E Form 9
Rev. Mar. 59

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

OFFICIAL DOCKET FILE  Contract No. 14-23-2150  Docket No. MME-6243

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [X] Closing Letter
- [ ] Cost Audits
- [X] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [X] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments
  **Folder 1-A - leases and assignments**

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [ ] On-site Exam. Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. 2 : Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [x] Field Team Interim Reports
- [x] Operator's Monthly Reports with Transmittal, Narrative and Maps

Folders No. 3 : Maps ~~(Use pocket folder or envelope)~~ 1 tube of maps and 1 roll of maps in closet of Room 4455

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty Material

**Folder No. 4 - Miscellaneous (leases, assignments, etc. not sorted)**

52615

MME Form 7
(2/63)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 10/15 | Selfridge | 120 |
| 10/15 | Ondard | 500 |
| 10/15 | Talbert | 800 |
| 10/15 | Johnson | 110 |
| " | Fumich | 100 |
| | | 220 |
| | | |
| | | |
| | | |

OCT 16 1963

Alpha Mineral Company
c/o Mr. L. W. Minturn, General Partner
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Gentlemen:

Reference is made to your terminated exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of possible production under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the periods indicated.

We appreciate your interest and participation in the OME exploration program.

Sincerely yours,

George Fumich, Jr. (pl)

Director

Copy to: Bond Department
American General Insurance Company
P. O. Box 2179
Houston 1, Texas

GCSelfridge/gla (10-15-63)
cc to: Docket
Director's Reading File
CA&A Division
R. A. Laurence, Knoxville, Tenn.
G. C. Selfridge

23263

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

## REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

pertaining to Exploration Contract 14-23-090-2150, OME No. 6243, including Amendment No. 1 for August 1962 to December 1962, inclusive, covering an Iron Ore-Columbium-Tantalum-Bauxite project on the Bentonite Magnetite Prospect, Saline County, Arkansas.

My review included an examination of the Monthly Vouchers (MME Forms 60) and supporting documents, comparison of the claimed costs with the contract and pertinent schedules, confirmation of work performed by reference to reports and correspondence, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the reasons given in the attached schedule.

The findings of this review are stated in the following summary and the attached schedule:

| | | |
|---|---|---|
| Total cost billed by Operator | | $29,896.28 |
| Exceptions: | | |
| Prior to this review | $476.00 | |
| Herewith | .93 | 476.93 |
| Acceptable cost claimed by Operator | | $29,419.35 |
| Acceptable costs not claimed, to partially offset exceptions | | 1.00 |
| Total acceptable cost | | $29,420.35 |

The contract calls for a 50 percent contribution of the allowable costs by the Government. Therefore, if the project is otherwise accepted as having met the terms of the contract, payments as follows are valid and proper:

| | |
|---|---|
| Payable on audited claim | $14,710.17 |
| Paid to date | 14,460.15 |
| Balance due Operator | $ 250.02 |

E. D. Talbert

E. D. Talbert, OME Auditor

October 11, 1963

**Reasons for Report of Review in lieu of a final audit:**

(a) a major portion ($26,269.88) of the acceptable costs covered work performed at unit rates under independent contract;
(b) a major portion ($3,056.00) of the remainder of the acceptable costs was under a contract provision for contribution by the Government on the basis of fixed unit costs for work performed;
(c) the Monthly Reports were supported by documentary evidence of the acceptable actual costs under the contract; and
(d) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible further exceptions.

**Exceptions prior to this review:**

Non-core drilling of holes nos. 6, 7, and 8 was claimed by the Operator at invoiced cost of $2.75/ft., whereas contractual maximum is $2.50/ft.; difference, 1,904 ft. @ $.25/ft. ..... $476.00

**Exception by this review:**

Cash discount on core boxes not deducted by Operator ..... $ .93

**Additional allowance by this review:**

The Operator claimed $65.50 for 5.2 hours of bulldozing, whereas the actual invoiced costs were $66.50, which is within the contractual maximum average rate of $13.00/hr.; difference ..... $ 1.00

**Acceptable costs:**

| | | | |
|---|---|---|---|
| Cat. (1) | Bulldozing, 5.2 hrs. @ $12.79/hr. (average) | | $ 66.50 |
| | Mobilization and demobilization | | 700.00 |
| | Non-core drilling @ $2.50 | 4,945.5' | 12,363.75 |
| | Core drilling to 600' depth: | | |
| | NX @ $4.75/ft. | 8. ' | 38.00 |
| | BX @ 4.25/ft. | 22. ' | 93.50 |
| | Core drilling over 600' depth: | | |
| | NX @ $5.25/ft. | 125.5' | 658.88 |
| | BX @ 4.75/ft. | 1,917. ' | 9,105.75 |
| | AX @ 4.25/ft. | 622. ' | 2,643.50 |
| | Reaming, 40 hrs. @ $15.00 | | 600.00 |
| | Sub-total | 7,640. ' | $26,269.88* |

| | |
|---|---|
| Cat. (3) Core boxes, 100 sets k/d | $ 94.47 |
| Incidental allowance, 7,640' @ $.40/ft. | 3,056.00 |
| Total | $29,420.35 |

* Actual costs as invoiced by Joy Manufacturing Company:

| | | | |
|---|---|---|---|
| Bulldozing: | 1 hr. @ $14.00 | | $ 14.00 |
| | 4.2 hr. @ 12.50 | | 52.50 |
| Mobilization and demobilization | | | 700.00 |
| Drilling: | NC @ $2.50/ft. | 2,970. ' | 7,425.00 |
| | NC @ 2.75/ft. | 1,904. ' | 5,236.00 |
| | NC @ 3.00/ft. | 71.5' | 214.50 |
| | NX @ 4.75/ft. | 8. ' | 38.00 |
| | NX @ 5.25/ft. | 125.5' | 658.88 |
| | BX @ 4.25/ft. | 22. ' | 93.50 |
| | BX @ 4.75/ft. | 1,917. ' | 9,105.75 |
| | AX @ 4.25/ft. | 622. ' | 2,643.50 |
| Reaming, | 40 hrs. @ $15.00 | | 600.00 |
| Casing Lost: | 841' BX @ $2.16 | | 1,816.56 |
| | 1,090' NX @ 2.92 | | 3,182.80 |
| | 21' 5" @ 2.75 | | 57.75 |
| Total | | | $31,838.74 |

FEB 4 1963
O.M.E.

Government's Copy

Long
Wright
App'd. Sol. Off.
Signed
Talbutt
Selfridge
Johnson

# TERMINATION AGREEMENT

It is agreed this 21st day of January, 1963, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Alpha Minerals Company, hereinafter called the "Operator," parties to a certain Exploration Contract No. 2150, Docket No. OME-6243, dated July 25, 1962, hereinafter called the "Contract," that:

1. Effective December 31, 1962, 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 to allowable costs incurred prior to said effective date and, thereafter, shall contribute only to allowable costs incurred in performing the winding-up and settlement actions provided for in the contract.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including furnishing to the Government four copies of a final report (in addition to the final monthly report) which shall include a geological and engineering evaluation of the results of the work performed under the Contract, complete with assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the related costs thereof.

4. All rights of the Government respecting certification of possible production, percentage royalty and liens to secure the payment thereof, reports (including preservation of the Operator's records), accounts, audits, and the right to recover any overpayment are hereby 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 George Turnick
Director, Office of Minerals Exploration

Alpha Minerals Company

By L. W. Minturn

Title General Partner

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 10 1962
DATE

Government's Copy

EXPLORATION CONTRACT
ALPHA MINERAL COMPANY
OME-6243

AMENDMENT NO. 1

It is agreed this 28th day of November, 1962, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government," and Alpha Mineral Company, hereinafter referred to as the "Operator," that Contract 2150 (OME-6243), dated July 25, 1962, is amended, effective July 25, 1962, as follows:

1. Under Exhibit A of the contract, sub-heading General Conditions, the last paragraph is deleted and the following is substituted:

"All drill hole locations shall be subject to approval by the Government."

2. Under Exhibit A of the contract, sub-heading Description of the Work, the last sentence of the first paragraph is deleted and the following is substituted:

"Drill hole locations may be changed from those indicated on Figure 1, with approval of the Government, including departures from the established exploration profile lines."

3. Under Exhibit A of the contract, the first paragraph at the top of Page 2, under sub-heading Description of the Work, is deleted and the following is substituted:

"Diamond drilling shall be done with standard NX (or larger) size coring bits, approximately 2-1/8 inch core diameter. However, when deemed advisable, standard BX size coring bits, approximately 1-5/8 inch core diameter, may be used. Furthermore when necessary to complete a hole, standard AX size (1-1/8 inch core diameter) shall be approved.

4. The provisions of Article 16 of the Contract are deleted and the following is substituted in lieu thereof as Article 12, Nondiscrimination.

"Article 12. Nondiscrimination. The provisions governing performance of work under Government contracts, as set out in Section 301 of the Executive Order 10925, dated March 6, 1961

(a copy of which is attached hereto as Exhibit B and by reference hereby incorporated and made a part of this contract), shall be applicable to this contract.

"In compliance with the Rules and Regulations (41 CFR, Section 60-1.3(a)) issued under Executive Order 10925 of March 6, 1961, the Operator is hereby bound and agrees to include in each subcontract which it shall make with a subcontractor or supplier paragraphs (1) through (7) of Section 301 of said Executive Order, unless exempted pursuant to the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity.

"The Operator shall require each of its subcontractors (first tier) to include in every subcontract with each of its subcontractors (second tier) the following clause: The (here identify the second-tier subcontractor by name) shall incorporate by reference in each subcontract or purchase order with a subcontractor or supplier paragraphs (1) through (6) of Section 301 of Executive Order 10925 of March 6, 1961, unless exempted pursuant to the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity."

McPhillamey
Appr. Col. Jr.
Griswold
Talbot
Selfridge
Johnson

5. This amendment shall not be construed to increase the amount of any item designated as maximum, the fixed unit cost of any item of work, the estimated total cost of the project, or the aggregate total amount which the Government may be required to contribute.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George Turnick
Director, Office of Minerals Exploration

ALPHA MINERAL COMPANY
By J. W. Minturn
Title General Partner

cal - 8/6/62

MME Form 50
Feb. 1959

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Government's Copy

AUG 6 1962
O.M.E.

EXPLORATION CONTRACT
(Long Form)

| Docket No. | Commodity | Contract No. | County | State |
|---|---|---|---|---|
| OME-6243 | Iron Ore, Columbium-Tantalum, Bauxite | 14-23-090-2150 | Saline | Arkansas |

It is agreed JUL 25 1962 (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and Alpha Mineral Company, a limited partnership comprised of L. W. Minturn, general partner, and 16 limited partners named on the attached Exhibit B, whose mailing address is 753 West Creekside Drive, Houston 24, Texas, hereinafter called the "Operator," as follows:

ARTICLE 1. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before Aug. 8, 1962 (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 6 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $45,380.00. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $22,690.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest computed annually at the rate of 6 percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

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

ARTICLE 2. Operator's rights in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

See Annex I

(b) 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 lien agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

Performance Bond for $22,690.00 in lieu of Lien or Subordination Agreement

(c) The Operator shall preserve and maintain his right, title, or 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. 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 royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) 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 production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--(a) The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(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 and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the 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 all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final monthly report). 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 related costs.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's 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 the Government determines that 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 preparation or completion of the same 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.

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

CATEGORY (3)--OPERATING MATERIALS AND SUPPLIES.--Includes such items as drill bits and steel, explosives, fuel, pipe, power, timber, rail, and small tools costing less than $50 each.

CATEGORY (4)--OPERATING EQUIPMENT.

Subcategory (a)--Rental.--The number of each rented item [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)--Purchases.--The total of this subcategory is a maximum.

Subcategory (c)--Depreciation.--All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)--INITIAL REHABILITATION AND REPAIRS.--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

Subcategory (a)--Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).--The total of this subcategory is a maximum.

Subcategory (b)--Initial rehabilitation and repairs of operating equipment.--The total of this subcategory is a maximum.

CATEGORY (6)--NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--The Government will not contribute to the following costs:

(1) Costs of the land, such as rental, depreciation, depletion, or other costs of acquiring, owning, or holding possession;

(2) Indirect costs, such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) Previous work performed or costs incurred before the date of this contract; and

(4) Deferred payments.--Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods, unless the purchase agreement is approved by the Government in writing.

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. This provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract, or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the [redacted] gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, 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 (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable 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. No costs of the Operator are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) 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.

(d) Unsold production.--If any production (ore, concentrate, 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, concentrate, 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 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) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) 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 Government, and this estimate shall be final and binding upon the Operator.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

(c) Disposal of property.--Upon the completion of the work, termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, sale to others, purchase by the Operator, or sale or transfer to the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government, the Operator shall not sell at any price any item of property that cost more than $500, and shall not sell at less than 25 percent of the purchase price any item of property that cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or offers. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, explosives, pipe, or rail), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item, the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the exploration.

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is 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:

(1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified 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 11. 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.

See Article 16

ARTICLE 12. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.

The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, Office of Minerals Exploration," as used herein includes his duly authorized representative.

ARTICLE 14. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

ARTICLE 15. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U.S.C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U.S.C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provisions.--

The provisions governing performance of work under Government contracts, as set out in Section 301 of Executive Order 10925, dated March 6, 1961 (a copy of which is attached hereto as Exhibit C and by reference hereby incorporated and made a part of this contract), shall be applicable to this contract, and shall be included in all contracts executed by the Operator for the performance of work contemplated by this contract, and for that purpose the term "contract" shall be deemed to refer to this instument and to contracts awarded by the Operator and the term "contractor" shall be deemed to refer to the Operator and to contractors awarded contracts by the Operator.

Executed in quintuplicate the day and year first above written.

ALPHA MINERAL COMPANY
(Operator)

By L. W. Hinton
(General Partner)

THE UNITED STATES OF AMERICA

By George Turnick
Director, Office of Minerals Exploration

McPhillamy 7-23
App'd. Sol. Div.
Samuel
Talbert
Selfridge
Johnson

Exhibit B

## LIMITED PARTNERS OF ALPHA MINERAL COMPANY

Bernard Wolfman
8226 Forest Avenue
Elkins Park 17, Pennsylvania

J. Leonard Schorr
815 Church Road
Elkins Park 17, Pennsylvania

John B. Schorsch
1105 Sewell Lane
Rydal, Pennsylvania

C. C. Cohen
Box 887
Kansas City, Missouri

Aaron D. Bennett
1010 Fraser Road
Philadelphia 18, Pennsylvania

David Fields
1356 Warner Road
Meadowbrook, Pennsylvania

Donald Berkowitz
700 East Upsal Street
Philadelphia, Pennsylvania

Leonard Lieberman
100 Old York Road
Jenkintown, Pennsylvania

David P. Shulman
2001 Parkway
Philadelphia 30, Pennsylvania

Charles G. Hawes
8229 Roosevelt Boulevard
Philadelphia, Pennsylvania

Oscar C. Darach
616 East Walnut Lane
Philadelphia 28, Pennsylvania

Homer Jensen
218 Church Road
Elkins Park 17, Pennsylvania

A. C. Cramer
5315 Braeburn Drive
Bellaire, Texas

L. C. Aycock
Suite 420, Shell Building
Houston, Texas

James B. Minturn
849 Crest Drive
Prineville, Oregon

Andrew L. Stone
4321 Semple Avenue
St. Louis 20, Missouri

ALPHA MINERAL COMPANY
EXPLORATION CONTRACT
OME-6243

ANNEX I

The land referred to in the contract is shown outlined in blue color on the attached Figure 1 entitled "Benton Magnetite Prospect, Saline County, Arkansas," and is located in Saline County, Arkansas, in the following legal subdivisions:

T. 2 S., R. 14 W., secs. 29, 30, 31 and 32

T. 2 S., R. 15 W., secs. 25 and 36.

The various parcels of land, with all rights pertaining thereto, are held by the Operator under various leases which provide for the right to explore and prospect for and to mine and produce oil, gas and other minerals. The leases and the property covered thereby are identified as follows:

"(1) J. T. Bridges, recorded in Misc. 1, page 332 by the Saline Circuit and Chancery Clerk of Saline County, Arkansas, covering the following described lands:

"The South 24 acres of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 31, T2S, R14W, Saline County, Arkansas, except a one-acre tract in the Southeast corner of above described 24-acre tract and more fully described as: beginning at the Southeast corner of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 31, run North 132 feet, West 330 feet, South 132 feet to point of beginning, leaving a net of 23 acres covered by this lease.

"(2) W. C. McClendon, recorded in Misc. 1, page 342, covering the following described land:

"Part of the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 30, T2S, R14W, containing 13.35 acres of surface rights and 6.67 acres of mineral rights undivided under the said described property, which property is as follows:

"Beginning at the Northwest corner of the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 30, T2S, R14W; thence East 675', South 782' to the North side of Alcoa pump road; thence Westerly 675'; thence North 782' to point of beginning and containing 13.35 acres, more or less.

"Attached to the above lease is an amendment recorded in Misc. 3, page 49.

"(3) Bryan W. Brooks, recorded in Misc. 1, page 352 and covering the following described land:

"Undivided one-half of mineral rights in the Northeast of Northwest quarter of Section 30, T2S, R14W.

"Attached to the above lease is an amendment recorded in Misc. 3, page 53.

"(4) Lawrence E. Tatum, recorded in Misc. 1, page 362 covering the following described land:

"North 16 acres in the Northeast of Northeast quarter of Section 31, T2S, R14W, Saline County, Arkansas.

"(5) Leon H. Tatum, recorded in Misc. 1, page 372 and covering the following described land:

"Part of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$; beginning at the Southeast corner run 132'; West 330'; South 132'; East 330' to point of beginning located in Section 31, T2S, R14W, Saline County, Arkansas.

"(6) R. A. Davenport, Sr., et al, recorded in Misc. 1, page 382 and covering the following described land:

"The Northwest quarter of the Northeast quarter of Section 30, T2S, R14W, Saline County, Arkansas.

"Attached to the above lease are powers of attorney recorded, respectively, in Book D, page 179; Book D, page 180; Book D, page 181; Book D, page 182; Book D, page 183; Book D, page 184; Book D, page 185 and in Book D, page 186. Also attached to the above lease is an amendment recorded in Misc. 3, page 57.

"(7) R. A. Davenport, Sr., recorded in Misc. 1, page 392 covering the following described land:

"The Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 29, T2S, R14W, Saline County, Arkansas.

"(8) R. A. Davenport, recorded in Misc. 1, page 402 and covering the following described land:

"The Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 32, T2S, R14W, Saline County, Arkansas.

"(9) Aluminum Company of America, recorded in Misc. 1, page 406 and covering the following described lands, including the amended description:

"All of the East $\frac{1}{2}$ of Northeast $\frac{1}{4}$ of Section 25, T2S, R15W;

"Also, 4 acres, more or less, off the East side of the Northwest $\frac{1}{4}$ of Section 25, T2S, R15W, described more particularly as: beginning at the Northeast corner of the Northwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$; thence North 86° 08', 132 feet, thence South 4° 34' West, 1342 feet; thence South 85° 54' East, 132 feet; thence North 4° 37' East, 1342 feet to the point of beginning;

"Also, that part of the Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 25, T2S, R15W lying on the East side of Gum Slough and Holly Creek, particularly described as: beginning at the Northeast corner of the said Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ and running West across Holly Creek to the center of Gum Slough; thence in a Southerly course down the center of said slough to the intersection of Holly Creek; thence in a Southerly direction down the center of said creek to the North bank of the Saline River; thence in a Southeasterly direction along the North Bank of said river to where the same intersects the South boundary of the said Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$; thence due East to the Southeast corner of the said Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$; thence due North to the place of beginning:

"Also, the North $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of Section 25, T2S, R15W;

"Also, all that part of the Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 25, T2S, R15W lying West and South of the Saline River and containing 3 acres, more or less;

"Also, a 4-acre tract in the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 25, T2S, R15W particularly described as follows: beginning at a point which is 740 feet from the Northeast corner of the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 25, T2S, R15W along a bearing of South 78° 32' West; thence South 7° 32' West, 398 feet; thence North 83° 32' West, 451 feet; thence North 28° 31' E, 441 feet, along the East bank of the Saline River; thence North 81° 31' East, 293 feet to the point of beginning;

"Also, the Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ and the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 29, T2S, R14W, containing 80 acres, more or less.

"(10) International Paper Company, recorded in Misc. 3, page 157, covering the following described lands:

"(Amended location)

"TOWNSHIP 2 SOUTH - RANGE 14 WEST

| | | Acres |
|---|---|---|
| Section 30: | NE/4 of NE/4; S/2 of NE/4 | 120.00 |
| | Fractional W/2 of NW/4 | 59.50 |
| | SE/4 of NW/4 | 40.00 |
| | Fractional SW/4 | 142.24 |
| | W/2 of SE/4 | 80.00 |
| | SE/4 of SE/4 West of highway | 38.05 |
| | SE/4 of SE/4 East of highway | 1.95 |

"TOWNSHIP 2 SOUTH - RANGE 15 WEST

| | | |
|---|---|---|
| Section 25: | SW/4 of SE/4 less and except 4.0 acres and SE/4 of SE/4 | 76.00 |
| | | 557.74 |

"Attached to the above lease is an amendment recorded in Misc. 3, page 154.

"(11) L. M. Tatum Estate, recorded in Misc. 3, page 243, covering the following described land:
The North $\frac{1}{2}$ of the Northeast of Section 36, T2S, R15W, except the Southwest of Northwest of Northeast in Saline County, Arkansas; the amount of acreage granted under this lease is 70 acres, more or less.

"The West $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 30; T2S, R14W, Saline County, Arkansas and containing 20 acres, more or less.

"Attached to the above lease is a Power of Attorney recorded in Book D, page 206:

"(12) L. M. Tatum Estate, dated February 2, 1962, recorded in Misc. 3, page 463, covering land intended to be conveyed by Lease (11) but described as follows:

"The W/2 of the NE/4 of the SE/4 of Sec. 30, T2S, R14W, containing 20 acres of land, more or less, and the N/2 of the NE/4 of Sec. 36, T2S, R15W except the SW/4 of the NW/4 of the NE/4 of said Sec. 36, containing 70 acres of land, more or less, all in Saline County, Arkansas.

"(13) Boyd Allinson, recorded in Misc. 3, page 87 and covering the following described land:

"That part of the East $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ lying West of State Highway No. 35 as now located, of Section 30, T2S, R14W, and being the same land described in deed dated June 13, 1952, from Moses Kidd and Annie Kidd, his wife, to Mary Jane Allinson, and recorded in Book 65, page 49 of the Deed Records of Saline County, Arkansas, containing 5 acres, more or less, said record and its references being hereby referred to for all purposes.

"(14) May Tudor, recorded in Misc. 3, page 73, and covering the following described lands:

"Part of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and part of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 29, T2S, R14W, described as follows: Starting at the Northeast corner of the Southwest $\frac{1}{4}$; then running South to the center of the Pine Bluff and Benton Road, now running through said land; thence West 124 rods with said road bed; thence North to the North line of said land; thence East to the place of beginning, containing 20 acres, more or less, and being the same land described in deed dated September 4, 1911, from J. I. Steele to G. C. Tudor and recorded in Book 1, page 173, of the Deed Records of Saline County, Arkansas, said record and its references being hereby referred to for all purposes.

"Attached to the above lease is an amendment recorded in Misc. 3, page 83.

"(15) Moses Kidd, recorded in Misc. 3, page 35 and covering the following described land:

"That part of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ lying South of what is known as the Bauxite Road in Section 29, and also the East $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 30, all in T2S, R14W, Saline County, Arkansas, and being the same land described in deed dated November 18, 1926 from Harve Kidd, et al to Moses Kidd and recorded in Book 19, page 313 of the Deed Records of Saline County, Arkansas, LESS and EXCEPT that part of the East $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ lying West of State Highway No. 35 as now located, and being the same land described in deed dated June 13, 1952 from Moses Kidd and Annie Kidd, his wife, to Mary Jane Allinson, and recorded in Book 65, page 409 of the Deed Records of Saline County, Arkansas, said records and their references being hereby referred to for all purposes.

"Attached to the above lease is an amendment recorded in Misc. 3, page 45."

The above described leases No. (1) J. T. Bridges, (2) W. C. McClendon, (3) Bryan W. Brooks, (4) Lawrence E. Tatum, (5) Leon H. Tatum, (6) R. A. Davenport, Sr., (7) R. A. Davenport, Sr., and (8) R. A. Davenport, and the lands and estates and interests in lands covered thereby, have been assigned and conveyed to Alpha Mineral Company by Assignment of Oil, Gas and Mineral Leases dated March 15, 1961, recorded in Misc. 3, page 167, records of Saline County, Arkansas, and the Amendments of said leases No. (2), (3), and (6) have been assigned and conveyed to Alpha Mineral Company by an instrument of assignment dated January 11, 1962, recorded in Misc. 3, page 256, records of Saline County, Arkansas.

The above described leases No. (11) L. M. Tatum Estate, (13) Boyd Allinson; (14) May Tudor, and (15) Moses Kidd, and the amendments thereto and the lands and estates and interests in lands covered thereby, have been assigned and conveyed to Alpha Mineral Company by Assignment of Oil, Gas and Mineral Leases dated January 11, 1962, recorded in Misc. 3, page 253, records of Saline County, Arkansas.

Alpha Mineral Company is lessee in the above described leases No. (9) Aluminum Company of America, (10) International Paper Company, and (12) L. M. Tatum Estate.

The above leases cover all minerals with the exceptions which follow:

(7) R. A. Davenport, covers only oil and gas.

(9) Aluminum Company of America, covers all minerals except bauxite.

(10) International Paper Company, covers only all iron ores and minerals containing columbium and tantalum.

## SPECIAL AGREEMENT CONCERNING LAND

In the event the Operator or any subsidiary thereof (whether wholly owned or otherwise), at any time during the period expiring ten years from the date of this contract acquires any interest, title, or equity (exclusive of agreements granting the rights to explore, purchase, or acquire leases) in or with respect to any land, including minerals therein, situate within 1500 feet of the land described in this contract at the contract date and the right to make such acquisition postdates this contract, it is agreed that such land shall thereupon become subject to the provisions of this contract, and the parties hereto shall promptly execute amendments to this contract listing such land as land included in this contract.

Standard Form 25
November 1950 Edition
General Services Administration
Fed. Proc. Reg. (41 CFR) 1-16.801
25-102

# PERFORMANCE BOND

(*See Instructions on Reverse*)

DATE BOND EXECUTED

AUGUST 2, 1962

PRINCIPAL

ALPHA MINERAL COMPANY, a limited partnership comprised of L. W. Minturn, general partner, and 16 limited partners named on the attached Exhibit A, of 753 West Creekside Drive, Houston 24, Texas

SURETY

AMERICAN GENERAL INSURANCE COMPANY, a corporation organized and existing under the laws of the State of Texas, of Houston, Texas

| PENAL SUM OF BOND (*express in words and figures*) | CONTRACT NO. | DATE OF CONTRACT |
|---|---|---|
| TWENTY TWO THOUSAND SIX HUNDRED NINETY AND NO/100 DOLLARS ($22,690.00) | 14-23-090-2150 | JULY 25, 1962 |

KNOW ALL MEN BY THESE PRESENTS, That we, the PRINCIPAL and SURETY above named, are held and firmly bound unto the United States of America, hereinafter called the Government, in the penal sum of the amount stated above, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the principal entered into a certain contract with the Government, numbered and dated as shown above and hereto attached;

NOW THEREFORE, if the principal shall well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of said contract during the original term of said contract and any extensions thereof that may be granted by the Government, with or without notice to the surety, and during the life of any guaranty required under the contract, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the surety being hereby waived, then, this obligation to be void; otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals on the date indicated above, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

In Presence of:

| WITNESS | | INDIVIDUAL PRINCIPAL | |
|---|---|---|---|
| 1. | as to | ALPHA MINERAL COMPANY | [SEAL] |
| 2. Gordon Stokes | as to | By L. W. Minturn, General Partner | [SEAL] |
| 3. | as to | | [SEAL] |
| 4. | as to | | [SEAL] |

| WITNESS | | INDIVIDUAL SURETY | |
|---|---|---|---|
| 1. | as to | | [SEAL] |
| 2. | as to | | [SEAL] |

Attest:

CORPORATE PRINCIPAL

BUSINESS ADDRESS

BY

TITLE

AFFIX CORPORATE SEAL

Attest:

B. Farest

B. Farest - Witness

CORPORATE SURETY

AMERICAN GENERAL INSURANCE COMPANY

BUSINESS ADDRESS

P. O. Box 2179, Houston, Texas

BY Albert W. Smith

TITLE Albert W. Smith
Attorney-in-Fact

AFFIX CORPORATE SEAL

STANDARD FORM 25
NOVEMBER 1950 EDITION

The rate of premium on this bond is $10.00 per thousand.

Total amount of premium charged, $ 226.90

*(The above must be filled in by corporate surety)*

## CERTIFICATE AS TO CORPORATE PRINCIPAL

I, ....., certify that I am the ..... secretary of the corporation named as principal in the within bond; that .....,

who signed the said bond on behalf of the principal, was then ..... of said corporation; that I know his signature, and his signature thereto is genuine; and that said bond was duly signed, sealed, and attested for and in behalf of said corporation by authority of its governing body.

..... [CORPORATE SEAL]

## INSTRUCTIONS

1. This form shall be used for construction work or the furnishing of supplies or services, whenever a performance bond is required. There shall be no deviation from this form except as authorized by the General Services Administration.

2. The surety on the bond may be any corporation authorized by the Secretary of the Treasury to act as surety, or two responsible individual sureties. Where individual sureties are used, this bond must be accompanied by a completed Affidavit of Individual Surety for each individual surety (Standard Form 28).

3. The name, including full Christian name, and business or residence address of each individual party to the bond shall be inserted in the space provided therefor, and each such party shall sign the bond with his usual signature on the line opposite the scroll seal, and if signed in Maine or New Hampshire, an adhesive seal shall be affixed opposite the signature.

4. If the principals are partners, their individual names shall appear in the space provided therefor, with the recital that they are partners composing a firm, naming it, and all the members of the firm shall execute the bond as individuals.

5. If the principal or surety is a corporation, the name of the State in which incorporated shall be inserted in the space provided therefor, and said instrument shall be executed and attested under the corporate seal as indicated in the form. If the corporation has no corporate seal the fact shall be stated, in which case a scroll or adhesive seal shall appear following the corporate name.

6. The official character and authority of the person or persons executing the bond for the principal, if a corporation, shall be certified by the secretary or assistant secretary, according to the form herein provided. In lieu of such certificate there may be attached to the bond copies of so much of the records of the corporation as will show the official character and authority of the officer signing, duly certified by the secretary or assistant secretary, under the corporate seal, to be true copies.

7. The date of this bond must not be prior to the date of the instrument in connection with which it is given.

☆ U.S. GOVERNMENT PRINTING OFFICE: 1959 O—512918

Exhibit A

LIMITED PARTNERS OF ALPHA MINERAL COMPANY

Bernard Wolfman
8226 Forest Avenue
Elkins Park 17, Pennsylvania

J. Leonard Schorr
815 Church Road
Elkins Park 17, Pennsylvania

John B. Schorsch
1105 Sewell Lane
Rydal, Pennsylvania

C. C. Cohen
Box 887
Kansas City, Missouri

Aaron D. Bennett
1010 Fraser Road
Philadelphia 18, Pennsylvania

David Fields
1356 Warner Road
Meadowbrook, Pennsylvania

Donald Berkowitz
700 East Upsal Street
Philadelphia, Pennsylvania

Leonard Lieberman
100 Old York Road
Jenkintown, Pennsylvania

David P. Shulman
2001 Parkway
Philadelphia 30, Pennsylvania

Charles G. Hawes
8229 Roosevelt Boulevard
Philadelphia, Pennsylvania

Oscar C. Darach
616 East Walnut Lane
Philadelphia 28, Pennsylvania

Homer Jensen
218 Church Road
Elkins Park 17, Pennsylvania

A. C. Cramer
5315 Bracburn Drive
Bellaire, Texas

L. C. Aycock
Suite 420, Shell Building
Houston, Texas

James B. Minturn
849 Crest Drive
Prineville, Oregon

Andrew L. Stone
4321 Semple Avenue
St. Louis 20, Missouri

# AMERICAN GENERAL INSURANCE COMPANY

HOUSTON, TEXAS

No.....

## GENERAL POWER OF ATTORNEY

(BONDS FOR UNLIMITED AMOUNTS)

**Know All Men by these Presents:**

That the AMERICAN GENERAL INSURANCE COMPANY, a corporation, duly incorporated under the laws of the State of Texas, doth hereby constitute and appoint

**Albert W. Smith**

of the City of **Houston**, State of **Texas**, to be its true and lawful attorney-in-fact for the following purposes, to-wit:

To sign its name as surety, and to execute, seal and acknowledge any and all bonds, recognizances, obligations, stipulations, undertakings or anything in the nature of the same, and to respectively do and perform any and all acts and things set forth in the appended resolution of the Board of Directors of the said AMERICAN GENERAL INSURANCE COMPANY; provided, that the penal sum of no single one of such bonds, recognizances, obligations, stipulations or undertakings shall exceed the sum of **Unlimited** Dollars ($ ); the Company hereby ratifying and confirming all and whatsoever the said attorney-in-fact may lawfully do in the premises by virtue of these presents, but reserving to itself full power of substitution and revocation.

