executive Officer
DMEA - Region VII

RAL/xm
Enc:
Al
Con.
s

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

July 19, 1954

Memorandum

To: Mr. John Hofflund
Acting Assistant Solicitor

From: The Administrator

Subject: Royalty obligations on certified projects
Dockets Nos. 2995 and 3375
Bourne Associates and Raymond Randelman
Liberty Mine
Randolph County, Alabama
Contract No. Idm-2472 and proposed contract Idm-3686

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 Idm-2472 was executed on the Short Form MF-200(A), February 1953. The lessors signed the Landlord's Subordination Agreement, Form MF-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 leased the property to a second lessee, Mr. Raymond Randelman, who has applied for exploration aid. A proposed contract, No. Idm-3686, has been drawn up on Form MF-200(A), (February 1952) which incorporates Royalty Annex II. The lessors will be expected to sign the new Owner's Consent to Lien, Form MF-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 assume the royalty payments under the first contract, if due, 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 Rendelman?

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

C. O. Mittenderf

Administrator

GCSelfridge/esf
7/19/54

cc to: Dockets (2)
Admr. R. File
Messrs: Mittendorf
Johnson
Houk (2)
Selfridge
Chron.

FILE COPY
Surname:

Anderson
Houk
Selfridge
[illegible]

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

600

JUL 16 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 Mendelman
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. Ritzman. 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 (246)

Approved:

J. H. Hedges (246)
Member, Bureau of Mines

D. M. Larrabee (246)
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

R.C.S.

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

DMEA
File Copy
Surname

Rubin
Anderson
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.

R.G.H.

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

Defense Records Administration
RECEIVED
JUN 16 1954

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.

Donald R. Irving

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 Rendelman, 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~~ justification for additional work now is not clear.

RECOMMENDATION:
Would additional information on this be advisable?

D. M. Larrabee

D. M. Larrabee

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

June 2, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region VII

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region VII.

DMEA - 3375 Raymond Rendelman

Robert E. Adams,
Chief, Operation's Control
and Statistics Division

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

June 2, 1954
Subject: DMEA-3375
Re: Exploration Assistance
Liberty Mines

Dear Sir:

The receipt of your application dated May 25, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3375 and referred to the Non-Metallic Minerals Division.

Kindly refer to in any future correspondence relating to your application.

Sincerely yours,

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

May 28, 1954

Memorandum

To: Operating Committee, D M E A - Washington

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

Subject: Application from Raymond Rendelman, Sylacauga, Alabama. Liberty Mine, Randolph County, Ala. (mica) (Refer to DMEA-2595)

Enclosed herewith are three copies of the subject application with three copies of our reply to the applicant.

We are in agreement that additional drifting to the west on the 190-foot level is warranted, as stated in telephone conversation with Mr. Houk on January 26, 1954, and in the final report on DMEA-2595, submitted on May 6, 1954.

Mr. Rendleman's estimated costs appear to us to be too high, as they would result in more than $60 per foot for drifting, although his letter indicates an estimated cost of $40 per foot. We agree with him that $30 per foot, as provided in DMEA-2595 is too low for the cost of the drifting beyond the present heading. We advised Mr. Rendelman, that payment for dewatering the mine probably would not be approved.

It is not clear from Mr. Rendelman's application whether he proposes joint purchase and ownership of the equipment listed under item 6 d, although that is implied. It is our opinion that for an exploration job of about 3 months duration, either rental or depreciation allowance is all that is justified.