**In Witness Whereof,** The said AMERICAN GENERAL INSURANCE COMPANY, pursuant to a resolution passed by its Board of Directors, at a meeting held on the 11th day of September, A. D. 1930, a certified copy of which is hereto annexed, has caused these presents to be sealed with its corporate seal, duly attested by the signature of its President, Vice-Presidents and Secretary this **20th** day of **June**, A. D. 19**49**.

**American General Insurance Company**

(SEAL)

ATTEST: **Raymond S. Mauk** Secretary.

By **E. R. Barrow** **Vice** President.

STATE OF TEXAS,
COUNTY OF HARRIS,
CITY OF HOUSTON. } ss:

On this **20th** day of **June** in the year 19**49** before me personally came

**E. R. Barrow**

to me known, who, being by me duly sworn, did depose and say: That he resides in Houston, Texas; that he is **Vice** President of the AMERICAN GENERAL INSURANCE COMPANY, the corporation described in and which executed the above instrument; that he knows the Seal of said corporation; that the Seal affixed to said instrument is such corporation Seal; that it was affixed to such instrument by and under authority conferred by the Board of Directors of said corporation; and that he signed his name thereto by like authority.

(SEAL)

**Harriet Stewart**
Notary Public, Harris County, Texas.

A-76

# Resolution

**Resolved,** That this Company do, and it hereby does authorize and empower its President or any one of its Vice-Presidents, in conjunction with any one of its Secretaries or any one of its Assistant Secretaries, under its corporate seal, to appoint any person or persons as attorney-in-fact or attorneys-in-fact, or agent or agents of this Company, in its name and as its act, to execute and deliver any and all contracts guaranteeing the fidelity of persons holding positions of public or private trust, guaranteeing the performance of contracts other than insurance policies and executing or guaranteeing bonds and undertakings, required or permitted in all actions or proceedings, or by law allowed; and, in its name and as its attorney-in-fact or attorneys-in-fact, or agent or agents, to execute and guarantee the conditions of any and all bonds, recognizances, obligations, stipulations, undertakings or anything in the nature of the same, which are or may by law, municipal or otherwise, or by any Statute of the United States or of any State or Territory of the United States, or by the rules, regulations, orders, customs, practice or discretion of any board, body, organization, office or officer, local municipal or otherwise, be allowed, required or permitted to be executed, made, taken, given, tendered, accepted, filed or recorded for the security or protection of, by or for any person or persons, corporation, body, office, interest, municipality or other association or organization whatsoever, in any and all capacities whatsoever, conditioned for the doing or not doing of anything or any conditions which may be provided for in any such bond, recognizance, obligation, stipulation or undertaking, or anything in the nature of the same; the nature, class or extent of the instruments so authorized to be specified in such power of attorney.

I, **Raymond S. Mauk**, Secretary of the AMERICAN GENERAL INSURANCE COMPANY, hereby certify that at a meeting of the Board of Directors of said Company, duly called and held at the office of the Company at the City of Houston, on the 11th day of September, A. D. 1930, at which was present a quorum of said Directors, duly authorized to act in the premises, resolutions were passed and entered on the minutes of said Company, of which resolutions the foregoing is a true copy and of the whole thereof.

**In Testimony Whereof,** I have hereunto set my hand and seal of the AMERICAN GENERAL INSURANCE COMPANY, this **20th** day of **June**, A. D. 19**49**.

(SEAL)

**Raymond S. Mauk**
Secretary.

STATE OF TEXAS
COUNTY OF HARRIS } ss:

I, **George W. Fleet**, Secretary of the AMERICAN GENERAL INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said AMERICAN GENERAL INSURANCE COMPANY, which is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company at the City of Houston, Texas, this **2nd** day of **August**, A. D. 19**62**.

George W. Fleet
Secretary.

ALPHA MINERAL COMPANY
EXPLORATION CONTRACT
OME-6243

## EXHIBIT A

The purpose of the project is to explore for iron ore, columbium-tantalum minerals, and bauxite by non-core drilling and by diamond core drilling in the area of a magnetic and gravitational anomaly located within a buried nepheline syenite instrusion. Non-core drilling shall be done in overburden, clays and shales, and diamond core drilling shall be done in limestone and other hard rock.

### General Conditions

The Government will not participate in the cost of any work done at a distance of less than 200 feet from any land not covered by the contract.

The Operator shall provide all technical and supervisory services necessary to complete the project in a satisfactory manner.

All drill hole locations shall be subject to prior approval by the Government.

### Description of the Work

It is estimated that drilling (both non-core and core) will be required along two and perhaps three "exploration profile" lines, with individual holes spaced at intervals of approximately 200 feet. In addition, it is estimated that either two or three "heavy mineral" test holes will be needed. In all, it is estimated that approximately 15 vertical holes will be required, having an aggregate total footage of not to exceed 10,400 feet. Approximate drill hole locations are shown on the attached Figure 1, entitled "Benton Magnetite Prospect, Saline County, Arkansas." Actually, 24 hole locations are shown, from which approximately 15 shall be selected for drilling, with an average depth of about 700 feet. Drill hole locations may be changed from those indicated on Figure 1, with prior approval of the Government.

A bulldozer shall be used to prepare drill sites and access roads. The bulldozer shall be of not less than D-7 size or equivalent size. The Government will contribute to the cost of not to exceed 40 hours of such bulldozing.

Diamond drilling shall be done with standard NX (or larger) size coring bits, approximately 2-1/8" bit diameter. However, when necessary to complete a hole, BX or AX size may be used.

Cuttings from the non-core drilling shall be properly bagged, and core from the diamond drilling shall be properly boxed and stored so as to be available for inspection by the Government. With prior Government approval, the Operator may later dispose of such stored cuttings and core. When drilling in significantly mineralized areas samples shall be taken and split as necessary, with one fraction set aside for the Government, properly identified as to location. The remaining sample fraction shall be assayed for alumina, iron, phosphorus, silica, titanium, columbium, and tantalum as appears desirable.

Facilities shall be provided for the sampling of diamond drill sludges, and in significantly mineralized areas where the core recovery is less than 60 percent, the sludges shall be split, one fraction set aside for the Government and one fraction assayed in the manner indicated above.

All holes shall be logged geologically and copies of the logs of completed holes, together with maps showing hole locations and sections, shall be furnished with the monthly report to the Government.

No drill hole sample shall represent a space interval of more than five feet of hole.

The Government will contribute to the cost of not to exceed 80 determinations for alumina and to the cost of not to exceed 100 assays for iron and, if desirable, any or all of six associated minerals (sulphur, phosphorus, silica, titantium, columbium, and tantalum).

## Estimated Costs of the Project

### Actual Costs

Category (1) Independent Contracts

| | | |
|---|---|---|
| Bulldozing, 40 hours @ $13.00/hr. | $ | 520.00 |
| Drilling (mobilization) | | 350.00 |
| Drilling (demobilization) | | 350.00 |

| | | |
|---|---|---|
| Non-core drilling, 6,000 feet @ $2.50/ft. | $15,000.00 | |
| Diamond core drilling to depth of 600 feet, 2,400 feet @ $4.75/ft. | 11,400.00 | |
| Diamond core drilling at depths beyond 600 feet, 2,000 feet @ $5.25/ft. | 10,500.00 | |
| (Note: If BX or AX size diamond drilling is done, the following costs will apply: | | |
| BX diamond drilling: | | |
| Under 600-foot depth, $4.25/ft. | | |
| Over 600-foot depth, $4.75/ft. | | |
| AX diamond drilling: | | |
| Under 600-foot depth, $3.75/ft. | | |
| Over 600-foot depth, $4.25/ft.) | | |
| Cementing and redrilling, 40 hours @ $10.00/hr. | 400.00 | |
| Reaming and casing, 30 hours @ $15.00/hr. | 450.00 | $38,970.00 |
| Category (3) Operating Materials and Supplies | | |
| None except: | | |
| 100 cardboard core boxes, @ $1.50 each | | 150.00 |
| Category (7) Miscellaneous | | |
| None except: | | |
| Assaying (alumina) | | |
| 80 determinations @ $5.00 each | 400.00 | |

| | | |
|---|---|---|
| Assaying (iron and associated minerals - Cost includes assaying, if necessary, for iron, sulphur, phosphorus, silica, titanium, columbium and tantalum) | | |
| 100 samples @ $17.00 each | $ 1,700.00 | $ 2,100.00 |

Fixed Unit Costs

| | |
|---|---|
| Incidental allowance for each foot of drilling completed, 10,400 feet @ $0.40/ft. | $ 4,160.00 |
| Estimated Total Cost of Project | $45,380.00 |
| Government's Participation at 50% | $22,690.00 |

# Presidential Documents

## Title 3—THE PRESIDENT

### Executive Order 10925

### ESTABLISHING THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY

WHEREAS discrimination because of race, creed, color, or national origin is contrary to the Constitutional principles and policies of the United States; and

WHEREAS it is the plain and positive obligation of the United States Government to promote and ensure equal opportunity for all qualified persons, without regard to race, creed, color, or national origin, employed or seeking employment with the Federal Government and on government contracts; and

WHEREAS it is the policy of the executive branch of the Government to encourage by positive measures equal opportunity for all qualified persons within the Government; and

WHEREAS it is in the general interest and welfare of the United States to promote its economy, security, and national defense through the most efficient and effective utilization of all available manpower; and

WHEREAS a review and analysis of existing Executive orders, practices, and government agency procedures relating to government employment and compliance with existing non-discrimination contract provisions reveal an urgent need for expansion and strengthening of efforts to promote full equality of employment opportunity; and

WHEREAS a single governmental committee should be charged with responsibility for accomplishing these objectives:

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States by the Constitution and statutes of the United States, it is ordered as follows:

PART I—ESTABLISHMENT OF THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY

SECTION 101. There is hereby established the President's Committee on Equal Employment Opportunity.

SEC. 102. The Committee shall be composed as follows:

(a) The Vice President of the United States, who is hereby designated Chairman of the Committee and who shall preside at meetings of the Committee.

(b) The Secretary of Labor, who is hereby designated Vice Chairman of the Committee and who shall act as Chairman in the absence of the Chairman. The Vice Chairman shall have general supervision and direction of the work of the Committee and of the execution and implementation of the policies and purposes of this order.

(c) The Chairman of the Atomic Energy Commission, the Secretary of Commerce, the Attorney General, the Secretary of Defense, the Secretaries of the Army, Navy and Air Force, the Administrator of General Services, the Chairman of the Civil Service Commission, and the Administrator of the National Aeronautics and Space Administration. Each such member may designate an alternate to represent him in his absence.

(d) Such other members as the President may from time to time appoint.

(e) An Executive Vice Chairman, designated by the President, who shall be *ex officio* a member of the Committee. The Executive Vice Chairman shall assist the Chairman, the Vice Chairman and the Committee. Between meetings of the Committee he shall be primarily responsible for carrying out the functions of the Committee and may act for the Committee pursuant to its rules, delegations, and other directives. Final action in individual cases or classes of cases may be taken and final orders may be entered on behalf of the Committee by the Executive Vice Chairman when the Committee so authorizes.

SEC. 103. The Committee shall meet upon the call of the Chairman and at such other times as may be provided by its rules and regulations. It shall (a) consider and adopt rules and regulations to govern its proceedings; (b) provide generally for the procedures and policies to implement this order; (c) consider reports as to progress under this order; (d) consider and act, where necessary or appropriate, upon matters which may be presented to it by any of its members; and (e) make such reports to the President as he may require or the Committee shall deem appropriate. Such reports shall be made at least once annually and shall include specific references to the actions taken and results achieved by each department and agency. The Chairman may appoint sub-committees to make special studies on a continuing basis.

PART II—NONDISCRIMINATION IN GOVERNMENT EMPLOYMENT

SECTION 201. The President's Committee on Equal Employment Opportunity established by this order is directed immediately to scrutinize and study employment practices of the Government of the United States, and to consider and recommend additional affirmative steps which should be taken by executive departments and agencies to realize more fully the national policy of nondiscrimination within the executive branch of the Government.

SEC. 202. All executive departments and agencies are directed to initiate forthwith studies of current government employment practices within their responsibility. The studies shall be in such form as the Committee may prescribe and shall include statistics on current employment patterns, a review of current procedures, and the recommendation of positive measures for the elimination of any discrimination, direct or indirect, which now exists. Reports and recommendations shall be submitted to the Executive Vice Chairman of the Committee no later than sixty days from the effective date of this order, and the Committee, after considering such reports and recommedations, shall report to the President on the current situation and recommend positive measures to accomplish the objectives of this order.

SEC. 203. The policy expressed in Executive Order No. 10590 of January 18, 1955 (20 F.R. 409), with respect to the exclusion and prohibition of discrimination against any employee or applicant for employment in the Federal Government because of race, color, religion, or national origin is hereby reaffirmed.

SEC. 204. The President's Committee on Government Employment Policy, established by Executive Order No. 10590 of January 18, 1955 (20 F.R. 409), as amended by Executive Order No. 10722 of August 5, 1957 (22 F.R. 6287), is hereby abolished, and the powers, functions, and duties of that Committee are hereby transferred to, and henceforth shall be vested in, and exercised by, the President's Committee on Equal Employment Opportunity in addition to the powers conferred by this order.

PART III—OBLIGATIONS OF GOVERNMENT CONTRACTORS AND SUBCONTRACTORS

SUBPART A—CONTRACTORS' AGREEMENTS

SECTION 301. Except in contracts exempted in accordance with section 303 of this order, all government contracting agencies shall include in every government contract hereafter entered into the following provisions:

"In connection with the performance of work under this contract, the contractor agrees as follows:

"(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor,

state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(4) The contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

"(5) The contractor will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(6) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled in whole or in part and the contractor may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, and such other sanctions may be imposed and remedies invoked as provided in the said Executive order or by rule, regulation, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

"(7) The contractor will include the provisions of the foregoing paragraphs (1) through (6) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for non-compliance: *Provided, however,* that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

SEC. 302. (a) Each contractor having a contract containing the provisions prescribed in section 301 shall file, and shall cause each of its subcontractors to file, Compliance Reports with the contracting agency, which will be subject to review by the Committee upon its request. Compliance Reports shall be filed within such times and shall contain such information as to the practices, policies, programs, and employment statistics of the contractor and each subcontractor, and shall be in such form, as the Committee may prescribe.

(b) Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of this order, and in that event to submit, on behalf of themselves and their proposed subcontractors, Compliance Reports prior to or as an initial part of their bid or negotiation of a contract.

(c) Whenever the contractor or subcontractor has a collective bargaining agreement or other contract or understanding with a labor union or other representative of workers, the Compliance Report shall include such information as to the labor union's or other representative's practices and policies affecting compliance as the Committee may prescribe: *Provided,* that to the extent such information is within the exclusive possession of a labor union or other workers' representative and the labor union or representative shall refuse to furnish such information to the contractor, the contractor shall so certify to the contracting agency as part of its Compliance Report and shall set forth what efforts he has made to obtain such information.

(d) The Committee may direct that any bidder or prospective contractor or subcontractor shall submit, as part of his Compliance Report, a statement in writing, signed by an authorized officer or agent of any labor union or other workers' representative with which the bidder or prospective contractor deals, together with supporting information, to the effect that the said labor union's or representative's practices and policies do not discriminate on the grounds of race, color, creed, or national origin, and that the labor union or representative either will affirmatively cooperate, within the limits of his legal and contractual authority, in the implementation of the policy and provisions of this order or that it consents and agrees that recruitment, employment, and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the order. In the event that the union or representative shall refuse to execute such a statement, the Compliance Report shall so certify and set forth what efforts have been made to secure such a statement.

SEC. 303. The Committee may, when it deems that special circumstances in the national interest so require, exempt a contracting agency from the requirement of including the provisions of section 301 of this order in any specific contract, subcontract, or purchase order. The Committee may, by rule or regulation, also exempt certain classes of contracts, subcontracts, or purchase orders (a) where work is to be or has been performed outside the United States and no recruitment of workers within the limits of the United States is involved; (b) for standard commercial supplies or raw materials; or (c) involving less than specified amounts of money or specified numbers of workers.

SUBPART B—LABOR UNIONS AND REPRESENTATIVES OF WORKERS

SEC. 304. The Committee shall use its best efforts, directly and through contracting agencies, contractors, state and local officials and public and private agencies, and all other available instrumentalities, to cause any labor union, recruiting agency or other representative of workers who is or may be engaged in work under government contracts to cooperate with, and to comply in the implementation of, the purposes of this order.

SEC. 305. The Committee may, to effectuate the purposes of section 304 of this order, hold hearings, public or private, with respect to the practices and policies of any such labor organization. It shall from time to time submit special reports to the President concerning discriminatory practices and policies of any such labor organization, and may recommend remedial action if, in its judgment, such action is necessary or appropriate. It may also notify any Federal, state, or local agency of its conclusions and recommendations with respect to any such labor organization which in its judgment has failed to cooperate with the Committee, contracting agencies, contractors, or subcontractors in carrying out the purposes of this order.

SUBPART C—POWERS AND DUTIES OF THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY AND OF CONTRACTING AGENCIES

SEC. 306. The Committee shall adopt such rules and regulations and issue such orders as it deems necessary and appropriate to achieve the purposes of this order, including the purposes of Part II hereof relating to discrimination in government employment.

SEC. 307. Each contracting agency shall be primarily responsible for obtaining compliance with the rules, regulations, and orders of the Committee with respect to contracts entered into by such agency or its contractors, or affecting its own employment practices. All contracting agencies shall comply with the Committee's rules in discharging their primary responsibility for securing compliance with the provisions of contracts and otherwise with the terms of this Executive order and of the rules, regulations, and orders of the Committee pursuant hereto. They are directed to cooperate with the Committee, and to furnish the Committee such information and assistance as it may require in the performance of its functions under this order. They are further directed to appoint or designate, from among the agency's personnel, compliance officers. It shall be the duty of such officers to seek compliance with the objectives of this order by conference, conciliation, mediation, or persuasion.

SEC. 308. The Committee is authorized to delegate to any officer, agency, or employee in the executive branch of the

Government any function of the Committee under this order, except the authority to promulgate rules and regulations of a general nature.

SEC. 309. (a) The Committee may itself investigate the employment practices of any government contractor or subcontractor, or initiate such investigation by the appropriate contracting agency or through the Secretary of Labor, to determine whether or not the contractual provisions specified in section 301 of this order have been violated. Such investigation shall be conducted in accordance with the procedures established by the Commitee, and the investigating agency shall report to the Committee any action taken or recommended.

(b) The Committee may receive and cause to be investigated complaints by employees or prospective employees of a government contractor or subcontractor which allege discrimination contrary to the contractual provisions specified in section 301 of this Order. The appropriate contracting agency or the Secretary of Labor, as the case may be, shall report to the Committee what action has been taken or is recommended with regard to such complaints.

SEC. 310. (a) The Committee, or any agency or officer of the United States designated by rule, regulation, or order of the Committee, may hold such hearings, public or private, as the Committee may deem advisable for compliance, enforcement, or educational purposes.

(b) The Committee may hold, or cause to be held, hearings in accordance with subsection (a) of this section prior to imposing, ordering, or recommending the imposition of penalties and sanctions under this order, except that no order for debarment of any contractor from further government contracts shall be made without a hearing.

SEC. 311. The Committee shall encourage the furtherance of an educational program by employer, labor, civic, educational, religious, and other nongovernmental groups in order to eliminate or reduce the basic causes of discrimination in employment on the ground of race, creed, color, or national origin.

SUBPART D—SANCTIONS AND PENALTIES

SEC. 312. In accordance with such rules, regulations or orders as the Committee may issue or adopt, the Committee or the appropriate contracting agency may:

(a) Publish, or cause to be published, the names of contractors or unions which it has concluded have complied or have failed to comply with the provisions of this order or of the rules, regulations, and orders of the Committee.

(b) Recommend to the Department of Justice that, in cases where there is substantial or material violation or the threat of substantial or material violation of the contractual provisions set forth in section 301 of this order, appropriate proceedings be brought to enforce those provisions, including the enjoining, within the limitations of applicable law, of organizations, individuals or groups who prevent directly or indirectly, or seek to prevent directly or indirectly, compliance with the aforesaid provisions.

(c) Recommend to the Department of Justice that criminal proceedings be brought for the furnishing of false information to any contracting agency or to the Committee as the case may be.

(d) Terminate, or cause to be terminated, any contract, or any portion or portions thereof, for failure of the contractor or subcontractor to comply with the nondiscrimination provisions of the contract. Contracts may be terminated absolutely or continuance of contracts may be conditioned upon a program for future compliance approved by the contracting agency.

(e) Provide that any contracting agency shall refrain from entering into further contracts, or extensions or other modifications of existing contracts, with any non-complying contractor, until such contractor has satisfied the Committee that he has established and will carry out personnel and employment policies in compliance with the provisions of this order.

(f) Under rules and regulations prescribed by the committee, each contracting agency shall make reasonable efforts within a reasonable time limitation to secure compliance with the contract provisions of this order by methods of conference, conciliation, mediation, and persuasion before proceedings shall be instituted under paragraph (b) of this section, or before a contract shall be terminated in whole or in part under paragraph (d) of this section for failure of a contractor or subcontractor to comply with the contract provisions of this order.

SEC. 313. Any contracting agency taking any action authorized by this section, whether on its own motion, or as directed by the Committee, or under the Committee's rules and regulations, shall promptly notify the Committee of such action or reasons for not acting. Where the Committee itself makes a determination under this section, it shall promptly notify the appropriate contracting agency of the action recommended. The agency shall take such action and shall report the results thereof to the Committee within such time as the Committee shall provide.

SEC. 314. If the Committee shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless the bidder or prospective contractor has satisfactorily complied with the provisions of this order or submits a program for compliance acceptable to the Committee or, if the Committee so authorizes, to the contracting agency.

SEC. 315. Whenever a contracting agency terminates a contract, or whenever a contractor has been debarred from further government contracts, because of noncompliance with the contractor provisions with regard to nondiscrimination, the Committee, or the contracting agency involved, shall promptly notify the Comptroller General of the United States.

SUBPART E—CERTIFICATES OF MERIT

SEC. 316. The Committee may provide for issuance of a United States Government Certificate of Merit to employers or employee organizations which are or may hereafter be engaged in work under government contracts, if the Committee is satisfied that the personnel and employment practices of the employer, or that the personnel, training, apprenticeship, membership, grievance and representation, upgrading and other practices and policies of the employee organization, conform to the purposes and provisions of this order.

SEC. 317. Any Certificate of Merit may at any time be suspended or revoked by the Committee if the holder thereof, in the judgment of the Committee, has failed to comply with the provisions of this order.

SEC. 318. The Committee may provide for the exemption of any employer or employee organization from any requirement for furnishing information as to compliance if such employer or employee organization has been awarded a Certificate of Merit which has not been suspended or revoked.

PART IV—MISCELLANEOUS

SECTION 401. Each contracting agency (except the Department of Justice) shall defray such necessary expenses of the Committee as may be authorized by law, including section 214 of the Act of May 3, 1945, 59 Stat. 134 (31 U.S.C. 691): *Provided,* that no agency shall supply more than fifty per cent of the funds necessary to carry out the purposes of this order. The Department of Labor shall provide necessary space and facilities for the Committee. In the case of the Department of Justice, the contribution shall be limited to furnishing legal services.

SEC. 402. This order shall become effective thirty days after its execution. The General Services Administration shall take appropriate action to revise the standard Government contract forms to accord with the provisions of this order and of the rules and regulations of the Committee.

SEC. 403. Executive Order No. 10479 of August 13, 1953 (18 F.R. 4899), together with Executive Orders Nos. 10482 of August 15, 1953 (18 F.R. 4944), and 10733 of October 10, 1957 (22 F.R. 8135), amending that order, and Executive Order No. 10557 of September 3, 1954 (19 F.R. 5655), are hereby revoked, and the Government Contract Committee established by Executive Order No. 10479 is abolished. All records and property of or in the custody of the said Committee are hereby transferred to the President's Committee on Equal Employment Opportunity, which shall wind up the outstanding affairs of the Government Contract Committee.

JOHN F. KENNEDY

THE WHITE HOUSE,
*March 6, 1961.*

[F.R. Doc. 61-2093; Filed, Mar. 7, 1961; 10:06 a.m.] 90048

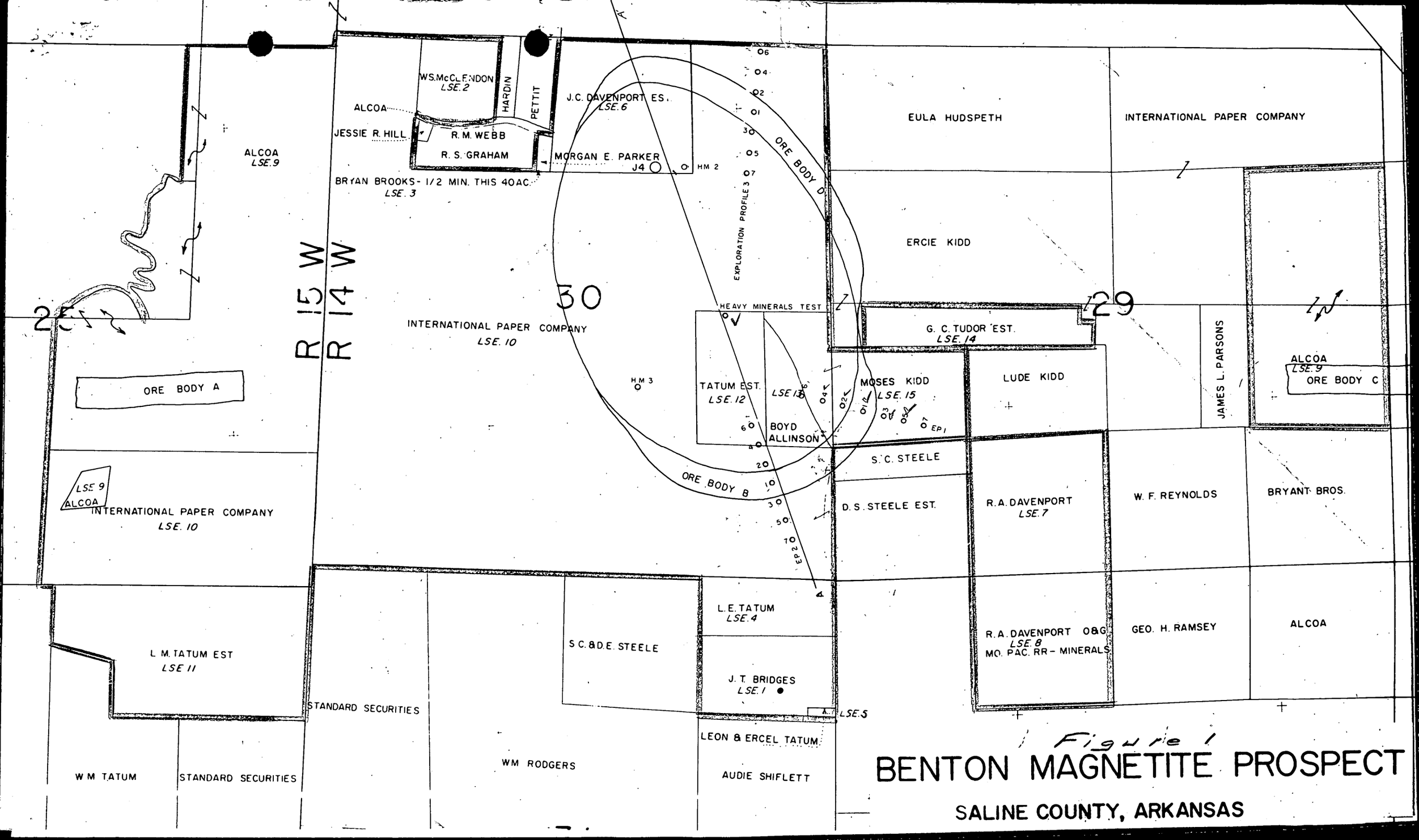


Figure 1

# BENTON MAGNETITE PROSPECT

SALINE COUNTY, ARKANSAS

VINSON, ELKINS, WEEMS & SEARLS
ATTORNEYS AT LAW
FIRST CITY NATIONAL BANK BUILDING
HOUSTON 2, TEXAS

Capehart 8-9281

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 26 1962
DATE INITIALS
6-26 G 100 500

June 25, 1962

Mr. George Fumick, Jr., Director
Office of Minerals Exploration
Department of Interior
Washington 25, D. C.

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas

Dear Mr. Fumick:

I am enclosing a copy of the agreement of limited partnership of Alpha Mineral Company which sets forth in Article 5 the authority of L. W. Minturn, as General Partner, and in Article 6 provides that no limited partner shall take part in the transaction of any business for or on account of the partnership nor shall any limited partner have the right to represent or bind the partnership. As I told you in our telephone conversation, the limited partners did not wish to execute the contract with the Office of Minerals Exploration for fear of destroying the limits on their personal liability as well as the possibility of advance tax consequences.

Article 5 makes reference to a letter addressed from the General Partner to the Limited Partners and I am also enclosing a copy of such letter. I do not have executed copies of these instruments, but if required, we will be glad to supply any verification which you may require to the effect that these instruments are correct copies of the executed documents.

Yours very truly,

Gordon Stokes

Gordon Stokes

82:288A
Encl.

753 West Creekside Drive
Houston 24, Texas
September ___, 1960

To the Limited Partners of
Alpha Mineral Company

By agreement of even date herewith a limited Partnership to be known as Alpha Mineral Company has been formed for the purpose of mineral exploration and development in Saline County, Arkansas.

It is contemplated that the Partnership will undertake to secure leases covering lands within the area of interest, as described in Article 3 of the Partnership Agreement, which will permit exploration for oil, gas and all other minerals, but it is understood that the primary purpose in organizing said Partnership is to evaluate and promote the development of what is believed to be a commercial magnetite deposit in the area referred to above.

The Limited Partners have made loans to the Partnership in the aggregate amount of Seventy-five Thousand Dollars ($75,000.00) with the understanding that such funds shall be used in connection with evaluating and promoting the development of magnetite. The initial phase of the Partnership program will consist of geophysical exploration, acquisition of leases and core drilling and it is estimated that this can be completed by April 1, 1961. For operations up to the date last mentioned, the following tentative budget has been adopted:

| | |
|---|---|
| Acquisition of Leases | $ 4,800.00 |
| Magnetometer Survey and report by Aero Service Corporation | 3,000.00 |
| Professional and consulting service, including geological, mining, engineering, legal and accounting | 5,000.00 |

| | |
|---|---|
| Purchase of data from General Partner | $10,000.00 |
| Core drilling, core analysis and beneficiation tests | 30,000.00 |
| Expense of organization of the Partnership (not including legal expense) | 2,000.00 |
| Salaries | 15,000.00 |
| Miscellaneous operating expenses including office expenses, long distance telephone calls and travel expense | 2,500.00 |
| Unallocated | 2,700.00 |
| | $75,000.00 |

The undersigned, as General Partner of said Partnership, covenants and agrees with the Limited Partners that no expenditure of Partnership funds shall be made except for Partnership purposes, and expenditures will follow as nearly as practicable the budget as above set forth. Expenditures for any particular item or category included in the budget shall not exceed the sum allocated thereto by more than ten percent (10%) without the consent of E. S. Shulman.

It is further understood and agreed that unless and until E. S. Shulman shall agree with me that leases have been secured for the benefit of the Partnership covering sufficient acreage to warrant the expenditure of Partnership funds for core drilling and further exploration, no core drilling shall be done nor shall I deliver the data or be paid the sum of $10,000.00 as provided in Article 17 of the Partnership Agreement.

Yours very truly,

L. W. Minturn
General Partner
Alpha Mineral Company

# AGREEMENT OF LIMITED PARTNERSHIP

This agreement of limited partnership entered into by and between L. W. Minturn as General Partner and those persons, firms or corporations listed in Exhibit "A" attached hereto as Limited Partners;

W I T N E S S E T H:

1. Formation of Partnership

The above named parties hereby form a limited partnership (herein referred to as the "Partnership") pursuant to the Uniform Limited Partnership Act of the State of Arkansas and agree to execute all instruments and documents in addition to this agreement which shall be necessary or convenient at this time or from time to time in complying with the requirements for the formation of a limited partnership under the laws of the State of Arkansas and with the laws of other states in which the Partnership shall conduct business.

2. Name and Principal Office

The name of the Partnership shall be Alpha Mineral Company. The principal office of the Partnership shall be located at Benton State Bank Building, care of O. Wendell Hall, Jr., Benton, Arkansas. The General Partner shall also maintain an office at 753 West Creekside Drive, Houston, Texas.

3. Purposes

The purposes of the Partnership shall be to explore, prospect and drill for and to mine, produce, treat, store,

refine, transport and market oil, gas or other hydrocarbons, coal, magnetite, gold, silver, lead, nickel, copper, cinnebar, uranium and all other minerals both metallic and non-metallic, fissionable and non-fissionable in Township 2 South, Range 14 West, and Township 2 South, Range 15 West, Saline County, Arkansas; to acquire and own land or interests or contractual rights therein for the aforesaid purposes; to own, lease or rent machinery and equipment and to own, lease, rent or construct plants or factories for the purpose of processing, manufacturing or fabricating any mineral or product thereof; to buy, sell, exchange and otherwise deal in minerals of all kinds or combinations thereof or products made therefrom; to borrow money for any Partnership purpose and to pledge or mortgage assets of the Partnership to secure repayment thereof.

4. Term

The Partnership shall be effective from and after the date hereof and shall continue until December 31, 1962 unless it shall be sooner terminated by law or extended by agreement of the partners.

5. Authority of General Partner

The General Partner, L. W. Minturn, shall have full power and authority to take any action in connection with the accomplishment of the Partnership's purposes and shall exercise complete control and discretion in conducting the business and affairs of the Partnership, subject to the restrictions and limitations contained herein and in a letter of even date herewith from the General Partner to the Limited Partners.

6. Rights and Liabilities of Limited Partners

No Limited Partner shall take part in the management of the Partnership nor transact any business for or on account of the Partnership nor shall any Limited Partner have the right to represent or bind the Partnership in any agreement, contract or transaction whatsoever. No Limited Partner shall be personally liable for any debt, loss or liability of the Partnership beyond the amount paid or committed to be paid by him or it as a capital contribution to the Partnership.

7. Capital Contributions and Percentage of Participation

The initial capital of the Partnership is the sum of $100.00, which has been contributed in cash by the General Partner and the Limited Partners in the amounts and percentages shown in Exhibit "A" attached hereto. No Partner shall ever be obligated to contribute additional capital.

The percentages set forth opposite the name of the General Partner and each Limited Partner in Exhibit "A" is hereinafter called the "Capital Percentage" of each such partner, which shall be subject to adjustment as hereinafter provided.

8. Loans by Limited Partners

The Limited Partners have made loans to the Partnership in the amounts as set forth in Exhibit "B" attached hereto. The percentage set forth in Exhibit "B" opposite the name of each Limited Partner is the "Loan Percentage" of each such Partner, which shall be subject to adjustment as hereinafter provided.

9. Additional Loans

If in the judgment of the General Partner "Additional Funds" shall at any time or from time to time be needed by the Partnership over and above partnership funds then available for the purpose of conducting the business, furthering the purposes and discharging obligations of the Partnership (except loans by Limited Partners), the General Partner may give written notice to each Limited Partner stating the amount of Additional Funds needed by the Partnership and a general description of the purpose or purposes for which such funds are to be expended. Each Limited Partner shall have the right and option, but not the obligation, to make an "Additional Loan" to the Partnership in an amount equal to such Partner's then existing Loan Percentage of the Additional Funds. In the event any Limited Partner shall fail or refuse, within ten (10) days after receipt of such notice, to notify the General Partner of his election and intention to make such Additional Loan, the other Limited Partners who desire to do so may lend to the Partnership the amount of the Additional Loan which such non-lending Partner had the option to make. Each lending Partner shall have the right and option to lend to the Partnership his pro rata part of the amount of the Additional Loan so allocated to each non-lending Partner or the lending Partners may agree otherwise as to the allocation between them of such loan.

If the full amount of the Additional Funds specified by the General Partner in the notice provided for above shall

for any reason not be subscribed and made available to the Partnership within thirty (30) days after such notice, the General Partner shall have the right to make a loan to the Partnership and/or to secure loans from other parties in an amount equal to the difference between the total of the Additional Loans actually made or subscribed and the amount of Additional Funds specified by the General Partner in said notice.

The Loan Percentages of the Limited Partners shall be adjusted to reflect each loan of Additional Funds to the Partnership so that at all times the Loan Percentage of a Limited Partner shall be the ratio of the total of all loans made by such Partner to the total of all loans originally made by Limited Partners and loans of Additional Funds. If the General Partner shall make a loan of Additional Funds to the Partnership, he shall also be a Limited Partner to the extent thereof.

Each party other than the General Partner or a Limited Partner who shall make a loan of Additional Funds to the Partnership shall at such time execute a counterpart of this agreement of Limited Partnership and shall thereupon be admitted to the Partnership as a Limited Partner.

If the full amount of the Additional Funds shall be lent to the Partnership by the Limited Partners in proportion to their Loan Percentages, no adjustment shall be required or made with respect to the Capital Percentages of the Partners. If, however, Additional Funds shall not be subscribed by such Limited Partners in exact proportion

to their then existing Loan Percentages or if a part of such Additional Funds shall be subscribed by the General Partner or by some third party or parties, the Capital Percentages of the Limited Partners shall be adjusted so that each party making a loan of Additional Funds shall receive a Capital Percentage, or additional Capital Percentage (to be taken proportionately from the then existing Capital Percentages of the Limited Partners) equivalent to fifty per cent (50%) of the amount of the loan by such party of Additional Funds divided by the sum of all loans of Additional Funds plus the appraised net value at such time of the assets of the Partnership.

An appraisal of the Partnership assets for the purposes of the preceding paragraph shall be secured by the General Partner from a person or persons, firm or firms considered by the General Partner and E. S. Shulman to be qualified for such purpose. Such appraisal shall be binding upon the Limited Partners and shall not be subject to question at any time thereafter. The term "appraised net value" means such appraised value of Partnership assets less all indebtedness of the Partnership except loans made to the Partnership by Limited Partners.

10. Status of Loans

Neither the original loans made to the Partnership as recited in Article 8 hereof nor the Additional Loans provided for in Article 9 hereof shall bear interest. Such loans shall be equal in rank or priority with any other obligation of the Partnership except to the extent that such

loans may be required or held to be junior or inferior thereto as a matter of law.

11. Repayment of Loans

The loans mentioned in Article 8 hereof and provided for in Article 9 hereof shall be repaid from time to time as the General Partner may deem expedient, from Partnership funds available for such purpose. The total amount of the funds to be used for such purpose at any given time shall be allocated to the repayment of loans in proportion to the then existing Loan Percentages of the Limited Partners.

12. Payout

"Payout" shall occur when total receipts (other than capital contributions and loans) realized by the Partnership equal total costs incurred by the Partnership. Total costs include capital and expense items.

13. Partnership Books

Each of the Partners shall have the following accounts on the books of the Partnership:

(1) A capital account to which there shall be credited:

(a) the contribution to Partnership capital made by such Partner pursuant to Section 7 of this agreement; and

(b) that portion allocated to such Partner under Section 9 hereof of the capital account of a non-lending Partner;

and to which, with respect to a non-lending Partner, shall be debited the transfer to the capital accounts of the remaining Partners pursuant to Section 9 of this agreement;

(2) A loan account to which shall be credited the amount of all loans made by such Partner to the Partnership pursuant to Sections 8 and 9 and to which shall be debited repayments of such loans; and

(3) A current account to which shall be credited such Partner's share of Partnership net income for book purposes (as hereinafter defined) and to which shall be debited payments made by the Partnership to, for, or on account or on behalf of such Partner, but shall not include amounts paid under (2) immediately above.

14. Allocation of Partnership Net Income for Book Purposes

Partnership net income for book purposes is the excess of total receipts realized by the Partnership after Payout over total costs incurred by the Partnership after Payout. Total costs include capital and expense items.

Partnership net income shall be allocated among the Partners in their respective Capital Percentages.

15. Allocation of Partnership Net Income and Loss for Tax Purposes

A. Until Payout, Partnership net income and loss shall be allocated to the Limited Partners in their respective Loan Percentages.

B. After Payout, Partnership net income shall be allocated to the Partners in their respective Capital Percentages.

C. In determining the allocation of Partnership net income for tax purposes among the Partners, all tax basis in Partnership assets acquired by expenditure of funds constituting a part or all of the total costs used in determining Payout shall be allocated to the Limited Partners.

16. Distribution of Partnership Funds

Such cash funds of the Partnership as the General Partner shall from time to time determine in his discretion to be available for distribution to the Partners shall be

distributed or paid:

(1) First to the then Limited Partners in proportion to their then existing Loan Percentages until all loans to the Partnership mentioned in Article 8 and additional loans as provided for in Article 9 hereof, have been paid in full; and

(2) thereafter to the General and Limited Partners in proportion to the credit balances in their respective current accounts; and

(3) thereafter to the General Partner and the Limited Partners in their respective Capital Percentages.

17. Purchase of Data and Leases from General Partner

The General Partner has made a geological study of the area referred to in Article 3 hereof and has prepared a map on which he has outlined his interpretation of gravity and magnetic data, indicating the possible existence of a commercial magnetite deposit. The General Partner also has secured and is now engaged in securing leases on lands within said area for the purpose of conducting core drilling and further exploration and evaluation of the area for mining purposes. The General Partner agrees to transfer and convey to the Partnership the beneficial ownership of all geological and geophysical data, maps and reports made, secured or owned by the General Partner pertaining to the area referred to in Article 3 hereof, for the sum of Ten Thousand Dollars ($10,000.00) in cash. The General Partner further agrees to transfer and convey to the Partnership promptly upon securing same, in form satisfactory to counsel for the Partnership, all leases now owned by him or which he may secure or negotiate for during the existence of the Partnership, covering

lands within said area for a consideration equal to the actual cost of such leases, including expenses incurred in securing the same.

18. Expenses and Salary of General Partner

The General Partner shall be reimbursed out of Partnership funds for all costs and expenses reasonably and necessarily incurred by him in the organization of the Partnership and in the operation and management of the affairs of the Partnership, including without limitation, legal and accounting services, long distance telephone expense and travel expenses.

During such time as the Partnership shall be actively engaged in pursuing any one or more of the purposes set forth in Section 3 hereof, the General Partner shall be paid for his services the sum of $1,500.00 per month in addition to expenses as above set forth. Such compensation shall not be paid to the General Partner for services rendered after April 1, 1961 without the consent of E. S. Shulman, but the General Partner shall have no obligation to render services without compensation.

19. Covenant of Non-Competition by General Partner

The General Partner shall not be required to devote his full time to the affairs of the Partnership and it is understood that he may be a member of or associated with other Partnerships similar to the Partnership hereby created and which may be engaged in similar business ventures. The General Partner does hereby covenant and agree, however, that he will not compete directly or indirectly with this Partnership in prospecting or exploring for minerals in the area

described in Article 3 hereof. The General Partner further covenants and agrees that during the existence of this Partnership he will not enter into any agreement with any other party or parties for the purpose of prospecting or exploring for or promoting the development of any magnetite deposit in the State of Arkansas without first offering to make an agreement with the Limited Partners of this Partnership relating to such magnetite deposit on substantially the same terms as he shall offer to agree with any third party or parties with respect thereto.

20. Patents

There shall be no restriction on the right of the General Partner to apply for, hold and own in his own name and as his own property letters patent on any invention, discovery, technique, method, machinery or equipment or any improvement thereof which may be made, designed or discovered by him, even though such invention or discovery may be the result of or connected with work done by the General Partner in exploring or mining for minerals within the area described in Article 3 hereof. No part of the cost or expense incurred by the General Partner in developing, applying for or securing a patent on any invention, discovery or improvement shall be borne by the Partnership. The General Partner agrees that any patent held by him shall be available for use by the Partnership free of cost in connection with mining operations in the area described in Article 3 hereof and further that any royalties or other considerations which may be paid to the General Partner by any third party for the use of any

patent owned or held by the General Partner in connection with mining operations within said area shall inure to the benefit of the Partnership and not to the General Partner individually.

21. Audit; Inspection of Books

The books of the Partnership shall be audited annually by Arthur Andersen & Co., certified public accountants, and will at all times be available for the inspection and audit of any Partner at the Partnership's principal place of business or at the office of the General Partner during business hours at reasonable times. The Partnership shall furnish each Partner from time to time with all necessary tax reporting information as to his interest in and income from the Partnership and a general financial statement at least once each year.

22. Elections by Partnership as to Optional Adjustment to Basis

Upon the request of any Partner filed in writing with the General Partner, the Partnership shall file an election under Section 754 of the Internal Revenue Code of 1954 in accordance with the procedure set forth in the applicable Treasury Regulations. Such request shall only be made in the case of a distribution of a property and in the manner provided in Section 734 of the Code or in the case of a transfer of a Partnership interest permitted by this agreement in the manner provided in Section 743 of such Code.

23. Fiscal Year; Accounting Basis

The fiscal year of the Partnership shall be the calendar year and the books of the Partnership shall be kept on

the basis of cash receipts and disbursements with expenditures classified in the same manner used for Federal Income Tax reporting.

24. Termination of Partnership; Liquidation and Distribution

This Partnership shall be dissolved upon the death, legal disability, bankruptcy or withdrawal from the Partnership of the General Partner, but shall not be dissolved by the death, legal disability, bankruptcy or withdrawal of a Limited Partner. The General Partner covenants that he will not voluntarily withdraw from the Partnership prior to April 1, 1961, but he may thereafter withdraw if the Partnership is without funds to continue operation and Additional Funds have not been made available after due notice, as provided in Article 9.

Upon termination or dissolution of the Partnership, the General Partner shall wind up its affairs provided that if the General Partner shall fail, refuse or be unable to do so, the Limited Partners shall choose one or more Limited Partners for such purpose. The liabilities and obligations shall be paid out of Partnership assets and any cash or assets remaining shall be distributed to the Partners in the same manner and subject to the same order of priority as if such distribution were a distribution under Section 16 of this agreement.

If the General Partner (or the Limited Partners handling liquidation of the Partnership) deem it inadvisable to sell or liquidate partnership properties, such properties may be distributed to the Partners subject to any indebtedness or

liens thereon.

If Partnership properties are distributed to the Partners prior to the liquidation of all loan accounts of Limited Partners, the distribution to each Partner shall be made subject to a lien securing the payment of a percentage of the aggregate of such unliquidated loan accounts equal to the capital percentage (at the date of termination) of the Partner receiving such distribution. All net income and proceeds thereafter accruing to the property interest so distributed to each such Partner shall be applied pro rata to the payment of such unliquidated loan accounts until the full amoung secured by such lien has been paid. No Partner shall have any personal liability or obligation to pay the unpaid loan accounts of Limited Partners and the foregoing provisions are not intended to create or imply any such liability or obligation.

25. Workmen's Compensation and Liability Insurance

The General Partner shall secure workmen's compensation insurance for the Partnership as required by the laws of the State of Arkansas or any other state in which the Partnership shall conduct business and shall secure such automobile liability insurance and comprehensive public liability insurance as the General Partner shall deem to be advisable. In the absence of bad faith, however, the General Partner shall not be liable to the Limited Partners by reason of failure to secure, carry or maintain such insurance coverage.

26. Notices

Any notice provided for or permitted hereunder shall be

deemed to have been properly given if forwarded by first class United States mail, postage prepaid, or if sent by prepaid telegram, addressed to the respective Partners at the post office addresses set forth opposite the name of each Partner in Exhibit "A" attached hereto, or to such other address as may hereafter be designated by any Partner in writing and forwarded to the office of the General Partner for filing.

This agreement may be signed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one agreement.

WITNESS THE EXECUTION HEREOF effective as of

_____, 1960.

GENERAL PARTNER:

_____
L. W. Minturn

LIMITED PARTNERS:

| | |
|---|---|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
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EXHIBIT "A"

| NAME | P. O. ADDRESS | AMOUNT OF CAPITAL CONTRIBUTED | CAPITAL PERCENT-AGE |
|---|---|---|---|
| GENERAL PARTNER | | | |
| L. W. Minturn | 753 W. Creekside Drive<br>Houston 24, Texas | $ 50.00 | 50% |
| LIMITED PARTNERS | | | |
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EXHIBIT "B"

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UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Budget Bureau No. 42-R1368
Approval expires Dec. 31, 1964

APR 23 1962
O.M.E.

# APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85–701 (72 Stat. 700; 30 U.S.C. 641)

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*

Alpha Mineral Company
753 W. Creekside Drive
Houston 24, Texas

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER 6243

DATE RECEIVED 4-23-62

REGION IV

DIVISION CODE

BUSINESS ORGANIZATION *(Check one)*

INDIVIDUAL ☐
CORPORATION ☐
PARTNERSHIP ☐
OTHER *(Specify)* X

Limited Partnership

STATE IN WHICH FIRM IS ORGANIZED Ark.

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

| NAME | ADDRESS | TITLE |
|---|---|---|
| L. W. Minturn | 753 W. Creekside Dr. Houston 24, Texas | Sole General Partner |

Attached hereto is a complete list of the names and addresses of all of the Limited Partners of Alpha Mineral Company.

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE Iron ore, columbium and tantalum minerals and bauxite

ESTIMATED COST OF PROJECT $ 60,000.00

| PROPERTY NAME | LOCATION COUNTY | STATE |
|---|---|---|
| Benton Magnetite Prospect | Saline | Arkansas |

## GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior, Washington 25, D. C., or with the nearest OME Field Office.*

## 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, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

The proposed exploration is the program defined in the information attached which has an estimated cost of $60,000. See information under Para. 1(c) attached.

April 18, 1962
DATED

ALPHA MINERAL COMPANY
L. W. Minturn
BY *(Signature)*

Sole General Partner
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

# INFORMATION REQUIRED WITH THIS APPLICATION

## 1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the exploration [redacted] cost.

## 2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

## 3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

## 4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

## 5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

## 6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

## 7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

INT.-DUP. SEC., WASH., D.C. 48740

## LIMITED PARTNERS OF ALPHA MINERAL COMPANY

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INFORMATION ATTACHED TO MME FORM 40

APPLICATION OF ALPHA MINERAL COMPANY
FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

1. Financial Eligibility:

(a) Alpha Mineral Company applied for a $30,000.00 loan from two local banks. In each case the loan was denied. The banks were: (i) Bank of account - First City National Bank of Houston (copy of letter requesting the loan and copy of the bank's reply enclosed); and (ii) Bank of the Southwest, Houston, Texas (copy of letter requesting the loan and copy of the bank's reply enclosed).

(b) Not applicable.

(c) Alpha Mineral Company has $30,000.00 on hand. If this application is granted, these funds are available for the exploration program described herein. If this application is not granted, it is Applicant's present intention to employ these funds in a different and smaller exploration program to be undertaken at its sole expense. ?

2. Applicant's Rights in Land:

(a) Applicant is the owner of leases providing for the right to explore and prospect for and to mine and produce oil, gas and other minerals. The leases and the property covered thereby are identified as follows:

(1) J. T. Bridges, recorded in Misc. 1, page 332 by the Saline Circuit and Chancery Clerk of Saline County, Arkansas, covering the following described lands:

The South 24 acres of the Northeast 1/4 of the Northeast 1/4 of Section 31, T2S, R14W, Saline County, Arkansas, except a one-acre tract in the Southeast corner of above described 24-acre tract and more fully described as: beginning at the Southeast corner of the Northeast 1/4 of the Northeast 1/4 of Section 31, run North 132 feet, West 330 feet, South 132 feet to point of beginning, leaving a net of 23 acres covered by this lease.

(2) W. C. McClendon, recorded in Misc. 1, page 342, covering the following described land:

Part of the Northeast 1/4 of the Northwest 1/4 of Section 30, T2S, R14W, containing 13.35 acres of surface rights and 6.67 acres of mineral rights undivided under the said described property, which property is as follows:

Beginning at the Northwest corner of the Northeast 1/4 of the Northwest 1/4 of Section 30, T2S, R14W; thence East 675', South 782' to the North side of Alcoa pump road; thence Westerly 675'; thence North 782' to point of beginning and containing 13.35 acres, more or less.

Attached to the above lease is an amendment recorded in Misc. 3, page 49.

(3) Bryan W. Brooks, recorded in Misc. 1, page 352 and covering the following described land:

Undivided one-half of mineral rights in the Northeast of Northwest quarter of Section 30, T2S, R14W.

Attached to the above lease is an amendment recorded in Misc. 3, page 53.

(4) Lawrence E. Tatum, recorded in Misc. 1, page 362 covering the following described land:

North 16 acres in the Northeast of Northeast quarter of Section 31, T2S, R14W, Saline County, Arkansas.

(5) Leon H. Tatum, recorded in Misc. 1, page 372 and covering the following described land:

Part of the Northeast 1/4 of the Northeast 1/4; beginning at the Southeast corner run 132'; West 330'; South 132'; East 330' to point of beginning located in Section 31, T2S, R14W, Saline County, Arkansas.

(6) R. A. Davenport, Sr., et al, recorded in Misc. 1, page 382 and covering the following described land:

The Northwest quarter of the Northeast quarter of Section 30, T2S, R14W, Saline County, Arkansas.

Attached to the above lease are powers of attorney recorded, respectively, in Book D, page 179; Book D, page 180; Book D, page 181; Book D, page 182; Book D, page 183; Book D, page 184; Book D, page 185 and in Book D, page 186. Also attached to the above lease is an amendment recorded in Misc. 3, page 57.

(7) R. A. Davenport, Sr., recorded in Misc. 1, page 392 covering the following described land:

The Southeast 1/4 of the Southwest 1/4 of Section 29, T2S, R14W, Saline County, Arkansas.

(8) R. A. Davenport, recorded in Misc. 1, page 402 and covering the following described land:

The Northeast 1/4 of the Northwest 1/4 of Section 32, T2S, R14W, Saline County, Arkansas.

(9) Aluminum Company of America, recorded in Misc. 1, page 406 and covering the following described lands, including the amended description:

All of the East 1/2 of Northeast 1/4 of Section 25, T2S, R15W;

Also, 4 acres, more or less, off the East side of the Northwest 1/4 of Section 25, T2S, R15W, described more particularly as: beginning at the Northeast corner of the Northwest 1/4 of the Northeast 1/4; thence North 86° 08', 132 feet; thence South 4° 34' West, 1342 feet; thence South 85° 54' East, 132 feet; thence North 4° 37' East, 1342 feet to the point of beginning;

Also, that part of the Southwest 1/4 of the Northeast 1/4 of Section 25, T2S, R15W lying on the East side of Gum Slough and Holly Creek, particularly described as: beginning at the Northeast corner of the said Southwest 1/4 of the Northeast 1/4 and running West across Holly

Creek to the center of Gum Slough; thence in a Southerly course down the center of said slough to the intersection of Holly Creek; thence in a Southerly direction down the center of said creek to the North bank of the Saline River; thence in a Southeasterly direction along the North bank of said river to where the same intersects the South boundary of the said Southwest 1/4 of the Northeast 1/4; thence due East to the Southeast corner of the said Southwest 1/4 of the Northeast 1/4; thence due North to the place of beginning;

Also, the North 1/2 of the Southeast 1/4 of Section 25, T2S, R15W;

Also, all that part of the Southwest 1/4 of the Northeast 1/4 of Section 25, T2S, R15W lying West and South of the Saline River and containing 3 acres, more or less;

Also, a 4-acre tract in the Southwest 1/4 of the Southeast 1/4 of Section 25, T2S, R15W particularly described as follows: beginning at a point which is 740 feet from the Northeast corner of the Southwest 1/4 of the Southeast 1/4 of Section 25, T2S, R15W along a bearing of South 78° 32' West; thence South 7° 32' West, 398 feet; thence North 83° 32' West, 451 feet; thence North 28° 31' E, 441 feet, along the East bank of the Saline River; thence North 81° 31' East, 293 feet to the point of beginning;

Also, the Southeast 1/4 of the Northeast 1/4 and the Northeast 1/4 of the Southeast 1/4 of Section 29, T2S, R14W, containing 80 acres, more or less.

(10) International Paper Company, recorded in Misc. 3, page 157, covering the following described lands:

(Amended location)

TOWNSHIP 2 SOUTH - RANGE 14 WEST

| | | Acres |
|---|---|---|
| Section 30: | NE/4 of NE/4; S/2 of NE/4 | 120.00 |
| | Fractional W/2 of NW/4 | 59.50 |
| | SE/4 of NW/4 | 40.00 |

| | |
|---|---|
| Fractional SW/4 | 142.24 |
| W/2 of SE/4 | 80.00 |
| SE/4 of SE/4 West of highway | 38.05 |
| SE/4 of SE/4 East of highway | 1.95 |

TOWNSHIP 2 SOUTH - RANGE 15 WEST

| | | |
|---|---|---|
| Section 25: | SW/4 of SE/4 less and except 4.0 acres and SE/4 of SE/4 | 76.00 |
| | | 557.74 |

Attached to the above lease is an amendment recorded in Misc. 3, page 154.

(11 and 12) L. M. Tatum Estate, recorded in Misc. , page covering the following described land: The North 1/2 of the Northeast of Section 36, T2S, R15W, except the Southwest of Northwest of Northeast in Saline County, Arkansas; the amount of acreage granted under this lease is 70 acres, more or less.

The West 1/2 of the Northeast 1/4 of the Southeast 1/4 of Section 30; T2S, R14W, Saline County, Arkansas and containing 20 acres, more or less.

(13) Boyd Allinson, recorded in Misc. 3, page 87 and covering the following described land:

That part of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 lying West of State Highway No. 35 as now located, of Section 30, T2S, R14W, and being the same land described in deed dated June 13, 1952, from Moses Kidd and Annie Kidd, his wife, to Mary Jane Allinson, and recorded in Book 65, page 49 of the Deed Records of Saline County, Arkansas, containing 5 acres, more or less, said record and its references being hereby referred to for all purposes.

(14) May Tudor, recorded in Misc. 3, page 73, and covering the following described lands:

Part of the Northeast 1/4 of the Southwest 1/4 and part of the Northwest 1/4 of the Southwest 1/4 of Section 29, T2S, R14W, described as follows: Starting at the Northeast corner of the Southwest 1/4; then running South to the center of the Pine Bluff and Benton Road, now running through said land; thence West 124 rods with said road bed; thence North to the North line of said land; thence East to the place of beginning, containing 20 acres, more or less, and being the same land described in deed dated September 4, 1911, from J. I. Steele to G. C. Tudor and recorded in Book 1, page 173 of the Deed Records of Saline County, Arkansas, said record and its references being hereby referred to for all purposes.

Attached to the above lease is an amendment recorded in Misc. 3, page 83.

(15) Moses Kidd, recorded in Misc. 3, page 35 and covering the following described land:

That part of the Northwest 1/4 of the Southwest 1/4 lying South of what is known as the Bauxite Road in Section 29, and also the East 1/2 of the Northwest 1/4 of the Southeast 1/4 of Section 30, all in T2S, R14W, Saline County, Arkansas, and being the same land described in deed dated November 18, 1926 from Harve Kidd, et al to Moses Kidd and recorded in Book 19, page 313 of the Deed Records of Saline County, Arkansas, LESS and EXCEPT that part of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 lying West of State Highway No. 35 as now located, and being the same land described in deed dated June 13, 1952 from Moses Kidd and Annie Kidd, his wife, to Mary Jane Allinson, and recorded in Book 65, page 409 of the Deed Records of Saline County, Arkansas, said records and their references being hereby referred to for all purposes.

Attached to the above lease is an amendment recorded in Misc. 3, page 45.

The above leases cover all minerals with the exceptions which follow:

(7) R. A. Davenport, covers only oil and gas.

(9) Aluminum Company of America, covers all minerals except bauxite.

(10) International Paper Company, covers only all iron ores and minerals containing columbium and tantalum.

One true copy of each of the above leases is submitted herewith, together with Map No. 1 showing the property covered by the leases and the property on which Alpha Mineral Company desires to explore as described in Paragraph 2(b). Attached to each lease is a copy of canceled check or other evidence of payment of delay rentals heretofore due under such lease.

To the best of Applicant's knowledge, the above properties are not subject to any liens, mortgages or other encumbrances.

(b) The property upon which Alpha Mineral Company desires to explore consists of the following:

Section 30, T2S, R14W, Saline County, Arkansas.

#14 Part of the Northeast 1/4 of the Southwest 1/4 and part of the Northwest 1/4 of the Southwest 1/4 of Section 29, T2S, R14W, described as follows: Starting at the Northeast corner of the Southwest 1/4; then running South to the center of the Pine Bluff and Benton Road, now running through said land; thence West 124 rods with said road bed; thence North to the North line of said land; thence East to the place of beginning, containing 20 acres, more or less, and being the same land described in deed dated September 4, 1911, from J. I. Steele to G. C. Tudor and recorded in Book 1, page 173 of the Deed Records of Saline County, Arkansas.

That part of the Northwest 1/4 of the Southwest 1/4 lying South of what is known as the Bauxite Road in Section 29, and also the East 1/2 of the Northwest 1/4 of the Southeast 1/4 of Section 30, all in T2S, R14W, Saline County, Arkansas, and being the same land

described in deed dated November 18, 1926 from Harve Kidd, et al to Moses Kidd and recorded in Book 19, page 313 of the Deed Records of Saline County, Arkansas, LESS AND EXCEPT that part of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 lying West of State Highway No. 35 as now located, and being the same land described in deed dated June 13, 1952 from Moses Kidd and Annie Kidd, his wife, to Mary Jane Allinson, and recorded in Book 65, page 409 of the Deed Records of Saline County, Arkansas.

There are no leases which should not be subject to Government royalty and liens.

This prospect is called the Alpha Mineral Prospect, the Benton Magnetic Anomaly, or the Bauxite Magnetic Anomaly.

(c) Lien and subordination agreements have been secured for the following leases:

(2) W. C. McClendon;

(3) Bryan Brooks;

(6) R. A. Davenport, Sr., et al;

(11 and 12) L. M. Tatum Estate; and

(15) Moses Kidd.

Alpha Mineral Company attempted unsuccessfully to secure lien and subordination agreements for the following leases:

(10) International Paper Company;

(13) Boyd Allinson; and

(14) May Tudor.

Letters of refusal were obtained for Leases (10), (13) and (14).

Copies in quintuplicate of the lien and subordination agreements and the letters of refusal accompany this request.

At present, it is proposed to explore in Section 30 and in the adjacent portions of Section 29. Thus, there are several leases for which we have not attempted to secure lien and subordination agreements.

3. Physical Description:

(a) No mining has been done on the leased properties. Some drilling for bauxite has been reported, but apparently no commercial ore was found. The significant exploration work is the gravity and magnetic surveys which have been made. Copies of the most important of these surveys are included in Section 3(g).

(b) The airborne magnetometer survey was made by Alpha Mineral Company.

(c) There has been no mineral production on the leased properties.

(d) There are no known ore reserves on the leased properties.

(e) Geological features:

This prospect is a buried deposit which reveals its presence and location by causing very strong localized maxima in the magnetic and gravitational fields of the earth. It is located within the large nepheline syenite intrusion of the Arkansas bauxite district. This relationship is shown on Map No. 2.

The magnetic anomaly is shown on Map No. 3. The gravitational anomaly is shown on Map No. 4 and Map No. 5, both of which were taken from Bureau of Mines RI 4251. Map No. 6 shows the relationship of the prospect to the lease block, the location of Section A-A'and the proposed exploration program. Map No. 7 is a map of Saline County, Arkansas, showing the general location. Aerial Photo No. 1 shows the area of the lease block.

Alpha Mineral Company had the magnetic data analyzed according to the methods in GSA Memoir 47 by K. N. Isaacs, geologist and geophysicist of Philadelphia, Pennsylvania, and Geophysical Associates International of Houston, Texas. Their reports are Report No. 1 and Report No. 2, respectively. Data concerning the occurrence of columbium (which applies equally to tantalum, most probably), in Arkansas were requested from the Arkansas State Geologist, Mr. N. F. Williams. His letter and attachments are Report No. 3.

Comparisons of this magnetic anomaly were made with the magnetic anomalies over the Pea Ridge Mine in Missouri, the Grace Mine in Pennsylvania and the Marmora Mine in Ontario, Canada. These profiles are Magnetic Profiles Nos. 1, 2, 3 and 4, respectively.

Section A-A' was prepared from the following data and principles:

Flight level of the airborne magnetic survey is estimated at 700'.
Surface elevation taken from topographic sheet adjusted to elevation of Drill Hole J4.
Elevation of bauxite horizon, Midway blue clay and Midway limestone taken from log of Drill Hole J4.
Slope of top of blue clay is extension of slope from Drill Hole J4 to outcrop.
Slope of limestone shown parallel to top of blue clay, although the blue clay probably thickens toward A.
From various data in Bureau of Mines RI 4251 the range of the top of the syenite is from plus 50 to minus 150 feet elevation, and the range of the Paleozoic surface is from minus 100 to minus 200 feet elevation.

From Arkansas Geological Survey Information Circular 8 we quote the log of Drill Hole J4, on the Davenport Heirs' property, as shown on Map No. 6:

"Sec. 30, T 2 S., R. 14 W., on Southwest side of road just West of small stream. Elevation 345 feet.

"T. D. 310 Ft.

| | |
|---|---|
| Depth to top of bauxite-kaolin zone | 172 ft. |
| Depth to top of blue clay (Midway) | 205 ft. |

Depth to top of limestone 300 ft.
(Eight feet of 'bauxite' were logged from 172-180 ft.)"

Ore Body C is definitely within the body of syenite, from data in RI 4251.

Extensions of data indicate that the gravity anomaly is also within the syenite body. It is considered probable that if the gravity map were sufficiently detailed, it would show a separate anomaly in the vicinity of Ore Body A instead of an elongation in that direction. The analysis of the magnetic anomaly corroborates the probability of two separate anomalies.

The simplest assumption is that all anomalies are similar in composition and lie in the same country rock, namely, nepheline syenite, although this is not certain.