We submit the following as a more realistic estimate of costs of this exploration:

Tool House	150.00	
Powder magazine	50.00	
Exploder magazine	25.00	$ 225.00

Drifting, 100 ft. (40 shifts)

Foreman-miner,	320 hrs. @ $1.50/hr.	480.00	
Hoistman ,	320 hrs. @ 1.25/hr.	400.00	
2- Laborers	320 hrs. @ 1.00/hr.	640.00	$1,520.00

Explosives	$550.00	
Gas & Oil	550.00	
Drill Steel	200.00	
Small tools & Supplies	250.00	
Depreciation of equipment ($4450 worth; 3 Mo./5%)		
Miscellaneous; Insurance, etc.	150.00	
Contingencies	100.00	$2,475.00
Total		$4,225.00

Mr. Rendelman is competent to carry out the proposed exploration, therefore, we recommend approval of a contract, with the following items on a unit-cost basis:

Tool House	$150.00
Powder Magazine	50.00
Explorder Magazine	25.00
Drifting and/or crosscutting, 100 ft. @ $40/ft.	4,000.00
	$4,225.00

Robert A. Laurence

Robert A. Laurence
Executive Officer, DMEA
Region VII

Wm. A. Beck

Wm. A. Beck, for V. J. Lynch
U. S. Bureau of Mines

May 28, 1954

Mr. Raymond W. Randelman
P.O. Box 64
Sylacauga, Alabama

Dear Mr. Randelman:

Your application for aid in exploration for strategic mica at the Liberty mine in Randolph County, Alabama, has been forwarded to our Washington office in accordance with established procedure.

It is not clear from your application how the operating equipment listed under 6 d is to be acquired. As a job of drifting 100 feet in length would ordinarily not require more than 3 months, purchase of new equipment is not justified. I assume that you intend to purchase this equipment, so as to use it in mining activities both concurrent with and subsequent to the exploration. Therefore, a depreciation allowance of 5 percent of its value per month would be figured in arriving at the cost of the drifting. Incidentally, the items listed by you in item 6 d total $4,925.00 instead of $5,075.00 as stated.

We think your estimate for labor are too high, both as to number of men required and the time estimated. A crew of one foreman-miner, one hoistman, and two laborers working 40 shifts (8 weeks) should be sufficient to do 100 feet of drifting.

If your request to include costs of dewatering the mine and construction of tool houses and magazines is approved, these costs would be in addition to the unit cost for drifting.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region VII

RAL/sm
cc:
Beck
O'Neill
Opr. Com. -3
Files

COPY COPY

P.O. Box 64
May 25, 1954
Sylacauga, Alabama

Mr. Robert A. Lawrence
United States Department of Interior
Defense Minerals Exploration Administration
Room 13, Post Office Building
Knoxville, Tennessee

Dear Mr. Lawrence:

Regarding my telephone conversation with you several days ago, enclosed is a completed application for a DMEA Loan on a Liberty Mine. We have studied and examined this project thoroughly and from all reports of former employees at the mine, indications are that this mine is worthy of further exploration. We feel that we are taking on quite a burden in assuming the responsibility of the previous loan plus an addition $8,000.00, in round figures, which it will take to complete the exploration.

It is my personal feeling that DMEA should go along with us to the extent of paying their proportionate share to dewater the mine and to construct the Mica and Tool House. This will help us a great deal. After checking our estimates of the operation as we see it and also from conversation with men that worked with this mine, we have come to the conclusion that the former operator had miscalculated the cost of tunneling and that $30.00 per foot is not a correct figure. The actual figures are that $40.00 per foot would be in line for a tunneling operation at the Liberty Mines and I would like your aid in obtaining this figure.

From our past performance I feel sure that we can successfully complete the project and bring the mine into operation. I would appreciate your expediting this loan as we are now in a position to proceed just as soon as the loan is completed. Thanks for your kind consideration in this matter.

Sincerely yours,

s/s

Raymond Rendelman

Copied by zm.
5-28-54
cc:
3-copies to Washington
1- Laurence Files
1-
1-

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. ~~Mica~~ 3375
Metal or Mineral Mica
Date Received
Estimated Cost $10,660
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Raymond Rendelman
P. O. Box 64
Sylacauga, Alabama

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract SW ¼, NE ¼ Sec 1 -T 18S
R. 10E Randolph County, Alabama

(*b*) State any mine name by which the property is known. Liberty Mines

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Lessee

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore Mica

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within 90 days and be completed within 8 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? yes

(*b*) How do you propose to furnish your share of the costs?