The gravity anomaly shows the presence of a large concentration of heavy minerals. The specific gravity of the rocks in which the anomaly occurs are as follows:

| | |
|---|---|
| Midway limestone | - 2.4 to 2.6 |
| Paleozoics | - 2.4 to 2.9 |
| Nepheline syenite | - 2.5 to 2.7 |

The specific gravity required to produce the observed anomaly is thought to be on the order of 3.5 to 3.8, a differential of approximately 1. Some iron oxides and titanium minerals are in this range. Mixtures of iron oxides and ferromagnesian minerals could be in this range also. A smaller quantity of hematite could produce the observed anomaly, with a specific gravity of 2.9 to 5.3. The heaviest igneous rock is probably peridotite, with a specific gravity of 2.78 to 3.37. Presumably a peridotite containing a large percentage of magnetite could be heavy enough to fit the required conditions, but in this case we could reasonably expect the magnetite to affect the magnetic picture, and the

magnetic anomaly appears to be caused by magnetite veins surrounding the concentration of heavy minerals.

The most reasonable interpretations that we can make of the existing data are as follows:

(1) The source of the magnetic and gravity anomalies is the final phase of the cooling of the syenite mass. Most of the magnetite was deposited around the periphery of the final chamber. Possibly the mass was subjected to weathering during Cretaceous times and this produced a deposit of hematite in situ. The unexposed magnetite could have remained unaltered.

(2) The source of the anomalies is an ultramafic plug with "filter-pressed" magnetite around the boundary and in nearby fault planes (Ore Bodies A and C). We do not regard this situation to be as probable as No. 1, because of the coincidence of having an intrusion pierce an intrusion, of the difficulty in accounting for an opening available for the injection of the magnetite, and of having ultramafic material heavy enough without appreciable magnetite.

Ore Minerals

We expect to find magnetite and other oxides of iron and columbium and tantalum-bearing titanium minerals such as rutile, ilmenite, perovskite and sphene. If the gravity anomaly is caused by an ultramafic intrusion, other ore minerals which may be found are industrial diamonds, asbestos, chromite, platinum and nickel minerals. Also, bauxite, a mixture, may be found.

Geological Formations

The surface formation on part of the prospect is probably a thin veneer of Quaternary alluvium. The sands, clays and lignites of the Tertiary Wilcox formation extend to a depth of approximately 200 feet. This formation is followed

by 100 feet of Tertiary Midway clay and 100 feet, more or less, of Midway lime. No Cretaceous sediments are known in the immediate area. The prospect should lie beneath the Midway in a country rock of nepheline syenite. A thin mantle of Paleozoics may be present over the deeper portions of the deposit.

Type of Deposit

We expect the magnetite to occur in veins at the contact of the heavy minerals which cause the gravity anomaly with the country rock. The columbium and tantalum values may accompany the magnetite and/or be on the body of the heavy minerals. Bauxite derived from the adjacent syenite may be present in a bedded deposit.

(f) Reasons for Expecting to Find Ore-Magnetite

The studies made and described in Report No. 1 indicate that magnetite is present in commercial concentrations. Magnetic Profiles Nos. 1 through 4 show the similarity and comparability of this prospect to known mines. From these studies we conclude that a large amount of magnetite is present. The calculated depth to the theoretical poles is from 600 to 900 feet. We expect the upper surface of the prospect to coincide with the Syenite Surface.

We have no way of knowing at this time the grade and purity of the magnetite. If it is associated intimately with titanium minerals, it may be economical to do an unusual amount of beneficiation, if the titanium minerals can be separated and carry commercial amounts of columbium and tantalum. It is possible that the magnetite could be mined as direct shipping ore, as titaniferous magnetite is more commonly associated with anorthosites and gabbros, magnetite with syenite.

The location of this prospect is ideal with respect to availability, transportation and other industrial considerations. We consider the erection of a steel-making plant on this site to be entirely feasible, particularly a direct reduction process.

There is an annual market in the United States for approximately one million tons of oil well drilling fluid weighting material. It is possible that finely ground magnetite could secure a portion of this market if it could be produced at this site for less than $12 per short ton. In the event that the magnetite did not meet metal ore grade, this is a potential market.

The announced construction of two Strategic-Udy plants in Texas might supply a market for titaniferous magnetite, as well as metal grade magnetite. The various steel plants in Texas and Alabama are potential markets for metal grade magnetite. There is a possibility that magnetite could be moved to the eastern markets by water, particularly when the Arkansas River becomes navigable, reportedly in the not distant future.

Reasons for Expecting to Find Ore - Hematite

The most reasonable explanation of the gravity anomaly is that it is caused by a residual deposit of hematite, derived from the weathering of ferromagnesian minerals. It is believed that such a deposit could be of the size, depth and configuration to produce the observed anomaly.

Reasons for Expecting to Find Ore - Columbium and Tantalum

The widespread occurrence of columbium in the alkalic rocks of Arkansas is pointed out by Mr. Williams in Report No. 3. In the excerpt from USGS Circular 225 it is stated that columbium is largely concentrated in such titanium minerals as rutile, ilmenite, perovskite and sphene. Titanium minerals have a widespread occurrence in the nearby Magnet Cove complex in considerable quantities, rutile having been mined commercially. Rutile, brookite and perovskite from Magnet Cove contain columbium up to a reported maximum of 5.6% Nb.

Magnetite, titanium minerals and columbium occur in the adjacent syenite as accessory minerals. If the prospect is

the end result of a magmatic segregation of the heavy minerals, it is reasonable to expect a substantial concentration of titanium minerals along with the magnetite, and no doubt the columbium and tantalum would accompany the titanium.

Exploitation of the columbium-bearing minerals should be aided by the presence of commercial magnetite, and vice versa. This location would be an excellent site for a plant to produce columbium and tantalum metals.

Reasons for Expecting to Find Ore - Other Minerals

In Report No. 3, Mr. Williams points out that diamonds and nickel might be found because they are present elsewhere in the same province, although not in commercial concentrations.

If the intrusion is serpentinized in part, and serpentine is present in the area, asbestos is a possibility, although it has not been reported in Arkansas. Talc, which is mined nearby, could also be present.

There is probably some bauxite at the Midway-Wilcox contact, as indicated by Core Hole J4 on the Davenport Estate property.

Apatite may accompany the magnetite as at the Pea Ridge Mine in Missouri.

We could engage in considerable speculation as to the minerals which might occur in this deposit, starting with the theory that it consists of the magmatic segregation from the adjacent nepheline syenite mass of a suite of minerals similar to the unusual minerals of the Magnet Cove complex, concentrated into a relatively small mass. This would be idle, but the fact remains that a careful exploration of this body could result in some extremely interesting and valuable mineral discoveries.

4. Accessibility of Property:

(a) Mr. N. F. Williams, Arkansas State Geologist, will be available to show the area to the OME representative. His address is:

Mr. N. F. Williams, Geologist-Director
Arkansas Geological and Conservation Commission
State Capitol
Little Rock, Arkansas.
Tel. Franklin 5-4646

The property is accessible by roads, as will be noted on the aerial photo and the county maps. An extra copy of the county map is included in the envelope containing Maps Nos. 2, 5 and 7, Section A-A', Set 1, for the convenience of the OME representative.

(b) Benton is the closest shipping and supply point. It is approximately three miles.

5. Exploration Work:

(a) There are three objectives in the proposed exploration program:

First, we must find, sample and measure the magnetite veins. The proposed Exploration Profiles are shown on Map No. 6. We hope to find the veins with a maximum of four probing holes on each profile and core them for a depth of 400 feet in three holes. We expect to move the holes along the lines of the profiles as probing indicates advisable. We propose to drill out Exploration Profiles 1 and 2, shifting to Exploration Profile 3 only if necessary.

Second, we must find, sample and measure the heavy minerals which are the cause of the gravitational anomaly. We propose to drill Heavy Mineral Test 1 in the center of the anomaly, probing to the top of the mineral body and then coring for 400' more or less. Tentative locations for HM 2 and HM 3 are also shown on Map No. 6, although we plan on drilling only HM 1 and HM 2, changing to HM 3 if necessary. If it appears suitable, we might deepen Holes EP1-6, EP2-6 or EP3-7, thereby saving probing costs.

Third, on those leases where we have bauxite rights (which are all except Leases (8), (9) and (10)), we will attempt to core the bauxite horizon in each hole where hard material is encountered.

We will take size NX cores. A detailed analysis of each proposed hole showing depths and costs in included in Part 7(a).

(b) The property is relatively flat and is easily accessible for the drill rigs. We have no plans for road construction, but have included six (6) days of bulldozer work.

(c) If an OME contract is signed, the drilling will commence as soon as the contractor can get a drill crew into the area. The proposed exploration program will require approximately ninety (90) days for completion. Drilling will be done on a 7-day, 2-shift basis.

6. Experience:

Alpha Mineral Company is represented by L. W. Minturn, General Partner, who will have over-all supervision of the project. The field work will be supervised by Mr. Howard G. Schoenike. The respective qualifications of these individuals are as follows:

(a) Mr. Minturn was graduated from the Colorado School of Mines in 1937 as a Geological Engineer. Immediately after graduation, he worked in the oil business as a geologist and in gravity meter exploration. During the War he worked as an Industrial Engineer, mostly for the Aluminum Company of America. After the War he was transferred to the Raw Materials group of Alcoa and worked there with industrial raw materials and oil and gas until 1958 when he entered the consulting field. Since then, he has consulted with Alcoa, directed several exploration programs and has engaged in the development of mineral prospects for his own account.

(b) Mr. Schoenike is an Economic Mining Geologist, forty-three years of age, with a PHB and MS degree in geology from the University of Wisconsin. In 1942, after completion of his undergraduate studies, he joined the United States Navy and served four years as a Naval Aviator. He returned to the University in 1946 for his advanced degree.

Since that time, he has had fifteen (15) years of domestic and international experience in examination, evaluation and

exploration of metallic and non-metallic mineral deposits.

After leaving graduate school, he was first engaged as Geologist for the Butler Brothers Mining Company of St. Paul, Minnesota and worked on iron, gold, copper, lead, manganese, mercury and coal deposits throughout the United States and Canada. In 1948 he joined the Geological Department of the M. A. Hanna Company of Cleveland, Ohio as Exploration Geologist and was active on iron, nickel, gold, fluorite, chromium, tungsten, manganese and uranium deposits both domestically and in Canada. In 1951 he was Geologist-in-Charge of the nickel exploration program at Riddle, Oregon. This project has subsequently developed into a multi-million dollar mining and smelting operation.

In 1952, he joined the Baroid Division of the National Lead Company as Production Geologist. For this organization he did examination, evaluation and exploration throughout the United States, Canada, Mexico, Europe and Africa on barite, bentonite, mica, lignite, tungsten, lead and uranium deposits and mines.

In June, 1957 he became an independent consulting mining geologist. Since that time he has examined and evaluated deposits of barite, mercury, phosphate, quartz, iron, manganese, uranium, thorium, vermiculite, copper, lead, gilsonite, chromium, tripoli, tatanium, fluorite,clay, sand, gravel, kaolin, lignite, zinc, aluminum, placer gold and gypsum.

He has a working knowledge of Spanish and German and basic knowledge of French. He holds a commercial pilot's license for land and sea aircraft and is experienced in photo interpretation.

He is an active member of the American Institute of Mining and Metallurgical Engineers, the Houston Geological Society and the Society of Economic Geologists.

7. Estimate of Costs:

(a) Bids from three drilling contractors and three laboratories were secured. Copies accompany this application. The best bid for drilling was made by the Joy Manufacturing Company, and the best bid for the laboratory work was made by Bruce Williams Laboratories. Their bids were used in the Work and Cost Detail of Proposed Exploration, which tabulation accompanies this application.

The contract with Joy Manufacturing Company would be for the following:

| | |
|---|---|
| 9,070 feet of probing @ $2.50 per foot | $22,675.00 |
| 1,450 feet of coring above 600' @ $4.75 per foot | 6,887.50 |
| 2,190 feet of coring below 600' @ $5.25 per foot | 11,497.50 |
| Reaming, casing, cement | 1,000.00 |
| Moving in and out | 700.00 |
| | $42,760.00 |

The contract with Bruce Williams Laboratories is estimated to be the following:

| | |
|---|---|
| 250 samples @ $21.00 | $ 5,250.00 |

Bulldozer contract is estimated at the following:

| | |
|---|---|
| Six days @ $105.00 per day | $ 630.00 |

(b) Personal Services

The fee schedule submitted by Mr. Schoenike is included.

The estimated compensation for Mr. Schoenike is $6,975.00 for ninety (90) days. Expenses and transportation for Mr. Schoenike are estimated at $1,500.00.

It is estimated that a local laborer to be hired at $10.00 per day for a total of forty-five (45) days will be required for assistance in surveying, core splitting and miscellaneous work. This total would be $450.00.

(c) Operating Material and Supplies

It is estimated that $150.00 will be required for waterproof core boxes and $50.00 for core and sludge bags.

(d) It will be necessary to purchase an Acker Drilling Equipment Company core splitter for $167.50.

(e) There will be no initial rehabilitation and repairs.

(f) There will be no new buildings, fixtures or installations.

(g) Miscellaneous

The budget of $60,000.00 provides $2,067.50 for miscellaneous expenses, such as traveling and living expenses other than those extra assays, tags, postage on samples, extra help, hauling, drilling mud, etc. Any money not required for these items as well as any left-over from other estimates will be put in coring at least one hole deeper.

# WORK AND COST DETAIL OF PROPOSED EXPLORATION

| ITEM | Total Cost | Amt. of Probing | Cost @ 2.50/ ft. | Amt. of Bauxite Coring | Cost @ 4.75/ ft. | Amt. of Coring Above 600' | Cost @ 4.75/ ft. | Amt. of Coring Below 600' | Cost @ 5.25/ ft. |
|---|---|---|---|---|---|---|---|---|---|
| 7(a) Exploration Profile 1 | | | | | | | | | |
| Hole 1 | 3,345. | 480 | 1,200. | 20 | 95. | 100 | 475. | 300 | 1,575. |
| 2 | 3,345. | 480 | 1,200. | 20 | 95. | 100 | 475. | 300 | 1,575. |
| 3 | 3,345. | 480 | 1,200. | 20 | 95. | 100 | 475. | 300 | 1,575. |
| 4 | 1,390. | 480 | 1,200. | 20 | 95. | 20 | 95. | - | - |
| 5 | 1,390. | 480 | 1,200. | 20 | 95. | 20 | 95. | - | - |
| 6 | 1,390. | 480 | 1,200. | 20 | 95. | 20 | 95. | - | - |
| 7 | 1,390. | 480 | 1,200. | 20 | 95. | 20 | 95. | - | - |
| Exploration Profile 2 | | | | | | | | | |
| Hole 1 | 3,300. | 500 | 1,250. | - | - | 100 | 475. | 300 | 1,575. |
| 2 | 3,300. | 500 | 1,250. | - | - | 100 | 475. | 300 | 1,575. |
| 3 | 3,300. | 500 | 1,250. | - | - | 100 | 475. | 300 | 1,575. |
| 4 | 1,390. | 480 | 1,200. | 20 | 95. | 20 | 95. | - | - |
| 5 | 1,345. | 500 | 1,250. | - | - | 20 | 95. | - | - |
| 6 | 1,390. | 480 | 1,200. | 20 | 95. | 20 | 95. | - | - |
| 7 | 1,345. | 500 | 1,250. | - | - | 20 | 95. | - | - |
| Heavy Mineral Tests | | | | | | | | | |
| Hole 1 | 3,105. | 400 | 1,000. | 20 | 95. | 180 | 855. | 220 | 1,155. |
| 2 | 2,955. | 350 | 875. | 20 | 95. | 230 | 1,092.50 | 170 | 892.50 |
| Reaming, Casing, Cement, etc. | 1,000. | | | | | | | | |
| Moving In and Out | 700. | | | | | | | | |
| Contingency Holes (3) | 4,035. | 1,500 | 3,750. | - | - | 60 | 285. | - | - |
| TOTAL JOY MFG. CO. | 42,760. | 9,070 | 22,675. | 220 | 1,045. | 1,230 | 5,842.50 | 2,190 | 11,497.50 |

Assaying-Bruce Williams Labs. 5,250. - 250 samples @ $21.00 - finished?

Bulldozer 630. - 6 days @ $105/day

7(b) Supervision & Report 6,975. - Howard G. Schoenike. 90 days. Fee Schedule Enclosed.

Expenses & Transportation 1,500. - H. G. Schoenike

Helper 450. - 45 days @ $10.00 per day

7(c) Core Boxes 150. - Cardboard

Sludge Bags 50. - 200 @ 25¢

7(d) Core Splitter 167.50 - Acker Drilling Equipment Co.

7(g) Misc. 2,067.50

TOTAL 60,000. - ESTIMATED COST OF PROPOSED EXPLORATION

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Exploration Profile 3 | | | | | | | | | |
| Hole 1 | 2,850. | 350 | 875. | - | - | 250 | 1,187.50 | 150 | 787.50 |
| 2 | 2,850. | 350 | 875. | - | - | 250 | 1,187.50 | 150 | 787.50 |
| 3 | 2,850. | 350 | 875. | - | - | 250 | 1,187.50 | 150 | 787.50 |
| 4 | 970. | 350 | 875. | - | - | 20 | 95. | - | - |
| 5 | 970. | 350 | 875. | - | - | 20 | 95. | - | - |
| 6 | 970. | 350 | 875. | - | - | 20 | 95. | - | - |
| 7 | 970. | 350 | 875. | - | - | 20 | 95. | - | - |
| | 12,430. | 2,450 | 6,125. | - | - | 830 | 3,942.50 | 450 | 2,362.50 |

April 10, 1962

Mr. A. G. Gueymard
First City National Bank
Houston, Texas

Dear Mr. Gueymard:

We have previously discussed with you the need of Alpha Mineral Company for additional funds for the purpose of conducting exploration for minerals in the State of Arkansas.

Alpha Mineral Company is a limited partnership organized under the laws of the State of Arkansas and is the owner of a block of leases covering lands in, and in the area of, Section 30, Township 2 South, Range 14 West in Saline County, Arkansas. We have certain geological and other data which in our opinion indicates that this lease block covers an excellent prospect for the discovery and production of magnetite (iron ore) and may well contain columbium, tantalum and other minerals common to an ultra-basic intrusion.

We have funds to the extent of $30,000.00 available for core drilling and other work to evaluate the prospect, but additional funds in the amount of $30,000.00 will be required to accomplish properly the work which we need to do. This letter therefore confirms our request for a loan in the amount of $30,000.00 to be secured by all of our leasehold interests covering this prospect.

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

Any additional information which you may require will be furnished upon request.

ALPHA MINERAL COMPANY

By _____
L. W. Winturn,
General Partner

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

# FIRST CITY NATIONAL BANK
OF HOUSTON

HOUSTON, TEXAS
April 12, 1962

A. G. GUEYMARD
VICE PRESIDENT

Mr. L. W. Minturn, General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Dear Mr. Minturn:

You have again requested our consideration of a loan in the amount of $30,000.00 to Alpha Mineral Company, which loan would be secured by a block of prospective mining leases in Saline County, Arkansas. You further advised that the proceeds of the loan would be used to further evaluate the mining prospects by obtaining results of additional core drilling.

We are sorry to advise that we can not meet your request, because the collateral offered does not meet our lending standard. We do not make loans on minerals in any form, unless the same can be properly evaluated and have reached the stage of actual production.

Thank you for considering us in this matter.

Yours very truly,

A. G. Gueymard
Vice President

AGG/es

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

April 10, 1962

Mr. Albert M. Ball, Vice President
Bank of the Southwest National
Association, Houston
Houston, Texas

Dear Mr. Ball:

We have previously discussed with you the need of Alpha Mineral Company for additional funds for the purpose of conducting exploration for minerals in the State of Arkansas.

Alpha Mineral Company is a limited partnership organized under the laws of the State of Arkansas and is the owner of a block of leases covering lands in, and in the area of, Section 30, Township 2 South, Range 14 West in Saline County, Arkansas. We have certain geological and other data which in our opinion indicates that this lease block covers an excellent prospect for the discovery and production of magnetite (iron ore) and may well contain columbium, tantalum and other minerals common to an ultra-basic intrusion.

We have funds to the extent of $30,000.00 available for core drilling and other work to evaluate the prospect, but additional funds in the amount of $30,000.00 will be required to accomplish properly the work which we need to do. This letter therefore confirms our request for a loan in the amount of $30,000.00 to be secured by all of our leasehold interests covering this prospect.

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

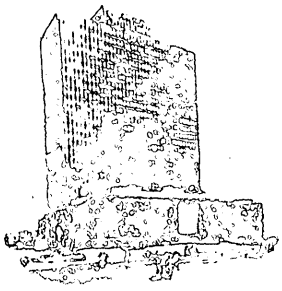
Any additional information which you may require will be furnished upon request.

ALPHA MINERAL COMPANY

By _____
L. W. Minturn,
General Partner



ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS



# BANK OF THE SOUTHWEST

NATIONAL ASSOCIATION HOUSTON

HOUSTON, TEXAS

ALBERT M. BALL
VICE PRESIDENT

April 11, 1962

Mr. L. W. Minturn, General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Dear Mr. Minturn:

This acknowledges your letter dated April 10, 1962, in which you apply for a loan of $30,000 for Alpha Mineral Company. The purpose of the loan is to cover part of the expense in drilling for magnetite on a lease block in Saline County, Arkansas.

Our Loan Committee has reviewed your application and it was not approved. We do not look with favor on loans based on undeveloped property. In fact, banking regulations do not permit it.

It is suggested that you check with us in the future when you think we may be of assistance.

Yours very truly,

A. M. Ball

Vice President

AMB b

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

# INTERNATIONAL PAPER COMPANY

MOBILE 9, ALABAMA

November 29, 1961

SOUTHERN KRAFT DIVISION

DIVISION OFFICE

Re: Ark. O & G 63-6

Mr. L. W. Minturn
753 West Creekside Drive
Houston 24, Texas

Dear Mr. Minturn:

This is to advise that we do not care to execute the Lien and Subordination which you left with me, covering your magnetite operation in Saline County, Arkansas.

I returned to your attorneys today the amendment to the lease which corrects the description.

Very truly yours,

Jim

James W. Williams, Jr.,
Minerals Manager
Woodlands Department

JWWjr/rfm
Atts.

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

FRANK RYBA
OIL AND GAS LEASES
P. O. BOX 6401
HOUSTON 6, TEXAS

JACKSON 2-2426
DAY OR NIGHT

Little Rock, Arkansas
November 25, 1962.

Mr. L. W. Minturn,
753 West Creekside Drive,
Houston, 24, Texas.

Dear Sir:

In connection with oil, gas and mineral lease dated April 17, 1961, to you, covering 5 acres, more or less, out of the E½ of NE¼ of SW¼ of Section 30, Township 2 South Range 14 West, Saline County, Arkansas, we do not wish to execute the Government Form Lien and Subordination agreement.

Yours very truly,

Boyd E Allinson

Boyd Allinson

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

FRANK RYBA
OIL AND GAS LEASES
P. O. BOX 6401
HOUSTON 6, TEXAS

JACKSON 2-2426
DAY OR NIGHT

Benton, Arkansas
November 25, 1961.

Mr. L. W. Minturn,
753 West Creekside Drive,
Houston, Texas.

Dear Sir:

In connection with the oil, gas and mineral lease covering 20 acres in Section 29, Township 2 South, Range 14 West, Saline County, Arkansas, to you and dated April 22, 1961, we do not wish to sign the Government Form Lien and Subordination agreement.

Yours very truly,

W. G. Tudor

W. G. Tudor, For the Tudor Estate.

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

# INTERNATIONAL PAPER COMPANY

MOBILE 9, ALABAMA

November 29, 1961

SOUTHERN KRAFT DIVISION

DIVISION OFFICE

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753 West Creekside Drive
Houston 24, Texas

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Very truly yours,

Jim

James W. Williams, Jr.,
Minerals Manager
Woodlands Department

JWWjr/rfm
Atts.

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

FRANK RYBA
OIL AND GAS LEASES
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DAY OR NIGHT

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November 25, 1962.

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753 West Creekside Drive,
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Boyd E Allinson

Boyd Allinson

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

FRANK RYBA
OIL AND GAS LEASES
P. O. BOX 6401
HOUSTON 6, TEXAS

JACKSON 2-2426
DAY OR NIGHT

Benton, Arkansas
November 25, 1961.

Mr. L. W. Minturn,
753 West Creekside Drive,
Houston, Texas.

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Yours very truly,

W. G. Tudor

W. G. Tudor, For the Tudor Estate.

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

**Geophysical Associates International**
Gravity Meter Exploration Company
Cable Geonal
Phone MO 7-3344
P. O. Box 22007
Houston 27, Texas

9 March 1961

REPORT 2

Mr. L. W. Minturn
753 West Creekside Drive
Houston 24, Texas

Aeromagnetic Interpretation
Benton Area, Arkansas

The examination of the magnetic profiles of lines 14 and 19 was performed by two interpreters working independently. In view of the very limited time spent, the number of profiles available, and the flight line orientation, the individual computations proved to be in excellent agreement.

Depth estimates to the top of the magnetic material, computed from the flight level, are posted on the observed magnetic map. Their location represents the edge of the body creating the magnetic anomaly.

The shallowest estimate, 390 ft below flight level, is located near fiducial 408, line 19. Your attention is called to the possibility of drilling this feature, because of its probable shallow depth, in order to ascertain the general rock type causing the larger magnetic anomaly.

GRAVITY METER EXPLORATION COMPANY

R. H. Hammons

R. H. Hammons

RHH/jg

RETURN TO
ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

REPORT I

# GEOPHYSICAL INTERPRETATION OF THE BENTON AREA ANOMALY

The airborne magnetometer contour map reveals three discrete anomalies in this area. The largest and most intense of these is a circular feature about 6000 feet in diameter, having an anomalous amplitude of about 4000 $\gamma$. This anomaly is accompanied by a salient on its north flank, about 3000 feet long, which in itself has an amplitude of about 3000 $\gamma$.

West and east of the peak of the main anomaly are two smaller ones. The peak of the western anomaly is about 6000 feet away from that of the main one, and it has an amplitude of about 1350 $\gamma$. Its' shape is elliptical, with an east-west length of about 4000 feet and a north-south width of about 3000 feet.

The eastern anomaly is circular in shape, with a diameter of about 2500 feet. Its' peak is 5000 feet east of the peak of the main anomaly. The eastern anomaly has an amplitude of about 1800 $\gamma$.

All three (or four, if the northern salient of the main feature is considered a separate entity) are abrupt and well defined. The arrangement of the anomalous pattern has a striking symmetry around a north-south axis through the main anomaly, but whether this has any significance or not is not known.

A broad negative complementary anomaly is present in the northern part of the sheet. This feature is well defined north of the main anomaly and its northern salient; elsewhere it is a broad, poorly defined negative zone.

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Because of their idealized shape, the main, eastern, and western anomalies are amenable to the relatively rigorous method of depth estimation presented in G.S.A. Memoir 47, by Vacquier, Steenland, Henderson and Zeitz. The northern anomaly is not of idealized shape, and a simple gradient width must be used as a depth to the upper surface of the causative body.

The relationship employed here for calculating susceptibility contrast is:

$$\Delta k = \frac{\Delta T}{T\,(2 \sin \varphi)(2\phi)}$$

where:

$\Delta k$ = susceptibility contrast, in c g s units

$\Delta T$ = anomalous total magnetic intensity

$T$ = regional total magnetic intensity (55000 gamma)

$\varphi$ = angle subtended from a point of observation over the center of the postulated causative body to its eastern (or western) edge.

$\phi$ = angle subtended from a point of observation over the center of the postulated body to its norther (or southern) edge.

The body causing the main anomaly is judged to be about 2500 feet long, east-west, and about 400 feet wide, north-south. Its upper surface is about 600 feet deep. Substituting into the equation,

$$\Delta k = \frac{4000}{55000\,(.45)(1.62)}$$

Assuming the susceptibility of magnetite to be 0.3, the percentage of magnetite by volume is;

$\frac{0.1 \times 100}{0.3}$ = 33%, corresponding to 48% by weight.

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Assuming that the minable depth of the body is equal to its width, its volume is 400,000,000 cubic feet and it contains about 40,000,000 tons of ore. (The rule of thumb invoked is that ten cubic feet of rock normally yield about a ton of ore, if the grade is reasonable high.)

The body causing the northern anomaly is estimated to be about 2500 feet long and 200 feet wide, with its upper surface about 500 feet subsurface. The susceptibility contrast is;

$$\Delta k = \frac{3000}{55000\ (.38)\ (1.86)}$$

$$\Delta k = .064$$

The percentage of magnetite by volume, in excess of the country rock, is;

$$\frac{.064 \times 100}{.3} = 21\%,$$

corresponding to 36% by weight.

Assuming that is minable thickness is equal to its width, the body has a volume of about 100,000,000 cubic feet and contains about 10,000,000 tons of ore.

The western anomaly is caused by a body whose depth is estimated to be about 900 feet below the surface. Its most likely dimensions are about 1600 feet long (east-west) and 300 feet wide. Substituting into the susceptibility equation;

$$\Delta k = \frac{1350}{5500\ (.27)\ (1.11)} = .061 \text{ c g s units}$$

The percentage of magnetite is,

$$\frac{.061 \times 100}{.3} = 20\%$$ magnetite by volume, corresponding to 34% by weight.

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Again assuming the ore body to have a minable thickness equal to its width, it has a volume of 144,000,000 cubic feet and about 14,000,000 tons of ore.

The eastern anomaly is caused by a body at a depth of about 400 feet subsurface. Its probable dimensions are about 1200 feet long, east-west, and 300 feet wide. The susceptibility contrast of the body is;

$$\Delta k = \frac{1800}{55000\ (.385)\ (1.31)} = .065 \text{ c g s units}$$

The proportion of magnetite is;

$$\frac{.065 \times 100}{.3} = 22\% \text{ magnetite by volume, corresponding to } 37\% \text{ by weight.}$$

The body has a volume of about 108,000,000 cubic feet (if it has a thickness of 300 feet) and contains about 11,000,000 tons of ore.

In summary, all four features should be acquired. The main anomaly is extremely promising, and should be explored by drilling as soon as possible upon acquisition of the land. The other three appear to be marginal at this stage, and I recommend that drilling these be deferred until the main anomaly has been explored.

September 25, 1960
Philadelphia, Pa.

Kalman N. Isaacs
Kalman N. Isaacs,
Geologist-Geophysicist

RETURN TO
ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

REPORT 9

Arkansas GEOLOGICAL & CONSERVATION COMMISSION

NORMAN F. WILLIAMS
GEOLOGIST-DIRECTOR

STATE CAPITOL · LITTLE ROCK, ARKANSAS

May 29, 1961

Mr. Louis W
753 Creeksi e Drive
Houston, Texas

Dear Mr. Minturn:

This is in reply to your inquiry as to the probability of the occurrence of commercial deposits of columbium in association with igneous intrusive bodies in Central Arkansas. Based on the information developed to date it would seem that these intrusives might well be considered the best area in the United States to prospect for columbium.

Quoting from U. S. Geological Survey Bulletin 1015-B (1954): "The igneous rocks are unusually rich in sodium and titanium; they are part of an alkalic igneous province extending from the syenites in the vicinity of Little Rock and Bauxite, Arkansas to Magnet Cove and Potash Sulphur Springs. The diamond-bearing peridotites and associated rocks of Pike County, Arkansas, which are relatively rich in titanium, are part of this province."

U. S. Geological Survey Circular 225 (1952) states that the average columbium content of nepheline syenites is more than 10 times that of any other rock type. Two tables in this circular show the average columbium content to be .031% for all nepheline syenites, with Pulaski and Saline County, Arkansas nepheline syenites containing up to .035%. Copies of these two tables are attached.

Locality 5 on Table 1 is Potash Sulphur Springs. Three of the six samples reported from this locality are described as "altered alkalic rocks" with columbium contents of 1.6% to 3.0%. Of the 19 world-wide localities cited in this table the next highest columbium content shown is only 0.34%.

It would be possible to extract several more pages of pertinent statements to document the conclusion reached in the first paragraph. The picture seems quite clear. Unusually high concentrations of columbium and potentially commercial deposits are now known to be associated with the central Arkansas igneous province. No extensive prospecting has yet been done. What better place could be found for a systematic economic exploration for columbium?

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The diamond bearing peridotite which form a part of this same igneous province are an ever present possibility and might well be encountered in the exploration of this region. Peridotite breccias of the type which yield diamonds in Pike County have recently been encountered in Saline County, Arkansas. Saline County also has two localities where nickel has been recognized. The earliest was the Rabbit Foot Mine which is north of the town of Benton, and the latest which is reported in the January-February, 1961 issue of Economic Geology, is an association with talc carbonate rocks bordering talc deposits where samples containing as much as 15% nickel are reported, as you see in the attached separate. The exact origin of implacement and formation of the talc is not known but the high magnesia content in these deposits, which are being worked commercially, as well as the high magnesia content of some of the ultrabasic rock in the province also add the possibility that commercial magnesite deposits might be encountered.

Yours very truly,

Norman F. Williams

NFW/mlc

RETURN TO

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

completion. The standards were made by successive dilutions to contain 1.00, 0.464, 0.215, 0.100, 0.0464, 0.0215 ..... 0.00100 percent Nb and Ta. No internal standard was used. The quartz-feldspar-iron oxide matrix will hereafter be referred to as the pegmatite base.

All rocks and minerals were first crushed, quartered, and ground in agate mortars to pass 150-mesh silk bolting cloth. Bauxites and clays were then ignited at 900° C and the loss in weight noted so that the final percentage of Nb could be calculated to the original, unignited state.

In order to analyze materials of greatly different chemical composition by means of the pegmatite-base standards, the samples were further treated in such a way as to make their composition more nearly that of the standards. Igneous rocks were mixed with one-half their weight of pure quartz. All other materials were mixed with an equal weight of a powder composed of 95 percent quartz and 5 percent $Na_2CO_3$.

The prepared samples were then analyzed by arcing to completion duplicate 25-mg portions. All samples showing 0.05 percent or more of Nb were next diluted with sufficient pegmatite base so that their reanalysis would be done at a concentration level of about 0.015 percent Nb. This practice resulted in greater accuracy for samples high in Nb because these (in the diluted state) closely approached the comparison standards in composition. As a test of the reproducibility of the method, a number of samples were analyzed in duplicate on several plates on different days. Considering the mean of the duplicate on each plate as a determination, the results were within ± 10 percent of the average of all determinations.

To date, only a few samples have been analyzed chemically, and we are indebted to J. I. Dinnin and M. K. Carron, of the Geological Survey, for the chemical results tabulated below.

| | Percent Nb | |
|---|---|---|
| | Spectrographic | Chemical |
| Bauxite---------- | 0.053 | 0.05 |
| Bauxite---------- | .050 | .03 |
| Brookite---------- | 2.4 | 2.7 |
| Wolframite-------- | 1.3 | 1.2 |
| Lepidolite--------- | 1.1 | 1.2 |

## EXPERIMENTAL RESULTS

### Niobium in igneous rocks

The average content of niobium in various types of igneous rocks was determined by Rankama (1948) by the analysis of 78 samples with the following results:

| | Percent Nb (average) |
|---|---|
| Anorthosites and dunites---------- | 0.00003 |
| Diorites---------- | .0004 |
| Eclogites---------- | .0004 |
| Basic alkalic rocks---------- | .0014 |
| Ultrabasic rocks---------- | .0016 |
| Gabbros---------- | .0019 |
| Granites---------- | .0021 |
| Syenites---------- | .0035 |
| Nepheline syenites---------- | .031 |

Our studies have confirmed the relatively high niobium content of nepheline syenites and related rocks and have shown that high niobium content is particularly characteristic of those alkalic rocks with which are associated the remarkable masses of crystalline $CaCO_3$ generally referred to as "carbonatites." As further study of these rocks, particularly of the mode of occurrence of the niobium in them, is under way, we shall reserve detailed discussion and merely present the data available on all rocks that have been reported to contain as much as 0.01 percent Nb. These data are assembled in table 1. Nearly all the 52 rocks listed are nepheline syenites or related rocks, with only a few rocks of granitic composition and a few mafic rocks that are associated with alkalic rocks. No quantitative data are yet available on the distribution of niobium among the minerals of these rocks, although it is known that the niobium is largely concentrated in such titanium minerals as rutile, ilmenite, perovskite, and sphene. Analyses of these minerals separated from the above-mentioned or from similar rocks are listed in table 8 and are discussed below under the heading "Niobium content of titanium minerals." Part of the niobium in some of these rocks is present in zirconium minerals such as zircon, eudialyte, and catapleiite, and part is in some rocks as the niobium minerals pyrochlore (alkalic rocks) and columbite or microlite (granitic rocks).

### Niobium in bauxites

We have extended the work of Gordon and Murata (1952), whose analyses of 14 bauxites and bauxitic clays from Arkansas showed a minimum content of 0.02 percent Nb, a maximum content of 0.1 percent Nb, and an average content of 0.05 percent Nb. Table 2 lists these analyses and those of 32 additional samples which confirm the earlier results. Further work is in progress to determine how the niobium content varies in different parts and types of bauxite deposits in Arkansas and to determine the distribution of niobium among the minerals of the bauxite.

Analyses have also been made by the Geological Survey of many samples of bauxite derived from rocks other than alkalic rocks, including material derived from basaltic rocks, gneisses, and limestones. These samples have much lower contents of niobium; none was found that contained as much as 0.01 percent Nb. The samples include 5 lateritic bauxites from Oregon, collected by J. W. Hosterman; 28 high-alumina clays from Idaho and Washington, collected by I. G. Sohn and J. W. Hosterman; 3 bauxites from Surinam, Dutch Guiana, kindly furnished by Aluminum Co. of America and American Cyanamid Co.; and 1 bauxite from Berbice, British Guiana, kindly furnished by American Cyanamid Co. Rankama (1948) reports 0.004 percent Nb in bauxites from Melegesbanya, near Gant, Hungary, and from Rock Run, Ala. It is of interest to note (table 3) that samples of red mud from treatment of Surinam and Jamaica bauxites both contained 0.02 percent Nb, which suggests that these bauxites contain some thousandths of a percent of Nb.

We hope to analyze bauxites which are from localities, other than Arkansas, where the bauxite



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Table 1.--Niobium content of rocks reported to contain 0.01 percent or more Nb

| | Locality | Number of samples | Percent Nb | Type of rock | Collector | Analyst |
|---|---|---|---|---|---|---|
| 1 | Arkansas: Pulaski and Saline Counties. | 9 | 0.016-0.035 | Nepheline syenite----- | M. Gordon, R. P. Bryson. | K. J. Murata, H. J. Rose, Jr. |
| 2 | Arkansas, Saline County------ | 1 | .04 | Tinguaite dike------- | W. T. Holser---- | K. J. Murata. |
| 3 | Arkansas, Magnet Cove------- | 5 | .02-.06 | Alkalic rocks-------- | W. T. Pecora---- | K. J. Murata, H. J. Rose, Jr. |
| 4 | Arkansas, Potash Sulfur Springs. | 6 | .05, .15, .27 | ----do---------- | W. T. Pecora, E. Ingerson. | J. D. Fletcher, K. J. Murata. |
| | | | 1.6, 2.7, 3.0 | Altered alkalic rocks- | | |
| 5 | Colorado, Iron Hill-------- | 11 | .0X | Alkalic rocks-------- | V. R. Wilmarth--- | J. D. Fletcher. |
| 6 | Idaho, Lemhi County-------- | 2 | .01, .03 | Granite pegmatite----- | W. A. Roberts--- | H. J. Rose, Jr. |
| 7 | New Hampshire, Bartlett------ | 1 | .02 | Granite---------- | W. T. Holser---- | K. J. Murata. |
| 8 | New Jersey, Beemerville----- | 1 | .01 | Nepheline syenite----- | ------do---------- | Do. |
| 9 | New Mexico, Wind Mountains--- | 1 | .02 | ----do---------- | ------do---------- | Do. |
| 10 | ----do---------- | 1 | .34 | Eudialyte syenite------ | ------do---------- | Do. |
| 11 | New Mexico, Black Mountains-- | 1 | .03 | Nepheline syenite----- | ------do---------- | Do. |
| 12 | New Mexico, Jemez Mountains-- | 2 | .01 | Rhyolites---------- | C. S. Ross------ | Do. |
| 13 | Texas, Sierra Diablo-------- | 4 | .05-.2 | Alkalic rocks-------- | A. Slaughter---- | J. C. Rabbitt. |
| 14 | Greenland, Julienahaab dist.- | 2 | a.32, .21 | Nepheline syenite----- | ---------- | Ussing (1912). |
| 15 | Sweden, Gellaberg, Skåne----- | 1 | .017 | Feldspar basalt------- | ---------- | Rankama (1948). |
| 16 | Germany, Hammer---------- | 1 | .02 | Phonolite---------- | ---------- | Do. |
| 17 | Portugal, Serrade Monchique-- | 1 | .04 | Nepheline syenite----- | ---------- | Rankama (1948). |
| 18 | U.S.S.R., Mariupol dist.----- | 7 | .02-.08 | ----do---------- | ---------- | Morozewicz (1930). |
| 19 | U.S.S.R., Kola Peninsula----- | 1 | .11 | Titanomagnetite olivinite. | ---------- | Rankama (1948). |

[a]The accuracy of these old chemical analyses is questionable.



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Table 4.--Analyses of titanium- and iron-rich concentrates from black sands from the Hurricane Creek plant, Reynolds Metal Co.

| | Ti Concentrate[1] | | Fe Concentrate[2] | | Ti Concentrate[1] | | Fe Concentrate[2] |
|---|---|---|---|---|---|---|---|
| | (a) | (b) | (a) | | (a) | (b) | (a) |
| $TiO_2$---------- | 41.2 | 39.9 | 8.0 | CaO---------- | 0.6 | --- | 0.5 |
| Fe---------- | 20.1 | 19.9 | 46.5 | Ignition loss- | 2.2 | --- | 12.2 |
| Mn---------- | 8.9 | --- | --- | | | | |
| $Al_2O_3$--------- | 9.4 | --- | 8.9 | Percent Nb---- | [3]0.67 | --- | [3]0.032 |
| $SiO_2$---------- | 2.6 | --- | 1.4 | | | | |

a. After Calhoun (1950). Analysis by U. S. Bureau of Mines.
b. Leonard Shapiro, U. S. Geol. Survey, analyst.
[1]This concentrate was 3.4 percent by weight of the black sand.
[2]This concentrate was 4.5 percent by weight of the black sand.
[3]H. J. Rose, Jr. and Janet D. Fletcher, U. S. Geol. Survey, analysts.

a black sand kindly furnished by Mr. Laurence Litchfield of Alcoa Mining Co. This was produced from an experimental Wilfley-table installation later discontinued (letter from Laurence Litchfield to M. Fleischer, January 21, 1952). Analyses on the fractions, given in table 7, show that the material is similar to the titanium-rich concentrate from the Hurricane Creek plant (table 5) except that it contains much siderite and little magnetite.

## Niobium in titanium minerals

Although the geochemical association of niobium with titanium has long been recognized and many analyses of titanium minerals in the literature show appreciable niobium contents, little attention has been paid to the variation of niobium content with the type of rock in which the titanium minerals occur. Determinations of the niobium content of the common titanium minerals are assembled in table 8, omitting only the rarer silicates. Data on the latter are given by Fleischer and Harder (1945) and by Rankama (1948).

Many more analyses are needed on material of known paragenesis, but a few generalizations can be made from the data in table 8. It seems clear that minerals from alkalic rocks and from granitic pegmatites are highest in niobium and that those associated with anorthosites and gabbros are lowest. This is shown best by the data for ilmenite. The largest masses of titanium-rich rocks, such as the huge ilmenite-magnetite deposits associated with the anorthosite-gabbro of the Adirondacks and Quebec, are very low in niobium content; the ilmenite from the beach sands of Florida and India, presumably derived from crystalline rocks, have Nb contents ranging from 0.04 to 0.40 percent; and ilmenite from alkalic rocks is highest (up to 0.9 percent).

The few data available in table 8 indicate that when rutile and ilmenite occur together, rutile generally has the higher niobium content. Of the 35 rutile samples listed in table 8, 12 have Nb contents more than 1 percent. Most rutile, however, will probably be found to contain 0.05 to 0.3 percent Nb, with samples of higher Nb content found in granitic pegmatites and alkalic rocks.

The 20 perovskite analyses listed in table 8 include 13 or 14 from alkalic rocks. Those highest in niobium occur in carbonatites associated with alkalic rocks.

## POSSIBILITY OF RECOVERY OF NIOBIUM FROM ARKANSAS BAUXITE AND FROM TITANIUM MINERALS

The data reported as the result of this work suggest the possibility that niobium may be obtained from three sources not now utilized:

1. As a byproduct from Arkansas bauxite.
2. From titanium minerals used in the manufacture of titanium metal.
3. From titanium minerals from alkalic rocks such as the carbonatites.

Table 5.--Analyses of fractions of titanium-rich concentrate referred to in table 4

[Separations by Jewell J. Glass]

| | Percent of total | Percent Nb[a] | Percent $TiO_2$[b] |
|---|---|---|---|
| Original titanium-rich concentrate-- | 100 | 0.67 | 39.9 |
| Fractions: | | | |
| Magnetite---------- | 12.4 | .026 | 1.3 |
| Calcite and quartz---------- | 10.5 | (c) | --- |
| Ilmenite plus limonite---------- | 73.3 | .79-.86 | 46-50 |
| Mainly zircon, with some rutile, sphene, ilmenite. | 3.8 | .87 | 36 |
| | 100.0 | --- | --- |

[a]Spectrographic analyses by Janet D. Fletcher.
[b]Chemical analyses by Leonard Shapiro.
[c]Not determined.



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Table 8.--Niobium content of titanium minerals

| No. | Percent Nb | Locality | Type of occurrence | Analyst |
|---|---|---|---|---|
| | | Rutile (including the variety ilmenorutile) ($TiO_2$) | | |
| 1 | 0.004 | Italy, Trentino, Pfitschthal | ------ | Rankama (1948). |
| 2 | .01 | Norway, Søndeled | ------ | Hevesy and others (1929). |
| 3 | .013 | Arkansas, Magnet Cove | Nepheline syenite | Do. |
| 4 | .015 | Finland, Tipasjarri | ------ | Rankama (1948). |
| 5 | .02 | Norway, Kragerø | Gabbro | Hevesy and others (1929). |
| 6 | .04 | Virginia, Roseland | Anorthosite | H. J. Rose, Jr. |
| 7 | .04 | U. S. S. R., Sugamak | ------ | Rankama (1948). |
| 8 | .043 | Norway, Bamle | Gabbro | Do. |
| 9 | .05 | Vermont, Hartford | ------ | Hevesy and others (1929). |
| 10 | .068 | Australia, Blumberg | ------ | Rankama (1948). |
| 11 | .07 | Norway, Bamle | Gabbro | Do. |
| 12 | .084 | U. S. S. R., Kasoi Brod | ------ | Do. |
| 13 | .13 | Finland, Liperinsalo | ------ | Do. |
| 14 | .15 | Switzerland, Kriegalp | ------ | Hevesy and others (1929). |
| 15 | .18 | Norway, Risør | Gabbro | Rankama (1948). |
| 16 | .18 | Florida | Beach sand | J. D. Fletcher. |
| 17 | .19 | Norway, Kragerø | Gabbro | Rankama (1948). |
| 18 | .20 | Italy, Pfitschthal | ------ | Hevesy and others (1929). |
| 19 | .20 | Florida | Beach sand | J. D. Fletcher. |
| 20 | .21 | Australia | do | Do. |
| 21 | .23 | Brazil | Alluvial | Do. |
| 22 | .26 | Florida | Beach sand | Do. |
| 23 | .28 | Idaho, Clearwater | Placer | Do. |
| 24 | 1.3 | Arkansas, Magnet Cove | Carbonate veins in nepheline syenite | Do. |
| 25 | 2.0 | Texas, Marfa | Tertiary silicified tuffs | Do. |
| 26 | 4.3 | South Dakota, Keystone | Granite pegmatite | Hess and Wells (1911). |
| 27 | 4.8 | Malaya, Kuala Kangsur dist. | Placer | Crook and Johnstone (1912). |
| 28 | 6.0 | W. Australia, Globe Hill | Granite pegmatite | Edwards (1940). |
| 29 | 12.5 | U. S. S. R., Ilmen Mountains | Alkalic rock | Chernik (1921). |
| 30 | 15.2 | do | do | Prior and Zambonini (1908). |
| 31 | 16.3 | Italy, Craveggia | Granite pegmatite | Do. |
| 32 | 19.5 | Brazil, Espirito Santo, Colatina | ------ | Tavora and Scorza (1948). |
| 33 | 20.9 | British Guiana | Placer | Smith (1946). |
| 34 | 22.5 | Norway, Ireland | Granite pegmatite | Prior and Zambonini (1908). |
| 35 | 23.3 | W. Australia, Melville | do | Edwards (1940). |
| | | Brookite ($TiO_2$) | | |
| 36 | 0.01 | Switzerland, Riederstobel | Alpine cleft | Hevesy and others (1929). |
| 37 | .023 | U. S. S. R., Urals | Placer | Rankama (1948). |
| 38 | .38 | Arkansas, Magnet Cove | Nepheline syenite | Do. |
| 39 | 2.4 | do | Altered novaculite | K.J.Murata and E. L. Hufschmidt. |



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Table 8.--Niobium content of titanium minerals--Continued

| No. | Percent Nb | Locality | Type of occurrence | Analyst |
|---|---|---|---|---|
| | | **Anatase ($TiO_2$)** | | |
| 40 | 0.032 | Switzerland, Binnenthal | Alpine cleft | Rankama (1948). |
| 41 | .047 | do | do | Do. |
| 42 | 1.8 | California, Cady Mountain | Granite pegmatite | K. J. Murata. |
| | | **Perovskite ($CaTiO_3$) (including the niobian variety dysanalyte and the cerian variety loparite** | | |
| 43 | 0.006 | U. S. S. R., Urals, Achmatovsk | | Rankama (1948). |
| 44 | .01 | do | | Hevesy and others (1929). |
| 45 | .47 | U. S. S. R., Kola Peninsula | Nepheline syenite | Rankama (1948). |
| 46 | 3.1 | Arkansas, Magnet Cove | do | Mar (1890). |
| 47 | 3.3 | do | do | Rankama (1948). |
| 48 | 3.4 | Germany, Kaiserstuhl | Carbonatite | Houser (1908). |
| 49 | 5.1 | Arkansas, Magnet Cove | do | H. J. Rose, Jr. |
| 50 | 5.6 | do | do | K. J. Murata. |
| 51 | 5.6-6.8 | U. S. S. R., Kola Peninsula (5 samples) | Nepheline syenite | Bykova (1941). |
| 52 | 11.3 | Germany, Kaiserstuhl | Carbonatite | Meigen and Hugel (1913). |
| 53 | 15.6 | Ceylon, Prov. Uva | Limestone in placer | Chernik (1914). |
| 54 | 18.2 | Germany, Kaiserstuhl | Carbonatite | Meigen and Hugel (1913). |
| | | **Ilmenite-magnetite ores** | | |
| 55 | 0.0002 | Finland, Attu Parainen | | Rankama (1948). |
| 56 | .006 | Finland, Otamaki | Amphibolite | Do. |
| 57 | .01 | New York, Lake Sanford (9 samples) | Anorthosite-gabbro | E. L. Hufschmidt. |
| 58 | .01 | Quebec, Allark Lake (2 samples) | do | Do. |
| 59 | .01 | Costa Rica | | Do. |
| 60 | .018 | Norway, Hitterö | Granite pegmatite | Rankama (1948). |
| 61 | .039 | U. S. S. R., Ilmen Mountains | Alkalic rocks | Do. |
| 62 | .18 | U. S. S. R., Vuorikylä | | Do. |
| | | **Ilmenite ($FeTiO_3$)** | | |
| 63 | 0.00002 | Norway, Egersund | Anorthosite | Hevesy and others (1929). |
| 64 | .0002 | South Africa | Gabbro? | Do. |
| 65 | .0003 | U. S. S. R., Urals, Miask | Granite pegmatite? | Do. |
| 66 | .001 | India | Placer | Do. |
| 67 | .005 | Norway, Blaafjeld | Anorthosite | Rankama (1948). |
| 68 | .01 | New York, Adirondacks (4 samples) | Anorthosite-gabbro | J. D. Fletcher. |
| 69 | .01 | Quebec, Baie St. Paul (5 samples) | do | Do. |
| 70 | .01 | North Carolina, Lenoir | Metamorphosed basic rocks | Do. |
| 71 | .01 | Virginia, Piney River | Anorthosite | Do |
| 72 | .01 | Virginia, Roseland | | Do |
| 73 | .01 | Norway (3 samples) | Anorthosite? | Do. |



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| | | | | |
|---|---|---|---|---|
| 74 | .01 | Norway | Placer | Hevesy and others (1929). |
| 75 | .039 | Florida | Beach sands | J. D. Fletcher. |
| 76 | .040 | do | do | Do. |
| 77 | .05 | Australia | do | Do. |
| 78 | .065 | Florida | do | Do. |
| 79 | .07 | do | do | Do. |
| 80 | .085 | do | do | Do. |
| 81 | .09 | Florida | do | Do. |
| 82 | .090 | India, Quilon | do | Do. |
| 83 | .095 | do | do | Do. |
| 84 | .10 | Florida | do | Do. |
| 85 | .12 | do | do | Do. |
| 86 | .14 | India, Quilon | do | Do. |
| 87 | .18 | U. S. S. R., Azov region | Beach sands, derived from granite pegmatite. | Yurk and Bresser (1943). |
| 88 | .20 | Florida | Beach sand | J. D. Fletcher. |
| 89 | .28 | California, Tulare Co. | Granite pegmatite | Do. |
| 90 | .35 | | | Borowsky and Blochin (1937). |
| 91 | .4 | U. S. S. R., Mariupol | Nepheline syenite | Yurk and Bresser (1943). |
| 92 | .5 | Uganda, Tororol | do | H. J. Rose, Jr. |
| 93 | .4-.9 | U. S. S. R., Ilmen Mountains | do | Panteleev (1938). |
| 94 | .57-.86 | Arkansas bauxite (4 samples) | Bauxite | J. D. Fletcher. |

Sphene ($CaTiSiO_5$) (including keilhauite variety)

| | | | | |
|---|---|---|---|---|
| 95 | 0.0001 | Norway, Kragerø | | Hevesy and others (1929). |
| 96 | .001 | Switzerland, St. Gotthard | | Do. |
| 97 | .001 | Italy, Zillerthal | | Do. |
| 98 | .002 | Switzerland, Binnenthal | | Do. |
| 99 | .002 | Norway, Arendal | | Do. |
| 100 | .011 | Norway, Kragerø | | Do. |
| 101 | .02 | Norway, Søndeled | | Do. |
| 102 | .02 | U. S. S. R., Urals, Miask | Granite pegmatite | Sahama (1946). |
| 103 | .023 | Norway, Arendal | | Hevesy and others (1929). |
| 104 | .03 | Switzerland, Binnenthal | | Rankama (1948). |
| 105 | .03 | Finland, Ylojarvi | Gabbro | Sahama (1946). |
| 106 | .09 | Canada, Eganville | | Hevesy and others (1929). |
| 107 | .10 | Canada, Pontiac Co. | | Rankama (1948). |
| 108 | .13 | Norway, Risør | Gabbro | Do. |
| 109 | .15 | Finland, Iivaara | Nepheline syenite | Do. |
| 110 | .20 | Sweden, Hajstorp | | Do. |
| 111 | .20 | Germany, Aschaffenburg | Nepheline syenite | Do. |
| 112 | .21 | U. S. S. R., Transbaikalia, Sviatoy Noss | | Do. |
| 113 | .24 | U. S. S. R., Kola Peninsula | Nepheline syenite | Sahama (1946). |
| 114 | .25 | do | do | Rankama (1948). |
| 115 | .3 | Finland, Parainen | Limestone | Sahama (1946). |
| 116 | .77 | U. S. S. R., Kola Peninsula | Nepheline syenite | Do. |
| 117 | .94 | Norway, Kragerø | | Rankama (1948). |
| 118 | 1.06 | U. S. S. R., Kola Peninsula | Nepheline syenite | Sahama (1946). |
| 119 | 1.12 | U. S. S. R., [illegible], Tore | Granite pegmatite | Do. |
| 120 | .3 | U. S. S. R., [illegible], Shell | do | Do. |



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JOY MANUFACTURING COMPANY
900 WOODLAND AVENUE
MICHIGAN CITY, INDIANA

December 5, 1961

EXECUTIVE OFFICES
HENRY W. OLIVER BUILDING
PITTSBURGH 22, PA.

Recd 12/5/61
10 A.M.

AIR MAIL

Mr. Howard G. Schoenike
4039 Turnberry Circle
Houston 25, Texas

Dear Mr. Schoenike:

This will acknowledge receipt of your letter dated November 30th in which you suggest that we contact Mr. Norman F. Williams, State Geologist for the State of Arkansas, who is familiar with the area and geology and geography of same so that firm prices can be quoted on the proposed drilling near Bauxite, Arkansas.

We have followed out your suggestion and based on the information furnished by Mr. Williams, we set forth below firm prices and conditions covering the proposed drilling:

| | |
|---|---|
| Mobilization - Drilling Equipment | @ $350.00 |
| Demobilization - Drilling Equipment | @ $350.00 |
| Non-Core- Rock Bit or Fishtail Drilling - Overburden, clays and shales | |
| From 0 to 600 feet | @ $2.50 ft. |
| From 600 to 1200 feet | @ $3.00 ft. |

Core Drilling - Limestone and other hard rock

| | NX | BX | AX | EX |
|---|---|---|---|---|
| From 0 to 600 feet | @$4.75 ft. | $4.25 ft. | $3.75 ft. | $3.50 ft. |
| From 600 to 1200 feet | @$5.25 ft. | $4.75 ft. | $4.25 ft. | $4.00 ft. |

| | |
|---|---|
| Cementing holes, if necessary | @ $10.00 per hr. |
| Reaming of holes, if necessary | @ $15.00 per hr. |
| Casing lost or ordered in place | At Cost |
| Acid Surveys | @ $10.00 per hr. |

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HOUSTON 24, TEXAS

Standby @ $8.00 per hr.

Owner to furnish core boxes.

Owner to furnish access roads.

Joy will pump or haul water for drilling purposes provided that the source is not more than three miles from the drill holes.

Since the holes will be drilled in a vertical direction and roads will be accessible, we can furnish a truck-mounted gasoline-driven core drill for this proposed drilling.

We will conduct the drilling operations on the basis of two 8-hour shifts per day and not less than six days per week. We have the necessary equipment and operators available, and can start the work to suit your convenience.

We appreciate the opportunity of quoting on your requirements, and hope that the proposition as set forth above will receive favorable consideration.

Yours very truly,

JOY MANUFACTURING COMPANY

W. J. Pilarski

W. J. Pilarski, Manager
Contract Drill Division

WJP/et

ALPHA MINERAL COMPANY
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HOUSTON 24, TEXAS

# Burks *Core Drilling* Company

## *Diamond Core Drilling Contractors*

PHONE ~~SUX 2-6978~~ MIssion 6-3211

P. O. Box 238 1111 South Quincy

FORT SMITH, ARKANSAS

2 December 61

Received Dec 4, 1961
10 PM

Mr. Howard Schoenike
4039 Turnberry Circle
Houston 25, Texas

Dear Mr. Schoenike:

I have visited the proposed location where you plan on drilling Southeast of Benton, Arkansas. The following prices are based on drilling to final depth using NX Size Only. We plan, if low bidder, to drill to the Syenite using rock bit or fishtail. We will core the Syenite using Diamond Bits of NX size or larger. From our experience the Syenite will core very well and good recovery of core should not be too difficult.

| | | |
|---|---|---|
| Item 1 | - Non Core - To Syenite | $ 3.90 per ft |
| Item 2 | - NX Coreing in Formation Above Syenite | $ 8.60 per ft |
| Item 3 | - NX Core In Syenite | $15.45 per ft |
| Item 4 | - Stand-by Time | $15.00 per hr |
| Item 5 | - Mobilization & DeMobilization - Lump Sum | $450.00 |

Should the above prices meet with your approval please notify us by phone so we may schedule a rig for this job.

Very truly yours,

BURKS CORE DRILLING COMPANY

A. T. Burks

A. T. Burks

ATB/cb

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

BLAIR A. MOTT
Vice President

B. H. MOTT
Pres. & Treas.

W. J. MOTT
Vice President

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HUNTINGTON 17, W. VA.

November 28,1961

Mr. Howard G. Schoenike
Consulting Mining Geologist
4039 Turnberry Circle
Houston 25, Texas

Dear Mr. Schoenike: Re: Your letter Nov.16,1961

We are offering the following as tentative prices for the proposed iron ore drilling in Central Arkansas, in the Little Rock area:

| | | |
|---|---|---|
| Diamond Core Drilling: | NX Core | $5.10 l.f. |
| | BX Core | 4.10 l.f. |
| | AX Core | 3.50 l.f. |
| Non-coring, Fishtailing or Rotary: | NX hole | $3.25 l.f. |
| | BX hole | 2.75 l.f. |
| | AX hole | 2.50 l.f. |
| Standby time while testing hole | | $18.75 per hour |
| Mobilization and transportation | | $1000.00 lump sum |
| Reaming, if necessary: | BX to NX | $2.55 l.f. |
| | AX to BX | $2.05 l.f. |
| Set Casing, if necessary | | $18.75 per hour |
| (Casing left in hole and not recovered) | | Cost |
| Water Hauling, if required | | $40.00 per day |

The above prices are for estimating purposes only. Before submitting a definite quotation on this project, we would appreciate a visual inspection to ascertain certain factors which would govern our cost.

We thank you for your inquiry and hope to have the pleasure of working with you on this anticipated program.

Very truly yours,

MOTT CORE DRILLING COMPANY

W J Mott

W. J. Mott, Vice President

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

WJM:am

The Bruce Williams Laboratories

ENGINEERING
FOUNDATIONS
INSPECTIONS
ANALYSES
SAMPLING
CONSULTING
RESEARCH

MAIN OFFICE AND LABORATORIES 618-624 JOPLIN STREET TELEPHONE MAYFAIR 3-1556

ESTABLISHED 1898

Joplin, Missouri

November 20, 1961

Howard G. Schoenike
4039 Turnberry Circle
Houston 25, Texas

Re: Iron Ore Exploration Program

Dear Mr.Schoenike:

We are pleased to have your inquiry concerning our prices for assaying a considerable number of iron ore samples.

Herewith are our regular prices for those determinations when sent in by a single sample or a few number of samples now and then and not on a contract or specific agreement:

| | |
|---|---|
| Iron | $2.50 ✓ |
| Sulphur | 3.00 |
| Phosphorus | 3.00 |
| Silica | 3.50 |
| Titanium Oxide | 3.00 ✓ |
| Columbium | 10.00) ✓15.00 |
| Tantalum | 10.00) |
| | 30.00 |

When Columbium and Tantalum are both ordered at the same time, the charge is $15.00.

These are our regular prices on iron ores or iron concentrates and not specifically applicable to any other type of sample.

We suggest a price to you for this work, based upon the approximate number you outlined in your letter of a total of $21.00 for the seven (7) determinations instead of $30.00 shown above.

In addition to the discount price of $21.00, we will allow the discount outlined below.

The first $500.00 would be net.

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

P.S. *This is a personal invitation for you to visit our main laboratories in Joplin, Mo., and see for yourself.*

The second $500.00 would take a 10% discount.

The third $500.00 would take a 15% discount.

All over $1500.00 would take a 20% discount.

You will note that the charge for Columbium and Tantalum are the costly assays. However we are very familiar with those elements as well as germanium, beryllium and many unusual assays.

All prices are based on pulps being furnished to us. If the samples sent us are not pulped, there will be an actual preparation charge based on the actual number of hours used, which includes labor, the use of the machinery, power, etc. This price is based at the rate of $3.50 an hour.

Preparation charges ordinarily amount to not over $0.25 a sample, unless samples were extra ordinarily large in weight and the sizes sent would be very large.

We would be pleased to do this work for you. We are very familiar with the work, and can guarantee prompt service.

If there are additional questions, we would be pleased to answer promptly to any inquiry.

I trust that we may be privileged to do this work for you.

Very truly yours,

THE BRUCE WILLIAMS LABORATORIES

Bruce Williams

Bruce Williams

BW/msp

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

OFFICES: NEW ORLEANS · HOUSTON · BATON ROUGE · CORPUS CHRISTI

Shilstone

TESTING LABORATORY

PHONE CA 4-2047 - 1714 W. CAPITOL AVE. - P. O. BOX 13163

HOUSTON 10, TEXAS

November 24, 1961

Mr. Howard G. Schoenike
Consulting Mining Geologist
4039 Turnberry Circle
Houston 25, Texas

Dear Mr. Schoenike:

With reference to your inquiry concerning chemical analyses of iron ores, we offer the following quotation for each sample. We understand that there will be a total of approximately 100 to 150 samples.

| | | |
|---|---|---|
| Iron | - | $3.50 |
| Sulphur | - | $3.00 |
| Phosphorus | - | $3.50 |
| Silica | - | $3.50 |
| Titanium | - | $3.50 |
| Columbium | - | $10.00 |
| Tantalum | - | $10.00 |

Total ---------- $37.00 per sample.

Yours very truly,

SHILSTONE TESTING LABORATORY

B. L. McClellan

B. L. McClellan

BLMc/bfc

SHILSTONE TESTING LABORATORY 60th ANNIVERSARY 1901

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

INSPECTING AND CONSULTING
CHEMISTS AND ENGINEERS
CARGO SURVEYORS

- LERCH BROTHERS INCORPORATED -

Schedule of Rates & Terms
Iron and Manganese Ores

Effective October 1, 1961

INVOICE RATES
(See Quantity Discount Schedule)

Sample Charge

| | |
|---|---|
| Crushing, Preparing & Processing Regular Sample | $1.770 |
| or | |
| Processing Prepared Sample or Composite (See Notes 1 and 2) | .647 |

Determination Charges (In addition to applicable sample charge)

Determinations handled in Lerch Brothers Incorporated usual routine manner:

| | |
|---|---|
| Iron | .767 |
| Phosphorous | 1.506 |
| Manganese | .844 |
| Silica | 1.122 |
| Moisture | .659 |
| Alumina | 1.852 |
| Loss or Gain | .659 |
| Sulfur | .978 |
| Total Iron | 1.122 |
| Total Phosphorous | 1.770 |
| H. F. Silica or Fusion Silica | 1.585 |
| Fusion Alumina | 2.642 |
| Fusion Manganese | 1.402 |
| Lime | 2.881 |
| Magnesia | 2.881 |

Price of other determinations on request.