☒ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated May 25, 1954

Raymond Lindeman
(Applicant)

By

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.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

5. (b) Describe fully the proposed work. Continue existing West drift a maximum of 100 Feet.

5. (d) State the operating experience and background of the applicant. Applicant is officer of Dixie Mines, Inc., which is now operating the Hurst Mines in Clay County under DMEA 3132.

4. Physical Description.- (a) Check Docket number DMEA 2595.

(b) State past and current production, and ore reserve, if any, giving quantities and grades. Check Docket Number Dmea 2595.

(c) Describe the geologic features of the property. Docket Number DMEA 2595.

(d) State the facts with respect to the accessibility of the project. Check Docket Number DMEA 2595.

(e) State the availability of manpower, materials, supplies, equipment, water, and power. Check Docket Number DMEA 2595.

6. Estimate of costs.—

(a) Independent contracts. — None
(b) Labor, supervision, consultants. —

Labor six men	at a $1.00 per hour	$2500.00
Supervision	at $2.00 per hour	$1000.00
	Total	$3500.00

6. (c) Operating materials and supplies.

Dynamite	$300.00
Caps	100.00
Misc. Tools	75.00
Gasoline	400.00
Bits	25.00
Drill Steels	50.00
	$950.00

6. (d) Operating equipment.

Air Compressor	$ 2,000.00
Drifter	700.00
Light Plant	750.00
Hoist	600.00
Water Pump	400.00
Water Pipe	200.00
Air Lines	75.00
Water Hose	50.00
Hoist Cable	100.00
Electric Wire	50.00
	$ 5,075.00

6. (e) Rehabilitation and repairs.

Dewatering Mine	$ 400.00

6. (f) New buildings, improvement, installations.

Mica and Tool House	$ 500.00
Powder and Cap Magazine	100.00
Total	$ 600.00

6. (g) Miscellaneous.

Maintenance of Drifter	$ 10.00
Maintenance of Compressor	50.00
Maintenance of Light Plant	25.00
Compensation and Liability Ins.	100.00
	$ 185.00

6. (h) Contingencies. — $100.00

Land Office Number
Recorded
MAR 14 1955

STATE OF ALABAMA)
)
TALLADEGA COUNTY)

ASSIGNMENT OF LEASE

KNOW ALL MEN BY THESE PRESENTS, That, I, Raymond Rendelman, in consideration of Five ($5.00) Dollards and other valuable considerations to me in hand paid by Dixie Mines, Inc., do hereby assign all my right, title and interest in and to that certain lease executed on the 28th day of February, 1954, between E. W. York and others, Lessors and Raymond Rendelman, Lessee, said lease being recorded in the Office of the Judge of Probate of Randolph County, Alabama, in Deed Record Book 63, Page 140, 141 and 142, to Dixie Mines, Inc., an Alabama Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal this 26th day of February, 1955.

Raymond Rendelman
RAYMOND RENDELMAN

WITNESS:
J. L. Wheeler

STATE OF ALABAMA)
)
TALLADEGA COUNTY)

KNOW ALL MEN BY THESE PRESENTS, That Dixie Mines, Inc., an Alabama Corporation, hereby accepts the assignment of the lease above referred to and agrees to accept all obligations of the Lessee in the Lease.

IN WITNESS WHEREOF, Dixie Mines, Inc., has by its duly authorized agents set its hand and affixed its seal on this 26th day of February, 1955.

DIXIE MINES, INC.
BY Steve M. Langley Pres

ATTEST:
Raymond Rendelman

STATE OF ALABAMA)
)
TALLADEGA COUNTY)

I, J. L. Wheeler, a Notary Public in and for said County, in said State, hereby certify that John M. Langley and Raymond Rendelman whose names as President and Secretary, respectively, of the Dixie Mines, Inc., an Alabama Corporation, are signed to the foregoing instrument and who are known to me acknowledged before me on this day that, being informed of the contents of said instrument, they, as such officers and with full authority executed the same voluntarily on the day the same bears date for and as the act of said corporation.

Given under my hand this 26 day of February, 1955.

J. L. Wheeler
NOTARY PUBLIC State of Ala at Large

STATE OF ALABAMA,

TALLADEGA COUNTY,

I, J. L. Wheeler, a Notary Public in and for said County, in said State, hereby certify that Raymond Rendelman

whose name is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and seal on this the 26th day of February 19 55.

J. L. Wheeler

Notary Public

State of Ala at Large

THE STATE OF ALABAMA, }
CLEBURNE COUNTY. }

KNOW ALL MEN BY THESE PRESENTS: That this agreement made and entered into on this 25th day of February, 1954, by and between MRS. E. W. YORK, HELEN V. WALLACE, MRS. J. M. BAGLEY, HATTIE W. WRIGHT, MARGARET W. VERGE, BERTHA W. RITZMAN, parties of the first part, hereinafter called Lessors, and RAYMOND RENDELMAN, party of the second part, hereinafter called Lessee,

WITNESSETH: That

WHEREAS, Lessors are the owners of the hereinafter described real estate and are desirous of letting and leasing said real estate to Lessee, and,

WHEREAS, Lessee is desirous of renting and leasing said real estate from Lessors,

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES, The parties hereto hereby mutually agree and covenant as follows:

That Lessors, for and in consideration of the sum of One Dollar ($1.00), in hand paid by Lessee, the receipt whereof is hereby acknowledged, and other and further considerations hereinafter provided for in this agreement, do hereby rent and lease unto Lessee, and Lessee does hereby rent and lease from Lessors, the exclusive right for a period of ten years from this date to enter upon and mine mica, graphite, tin, iron, gold and any and all other minerals or mineral products, from, under or upon the following described real estate, to-wit:

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

Crystal Clear Mine-SE¼ of NW¼, Section 1, Township 18 South, Range 10 East.

Pinetucky Mine - NW¼ of SE¼ and NE¼ of SW¼, Section 12, Township 18 South, Range 10 East.

All the above lands situated in Randolph County, Alabama.

Morris Mine - NE¼ of NW¼, Section 21, Township 17 South, Range 10 East, situated in Cleburne County, Alabama.

And, Lessors also convey and lease unto Lessee the right to the use of any and all timber and water upon said real estate, necessary for the development, working and mining of said minerals or mineral products, and the preparation of same for market, and the removal of same from said real estate and rights-of-way for, and the right to build roads, tram car lines, and electric transmission lines of any and every description in, on, over and across said real estate, necessary for the convenient transportation to and from said lands of all minerals or mineral products and implements and machinery and materials that may be necessary or convenient in the mining and removal of said minerals or mineral products, or in the preparation of same for market, and also the right to build houses and buildings thereon for employees and machinery or for other purposes that may be necessary or convenient in connection with the mining and removal of said minerals or mineral products, or in the preparation of same for market, and also, including especially, the right to mine by open cut, quarry or stripping of the surface over any of said minerals or mineral products mined from said real estate, and the use of any of the surface of said real estate necessary for the storage and housing of any of said minerals or mineral products mined from said lands.

And, Lessee, in consideration of said grant and lease, shall pay, and does hereby agree to pay, to Lessors, a sum equal to twelve and one-half per cent (12%) of the gross sales price of all minerals or mineral products mined and sold from said real estate. Figures used by Lessee and purchaser of such products in arriving at the sales price of same shall govern in arriving at a settlement of all payments due Lessors under this lease. Such payments due under this lease shall be made by Lessee to Lessors within ten days after Lessee receives payment from any

Purchaser for each or any sale or sales of said minerals or mineral products.

The Lessors shall have the right, at all reasonable times, to inspect and examine the records of Lessee pertaining to said mining operations and to have the same examined and inspected by accountants and/or attorneys of their selection.

The Lessee agrees that the minimum amount of royalties payable to Lessors in any one year, after the first year of the term of this lease, shall be not less than One Thousand Dollars ($1,000.00), and at the end of each year (except the first year) Lessee shall pay to lessors such additional sum, if any, that may be necessary to make the minimum amount paid during such year equal One Thousand Dollars ($1,000.00), provided, however, that Lessee may at his option elect to surrender and thereby terminate this lease in lieu of payment of said minimum royalties.