Increases or decreases in Lerch Brothers Incorporated direct or indirect labor costs or payroll taxes will result in the same percentage change in the "Invoice Rates". Rates will be calculated to the closest tenth of a cent.

Note 1: A prepared sample is one that is crushed, pulverized, dried to a constant weight at 105° C., mixed, and sent to the laboratory in a tightly stoppered bottle ready for analyses.

Note 2: If additional determinations are requested on a sample previously run, it will be re-entered and charged for as a prepared sample.



ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

100
September 29, 1961

LERCH BROTHERS INCORPORATED
SPECIAL DETERMINATION SCHEDULE
EFFECTIVE OCTOBER 1, 1961

1. Charges for preparation of sample will be the same as those listed on the Schedule of Rates & Terms.

2. The following determinations will be run at Lerch Brothers Incorporated Special Laboratory at Hibbing; however, Lerch Brothers Incorporated reserves the right to send small quantities to outside chemists:

| Determination | Price |
|---|---|
| Arsenic | $7.00 |
| Barium | 5.50 |
| Carbon (In Iron Ores) | 3.00 |
| Carbon Dioxide ($CO_2$) | 5.50 |
| Chromium | 4.50 |
| Cobalt | 6.50 |
| Copper | 5.00 |
| Ferrous Iron | 2.00 |
| Iron (Metallic) | 3.50 |
| Lead | 5.50 |
| Lime (Calcium Oxide) Fusion | 4.00 |
| Special Ignition Loss | 2.00 |
| Magnesia (Magnesium Oxide) Fusion | 4.50 |
| Lime & Magnesia (Fusions) | 6.50 |
| Nickel | 4.50 |
| $R_2O_3$ (Oxides of Fe & Al) | 2.50 |
| Fusion H. F. Silica | 3.00 |
| Sulfur (Wet Method) | 4.50 |
| Titania (Titanium Oxide) | 5.50 |
| Zinc | 7.50 |

Prices on other determinations on request.

Note 1: Ten percent handling over cost will be charged on work sent to outside chemists with a minimum charge of $1.00.

Note 2: Requests for checks on analyses will be charged for at the scheduled rate if the original reported results are correct within reasonable limits.

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

DOMESTIC - FOREIGN
METALLIC MINERALS
NON-METALLIC MINERALS

HOWARD G. SCHOENIKE
CONSULTING MINING GEOLOGIST
MEMBER A.I.M.E.
4039 TURNBERRY CIRCLE
HOUSTON 25, TEXAS
PHONE MO 5-7079

EXAMINATION
EVALUATION
EXPLORATION

November 16, 1961

Mr. Louis Minturn
753 Creekside Drive
Houston, Texas

Dear Mr. Minturn:

Relative to our conversation yesterday, below is my fee schedule for directing your proposed iron ore exploration. I am also enclosing my announcement- brochure for your information and file.

My standard fees for deposit and mine examination, evaluation and exploration are $ 125.00/ day, plus expenses, for the initial 6 days and $ 100.00/ day, plus expenses for any subsequent days. For jobs that require more than 3-weeks work, the fees beyond that period are subject to negotiation.

On this particular project, which I feel will run beyond three weeks, the following schedule will apply:

Stage I ( Consisting of contacting drill contractors and assay laboratories, studying contracts and making recommendations as to the preferable bid )

Approximate time - 3 to 4 days @ $ 100.00/ day

Stage II ( Supervising and directing iron ore exploration program, checking core recovery, logging core, mapping and plotting results, and preparing report if requested )

| | |
|---|---|
| Initial three weeks of program ( 21 days ) | - $ 100.00/ day, plus expenses |
| Subsequent time on program | - $ 75.00/ " " " |

As to current availability, I would be able to start on Stage I of the program immediately.

I would appreciate the opportunity of working with you on this project.

Very sincerely,

Howard G. Schoenike

Howard G. Schoenike

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

HGS/bvc
Enc.

Form 7
63)

OFFICIAL FILE COPY

| Date | Surname | Code |
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| 10/15 | GCS | 120 |
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OCT 16 1963

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Minturn:

Enclosed for your information and files is a copy of a Report of Review relative to the project costs under the subject contract. You should receive the balance due in the near future.

Sincerely yours,

George C. Selfridge (gla)

Chief, Division of Field Operations

Enclosure

GCSelfridge/gla (10-15-63)
Copy to: Docket OME-6243
Director's Reading File
CA&A Division
G. C. Selfridge
R. A. Laurence, USGS, Knoxville, Tenn.
w/cys of memorandum to Fiscal Section, Report of Review dtd 10/11/63, and original memorandum dtd 10/14/63 by CA&A Division to Chief, Division of Field Operations
Fiscal Section, Rm. 7354

23263

Form 7
2/63)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 10/15 | GCS | 120 |
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| 10/15 | Johnson | |
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OCT 16 1963

Memorandum

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

From: Chief, Division of Field Operations, OMK

Subject: OMK-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Enclosed for your files is the original of a Report of Review, dated October 11, 1963, relative to the subject contract.

It is recommended that the balance of $250.02 be paid the Operator.

George C. Selfridge (gla)

Enclosure

GCSelfridge/gla (10-15-63)
cc to: Director's Reading File
CA&A Division
G.C.Selfridge
R.A.Laurence, USGS, Knoxville, Tenn.

23263

Form 7
(63)

OFFICIAL FILE COPY

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| 10/15 | GCS | 130 |
| 10/15 | on leave | 500 |
| 10/15 | Talbert | 800 |
| 10/15 | Johnson | 110 |
| 4 | Spence | 100 |
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OCT 16 1963

Memorandum

To: Mr. Robert A. Laurence
U. S. Geological Survey
Room 11, Post Office Building
Knoxville, Tennessee 37902

From: Chief, Division of Field Operations

Subject: OMR-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Enclosed for your information and files are copies of a Report of Review, dated October 11, 1963, relative to the subject contract, original of a memorandum from the Chief, Contract Administration and Audit Division, to the Chief, Division of Field Operations, dated October 14, 1963, memorandum to the Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary, from the Chief, Division of Field Operations, letter to Mr. L. W. Minturn, General Partner, Alpha Mineral Company, transmitting a copy of the Report of Review, and a closing letter, signed by the Director, to the Operator.

George C. Selfridge (gla)

Enclosures

GCSelfridge/gla (10-15-63)
cc to: Docket
Director's Reading File
CA&A Division
G. C. Selfridge
Code 500

23-63

MME Form 7
(10-58)

OFFICIAL FILE COPY

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OCT 14 1963

Memorandum

To: Chief, Division of Field Operations

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

Subject: OME-6243 (Iron Ore-Columbium-Tantalum-Bauxite)
Alpha Mineral Company
Bentonite Magnetite Prospect
Saline County, Arkansas
Contract 2150

As requested by your October 9 memorandum an audit review has been made of the subject Region IV contract and the findings thereof have been set forth in a Report of Review, the original and two copies of which are enclosed.

If you concur in the facts stated in this Report of Review, please make the distribution authorized by section 4 of OME Circular 2 dated February 17, 1960. As evidence of your concurrence, a copy of your letter transmitting the Operator's copy should be furnished to this Division. If for any reason you do not concur, the original and both copies should be returned to this Division with your comments.

In connection with your concurrence, it is to be noted that, in addition to the drilling footage stated in your October 9 memorandum, 5.2 hours of bulldozing, 40 hours of reaming, and 100 sets of knock-down core boxes are covered by the costs indicated as acceptable by this Report of Review.

Enclosures

EDTalbert/ama 10-14-63

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section

43683

Form 7
(58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| | Selfridge | |
| 10/9 | Johnson | |
| | | 800 |
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| | | |

OCT 9 1963

**Memorandum**

**To:** Chief, Division of Contract Administration and Audit

**From:** Chief, Division of Field Operations

**Subject:** OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

An acceptable final report has been received from the subject Operator; therefore, the contract can be closed. Work approved under the contract amounted to 4,945½ feet of non-core drilling and 2,694½ feet of core drilling. An audit review is requested.

George C. Selfridge

(pl)

GCSelfridge/mm
10/9/63
cc: Director's Reading File
R. A. Laurence, Knoxville, Tenn.
Docket
G. C. Selfridge

43683

OFFICE OF THE DIRECTOR

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

October 7, 1963

Memorandum

To: R. S. Sanford, Acting Area Director, Area IV
Mineral Resource Office, Bartlesville, Oklahoma

From: Executive Assistant to the Assistant Director for
Mineral Resource Development

Subject: Report on Benton, Arkansas, Magnetite Prospect
(OME Iron Ore Exploration, Docket No. OME-6243,
Alpha Mineral Company)

Transmitted herewith for your files is a copy of the above named report, which has been furnished us by the Office of Minerals Exploration. The core, or part of it, as you know, has been placed in care of the State Geologist.

SIGNED

C. H. Johnson

Enclosure

cc:
Files
Paul Zinner
G. C. Selfridge, OME

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 9 1963

| DATE | INITIALS | CODE |
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| | | 120 |
| | | 500 |
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MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 8/12 | Talbert | 800 |
| | Bergwold | 500 |
| 8/13 | Johnson | 110 |
| " | On leave | 120 |
| | " | 100 |
| 8/13 | Carl | 220 |
| | | 500 |
| | | |
| | | |

AUG 13 1963

Bond Department
American General Insurance Company
P. O. Box 2179
Houston 1, Texas

Your Re: Bond No. A-37887
Our Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Gentlemen:

Your form A-23 dated August 7 requests certain information in regard to the above references. In order to provide you with more complete information this letter is written in lieu of completing your form.

Work under the referenced contract was terminated effective December 31, 1962, under an agreement which provides that Alpha Mineral Company shall promptly furnish to the Government a final geological and engineering report. The termination agreement also specifically preserves the Government's rights respecting certification of possible discovery and percentage royalty.

To date Alpha Mineral Company has not submitted the final report but has promised to do so in the near future. The Government has paid $14,460.15 to Alpha Mineral Company under the contract and, after the required report is received, payment of an additional $250.02 is anticipated.

At any time not later than six months after an acceptable final report has been furnished, the Government may issue a certification of possible production. In such an event a five percent royalty (on the gross proceeds of all mineral production from the land under the contract) is payable to the Government until July 25, 1972, or the total amount contributed by the Government is fully repaid with interest at six percent, whichever occurs first.

Your obligation as surety therefore remains in full force until the lapse of time within which the Government may issue the certification and, if such certification is issued, until July 25, 1972, or

43683

full repayment with interest. The Government, however, will not object to reduction of the penal sum of the bond from the present stated amount of $22,690.00 to an amount sufficient to cover the actual obligation including interest.

Sincerely yours,

George Fumich, Jr.

Director

EDTalbert/ama 8-13-63

cc:
Docket
Director's Reading File
CA & A Division
Region IV (2)

A-23

# AMERICAN GENERAL INSURANCE COMPANY

HOUSTON, TEXAS

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 10 1963

| DATE | INITIALS | CODE |
|---|---|---|
| 8/14 | [illegible] | 800 |
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| | | |
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| | | |
| | | |

August 7, 1963

United States of America
Department of the Interior
Office of Minerals Exploration
Washington, D. C.

Referring to the contract with Alpha Mineral Company

for Exploration Contract No. 14-23-090-2150 for Iron Ore, Columbium-tantalum, Bauxite, Saline County, Arkansas

covered by our bond, please give us below the following status information.

Original Contract Price $22,690.00

Bond No. A-37887

Date of Bond 7-25-62

Yours very truly,

B. Zarest

BOND DEPARTMENT

bf

## REPLY

1. Has contract been started; if not, why? _____
2. If contract finished give total amount of completed contract _____
3. If not, give probable date of completion _____
4. Percentage of work done? _____
5. If contract not completed give amount of work completed, including retainage _____

Signature _____

Address _____

_____ 19____

Please return to P. O. Box 2179, Houston 1, Texas

AME Form 7
(2/63)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 7/9 | Selfridge | 120 |
| " | Johnson | 110 |
| " | Ferrell | 100 |
| 7/9 | Cal | 220 |
| | | 500 |
| | | |
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| | | |
| | | |

JUL 9 1963

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Minturn:

Thank you for your letter of July 2, 1963, relating to the Operator's final report under the subject contract.

We shall wait for the final report until you have received the additional information from the Arkansas Department of Geology and Conservation.

Sincerely yours,

George C. Selfridge (gla)

George C. Selfridge, Chief
Division of Field Operations

GCSelfridge/gla (7-9-63)
cc to: Director's Reading File
Robert A. Laurence, Reg. IV w/cy Mr. Minturn's letter
G. C. Selfridge
Docket

23263

L. W. MINTURN
PETROLEUM EXPLORATION CONSULTANT
753 WEST CREEKSIDE DRIVE
HOUSTON 24, TEXAS
HOMESTEAD 5-8702

OFFICIAL FILE COPY
O M E
RECEIVED JUL 6 1963

July 2, 1963

| DATE | IN | |
|---|---|---|
| 7/8 | | 800 |
| | | 120 |
| | | 500 |

Mr. George C. Selfridge, Chief
Division of Field Operations
Office of Minerals Exploration
Dept. of Int.
Washington 25, D. C.

Re: OME-6243
Contract 2150

Dear Mr. Selfridge:

This is in acknowledgement of your letter of June 28.

The analysis of the cores recovered in this program is virtually complete. The detailed logs have been duplicated and the finalreport virtually completed. On the last go-around, it developed that for a better analysis of what was found certain additional information was required. This included additional analyses to determine the amount of titania in the magnetic fractions, molybdenum analyses to check possible shows, and the identification of twelve minerals found in the core which the petrographer could not identify by ordinary megascopic methods. The Arkansas Department of Geology and conservation has volunteered to provide the above information, and the cores and requests are in their hands. The final report will be forthcoming as soon as this information is received.

Some of the above information is of no interest to the OME and if you would be just as well satisfied without it, I would be glad to send the information we have at hand for the final report.

Yours very truly,

Alpha Mineral Company

L. W. Minturn

by L. W. Minturn, General Partner

MME Form 7
(2/63)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 6/28 | GCS | 120 |
| " | Johnson | 110 |
| " | [illegible] | 100 |
| 6/28 | cal | 220 |
| | | 500 |
| | | |
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| | | |
| | | |

JUN 28 1963

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Minturn:

In reference to my letter of April 29, 1963, to you, we cannot close the subject contract and release for reimbursement the $250.00 now held in a suspense account until we have received a final report.

Sincerely yours,

George C. Selfridge (gla)

George C. Selfridge, Chief
Division of Field Operations

GCSelfridge/gla (6-28-63)
cc to: Director's Reading File
Region IV
Docket
G. C. Selfridge

23263

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 4/29 | [illegible] | 120 |
| | [illegible] | 500 |
| 4/29 | Talbert | 800 |
| 4/1 | Johnson | 110 |
| [illegible] | [illegible] | 100 |
| 4/29 | CAC | 220 |
| | | 500 |
| | | |
| | | |

APR 29 1963

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Minturn:

We would like to close out the subject contract in the near future. However, we cannot do this until we have received a final report on the project as stipulated in the contract and the Termination Agreement. The final report need not include the logs of the holes already sent OME.

Sincerely yours,

George C. Selfridge (gla)

George C. Selfridge, Chief
Division of Field Operations

GCSelfridge/gla (4-29-63)
cc to: Director's Reading File
Region IV
G.C.Selfridge
Docket

43683

MME Form-7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
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| 3/22 | Selfridge | 120 |
| 3/22 | Johnson | 110 |
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| 3/22 | Coe | 220 |
| | | 500 |
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| | | |

MAR 2 2 1963

Mr. Norman F. Williams
Director and State Geologist
Arkansas Geological and
Conservation Commission
State Capitol
Little Rock, Arkansas

Dear Mr. Williams:

With regard to your letter of March 18, 1963, relating to the "public reference core" of the Alpha Minerals project near Benton, the taking of samples therefrom will be left to the judgment of the Commission. If samples can be taken without destroying the value of the core, the Bureau of Mines would have no objection.

Sincerely yours,

George Fumich, Jr.

(pl)

Director

GCSelfridge/gla (3-22-63)
cc to: Director's Reading File
Docket OME-6243
Robert A. Weeks, USGS ) Each with
C. H. Johnson, USBM ) copy Mr.
Robert A. Laurence, Region IV ) Williams' letter
G. C. Selfridge

43683

Dick:

Gen Selfridge asked me to get your reaction to Williams letter -

Does the Bureau normally permit samples?

B. S. Weeks
3/22/63.

The Bureau will leave it to the judgement of the State Biologist. If samples could be taken without destroying the value of the core the Bureau would have no objection

C. H. Gordon

Arkansas GEOLOGICAL & CONSERVATION COMMISSION

NORMAN F. WILLIAMS
DIRECTOR & STATE GEOLOGIST

STATE CAPITOL · LITTLE ROCK, ARKANSAS

March 18, 1963

Mr. George Fumrich, Jr., Director
U. S. Department of the Interior
Office of Minerals Exploration
Washington 25, D. C.

Dear Mr. Fumrich:

The provisions outlined in your letter of March 15, with respect to our retaining custody of the core of the Alpha Minerals project near Benton, is thoroughly satisfactory with us.

In the event there are any individuals who contact us with a request to examine the "complete representative hole" which the Bureau of Mines desires to have available for public reference, we will assume that it will be within our province to decide whether or not such individuals are to obtain any samples with the core while examining it. If this interpretation is not agreeable with the Bureau of Mines, we would appreciate further advice as to how to treat this "public reference core".

Yours very truly,

Norman F. Williams

NFW/mlc

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 21 1963

| DATE | | CODE |
|---|---|---|
| 3-21 | | 100 |
| 3/21 | | ~~110~~ |
| | | ~~120~~ |
| | | |
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OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| | Evans | 500 |
| 2/5 | Talbot | 800 |
| / | GCS | 130 |
| 2/5 | Johnson | 110 |
| | Smith | 100 |
| 2/5 | Cole | 220 |
| / | | 500 |
| | | |
| | | |

FEB 5 1963

Memorandum

To: Mr. R. A. Laurence
U. S. Geological Survey
Room 11, Post Office Building
Knoxville 2, Tennessee

From: Chief, Division of Field Operations

Subject: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Enclosed for your file is the Field Office copy of the executed Termination Agreement on the subject contract.

George C. Selfridge (glc)

Enclosure

MMerrithew/mm
2-5-63
cc: Director's Reading File
Review Committee
Docket

43683

6243

January 23, 1963

Mr. Norman F. Williams, Director
Geological and Conservation Commission
State Capital
Little Rock, Arkansas

Dear Mr. Williams:

Robert Weeks of our Washington office has discussed the problem of the disposition of the Benton, Arkansas, cores with the Bureau of Mines and the OMK people, and the collective opinion in the matter is as follows: At least one representative core should be stored and be reasonably available to the public. The storage of such a core would satisfy the Bureau of Mines and OMK requirements. Further, they feel the best interests of the public would be served if the cores were stored in Arkansas. You mentioned to me on the phone that you had planned to store the operator's split of the cores. Would you be willing to serve as custodian for, and allow reasonable public access to, at least one complete core? If so, none of the core from any hole would have to be split except as you desire or for selected splits that I might make for X-ray spectrographic analysis and petrographic study. I believe I could arrange a stop off at Little Rock on a trip to New England that I tentatively plan for August.

Please let me know how you feel about this proposal and if August would be a satisfactory time for my visit. I would be glad to help select the storage core and help prepare it for storage at that time, providing such storage arrangement meets with your approval.

Ralph Erickson can discuss this with you in more detail at the AIME meeting next month.

Sincerely yours,

RLP:ay

Raymond L. Parker
Branch of Geochemical Exploration
and Minor Elements

Copy to: Director's RF
S. W. Hobbs RF
GX RF
R. A. Weeks
R. L. Erickson
R. A. Lawrence
R. L. Parker

Form 7
(8)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 1/23 | GCS | 120 |
| 1/23 | CAC | 220 |
| | | 500 |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

JAN 23 1963

**Memorandum**

**To:** Mr. Robert A. Laurence
U. S. Geological Survey
Room 11, Post Office Building
Knoxville 2, Tennessee

**From:** Chief, Division of Field Operations

**Subject:** OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Enclosed are copies of the Operator's vouchers (with supporting documents) for November and December 1962, and copies of memoranda, dated December 28, 1962, and January 9, 1963, to the Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary, approving payment of the vouchers.

George C. Selfridge (gla)

Enclosures

GCSelfridge/gla (1-23-63)
cc to: Docket OME-6243
Director's Reading File
CA&A Division
G. C. Selfridge

43683

Re: Term. agree. OM8-6243

I have summarized but consider the last half of sec. 2 improper. The contract provides no "allowable costs" for winding-up actions. Contract

Talbot
1/21/69

Should have been for signature Chief Div. of F. O.
Not worthwhile to rewrite.
We should get this questioned. RR

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| | Griswold | 500 |
| 1/21 | Talbert | 800 |
| | Selfridge | 130 |
| 1/21 | Johnson | 110 |
| | Jones | 100 |
| 1/21 | Cole | 220 |
| | | ~~500~~ |
| | | 120 |
| | | 500 |

JAN 21 1963

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OMX-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Minturn:

With further reference to our January 3 letter, we are enclosing the original and four copies of a proposed Termination Agreement, all of which have been signed by the Director for the Government.

If it meets with your approval, please sign all copies, retain the one marked "Operator's Copy" and return the rest to us. If you should not be in accord with any of the terms of the agreement, return all copies to us, unsigned, with your comments.

Sincerely yours,

George Fumich, Jr.
Director

(ch)

Enclosure

WRGriswold/mm
cc: Director's Reading File
Review Committee
Region IV
✓Docket

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 1/8 | GCS | 120 |
| 1/9 | Talbot | 800 |
| 1/9 | Johnson | 110 |
| 1/9 | French | 100 |
| 1/9 | CAC | 260 |
| | | ~~500~~ |
| | | ~~120~~ |
| | | 500 |
| | | |

JAN 9 - 1963

Memorandum

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

From: Chief, Division of Field Operations, OME

Subject: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Enclosed are the original and two copies of MME Form 60 (with supporting documents) and the original and two copies of MME Form 61 covering work performed during December 1962.

A disallowance of $318.00 has been made for 1,272 feet of noncore drill hole charged at $2.75 a foot instead of $2.50 as stipulated by the contract.

It is considered that the work performed complies with the intent of the contract and is acceptable to the Government.

The work performed during the month was on both actual cost and fixed unit cost bases.

Subject to verification of the arithmetical accuracy of the report, it is recommended that the Operator be reimbursed $4,344.63, which is 50 percent of the approved costs for December; however, placing $250.00 of this in a suspense account until final audit has been made.

George C. Selfridge

(RH)

Enclosures
GCSelfridge/mm (1-8-63)
cc: Docket OME-6243
Director's Reading File
R. A. Laurence, Region IV, w/cy of MME Forms 60 and 61 and attachments for December 1962
CA&A Division
G. C. Selfridge

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| | GCS | 120 |
| 1/3 | Johnson | 100 |
| 1-3 | Tennally | 100 |
| | | 580 |
| | | |
| | | |
| | | |
| | | |
| | | |

JAN 3 - 1963

AIR MAIL

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Minturn:

Shortly we shall send you an agreement mutually terminating the subject contract.

Please see that all of the diamond drill core and cuttings remain intact as special disposition will be made of some or all of the Government's portion.

This matter is now under consideration and a decision should be reached in the near future.

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Field Operations

GCSelfridge:egk (1-3-62)
cc: Director's Reading File
Region IV
G. C. Selfridge
Docket

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 12/28 | GCS | 120 |
| | On leave | 800 |
| 12/28 | Core | 220 |
| | | 500 |
| | | |
| | | |
| | | |
| | | |
| | | |

DEC 28 1962

Memorandum

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

From: Chief, Division of Field Operations, OME

Subject: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Enclosed are the original and two copies of MME Form 60 (with supporting documents) and the original and two copies of MME Form 61 covering work performed during November 1962.

A disallowance of $158.00 has been made for 632 feet of non-core drill hole as they were charged at $2.75 a foot instead of $2.50 as stipulated by the contract. The $330.00 reaming charge has been allocated to the core drilling.

It is considered that the work performed complies with the intent of the contract and is acceptable to the Government.

The work performed during the month was on both actual cost and fixed unit cost bases.

Subject to verification of the arithmetical accuracy of the report, it is recommended that the Operator be reimbursed $2,605.75, which is 50 percent of the approved costs for November.

George C. Selfridge (gla)

Enclosures

GCSelfridge/gla (12-28-62)
cc to: Docket OME-6243
Director's Reading File
R. A. Laurence, Region IV, w/cy of MME Forms 60 and 61 and attachments for November 1962
CA&A Division
G.C.Selfridge

43

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 12/20 | GCS | 120 |
| | Russell | 500 |
| 12/21 | Talbert | 800 |
| 12/21 | Johnson | 110 |
| 12/21 | Jones | 100 |
| 12/21 | Cal | 220 |
| | | 500 |
| | | |
| | | |

DEC 21 1962

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Minturn:

This letter confirms our December 19 telephone conversation relative to terminating the work under the subject contract based upon (1) the results obtained from Hole B 977 feet deep which cut pyroxenite with a 1-inch seam of magnetite and a section of disseminated magnetite that might run as much as 20 percent magnetite, and (2) the belief that only the same type of rock underlies the anomaly at Exploration Profile 3.

I was glad to hear that you planned to do some extra mineralogic work on the core and shall look forward to receiving the final report.

Sincerely yours,

George C. Selfridge (gla)

George C. Selfridge, Chief
Division of Field Operations

GCSelfridge/gla (12-20-62)
cc to: Director's Reading File
Region IV
G. C. Selfridge
Docket

43683

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| | Counsel | 500 |
| 12/13 | Talbot | 800 |
| | Selfridge | 120 |
| | | 110 |
| | | 100 |
| 12/13 | ER | 220 |
| | | 500 |
| | | |
| | | |

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

DEC 13 1962

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Minturn:

Enclosed is executed "Operator's Copy" of Amendment No. 1 for your file.

Sincerely yours,

(signed) FRANK E. JOHNSON (gla)

ACTING Director

Enclosure

MMerrithew/mm
12-12-62
cc: Director's Reading File
Region IV w/Field Office's Copy Amendment No. 1
Docket

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 12/12 | GCS | 120 |
| " | Johnson | 110 |
| " | Talbot | 800 |
| | | 500 |
| | | |
| | | |
| | | |
| | | |
| | | |

December 11, 1962

Memorandum

To: The File

From: Chief, Division of Field Operations

Subject: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Mr. Minturn telephoned today concerning proposed Hole B as discussed in his letter of December 8, 1962. Our thoughts concerning the rock type found were given him. He was also given permission to drill the hole.

Concerning some of the core found, it was suggested that beryllium should not be overlooked in the contact metamorphic and fluorite sections, corundum in the nepheline syenite, and rare earth carbonates in the carbonate sections.

George C. Selfridge

GCSelfridge/gla (12-12-62)
cc to: Director's Reading File
Mr. Selfridge

43683

L. W. MINTURN
PETROLEUM EXPLORATION CONSULTANT
753 WEST CREEKSIDE DRIVE
HOUSTON 24, TEXAS
HOMESTEAD 5-8702

OFFICIAL FILE COPY
O. M. E
RECEIVED DEC 10 1962

| DATE | INITIALS | CODE |
|---|---|---|
| 12/10 | [illegible] | 800 |
| | | ~~120~~ |
| | | 500 |

Dec. 8, 1962

Mr. G. C. Selfridge, Chief
Division of Field Operations
Office of Minerals Exploration
Department of the Interior
Washington, D. C.

Re: OME-6243 (Iron Ore, ~~Columbium~~,
Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Sir:

With reference to your letter of Nov. 29, which I received on December 5 after returning from a field job, Hole A, the hole approved in your letter of October 25, was completed on or about Nov. 21. We then attempted to reenter Hole EP1-3, but were unsuccessful so moved to Hole EP1-5, which is currently nearing completion. ?

We wanted to check the structural conditions, check the degree of alteration, and search for more feldspar-carbonate material by drilling in this area. As you will recall, Hole EP1-~~4~~ 2 quit in altered syenite, which was ascertained after the hole was completed. This was topped at 773 feet. We have cored to below 1000' in EP1-5 and have found no altered syenite yet. why?

The lithology of Hole A is simple. There was slight alteration at the top, pyroxenite to 964.5, pyroxenite with varying magnetite to 1000', and pyroxenite from there to the T. D. at approximately 1200'. A detailled mineralogic log of the interesting section is enclosed. This 35 foot section was split, sampled every foot, crushed and ground, and then combined in five foot groups and separated magnetically. The results are as follows:

| | | | |
|---|---|---|---|
| Sample 1 | 965-970, | 13.5% | Magnetite |
| Sample 2 | 970-975, | 14.5% | " |
| Sample 3 | 975-980, | 14.5% | " |
| Sample 4 | 980-985, | 19.0% | " |
| Sample 5 | 985-990, | 13.8% | " |
| Sample 6 | 990-995, | 20.3% | " |
| Sample 7 | 995-1000. | 8.4% | " |

$\frac{104.0}{7} = 15\%$

In as much as we could see, the magnetite in Hole A does not adequately explain the anomaly, yet it contained far more magnetite than the other holes. In seeking an explanation of this, we conducted a magnetic survey on the ground. This survey pinned down the top of the high at a point approximately 50 feet west and 150' north of that mapped by the aerial survey. This may be caused in part by the fact that the aerial traverses were 500' apart and there may have been some inaccuracies in mapping the aerial work and subsequently relating this survey to the ground. As a matter of exploration technique, we would not have drilled Hole A at its present location but would have drilled at the projected location of the magnetic high as determined by the ground survey, if we had had this information. In as much as the proposed new location is from 100 to 200' from Hole A, Hole A had interesting showings of magnetite, and the sought for body of magnetite may be on the order of 100' wide, we believe that this anomaly will not be adequately tested unless this site is drilled. We therefore request permission to drill Hole B at the location shown on the enclosed sketch map.

We also made a ground survey of the magnetic high on which Exploration Profile 3 was based, hoping to drill EPB-1 next. A local high some 200 gammas above the surounding country and higher than the Airborne high was found some 600' west of the airborne high as mapped. This is more difficult to understand than the discrepancy over Ore Body B. Under the circumstances, we do not feel we should drill in this vicinity until a complete ground survey has been made. Actually the work was done on the ground and has not yet been surveyed in, other than that is close to the property line as shown on the enclosed map. A study of all the data indicates to us that the lithologic situation in this area will be the same as it is in the vicinity of Ore Body B, and that penetrating it with the drill will depend upon an accurate magnetic survey on the ground. In as much as the magnetic anomaly over Ore Body B is stronger the body or area of mineralization should be larger and easier to find. Therefore we believe Ore Body B should be carefully confirmed or condemned first.

In the event we drill Hole B and it is not in the ore body, we would propose to cease drilling as the best ore body potential would be disproved to the depth we have drilled.

It is anticipated that Hole EP1-5 will be completed on December 11 or 12. We would appreciate it if you could notify me by long distance telephone collect at 713-H05 8702 as soon as a decision has been made. Lacking approval to drill Hole B we probably will petition to cancel the program, because we have no good technical reason to drill at any other location. We would also appreciate your opinion on this matter.