Lessee agrees to protect said property and the surface of said real estate so far as is practicable and in conformity with good mining practices.

The Lessee contemplates forming a corporation, of which he will be the principal owner and stockholder, for the purpose of carrying on mining operations on said lands, and Lessors hereby agree that said lease may be assigned to said corporation when it is formed, but the same shall not be otherwise assigned without the written consent of Lessors.

The Lessors represent and warrant that they own, in fee simple, the lands described in this lease, except the property referred to as the "Morris Mine" in Cleburne County, Alabama, as to which no representation or warranty is made or given by the Lessors.

The Lessee agrees to indemnify and hold the Lessors harmless from all claims for damages, or otherwise, arising out of

the mining operations carried on by him or his assigns on said lands during the term of this lease.

Lessee shall have, and is hereby given, the right or option to renew this lease for an additional period of ten (10) years by giving Lessors ten days notice in writing of his intention to do so, such notice to be given at least ten days prior to the expiration of the period covered by this lease. Any such renewal of this lease shall be subject to the same terms and conditions herein set out.

Lessee shall have the right and privilege, upon the termination of this lease, or any extension thereof, to remove any and all machinery, equipment, buildings and structures, and any other materials placed on said lands by said Lessee, and shall have a period of sixty (60) days after the termination of said lease, or any extension thereof, in which to so remove same from said real estate.

In the event that the Lessee should fail to pay any and all royalties due to Lessors hereunder within thirty (30) days after the same become due and payable, or if Lessee should violate any other provision or condition of this lease, the Lessors shall have the right to re-enter and recover possession of said lands and to annul this lease. In which event, Lessee agrees to surrender the quiet and peaceable possession of said lands and not to remove any of its property therefrom until all royalties and rent due to Lessors have been fully paid.

In the event that it is necessary for Lessors to employ an attorney to enforce any legal obligation assumed by Lessee under this lease, the Lessee agrees to pay to Lessors all reasonable costs and fees so incurred by them.

The Lessee waives, as to his obligations, all exemptions secured to him by law.

IN WITNESS WHEREOF, the parties hereto have placed their

hands and seals on this the day first above written.

Mrs. E W York (SEAL)
MRS. E. W. YORK

Helen V. Wallace (SEAL)
HELEN V. WALLACE

Mrs. J M. Bagley (SEAL)
MRS. J. M. BAGLEY

Hattie W Wright (SEAL)
HATTIE W. WRIGHT

Margret W. Verge (SEAL)
MARGARET W. VERGE

Bertha W. Ritzman (SEAL)
BERTHA W. RITZMAN

PARTIES OF THE FIRST PART.

(SEAL)
RAYMOND RENDELMAN

Witness as to Party of the Second Part.

PARTY OF THE SECOND PART.

STATE OF CALIFORNIA }
SAN DIEGO COUNTY }

I, Oesta M. Person the undersigned, a Notary Public in and for said State and County hereby certify that

MRS. E. W. YORK

whose name is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, she executed the same voluntarily, on the day the same bears date.

Given under my hand and notarial seal this 3rd day of March, 1954.

Oesta M. Person
Notary Public
My Commission Expires December 12, 1955

STATE OF CALIFORNIA, }
SANTA BARBARA COUNTY. }

I, the undersigned, a Notary Public in and for said State and County hereby certify that HELEN V. WALLACE, whose name is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, she executed the same voluntarily, on the day the same bears date.

Given under my hand and notarial seal this 5th day of March, 1954.

Gertrude Fitzpatrick
Notary Public

STATE OF ALABAMA,
CALHOUN COUNTY

I, Ella Hall the undersigned, a Notary Public in and for said State and County hereby certify that

MRS. J. M. BAGLEY

whose name is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, she executed the same voluntarily, on the day the same bears date.

Given under my hand and seal this 11 day of March, 1954.

Ella Hall
Notary Public

THE STATE OF ALABAMA,
CLEBURNE COUNTY.

I, the undersigned, a Notary Public in and for said State and County hereby certify that HATTIE W. WRIGHT and MARGARET W. VERGE, whose names are signed to the foregoing conveyance, and who are known to me acknowledged before me on this day that, being informed of the contents of the conveyance, they executed the same voluntarily, on the day the same bears date.

Given under my hand and seal this 25th day of February, 1954.

My commission expires February 5, 1955.

Levia Boyd
Notary Public.

STATE OF WISCONSIN }
DOUGLAS COUNTY }

I, Agnes R. Heckman the undersigned, is a Notary Public in and for said State and County hereby certify that

BERTHA W. RITZMAN

whose name is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, she executed the same voluntarily, on the day the same bears date.

Given under my hand and notarial seal this 27th day of February, 1954.

Agnes R. Heckman
Notary Public

NOTARY PUBLIC, Douglas County, Wis.
MY COMMISSION EXPIRES DEC. 30, 1956

Please return to
Raymond Rendelman
P.O Box 64
Sylacauga
Ala.

The State of Alabama, Randolph County

I hereby certify that the within

Lease

was filed in this office for record

April 2 1954

at 3 o'clock P M. and

recorded in Deed Record

63 pages 140, 141 & 142 and examined

Stell Benefield

Fee $4.00 Judge of Probate

STATE OF ALABAMA
RANDOLPH COUNTY

I hereby certify that

$9.00 Privilege Tax

has been paid on the within

instrument as required by

law.

Stell Benefield

Judge of Probate

KNOX, JONES, WOOLF & MERRILL
ATTORNEYS AT LAW
ANNISTON, ALABAMA

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, ~~xxxxxxxxxxxxxxxxxxxxxxxxxx~~ 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), Range Ten (10). Lease recorded Randolph County, April 2, 1954 at 3 P. M. Deed Record Book 63 Pages 140, 141, 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
P. O. 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 (as set forth on the reverse side hereof) 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.

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 6th day of April, 1954.

Helen V. Wallace [Seal] Jessie M. Bagby (L.S.)
Margaret V. Vergo [Seal] Bertha W. Ritzma (L.S.)
Hattie W Wright [Seal] Elizabeth W. York (L.S.)

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, 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.

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(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 of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

c. Definitions.--As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not 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.

Interior—Duplicating Section, Washington, D. C.

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, ~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~ 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), Range Ten (10). Lease recorded Randolph County, April 12, 194 at 3 P. M. Deed Record Book 63 Pages 140, 141, 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
P. O. 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 (as set forth on the reverse side hereof) 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.

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 6th day of April, 1954.

Helen Y. Wallace [Seal] Jessie M. Bagley (LS)
Margret H. Vera [Seal] Bertha W. Ritsman (L. S)
Hattie W. Wright [Seal] Elizabeth W. M. (L.S.)

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.

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(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 of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

c. Definitions.--As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not 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.

Interior—Duplicating Section, Washington, D. C. 47318

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, XXXXXXXXXXXXXXXXXXXXXX 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), Range Ten (10). Lease recorded Randolph County, April2, 194 at 3 P. M. Deed Record Book 63 Pages 140, 141, 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
P. O. Box 64
Sylecauga, Alabama

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) 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.

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 6th day of April, 1954.

Helen V. Wallace [Seal] Jessie M. Bagley (L.S)
Margret W. Verge [Seal] Bertha W. Pitsman (L.S.)
Hattie W Wright [Seal] Elizabeth W. Yorks (L.S.)

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.

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(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 of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

c. Definitions.--As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not 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.

Interior--Duplicating Section, Washington, D. C. 47318

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, ~~[illegible]~~ 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), Range Ten (10). Lease recorded Randolph County, April 2, 195[illegible] at 3 P. M. Deed Record Book 63 Pages 140, 141, 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 Pendleton
P. O. Box 64
Dyiacoura, Alabama

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) 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.

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 6th day of April, 1954.