Very truly yours,

Alpha Mineral Company

By L. W. Minturn

L. W. Minturn, General Partner

CORE DESCRIPTION

Alpha Mineral Company — Benton, Arkansas

Hole A, 964.5 - 1000 feet — 12/5/62 — R. H. Arndt

| | Lithology | Magnetic properties |
|---|---|---|
| 964.5 - 968 | Pyroxenite, coarse-grained, granular, greenish black | 964.6 - 965.75<br>weak to moderate<br>965.75 - 966<br>strong, disseminated magnetite, some visible<br>966 - 968.5<br>weak |
| 968-970 | Pyroxenite, medium to coarse-grained, subporphyritic, locally with dark mica | 968.5 - 968.7<br>strong, slight visible magnetite<br>968.7 - 969<br>weak to moderate<br>969 - 969.2<br>strong, disseminated magnetite<br>969.2 - 970<br>weak |
| 970 - 976.6 | Pyroxenite, greenish-black, coarse-grained, granular; sparse bronze mica scattered throughout; locally altered green (serpentine?) along hairline fractures | 970 - 970.45<br>Moderate to strong<br>970.45 - 970.55<br>strong, visible medium magnetite crystals<br>970.55 - 970.8<br>moderate to strong<br>970.8 - 972.2<br>moderate to strong, magnetite crystals very obvious<br>972.2 - 974<br>weak to moderate<br>974 - 974.45<br>strong, disseminated magnetite<br>974.45 - 975<br>weak to moderate<br>975 - 975.95<br>weak<br>975.95 - 977.6<br>moderate to strong, disseminated magnetite |
| 976.6 - 977.6 | Pyroxenite, greenish-black, medium-grained, granular. 977.3 red mineral of indistinct properties (hematite?) sparsely scattered | |
| 977.6 - 979.8 | Pyroxenite, medium-grained, subporphyritic, sparse bronze to black mica | 977.6 - 979.1<br>moderate |

Core description Alpha Mineral Co. Benton, Ark., 12/5/62 R. H. Arndt

Hole A

| | | |
|---|---|---|
| 979.8 - 981.4 | Pyroxenite, medium-grained, granular to medium- to coarse-grained, sub-porphyritic, locally scattered books of dark mica | 979.1 - 981.6 moderate to strong, disseminated magnetite |
| 981.4 - 981.6 | Pyroxenite, medium- to coarse-grained, granular | |
| 981.6 - 982 | Pyroxenite, medium-grained, granular | 981.6 - 982 weak |
| 982 - 983 | Pyroxenite, medium- to coarse-grained, granular to subporphyritic. 982.4 2mm calcite veinlet | 982 - 982.7 moderate to strong<br>982.7-982.9 weak |
| 983 - 983.2 | Pyroxenite, medium- to coarse-grained granular, with dark mica | 982.9 - 983.2 moderate |
| 983.2 - 1000 | GENERAL DESCRIPTION<br>Mostly pyroxenite, black, medium-grained, granular to subporphyritic. Phenocrysts are subhedral to euhedral pyroxene, books of bronze to black mica, and subhedral magnetite crystals. The groundmass is a granular mosaic of anhedral, dull black grains and sparkling pyroxene (?), plus small mica flakes. Calcite veinlets to 1mm thick are sparsely scattered through the core. | |
| 983.2 - 983.9 | Relatively coarse | strong; visible magnetite |
| 983.9 - 985.0 | Mica pyroxenite; or cuachitite. | weak |
| 985 - 985.5 | Pyroxenite with streaks of magnetite up to 0.2' long | strong |
| 985 - 991.1 | Pyroxenite | moderate |
| 991.1 - 992.1 | Pyroxenite, medium-grained, sub-porphyritic, with visible coarse magnetite | ~~moderate~~ strong |
| 992.1 - 995 | Pyroxenite, medium-grained, granular, locally some visible magnetite | weak to spotty strong |
| 995 - 997 | Same as above. At 997 trace of feldspar-carbonate vein with trace of pyrite, and with weak alteration in pyroxenite | weak to spotty strong |
| 997 - 1000 | Same as above with local alteration on hairline fractures | weak |

CORE DESCRIPTION

Alpha Mineral Co. Benton, Arkansas

Hole EP 1-5, 699.8 - 713 feet 12/5/62 R. H. Arndt

Fedspar-carbonate vein

| | |
|---|---|
| 699.8 - 700.5 | Medium-grained carbonate broken by vertical gray veins c.15' thick. Veins contain both massive pyrite and disseminated fine-grained cubes of pyrite as well as very fine-grained, disseminated, gray, unidentified mineral. |
| 700.5 - 701.6 | Massive, white, medium- to coarse-grained dolomite with disseminated, very fine-grained cubes of pyrite, and disseminated,minute,sparkling, chunky, black crystals--probably rutile or brookite. |
| 701.6 - 702.7 | Same as above but with vertical fracture along which there is clayey material with granular texture. Clay contains disseminated pyrite and rutile or brookite. |
| 702.7 - 705 | Very meager residue of very fine-grained, granular clay probably represents about 2.3 feet of soft material (altered granular rock?) that was either ground out or washed out of the core barrel |
| 705 - 709 | Feldspar-carbonate vein, mottled gray and white, medium-grained, locally very vuggy, mostly dolomite. Disseminated pyrite and minute rutile-brookite crystals common 705 - 707. Fine- to medium-grained, yellow, lavender, and purple mineral that appears to be cubic or pseudo-cubic on drusy surfaces and may be fluorite is scattered between 707 - 709. Some of the purple mineral turns the knife blade and might be amethystine quartz or chalcedony. Strong gray bands that are parllel to the core (708.8 - 709) may be caused by minute,disseminated, gray mineral in the carbonate. |
| 709 - 713 | Recovered 2 feet of core including 1 foot of gray, clayey substance with residual granular texture. This grades to a foot of greenish-gray, medium-grained, altered pyroxenite. Lost core may come from the gray, clayey substance |
| Below 713 | The rock is mostly coherent, altered pyroxenite with distinct residual texture, grading downward to unaltered pyroxenite. Alllstands firmly when cored. |

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 12/7 | GCS | 120 |
| 12/7 | Talbot | 800 |
| 12-7 | Cal | 220 |
| | Incoming | 500 |
| | | |
| | | |
| | | |
| | | |
| | | |

DEC 7 1962

Memorandum

To: Mr. Robert A. Laurence
U. S. Geological Survey
Room 11, Post Office Building
Knoxville 2, Tennessee

From: Chief, Division of Field Operations

Subject: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Enclosed is a copy of the Operator's voucher (with supporting documents) for October 1962, and a copy of a memorandum, dated November 28, 1962, to the Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary, approving payment of the voucher.

George C. Selfridge (gla)

Enclosures

GCSelfridge/gla (12-7-62)
cc to: Docket OME-6243
Director's Reading File
CA&A Division
G. C. Selfridge

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 11/29 | GCS | 120 |
| | Insinger | 500 |
| 11/29 | Johnson | 110 |
| 11/28 | Armstrong | 100 |
| 11/28 | Cal | 220 |
| | | 500 |
| | | |
| | | |
| | | |

AIRMAIL

NOV 29 1962

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantlum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Minturn:

With further reference to my October 25, 1962, letter to you, a study of the logs of the holes drilled along Exploration Profile No. 1 suggests that no further drilling should be done to probe ore body B should the hole requested in your letter of October 22 reveal the same type of material heretofore cored.

If there is a possibility that the anomaly indicated as ore body D might owe its origin to different type rock, probably Hole No. 1 along Exploration Profile No. 3 should first be drilled. Whether further holes along the profile would be warranted will depend upon the results of Hole No. 1.

Sincerely yours,

George C. Selfridge (gla)

G. C. Selfridge, Chief
Division of Field Operations

GCSelfridge/gla (11-29-62)
cc to: Director's Reading File
Mr. Selfridge (2)
Region IV
Docket

43683

OLC-6247

I have summarized but suggest changing Art. 3 of amendment, last three words, "shall be approved" to "may be used".

Talbott

11/27/62

Change is preferable but not necessary as ~~AR~~ words by approved anyway if done

FJ

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| | Dimsdale | 500 |
| 11/27 | Talbot | 800 |
| | Selfridge | 130 |
| 11/28 | Johnson | 110 |
| | Smith | 100 |
| 11/28 | CAR | 220 |
| | | 500 |
| | | |
| | | |

NOV 28 1962

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Minturn:

With reference to your November 13 letter and our reply of November 15, we are enclosing the original and four copies of a proposed Amendment No. 1 (two pages) to the contract. All copies have been signed by the undersigned for the Government.

If it meets with your approval, please sign all copies, retain the "Operator's Copy" for your files, and return the rest to us. If you should not be in accord with the terms of the amendment, kindly return all copies to us unsigned, advising as to your objection.

Sincerely yours,

George Fumich, Jr.

Director

Enclosures
WRGriswold/mm
11-27-62
cc: Director's Reading File
Review Committee
Docket
Region IV

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 11/28 | GCS | 120 |
| 11/28 | Talbert | 800 |
| 11/28 | CAC | 220 |
| | | 500 |
| | | |
| | | |
| | | |
| | | |
| | | |

NOV 28 1962

Memorandum

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

From: Chief, Division of Field Operations, OME

Subject: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Enclosed are the original and two copies of MME Form 60 (with supporting documents) and the original and two copies of MME Form 61 covering work performed during October 1962.

It is considered that the work performed complies with the intent of the contract and an amendment which is in the mail and is acceptable to the Government.

The work performed during the month was on both actual cost and fixed unit cost bases.

Subject to verification of the arithmetical accuracy of the report, it is recommended that the Operator be reimbursed $3,471.27 which is 50 percent of the approved costs for October.

Enclosures

GCSelfridge (11/28/62)
cc: Docket OME-6243
Director's Reading File
R. A. Laurence, Region IV, w/cy of MME Forms 60 and 61 and attachments for October 1962
CA&A Division
G.C. Selfridge

43683

DRAFT
11/19/62
WBGriswold/mm

EXPLORATION CONTRACT
ALPHA MINERAL COMPANY
OME-6243

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1962, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government," and Alpha Mineral Company, hereinafter referred to as the "Operator," that Contract 2150 (OME-6243), dated July 25, 1962, is amended, effective July 25, 1962, as follows:

1. Under Exhibit A of the contract, sub-heading General Conditions, the last paragraph is deleted and the following is substituted:

"All drill hole locations shall be subject to approval by the Government."

2. Under Exhibit A of the contract, sub-heading Description of the Work, the last sentence of the first paragraph is deleted and the following is substituted:

"Drill hole locations may be changed from those indicated on Figure 1, with approval of the Government, including departures from the established exploration profile lines."

3. Under Exhibit A of the contract, the first paragraph at the top of Page 2, under sub-heading Description of the Work is deleted and the following is substituted:

"Diamond drilling shall be done with standard NX (or larger) size coring bits, approximately 2-1/8 inch core diameter. However, when deemed advisable, standard BX size coring bits, approximately 1-5/8 inch core diameter, may be used. Furthermore, when necessary to complete a hole, standard AX size (1-1/8 inch core diameter) shall be approved.

This amendment shall not be construed to increase the amount of any item designated as maximum, the fixed unit cost of any item of work, the estimated total cost of the project, or the aggregate total amount which the Government may be required to contribute.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Director, Office of Minerals Exploration

ALPHA MINERAL COMPANY

By _____

Title _____

orm 7
-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| | Griswold | 500 |
| 11/14 | Talbert | 800 |
| | Selfridge | 120 |
| 11/15 | Johnson | 140 |
| 11-16 | Fumich | 100 |
| 11/15 | Eyler | 220 |
| | | 500 |
| | | |
| | | |

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

NOV 1 5 1962

Re: OME-6243 (Iron ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Minturn:

We have your November 13 letter requesting an amendment to the referenced contract to permit BX drilling. We shall prepare such an amendment and it will be forwarded to you in due time; meanwhile you may proceed in such a manner.

Sincerely yours,

George Fumich, Jr. (gfa)

Director

WRGriswold/mm
11-15-62
cc: Director's Reading File
Region IV (2) w/2 copies of Mr. Minturn's letter of 11/13/62
✓ Docket

43683

REFERENCE SLIP

REV. 12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

| TO: | INITIALS | DATE |
|---|---|---|
| 1. Mr. ~~Talbert~~ | | 11/14 |
| 2. Mr. Selfridge | | |
| 3. Mr. Griswold | | |
| 4. Associate Solicitor, Rom 6042 | | |
| 5. Mr. Griswold, Rm 4455 | | |
| FROM: W. R. Griswold | 11/14/62 | |

FOR: Check items for action desired

X Action ____ Reply for signature of ____

X Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

Deletion of the word "prior" from this amendment & also from last sentence of General Conditions is recommended. First hole drilled did not have "prior" approval.

Talbert
11/14/62

INT.-DUP. SEC., WASH., D.C. M25803

EXPLORATION CONTRACT
ALPHA MINERAL COMPANY
OME-6243

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1962, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter referred to as the "Government," and Alpha Mineral Company, hereinafter referred to as the "Operator," that Contract 2150 (OME-6243), dated July 25, 1962, is amended, effective July 25, 1962, as follows:

2. Under Exhibit A of the contract, sub-heading "Description of the Work" the last sentence of the first paragraph is deleted and the following is substituted:

"Drill hole locations may be changed from those indicated on Figure 1, with ~~prior~~ approval of the Government, including departures from the established exploration profile lines."

3. This amendment shall not be construed to increase the amount of any item designated as maximum, the fixed unit cost of any item of work, the estimated total cost of the project, or the aggregate total amount which the Government may be required to contribute.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Director, Office of Minerals Exploration

ALPHA MINERAL COMPANY

By _____

Title _____

L. W. MINTURN
PETROLEUM EXPLORATION CONSULTANT
753 WEST CREEKSIDE DRIVE
HOUSTON 24, TEXAS

HOMESTEAD 5-8702

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 14 1962

| DATE | | |
|---|---|---|
| 11/14 | 407 | 880 |
| | | ~~140~~ |
| | | 500 |

November 13, 1962

Mr. Geo. Fumich, Jr., Director
Office of Minerals Exploration
Department of the Interior
Washington 25, D. C.

Re: OME-6243

Dear Sir:

We have encountered some expenses which we do not believe reasonably could have been contemplated at the time the above contract was prepared and executed, principally in connection with the loss of casing which was required on account of the nature of the overburden. Alpha Mineral Company, as a result of this condition, will face an expense of approximately $6,250.00 which is not an authorized expenditure insofar as Government participation is concerned.

To enable Alpha Mineral Company to complete the exploration project as outlined in the contract, it is requested that the contract be amended to permit diamond coring, at the option of the Operator, with BX core barrel rather than NX size. We have heretofore used the BX core barrel where it was necessary for the completion of holes and we have had 100% recovery; therefore, we believe that use of the BX core barrel is entirely satisfactory.

Your early consideration of this request will be appreciated.

Yours very truly,

ALPHA MINERAL COMPANY

By L. W. Minturn

L. W. Minturn, General Partner

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 11/13 | Selfridge | 120 |
| | On leave | 500 |
| 11/13 | Talbert | 800 |
| " | Johnson | 110 |
| 11/13 | Fumich | 100 |
| 11/13 | [illegible] | 220 |
| | [illegible] | 500 |
| | | |
| | 6243 | |

NOV 1 3 1962

AIRMAIL

Mr. Gordon Stokes
Vinson, Elkins, Weems & Searls
First City National Bank Building
Houston 2, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Stokes:

This letter is to confirm the information given you today during your telephone conversations with this office. Under the contract the total footage (10,400 feet), the unit cost per foot for each type of drilling, and the total amount ($38,970.00) are maximums under Category (1). Any money that is available under any item in Category (1) may be used for core drilling below 600 feet at the prices quoted in the contract.

With regard to core size, the contract states:

> "Diamond drilling shall be done with standard NX (or larger) size coring bits, approximately 2-1/8" bit diameter. However, when necessary to complete a hole, BX or AX size may be used."

To drill a hole smaller than NX would require an amendment to the contract and a written request with supporting justification should be submitted. The unit prices for each size of hole or core would remain the same.

Sincerely yours,

George Fumich, Jr. (gla)

Director

GCSelfridge/gla (11-13-62)
cc to: Director's Reading File
Region IV
Docket
Mr. Selfridge

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 11/13 | GCS | 120 |
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November 13, 1962

Memorandum to the File

From: Chief, Division of Field Operations

Subject: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Mr. Gordon Stokes called today to learn if his understanding of the contract was correct with regard to the maximums appearing in Category (1) of the contract. His understanding was that only the unit price per foot for each type of drilling and the total amount of Category (1) were maximums. He was informed that without having the contract right at hand he was correct. He was told that the contract would be checked and the information given him confirmed by a return call and a letter. Both were done.

Mr. Stokes stated that BX core made a better recovery and that Mr. Minturn would write in requesting a change from NX to BX core.

George C. Selfridge

GCSelfridge/gla
cc to: Docket
Mr. Selfridge

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 11/5 | GCS | 120 |
| 11/6 | Johnson | 110 |
| 11/6 | Tomb | 100 |
| 11/6 | CAL | 220 |
| | | 500 |
| | | |
| | | |
| | | |
| | | |

NOV 6 1962

Memorandum

To: Mr. Robert A. Laurence
U. S. Geological Survey
Room 11, Post Office Building
Knoxville 2, Tennessee

From: Chief, Division of Field Operations

Subject: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Enclosed is a copy of the Operator's voucher with narrative for September 1962, and a copy of a memorandum, dated October 25, 1962, to the Chief, Fiscal Section, Division of Administrative Services, Office of the Secretary, approving payment of the voucher.

George C. Selfridge (gla)

Enclosures

GCSelfridge/gla (11-5-62)
cc to: Docket OME-6243
Director's Reading File
CA&A Division
G. C. Selfridge

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Summary | Code |
|---|---|---|
| | | |
| 11/5 | | |
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| 11/6 | | 110 |
| | | 100 |
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| | | |
| | | |

NOV 6 1962

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Minturn:

We have your two letters of October 30 pertaining to the referenced contract.

Concerning the identity of the Supervising Engineer, this is no concern of the Government. The contract requires that "the Operator shall provide all technical and supervisory services necessary to complete the project in a satisfactory manner" but we are not concerned as to any certain individuals.

Regarding your letter requesting an amendment to provide changes in Categories (1) and (3), the contract is a firm commitment, and it is not within our authority to grant the requested changes.

Sincerely yours,

George Fumich, Jr. (gfa)

Director

WRGriswold/mm
~~XXXXXX~~ 11-5-62
Director's Reading File
Region IV w/2 copies of Mr. Minturn's letters 10/30/62 with attachments
✓Docket

43683

L. W. MINTURN
PETROLEUM EXPLORATION CONSULTANT
753 WEST CREEKSIDE DRIVE
HOUSTON 24, TEXAS
HOMESTEAD 5-8702

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 2 1962

| DATE | INITIALS | CODE |
|---|---|---|
| | Griswold | 500 |
| | | |
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| | | |
| | | |
| | 6243 | |

October 30, 1962

Mr. Geo. Fumich, Jr., Director
Office of Minerals Exploration
Department of the Interior
Washington 25, D. C.

Re: OME-6243

Dear Sir:

Because of previous commitments made by Mr. Kidd, it is necessary to replace him as Supervising Engineer for the core drilling being done under the captioned contract. Mr. Robert H. Arndt has been selected as his replacement. Mr. Arndt's qualifications are set forth in the attached letter.

Your early approval of this change will be appreciated, as Mr. Kidd must leave about November 4.

Yours very truly,

ALPHA MINERAL COMPANY

By L. W. Minturn
L. W. Minturn,
General Partner

Route 1, Box 42
Collinsville, Oklahoma
October 22, 1962

Mr. Louis W. Minturn
Alpha Minerals Company
753 Creekside Drive
Houston, Texas

Dear Mr. Minturn:

In response to a call and suggestion from Dr. Norman F. Williams of the Arkansas Geological and Conservation Commission I am writing to you concerning my availability to work temporarily as geologist on the magnetic-gravimetric mineral prospect south of Little Rock. I find it interesting that this work is a follow-up on the efforts of Mr. Benny Kidd, a former student of mine at the University of Arkansas.

My qualifications in experience are listed on the accompanying resume. You will note that as long ago as 1953 I had been granted a G.S. 9 rating in geology of metallic and nonmetallic mineral deposits with the U. S. Geological Survey. That has long since expired, but I now have a brand new G.S. 11 rating in general geology.

You will also note that I headed a field group for the U. S. Atomic Energy Commission research contract at the U. of Arkansas, 1951-1954. We were interested in uranium exploration at Potash Sulphur Springs, five miles west of Magnet Cove, and radioactivity at Granite Mountain, Little Rock, as well as radioactivity of thermal waters.

Finally, if you go back far enough, you will see I spent the summer of 1941 in surface and underground exploration work, both as geologist with the diamond drill and at regular underground mine geology. This doesn't make me a seasoned veteran at this work, but I am not quite a novice.

My education is prominantly overbalanced in the direction of mining geology and ore deposits, though I have used little of it directly over the years. Course work in graduate school at Harvard included; Ore Deposition, one year, and Microscopic Investigation of Ores, one year, both under Professor L. C. Graton. Geology of Base Metals, one semester, under Professor Donald H. McLaughlin. Ore Valuation, one semester, under Professor Graton and Dr. F. S. Turneure. Ore Finding, one semester, under Professor Hugh McKinstry. To back this I have had extensive training and experience with igneous rocks and metamorphic rocks both in the field and in the laboratory, particularly in relation to my doctoral dissertation, which I am just bringing to completion.

It is my feeling that Bill Williams wanted you to have this information to back up his position that I am capable of handling the job. If you have any thoughts or comments in regard to the foregoing, I shall be pleased to hear about them.

Sincerely yours,

Robert H. Arndt

Robert H. Arndt

Condensed Personal Resume

for

ROBERT H. ARNDT

Age--44 Born May 19, 1918 at Milwaukee, Wisconsin

Citizenship--U. S.

Family status--Wife, Marjorie J. Arndt
Daughter, Geraldine Jean Arndt

Home address--Route 1, Box 42, Collinsville, Oklahoma Tel. 918 BRoadway 4-3398

Health--Good, no disabilities, no disfigurements

Education

Public Schools--Wauwatosa, Milwaukee County, Wisconsin

College
Baccalaureate
B. A. Lawrence College, Appleton, Wisconsin, 1940
Major in geology

Graduate
A. M. Harvard University, 1942
Geology
Ph. D. Harvard University, expected 1963
Geology. Dissertation under Marland P. Billings
"Structure and Petrography of the Whitefield Quadrangle, New Hampshire."

Professional experience and attainments

1955-1962 Assistant professor of geology, University of Tulsa
1955-1962 Geological research, part time and summers, Jersey Production Research Co., Tulsa, Okla. Work concerned sedimentation and petrography (grain orientation in sandstone, petrography of recent and ancient carbonate sediments); hydrodynamics (model studies, oil entrapment, regional potentiometric surfaces); literature search in regional geology; various geologic services to Standard Oil (N. J.) affiliates; library development (well information storage).
1949-1954 Assistant professor of geology, University of Arkansas
1951-1954 Co-leader of U. S. Atomic Energy Commission research contract AT-(40-1)-1313, entitled "Radioactivity of Thermal Waters and its Relationship to the Geology and Geochemistry of Uranium." Supervised all geologic work which included: Two summers' work by field parties, two years' work by full time field man, correlative master's thesis work of five graduate students, laboratory research; write and/or edit the progress, terminal, and annual reports for the contract. The scope of the search involved structural

Boucot, A. J. and Arndt, R. H.: Fossils of the Littleton Formation (Lower Devonian) of New Hampshire, U. S. Geological Survey Professional Paper 334-B, 1960

Teaching experience

| | |
|---|---|
| Physical geology elementary | 7 times, advanced 4 times |
| Historical geology elementary | 7 times, advanced once |
| Mineralogy | 5 times |
| Optical crystallography | 3 times |
| Petrography | 3 times |
| Hand specimen petrology | 7 times |
| Structural geology elementary | 6 times, graduate seminar 3 times |
| History of geology | twice |
| Geophysics for geologists | once (poorly qualified) |

Personal references

Dean Donald E. Hayden, College of Liberal Arts, The University of Tulsa, Tulsa 4, Oklahoma

Professor Harold E. Enlows, Department of Earth Sciences, The University of Tulsa, Tulsa 4, Oklahoma

Professor M. E. Hopkins, Department of Earth Sciences, The University of Tulsa, Tulsa 4, Oklahoma

Dr. George V. Cohee, United States Geological Survey, Washington 25, D.C.

Professor Paul E. Damon, Department of Geology, University of Arizona, Tucson, Arizona

and stratigraphic mapping, and groundwater studies at Hot Springs, Ark., field mapping and mineral and radioactivity investigations (including water) at Potash Sulphur Springs, Ark., field mapping and radioactivity survey at Granite Mountain (Little Rock), Ark. This was a cooperative project with the Department of Chemistry at the University of Arkansas.

1953 Acquired U. S. Geological Survey G. S. 9 professional rating in geology of metallic and non-metallic mineral deposits

1948-1949 Graduate school, Harvard

1946-1948 Instructor in geology, Hamilton College, Clinton, New York

1945-1946 Teaching Fellow in Geology and Mineralogy, Harvard (half time)

1942-1945 Junior subsurface geologist, Shell oil Co. Inc., Centralia, Illinois. Work concerned the geology of petroleum in Illinois, western Indiana, Western Kentucky; Review daily drilling and scout reports; review all well completions and make requisite stratigraphic correlations from available electrical logs or other data; keep subsurface structure maps up to date; consult with geophysicist regarding stratigraphic and structural significance of seismic reflections; watch for "hot" prospects; provide basic routine exploration reports required by company; work on sand studies.

1941 Summer employment as engineer assistant, American Smelting and Refining Co., Groundhog Unit, Vanadium, New Mexico

1940-1942 Graduate school, Harvard

Organizational affiliation—Professional and academic

American Association of Petroleum Geologists—member
Tulsa Geological Society—former member and editor of "Tulsa Geological Society Digest," 1958
Arkansas Academy of Science—former member
New York State Geological Association—former member and secretary 1947-1948
American Institute of Mining and Metallurgical Engineers, Former junior member
Sigma Gamma Epsilon—national honorary scientific society for earth sciences—associate member

Organizational affiliation—Non-professional and social

Phi Delta Theta social fraternity
Kiwanis International—former member in Centralia, Illinois
Boy Scouts of America—former troop leader and senior scout counselor, Centralia, Illinois
American Quarter Horse Association—member
Philbrook Art Center, Tulsa—member
Frontier Square Dance Club, Tulsa—member and treasurer for 1962-1963

Publications

Arndt, R. H. and Kuroda, P. K.: Radioactivity of Rivers and Lakes in Parts of Garland and Hot Spring Counties, Ark., Economic Geology, vol. 48, pp. 551-567, 1953.

October 30, 1962

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 2 1962
DATE | INITIALS | C.
Trained 500

Mr. Geo. Fumich, Jr., Director
Office of Minerals Exploration
Department of the Interior
Washington 25, D. C.

Re: OME-6243

Dear Sir:

With reference to our letter of October 17, 1962, and in the light of new arrangements made with the Joy Manufacturing Company which are set forth in the attached letter, it is requested that the following tabulation be substituted for Category (1) and Category (3) as they presently appear in the contract, instead of the tabulation requested in our letter of October 17, 1962:

Category (1) - Independent Contracts

| | |
|---|---|
| Bulldozing 15 hours @ $13.00/hr. average | $ 195.00 |
| Drilling (mobilization) | 350.00 |
| Drilling (demobilization) | 350.00 |
| Non-core drilling above 600', 6600' @ $2.50/ft. | 16,500.00 |
| Non-core drilling below 600', 200' @ $3.00/ft. | 600.00 |
| Diamond core drilling above 600', 100' @ $4.75/ft. | 475.00 |
| Diamond core drilling below 600', 500' @ $5.25/ft. | 2,625.00 |
| Diamond core drilling below 600', 2124.2' @ $4.75/ft. | 10,375.00 |
| Reaming and casing, 76.6 hours @ $15.00/hr. | 1,150.00 |
| | $32,620.00 |

Category (3) - Operating Materials and Supplies

| | |
|---|---|
| 100 cardboard core boxes @ $1.00 each | $ 100.00 |
| Casing lost in hole, approximately 2500' @ $2.50/ft. average | 6,250.00 |
| | $ 6,350.00 |

Under Description of the Work on the first page of Exhibit A the wording and figures should be changed to read "approximately 11 vertical holes having an aggregate total footage of not to exceed 9524.2 feet." The hours of bulldozing should be reduced to 15. Size of the diamond drill core should be reduced to BX, except that 600 feet may be NX or smaller.

Thank you for delaying action on our letter of October 17, as requested by telephone.

Yours very truly,

ALPHA MINERAL COMPANY

By L. W. Minturn

L. W. Minturn, General Partner

JOY MANUFACTURING COMPANY
900 WOODLAND AVENUE
MICHIGAN CITY, INDIANA

October 25, 1962

EXECUTIVE OFFICES
HENRY W OLIVER BUILDING
PITTSBURGH 22, PA.

AIR MAIL

Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Attention: Mr. L. W. Minturn

Gentlemen:

This letter will confirm our phone conversation of Tuesday, October 23rd. It was decided that some new procedure would have to be undertaken to prevent loss of casing on succeeding holes. You suggested that a local rotary drilling contractor might relieve us of some of the drilling by penetrating the upper sections of the hole and setting casing at the desired depth. The rotary driller would furnish the casing, thereby relieving you of the cost of casing lost in the drill holes. The rotary driller quoted you a price of $2.75 per foot.

We feel that we can make approximately the same progress as a rotary driller and therefore we would like to undertake the drilling and casing of the next hole at the rate of $2.75 per foot. If this new procedure works out to the satisfaction of both parties, we will continue to drill the non-core section and case holes spotted after #6 has been drilled. In the event we cannot economically drill and case these holes at the price of $2.75 per foot, we will then work with you in procuring a rotary driller for this project, and we will carry on with the coring portion of the work only. We feel, however, that we can work this matter out to your satisfaction using our present crews and equipment.

Listed below is a breakdown on the casing lost in the first four holes:

| | | | |
|---|---|---|---|
| Hole #1 | 426 Feet BX Casing | @$2.16 ft. | $ 920.16 |
| Hole #2 | 21 Feet 5" Pipe | @$2.75 ft. | 57.75 |
| Hole #3 | 560 Feet NX Casing | @$2.92 ft. | 1,635.20 |
| Hole #4 | 415 Feet BX Casing | @$2.16 ft. | 896.40 |
| | | | 3,509.51 |

We do not know what the casing loss, if any, will be on Hole #5. That hole should be completed before the end of the month.

Yours very truly,
JOY MANUFACTURING COMPANY

J. M. Murray, Assistant Manager
Contract Drill Division

JMM/et

October 30, 1962

Joy Manufacturing Company
900 Woodland Avenue
Michigan City, Indiana

Attention: Mr. J. M. Murray

Gentlemen:

This will acknowledge receipt of your letter of October 25, 1962, in which you state your desire to drill and case Hole #6 to the top of the section to be cored (at approximately 600') at the rate of $2.75 per foot, and assume full responsibility for the casing. We agree to the drilling of Hole #6 under these circumstances, and if the results are satisfactory to both parties, we agree to continue the contract under these conditions.

Yours very truly,

ALPHA MINERAL COMPANY

By _____
L. W. Mihturn, General Partner

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 10/24 | GCS | 120 |
| | Brussel | 500 |
| 10/25 | Talbert | 800 |
| " | Johnson | 110 |
| 10-26 | Fennell | 100 |
| | | 220 |
| | | 500 |
| | | |
| | | |

AIRMAIL

OCT 25 1962

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Minturn:

This letter is your authorization to drill the hole requested in your letter of October 22, 1962, provided that it is not drilled within 200 feet of the boundary of any land not covered by the contract, as stipulated under General Conditions in Exhibit A. The drilling of this hole will require an amendment to the contract which we shall prepare and send you.

Please note that under General Conditions all hole locations require prior approval by the Government. No additional holes will be approved until we are furnished the results of all holes drilled, including the one requested in your letter of October 22, 1962.

With regard to your letter of October 17, 1962, we shall withhold action on your request for an amendment as discussed during your telephone conversation with Mr. Johnson on October 22, 1962.

In the future it will not be necessary to send in more than four copies of MME Forms 60 and 61. On MME Form 60, please have the block filled in, which is above the words "For Government Approval Only."

Sincerely yours,

George C. Selfridge (gla)

G. C. Selfridge, Chief
Division of Field Operations

GCSelfridge/gla 10-24-62
cc to: Director's Reading File
Region IV w/ cy each of
Mr. Minturns' letters
10/17/62 and 10/22/62
Docket
Mr. Selfridge

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 10/24 | GCS | 120 |
| 10/30 | Tachut | 800 |
| 10/31 | cal | 220 |
| | | 500 |
| | | |
| | | |
| | | |
| | | |
| | | |

OCT 2 5 1962

**Memorandum**

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

**From:** Chief, Division of Field Operations, OME

**Subject:** OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Enclosed are the original and two copies of MME Form 60 (with supporting documents) and the original and two copies of MME Form 61 covering work performed during September 1962.

A disallowance of $13.00 has been made for 26 feet of non-core drill hole as they were charged at $3.00 a foot instead of $2.50 as stipulated by the contract. The Government's "Approved Costs To Date" column on MME Form 61 reflects a 25¢ change in the total for each type of footage drilled in August.

It is considered that the work performed complies with the intent of the contract and is acceptable to the Government.

The work performed during the month was on both actual cost and fixed unit cost bases.

Subject to verification of the arithmetical accuracy of the report, it is recommended that the Operator be reimbursed $3,034.88, which is 50 percent of the approved costs for September.

George C. Selfridge (gfa)

**Enclosures**

GCSelfridge (10/24/62)
cc to: Docket OME-6243
Director's Reading File
R. A. Laurence, Region IV, w/cy of MME Forms 60 and 61 and attachments for September 1962
CA&A Division
G. C. Selfridge

43683

L. W. MINTURN
PETROLEUM EXPLORATION CONSULTANT
753 WEST CREEKSIDE DRIVE
HOUSTON 24, TEXAS

HOMESTEAD 5-8702

October 22, 1962

OFFICIAL FILE COPY
O. M. E
RECEIVED OCT 23 1962

| DATE | INITIALS | CODE |
|---|---|---|
| | | 120 |
| | | 500 |
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| | | |

Mr. Geo. Fumich, Jr., Director
Office of Minerals Exploration
Department of the Interior
Washington 25, D. C.

Re; OME-6243

Dear Sir:

Under the captioned contract, we request permission to drill an exploratory hole at the following location:

> Within 100 feet of a point 350 feet magnetic south of Hole EP1-4, depending on the surface conditions.

Your early approval of this location will be appreciated, as we plan to move onto it for the next test, if approved.