Helen V. Wallace [Seal] Jessie M. Bagley (L.S.)
Margret H. Vesgo [Seal] Bertha W. Pittman (L.S.)
Hattie W. Wright [Seal] Elizabeth H. York (L.S.)

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.

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(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 of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

c. Definitions.--As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not 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.

Interior--Duplicating Section, Washington, D. C. 47318

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, ~~as 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), Range Ten (10)

Lease recorded Randolph County, Alabama, as in O. R. Deed Record Book 69 Pages 140, 141, 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/ Lawrence Henderson
P. O. Box 66
Wedowee, Alabama

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) 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.

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 6th day of April, 1954.

Helen V. Wallace [Seal] Jessie M. Bagley (L.S.)
Margaret U. Yeage [Seal] Bertha W. Pittman (L.S.)
Hattie W. Wright [Seal] Elizabeth N. Yo[illegible] (L.S.)

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.

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(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 of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

c. Definitions.--As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not 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.

Interior--Duplicating Section, Washington, D. C. 47318

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, ~~[illegible]~~ 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), Range Ten (10).

[illegible]

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/ [illegible]

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) 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.

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 6th day of April, 1954.

Helen V. Wallace [Seal] Jessie M. Bagley (L.S.)
Margret U. Verge [Seal] Bertha D. Pitman (L.S.)
Hattie W. Wright [Seal] Elizabeth M. York (L.S.)

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.

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(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 of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

c. Definitions.--As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

d. Lien for Payment.--To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

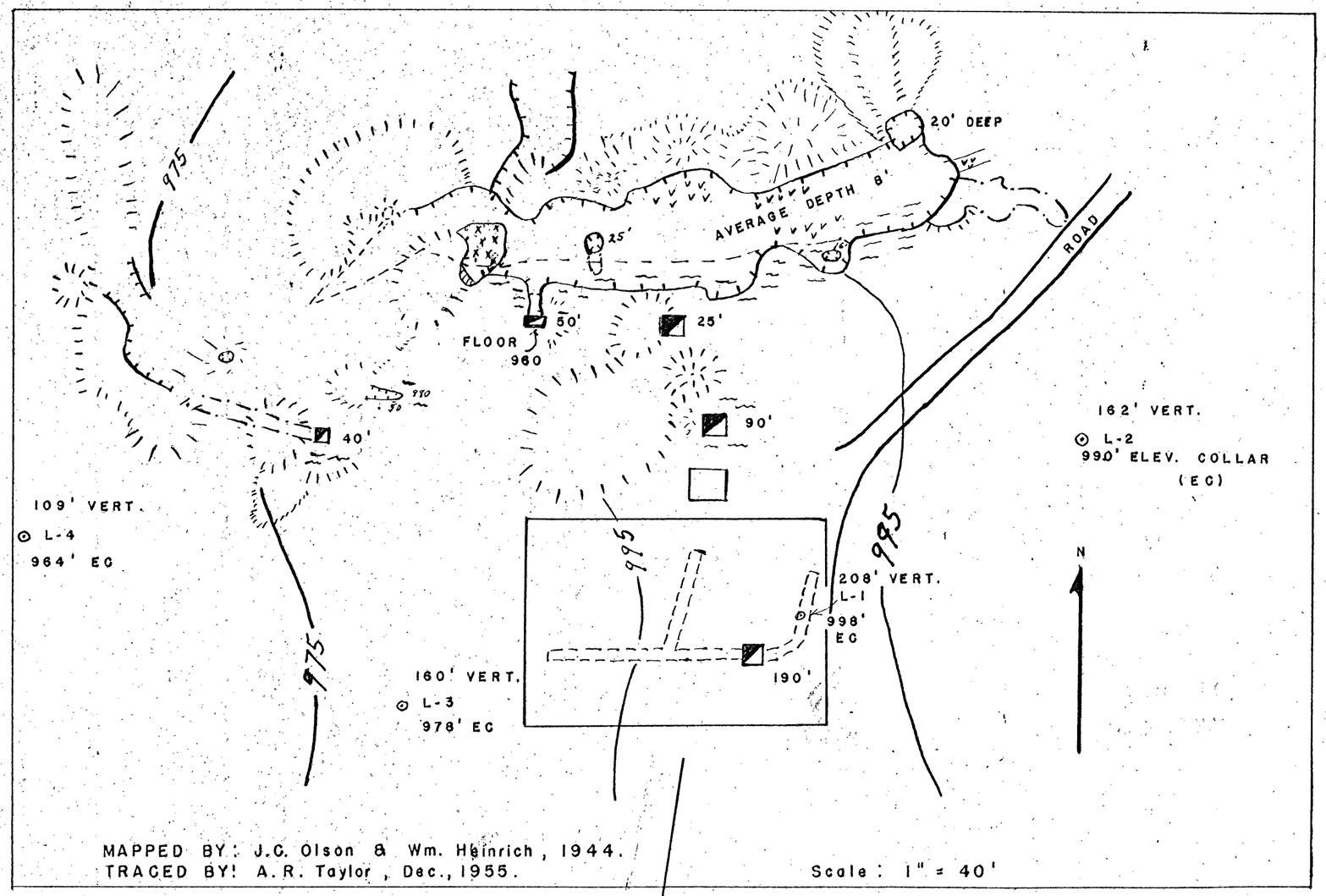
f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

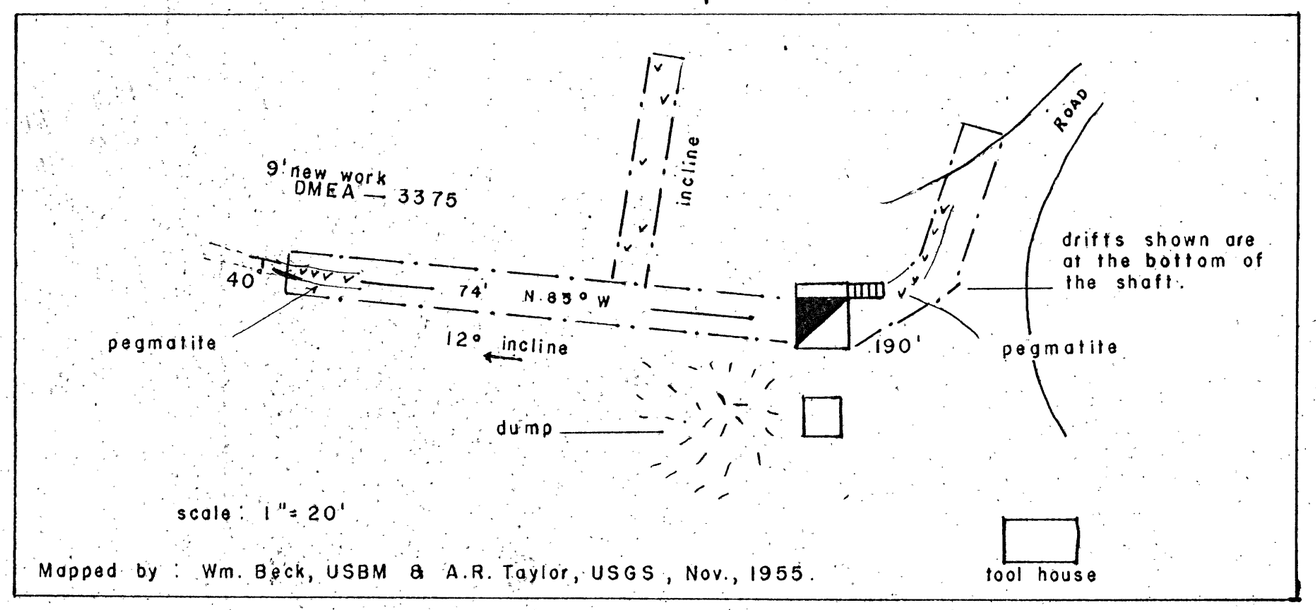
Interior--Duplicating Section, Washington, D. C. 47318

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