Yours very truly,

Alpha Mineral Company

By L. W. Minturn
L. W. Minturn, General Partner

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| | | |
| | | |
| 10/23 | Johnson | 110 |
| | | |
| | | |
| 10/23 | Cole | 220 |
| | | 500 |
| | | |
| | | |

October 22, 1962

Memorandum

To: Files

From: Deputy Director, OME

Subject: OME-6243
Alpha Mineral Company
Contract 2150

Mr. Minturn of Alpha Mineral Company telephoned me from Little Rock, Arkansas at 1:45 P.M. today. He referred to his letter of October 17, 1962, and requested that we hold up action on amending the contract with respect to lost casing.

Mr. Minturn stated he had discussed his drilling problems with the Joy Manufacturing Company and thought they had worked out a lower cost method which would eliminate the lost casing problem, and that he would submit a new bid on the drilling. He also said he wanted to drill a deep hole at a location of about 300 feet south of hole No. 4 in profile No. 3.

I told Mr. Minturn that we would hold up action on his request for an amendment and that he should write us a letter stating just what changes he wanted to make in the contract and reasons for making the changes.

Frank E. Johnson
Deputy Director

FEJohnson/bih

cc to: Files
Dir. reading file

43683

Houston, Texas
October 17, 1962

OFFICIAL FILE COPY
O. M. E
RECEIVED OCT 22 1962

| DATE | INITIALS | |
|---|---|---|
| 10/22 | [illegible] | 800 |
| | (Griswold) | 500 |
| | Murphy | |

Mr. George Fumich, Jr., Director
Office of Minerals Exploration
Department of the Interior
Washington, D. C.

Re: OME-6243

Dear Sir:

After two months experience in drilling and coring under this contract, there are several changes in allocation of funds which should be made in order for us to complete the contract. First, the coring is being done at a greater depth than provided for because of a greater thickness of overburden than anticipated and second, the core drillers insist on casing through the overburden and our contract requires that we pay for lost casing.

It is requested that the following tabulation be substituted for Category (1) and Category (3) as they presently appear in the contract:

Category (1) - Independent Contracts

| | |
|---|---|
| Bulldozing, 15 hours @ $13.00/hr. average | $ 195.00 |
| Drilling (mobilization) | 350.00 |
| Drilling (demobilization) | 350.00 |
| Non-core drilling above 600', 6000' @ $2.50/ft. | 15,000.00 |
| Non-core drilling below 600', 200' @ $3.00/ft. | 600.00 |
| Diamond core drilling above 600', 100' @ $4.75/ft. | 475.00 |
| Diamond core drilling below 600', 500' @ $5.25/ft. | 2,625.00 |
| Diamond core drilling below 600', 2000' @ $4.75/ft. | 9,500.00 |
| Cementing and redrilling, 40 hrs. @ $10.00/hr. | 400.00 |
| Reaming and casing, 30 hrs. @ $15.00/hr. | 450.00 |
| | $29,945.00 |

Category (3) - Operating Materials and Supplies

| | |
|---|---|
| 100 cardboard core boxes @ $1.00 each | $ 100.00 |
| Casing lost in hole, approximately 4000' @ $2.23/ft. av. | 8,925.00 |
| | $9,025.00 |

Under Description of the Work on the first page of Exhibit A the wording and figures should be changed to approximately 10 vertical holes having an aggregate total footage of not to exceed 8800 feet. The hours of bulldozing required should be reduced to 15. Size of the diamond drill core should be reduced to BX, except that 500 feet may be NX or smaller. ?

Yours very truly,

ALPHA MINERAL COMPANY

By L. W. Minturn

L. W. Minturn, General Partner

Memo to File: 10-16-62

Mr. Minturn called me at 3:30 PM this afternoon on the Alpha Mineral contract, OME-6243 in Arkansas.
Said their contract called for drilling footage to 600 ft and beyond 600 ft and that he believed that based on their findings to date that they would like to change the contract to have all the drilling go below 600 feet. (The phone connection wasn't too clear and this is what I understood his explanation to be. In any event I told him to write us a letter on his ~~to~~ request with the reasons for the change requested and we would be in a better position to give the matter consideration.
He also mentioned that the contract didn't cover last casing and wanted it changed to cover this item

Geo Tumich

AREA CODE 212
DIGBY 4-3456

CABLE ADDRESS
"NICHIMEN" NEW YORK

# NICHIMEN CO., INC.

60 BROAD STREET

NEW YORK 4, N. Y.

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 15 1962

October 11, 1962

Mr. Frank Johnson
Deputy Director
Department of Interior
No. 25, Washington D.C.

Dear Mr. Johnson:

Thank you very much for your nice assistance regarding iron ore of Alpha Mineral Company in Houston, Texas.

I have spoken with Mr. Minturn and we are asking to obtain further information from him. Should you have any other party who might be interested in iron ore business for export to Japan, we would like to get in touch with them.

Thanking you again for your excellent assistance,

Very truly yours,

NICHIMEN CO., INC.

T. Nagai

T. Nagai
Minerals Department

TN:jn

cc: Nichimen Co., Inc.
Houston, Texas

Nichimen Co., Ltd.
Tokyo, Japan

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 10/12 | [illegible] | 500 |
| 10/12 | [illegible] | 120 |
| 11 | [illegible] | 110 |
| 10/12 | [illegible] | 100 |
| 10/12 | [illegible] | 220 |
| | | 500 |
| | | |
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| | | |

OCT 12 1962

Mr. Claud W. Smith, Jr.
Claud W. Smith, Inc.
501 West Humble
Baytown, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Smith:

Responding to your inquiry of September 25, 1962, the address of the subject company is 753 West Creekside Drive, Houston 24, Texas.

Sincerely yours,

George Fumich, Jr.

Director

GLAult/a
10-12-62
cc to: Director's Reading File
Region IV w/cy incoming letter
Docket

43683

Office of Mineral Exploration

~~OFFICE OF MINERAL REPORTS~~

CLAUD W. SMITH, INC.
(Address from envelope: 501 West Humble,
Baytown, Texas)
September 25, 1962

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 9 1962

| DATE | | CODE |
|---|---|---|
| 10/10 | Received | 500 |

Department of Interior
Public Information Office
Washington, D. C.

Dear Sir:

Can you give us information as to the ~~location of the~~ Alpha Mineral Company? We have tried to locate this Company here in Houston, Texas, and find no listing whatsoever. We note that the Department of Interior has signed a contract with this firm to assist it in iron ore exploration in Saline County, Arkansas. See attached newspaper article.

Yours very truly,

Claud W. Smith, Inc.

**Firm Will**
**Iron Ore**

TON (UPI) — The
f Interior reported
signed a contract
n firm to assist it
ploration in Saline

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ny. It called for
exploration, with
participation set

Mail address

MME Form 7
(10-58)

OFFICIAL FILE COPY

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| " | On leave | 120 |
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| 9/21 | on leave | 100 |
| 9/21 | cor | 220 |
| | | 500 |
| | | |
| | | |

SEP 21 1962

Memorandum

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

From: Acting Chief, Division of Field Operations, OME

Subject: OME-6243 (Iron Ore, Columbium, Tantalum Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Enclosed are the original (with supporting documents) and two copies of MME Form 60 and the original and two copies of MME Form 61 covering work performed during August 1962.

It is considered that the work performed complies with the intent of the contract and is acceptable to the Government.

The work performed during the month was on both actual cost and fixed unit cost bases.

Subject to verification of arithmetical accuracy of the report, it is recommended that the operator be reimbursed $1,253.62, which is 50 percent of the monthly total shown on MME Form 60.

W. R. Griswold (gla)

Enclosures

WRGriswold/gla 9-21-62
cc to: Docket OME-6243
Director's Reading File
R.A.Laurence, USGS, Reg. IV, w/enclosures
CA&A Division
Code 500
Mr. Selfridge

43683

L. W. MINTURN
PETROLEUM EXPLORATION CONSULTANT
753 WEST CREEKSIDE DRIVE
HOUSTON 24, TEXAS

HOMESTEAD 5-8702

Sept. 18, 1962

| OFFICIAL FILE COPY O. M. E RECEIVED SEP 21 1962 | | |
|---|---|---|
| DATE | INITIALS | CODE |
| | On Leave | ~~120~~ 500 |
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Mr. W. R. Griswold, Chief
Division of Minerals
Office of Minerals Exploration
Dept. of the Interior
Washington 25, D. C.

Re: OME-6243
Alpha Mineral Company
Benton Prospect
Saline County, Ark.
Contract 2150

Dear Mr. Griswold:

Enclosed are five copies of the first billing on the captioned project.

Yours truly,

Alpha Mineral Company

By L. W. Minturn
L. W. Minturn, General Partner

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 9/12 | | 500 |
| 9/12 | Talbot | 800 |
| " | on leave | 120 |
| " | Johnson | 110 |
| 9/12 | On leave | 100 |
| 9/12 | Cole | 220 |
| | | 500 |
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SEP 1 2 1962

AIR MAIL

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
755 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Dear Mr. Minturn:

Enclosed is a supply of MME Form 60, "Operator's Monthly Voucher". Also enclosed is a supply of MME Form 61, "Operator's Progress Report". These are the forms you requested in your telephone call to us on September 11, 1962.

Please read the instructions on the backs of MME Form 60 and MME Form 61. For your information, and in reply to many questions that have been asked, after completed Forms 60 and 61 are received in this office, an engineer will check progress on the project, after which the report forms will be processed by this office for reimbursement to you under the provisions of the contract. If the report is in order, a check will be issued by the Treasury Department for the Government's portion of the approved costs.

Your requests to this office for work approval, changes in the contract, or any other communications pertaining to operations under the contract, must be in writing and submitted as an original with two carbon copies. Such requests are not to be incorporated in your Narrative Report accompanying the Monthly Progress Report.

If you have any difficulty in completing the report forms, please feel free to call on this office for assistance.

Sincerely yours,

W. R. Griswold (glc)

W. R. Griswold, Chief
Division of Minerals

Enclosures

cc: Docket
Director's Reading File
Region IV Files (2)

43683

OFFICIAL FILE COPY

| Date | Surname | Code |
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| 8/8 | | 500 |
| 8/8 | Talbot | 800 |
| 8/8 | Dr Lane | 130 |
| " | Johnson | 110 |
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| 8/8 | Cole | 220 |
| | | 500 |
| | | |
| | | |

AUG 8 1962

Memorandum

To: Robert A. Laurence
U. S. Geological Survey
Room 11, Post Office Building
Knoxville 2, Tennessee

From: Chief, Division of Field Operations

Subject: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas
Contract 2150

Enclosed is the Field Office's copy of the subject contract, dated July 25, 1962, executed by the Director for the Government and Mr. L. W. Minturn, General Partner, Alpha Mineral Company.

W. R. Griswold

Enclosure

GLAult/a
8-8-62
cc to: Director's Reading File
Review Committee
Docket

43683

OFFICIAL FILE COPY

| Date | Surname | Code |
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| 8/3 | | 500 |
| 8/3 | Talbert | 800 |
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| " | Johnson | 110 |
| 8/3 | on leave | 100 |
| ~~8/3~~ 8/3 | Cole | 220 |
| | | 500 |
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AUG 3 1962

AIRMAIL

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas

Dear Mr. Minturn:

This will refer to our conversation of today pertaining to your exploration project OME-6243.

As you pointed out, the second paragraph of page 2 of Exhibit A is not too clear. The intent is to say that all diamond drill core should be properly boxed and stored, so the Government may examine it later on if it chooses. Significantly mineralized core sections should, of course, be handled as indicated.

The actual ambiguity is in the matter of non-core drilling cuttings. Facilities should be provided for the temporary retention of such cuttings so that they may be properly sampled if there is any evidence of significant mineralization. In such event, the cuttings should be properly sampled and one split of the residue bagged for Government use. Non-core cuttings which show no interesting mineralization may be totally discarded; however, we would trust that your drill hole logs would adequately describe such material.

May we wish you the very best of luck with your venture.

Sincerely yours,

W. R. Griswold (gla)

W. R. Griswold, Chief
Division of Minerals

WRGriswold/gla
8-3-62
cc to: Director's Reading File
Region IV
Docket

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

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|---|---|---|
| 7/24 | [illegible] | 500 |
| 7/24 | Talbot | 800 |
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| 7/24 | Fumich | 100 |
| 7/25 | [illegible] | 220 |
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AIRMAIL

JUL 25 1962

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas

Dear Mr. Minturn:

With reference to your July 6 letter, we are enclosing the original and four copies of a revised proposed contract which we believe is as you desire.

We call your attention to the second paragraph of our July 15 letter concerning a Performance Bond. You may sign the contract copies and return them to us, but no payments could be made under the contract until we receive the Performance Bond for $22,690.00.

Sincerely yours,

George Fumich, Jr.

Director

(RH)

Enclosures

WRGriswold/gla
7-24-62
cc to: Director's Reading File
Region IV w/cy Mr. Minturn's letter July 6, 1962
Docket
Review Committee

43683

ME Form 7
(10-58)

OFFICIAL FILE COPY

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| | | 100 |
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| | | 500 |

June 26, 1962

Note: Postscript July 24, 1962

Memorandum

To: The File

From: Chief, Division of Minerals

Subject: Telephone Call from Mr. L. W. Minturn
OME-6243 (Iron Ore-Columbium-Tantalum-Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas

The undersigned had a phone conversation with Mr. Minturn on this date concerning the terms of the proposed contract. The only point at issue was the contract item "Fixed Unit Cost" - Incidental allowance for each foot of drilling completed, 13,400 feet times $0.30, or $4,020.00.

Mr. Minturn felt this sum was inadequate.

This sum was derived as follows:

| | |
|---|---|
| Sample bags | $ 50.00 |
| Core Splitter | 167.50 |
| Depreciation, pick-up truck, 4 mos. @ $33.33 monthly | 133.00 |
| Gas & Oil, 4 mos. @ $37.50 monthly | 150.00 |
| Laborer | 450.00 |
| Supervising geologist, 4 mos. @ $700 | 2,800.00 |
| Consultant, 4 days @ $50 + $15 | 260.00 |
| | $ 4,010.50 |
| Rounded to 30¢ per foot, or | $ 4,020.00 |

In his application Mr. Minturn had listed 3 months as a period for supervision, etc.; hence, we felt we were being more than fair by increasing this 3-month estimate to four months. However, he had listed Howard G. Schoenike as supervisor with a remuneration of $6,975 plus $1,500 per diem, or $8,475 for three months, or $2,825 monthly. This for doing nothing but watch two drills chugging along and logging a little core; scarcely a job for a de luxe consultant.

43683

He had also listed $2,067.50 for Miscellaneous, "such as traveling and living expenses other than those extra assays, tags, postage on samples, extra help, hauling, drilling mud, etc." He did not say whose traveling or living expenses he contemplated paying; we could see no need for further "extra help", but we did allow for depreciation and gas and oil for a pick-up truck. Drilling mud is the business of the drill contractor.

I explained over the phone that it would be ridiculous to pay $2,800 monthly for supervising this little job; we have no quarrel with Mr. Schoenike's ability, but the little job could not possibly warrant such a salary.

However, I gathered that probably Schoenike has more to do with this application than meets the naked eye, possibly as entrepreneur. At any rate, Mr. Minturn seems to feel obligated to him. He stated, "I have only $30,000 to spend; could the project be reduced so that my share would only be $25,000; thus, I would have $5,000 left to give Schoenike, on our own account." However, he then said, "I'll think it over and phone you later."

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

WRGriswold/hb (6/27/62)
cc to: Docket OME-6243
Director's Reading File
Mr. Fumich
Mr. Johnson
Mr. Selfridge

July 24, 1962

P. S. Incidental allowance increased to 40¢ per foot to allow for $1,000 per months salary for supervisor.

IN REPLY REFER TO:

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

July 23, 1962

Memorandum

To: W. R. Griswold, Chief, Division of Minerals
Office of Minerals Exploration

From: Acting Associate Solicitor, Division of Mineral Resources

Subject: OME-6243, Alpha Mineral Company

In reply to your memorandum of July 12, the signature pages 7 and 8 have been revised eliminating the limited partners as signers of the proposed contract. However, it is our view that Exhibit B, in which the limited partners are named, should not be eliminated.

Robert H. McPhillamey
Robert H. McPhillamey
Acting Associate Solicitor
Division of Mineral Resources

Enclosure

MME Form 7
(10-58)

OFFICIAL FILE C

| Date | Surname | |
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July 12, 1962

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: W. R. Griswold, Chief, Division of Minerals

Subject: OME-6243 (Iron Ore-Columbium-Tantalum-Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas

The attached contract has been rewritten at the request of the Applicant to reduce the cost and amount of work. The changes are only in the amount of drilling, et cetera, with a consequent reduction in over-all funds.

Please note, from the Applicant's July 6 letter, they do not desire to have limited partners sign the contract. If you are in accord, you may wish to eliminate Exhibit B of the contract.

W. R. Griswold

WRGriswold/gla
cc to: Director's Reading File
Docket

43683

L. W. MINTURN
PETROLEUM EXPLORATION CONSULTANT
753 WEST CREEKSIDE DRIVE
HOUSTON 24, TEXAS

HOMESTEAD 5-8702

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 9 1962

| DATE | INITIALS | |
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| 7-9 | EB | 100 |
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July 6, 1962

Mr. George Fumich, Jr., Director
Office of Minerals Exploration
Department of the Interior
Washington, D. C.

RE: OME-6243

Dear Mr. Fumich:

Alpha Mineral Company desires to amend its application for assistance from $29,195.00 to approximately $22,500.00, the exact amount being one-half the cost of a fifteen-hole program rather than a nineteen-hole program.

In our application it was provided that Mr. Schoenike would direct the field work. Different arrangements have been made. Mr. Ben Kidd will direct the field work under the direction of Mr. Schoenike. Mr. Kidd has had approximately ten years of experience doing this type of work, and is well recommended by Mr. N. F. Williams, Arkansas State Geologist, for whom he has worked. His compensation will be $1,000.00 per month. Any part of this compensation in which the Government does not participate will be made up by Alpha Mineral Company.

The plat accompanying Contract No. 2150 shows several holes closer than 300 feet to the boundary of the leased property. In the body of the contract it is stated that the Government will not participate in the costs of any holes drilled less than

300 feet from the boundary. This discrepancy should be reconciled.

We have sent you a copy of the Limited Partnership Agreement under which Alpha Mineral Company was formed. As you will note, the Limited Partners have no right to participate in management of the Company or to sign agreements such as the one under consideration. In fact, to do so would jeopardize the legal advantages they now enjoy as Limited Partners. It is requested, therefore, that the agreement be prepared for my signature as General Partner.

could have had us on telephone when talking

We are returning herewith the five copies of your Contract No. 2150 which you previously furnished to us.

Yours very truly,

ALPHA MINERAL COMPANY

By L. W. Minturn

L. W. Minturn, General Partner

Mr Hopkins —

Gordon Stokes, President / Limited Partner of Mr Winters
Alpha Mineral Co.

Mr Winters

(1) Execution of contract by Limited partners.
Mr Winters has exclusive control of partnership.
Standpoint of tax liability

(2) map showing bore holes —
2 or 3 boreholes would be within 300 limit —
Either location changed (boreholes) or manner.

(3) Budget allowance for technical supervision

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 6/15 | Brown | 500 |
| 6/15 | Talbert | 800 |
| 6/15 | On leave | 130 |
| " | on leave | 110 |
| 6/15 | Fennely | 100 |
| 6/15 | coe | 220 |
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| | | |
| | | |

AIR MAIL

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

JUN 1 5 1962

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas

Dear Mr. Minturn:

Enclosed are the original and four copies of a proposed exploration contract for the subject property, signed by the Director for the Government. The contract consists of MME Form 50 (Long Form) as revised, Exhibit B "Limited Partners of Alpha Mineral Company," Annex I (eight pages), Exhibit A (four pages), Exhibit C, and one map.

We are sure you understand the need for the furnishing of a Performance Bond. You may sign the contract and return to us, but no payments could be made by the Government under the contract until we have received the Performance Bond here.

see letter 6/25/62 + agree most of limited partnership [illegible] side

We trust that you hold powers from the limited partners which will permit you to sign the contract in their behalf. Otherwise, we can see that sending all of the contract copies around the country might be a long drawn-out and tedious procedure. Let us know; in case you cannot sign for all concerned, we will see if something can be worked out.

You will note that most of the work is under the category of independent contracts and your monthly statements for reimbursement should be accompanied by proper documentation. Please bill for completed holes only. No documentation is necessary in the matter of "Fixed Unit Costs" for incidental allowance for each foot of drilling completed, other than a simple statement of footage. This item is provided to cover your labor and supervisory (technical) needs, plus miscellaneous. We could not allow the full sum which you had set up for Mr. Schoenike.

The 6 percent interest accrues from the dates on which the individual payments are made by the Government and like the principal is repayable from royalty on production.

43683

If the proposed contract is satisfactory to you, kindly insert the starting date under Article 1, sign all copies of the contract, and return the Government's, Field Office's, Audit's, and Fiscal Section's copies to this office. The Operator's copy should be retained by you.

If any part of the proposed contract does not have your approval, the original and all copies are to be returned to this office with your comments for consideration.

Sincerely yours,

George Fumich, Jr.

Director

Enclosures

P. S. In regard to the fourth paragraph of the first page, after we have received the signed contract you will be forwarded forms and more complete billing instructions.

WRGriswold/gla
6-15-62
cc to: Director's Reading File
Review Committee
Region IV
Docket

OME-6243 Call attention letter performance bond. c. 2b bottom of page leave blank. We do have the letter now and we will hold it here.

Per: Grace Reef
Reef
5-4-62

Mr. Sofridge:

OK - Before contract is signed permission for Performance Bond should be made in Art 2(b) also note changes in Exhibits ("B" is now Ex. "B" becomes Ex "C") also, if Nystrom has objects, we may give him letter to close w/o the further performance bond.

Alpha

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| | Gruenes | 500 |
| 6/1 | Talbot | 800 |
| 6/1 | Selfridge | 120 |
| " | Orlean | 110 |
| | Fernly | 100 |
| 6/1 | Cole | 220 |
| | | 500 |
| | | |
| | | |

JUN 1 1962

AIRMAIL

Mr. L. W. Minturn
General Partner
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron ore, columbium, tantalum, bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas

Dear Mr. Minturn:

With further reference to your Benton Prospect application, we expect to complete processing it within the coming week. You have already advised us that you will be able to furnish a Performance Bond (sample enclosed of required form); which, if a contract should be tendered, would be for $29,195.00. Concerning the inquiry in your May 2 letter, the cost of such bond is for the account of the Applicant and is not to be considered as an element of the project cost under the contract.

In the event a contract should be offered, we may require the signatures of all of the limited partners, as well as yourself. However, to save time if you wish, you could sign in their behalf, providing you hold their powers of attorney to do so.

You understand, of course, that the above is not to be taken as any assurance that a contract will be tendered you by the Government.

Sincerely yours,

W. R. Griswold (gla)

W. R. Griswold, Chief
Division of Minerals

Enclosures

WRGriswold/gla/bih
6-1-62
cc to: Docket
Dir. reading file
Region IV w/cy Mr. Minturn's letter May 2, 1962

43683

L. W. MINTURN
PETROLEUM EXPLORATION CONSULTANT
753 WEST CREEKSIDE DRIVE
HOUSTON 24, TEXAS

HOMESTEAD 5-8702

May 2, 1962

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 3 1962
DATE
5/4/64 Renewal 500

Mr. W. R. Griswold, Chief
Division of Minerals
Office of Minerals Exploration
Department of the Interior
Washington 25, D. C.

Re: OME-6243

Dear Mr. Griswold:

This is to advise you that Alpha Mineral Company will be able to furnish a Performance Bond as indicated in your letter of April 26, 1962. The cost will be 1% off the amount. If permissable, we would consider this cost part of the program and we would pay it out of the Miscellaneous Account.

Yours very truly,

Alpha Mineral Company

by L. W. Minturn
L. W. Minturn, General Partner

29,195.00 Bent.

MME Form
(10-58)

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

1490108 S&E, OME, Interior, 1962

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 5/11 | Selfridge | 120 |
| | | |
| | | |
| " | Leone | HO |
| | | |
| | | 100 |
| | | |
| | | |
| | | |

MAY 11 1962

TO: MR. L. W. MINTURN I-MME
ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

RE OME-6243, COPIES OF LEASES MISPLACED INTRADEPARTMENTAL MAILING.

CAN YOU SEND US ONE COPY OF EACH TO EXPEDITE CONSIDERATION OF

APPLICATION.

George Fumich, Jr.

GEORGE FUMICH, JR.
DIRECTOR

GCSelfridge/hb (5/11/62)
cc to: Docket OME-6243
Director's Reading File
R. A. Laurence, USGS, Reg. IV
G. C. Selfridge
Code 500

Rec'd 5/17/62

1 1

George C. Selfridge, Chief
Division of Field Operations

RE- 7-1820
x5372

May 11, 1962

43683

Form 7
(6-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 5/3 | | 500 |
| | | 140 |
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| | | |

May 3, 1962

Memorandum

To: Associate Solicitor
Division of Mineral Resources

From: W. R. Griswold, Chief
Division of Minerals

Subject: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas

Kindly prepare a proposed contract along the lines of the attached rough draft.

The recitation of leases under Annex I is rather lengthy; perhaps you will wish only to refer to them by reference. All leases are in the attached docket.

We have included under Annex I a special agreement concerning land as used under the DMEA in instances where it seemed likely that additional tracts might be added later on.

Seven copies of Figure 1 are forwarded for use with the contract. With reference to Article 2(b) of the form, your attention is called to our letter of April 26 to the Applicant concerning the submission of a Performance Bond.

W. R. Griswold (glc)

Attachments

43683

DRAFT
4/30/62
WRGriswold/gla

Revised

ALPHA MINERAL COMPANY
EXPLORATION CONTRACT

OME-6243

The purpose of the project is to explore for iron ore, ~~tantalum and columbium~~ columbium-tantalum minerals and bauxite by non-core drilling and by diamond core drilling in the area of a magnetic and gravitational anomaly located within a buried nepheline syenite intrusion.

## General Conditions

The Government will not participate in the cost of any work done at a distance of less than ~~one~~ three hundred feet from property boundaries.

The Operator shall provide all technical and supervisory services necessary to complete the project in a satisfactory manner.

## Description of the Work

It is estimated that drilling (both non-core and core) will be required along two and perhaps three "exploration profile" lines, with individual holes spaced at intervals of approximately 200 feet. In addition, it is estimated that either two or three "heavy mineral" test holes will be needed. In all, it is estimated that approximately 19 holes will be required, having an aggregate total footage of not to exceed 13,400 feet. Drill hole locations are approximately shown on the attached Figure 1, titled "Benton Magnetite Prospect, Saline County, Arkansas." Actually, 24 hole locations are shown, from which approximately 19 shall be selected for drilling, with an average depth of about 700 feet. Actual hole locations may be changed from those indicated on Figure 1, with prior approval of the Government

See that hole location may be subject to prior approval of the Government.

Drill holes and the drilling program and plans are subject to approval of the Government.

Re: OME-6243 [illegible]

In Eph. A:

① Page 2, par. ~~2 & 3~~ 3 & 4, should be combined to eliminate repetition.

② Page 3, par. 3 should be transferred to end of last par. on page 1. Yes

Yes ③ Page 4, insert "None except" in Cat. (3) & (7)

④ Page 3, Cat. (1), suggest mobilization and demobilization be two items of $350.00 each, per bid. each 350

⑤ Question: ~~Is non-core on overburden only? If so, specification should so state. If holes are to be non-core, who or what makes the determination? And~~ why not a non-core price ($3.00/ft) for depths below 600 ft.?

S.C. [illegible]

3-400 ft?

[illegible]

Talbot
5/2/62

[illegible]

DRAFT
WRGriswold/gl
4/30/62

MME Form 50
Feb. 1959

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

EXPLORATION CONTRACT
(Long Form)

| Docket No. | Commodity | Contract No. | County | State |
|---|---|---|---|---|
| OME-6243 | Iron Ore, Columbium-Tantalum, Bauxite | 14-23-090- | Saline | Arkansas |

It is agreed _____ (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

**Alpha Mineral Company, a limited partnership**

_____,

whose mailing address is **753 West Creekside Drive, Houston 24, Texas**, hereinafter called the "Operator, as follows:

ARTICLE 1. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before _____ (Date), and, subject to the provisions of Article 9 and Exhibit A, shall either have completed the work within 6 months from the date of the contract or shall have incurred allowable costs (see Article 6) in a sum not less than the total cost set forth in Exhibit A.

(b) The total allowable cost of the work set forth in Exhibit A is $ 58,390.00. The Government will contribute 50 percent of the allowable costs as they are incurred, in a total sum not in excess of $ 29,195.00 in accordance with the provisions of Articles 3, 4, 5, and 6. "Costs incurred" means costs that have been paid or have become due and payable, or that the Government determines have become obligations.

(c) Interest computation.--Simple interest computed annually at the rate of _____ percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

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

ARTICLE 2. Operator's rights in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

**See Annex I**

(b) 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 lien agreement of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached as follows:

**Performance Bond, dated**

(c) The Operator shall preserve and maintain his right, title, or 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. 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 royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 7 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. Performance of the work.--(a) Operator's responsibility.--The work shall be performed diligently, efficiently, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work as specified in Article 1(a).

(b) Independent contracts.--To the extent that the allowable costs are estimated in Exhibit A with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed (see Article 6(a), Category (1)). Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract, the Government will participate in payments to the independent contractor only as to work performed in accordance with the provisions of this exploration contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) 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 production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. Contribution by the Government.--(a) The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5(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 and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. Reports, accounts, audits.--(a) Operator's records.--The Operator shall keep suitable records and accounts of the 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 all pertinent books, documents, papers, and records of the Operator. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) Final report.--Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final monthly report). 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 related costs.

(d) Report of sales.--The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's 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 the Government determines that 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 preparation or completion of the same 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.

ARTICLE 6. Costs.--(a) Allowable costs.--The allowable costs of the work to which the Government will contribute are limited to:

(1) the necessary, reasonable, and direct actual costs that are estimated in Exhibit A by categories as specified in this article; and

(2) fixed costs for units of work to be performed (per foot, per hour, etc.) agreed upon in lieu of actual costs and set forth in Exhibit A.

The Government will not contribute to costs under any category or subcategory omitted from the estimate of costs in Exhibit A. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost; any excess over a fixed unit cost; and any excess over the total allowable cost of the work are not allowable. The Operator shall incur such excesses for his own account without contribution by the Government, but the Operator is not obligated to incur more than his agreed percentage of the total allowable cost of the work.

Any category or subcategory or element thereof not designated as a maximum in this article or in Exhibit A may be exceeded, provided that the total allowable cost of the work, which is a maximum, is not exceeded.

CATEGORY (1)--INDEPENDENT CONTRACTS.--(See Article 3(b)). The total of this category and the average unit cost estimated for each type of work to be performed under an independent contract are maximums.

CATEGORY (2)--PERSONAL SERVICES.

Subcategory (a)--Supervision and Technical Services--All elements of this subcategory (number of supervisors, technicians, outside consultants, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)--Labor.

CATEGORY (3)--OPERATING MATERIALS AND SUPPLIES.--Includes such items as drill bits and steel, explosives, fuel, pipe, power, timber, rail, and small tools costing less than $50 each.

CATEGORY (4)--OPERATING EQUIPMENT.

Subcategory (a)--Rental.--The number of each rented item [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)--Purchases.--The total of this subcategory is a maximum.

Subcategory (c)--Depreciation.--All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)--INITIAL REHABILITATION AND REPAIRS.--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

Subcategory (a)--Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).--The total of this subcategory is a maximum.

Subcategory (b)--Initial rehabilitation and repairs of operating equipment.--The total of this subcategory is a maximum.

CATEGORY (6)--NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).--Costs of items listed under this category include all requirements, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The total of this category is a maximum.

CATEGORY (7)--MISCELLANEOUS.--Includes requirements and costs that do not fall within any of the first six categories, such as repairs other than initial and maintenance of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, and communications.

(b) Nonallowable costs.--The Government will not contribute to the following costs:

(1) Costs of the land, such as rental, depreciation, depletion, or other costs of acquiring, owning, or holding possession;

(2) Indirect costs, such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) Previous work performed or costs incurred before the date of this contract; and

(4) Deferred payments.--Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods, unless the purchase agreement is approved by the Government in writing.

(c) Reductions in costs.--The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original total cost. This provision does not apply to receipts from production which are subject to the Government's royalty under the provisions of Article 7.

ARTICLE 7. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract, or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the ~~Operator's~~ gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, 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 (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable 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. No costs of the Operator are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) 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.

(d) Unsold production.--If any production (ore, concentrate, 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, concentrate, 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 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) Lien for payment.--To secure the payment of royalty (see Article 7(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) 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 Government, and this estimate shall be final and binding upon the Operator.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 8. Interests in purchased property.--(a) Title and ownership.--All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions although title thereto shall be taken in the name of the Operator.

(b) Preservation of property.--Until the final disposal of any property in which the Government has an interest, the Operator shall preserve and protect same for the best interest of the Government, and any reasonable and necessary cost thereof will be treated as an allowable cost of the exploration. After the completion of the work, termination of the Government's obligation to contribute, or when such property is not being used for the work, the Operator shall not use it elsewhere without the written consent of the Government and without paying a reasonable rental to be fixed by the Government for its proportionate interest.

(c) Disposal of property.--Upon the completion of the work, termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, sale to others, purchase by the Operator, or sale or transfer to the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government, the Operator shall not sell at any price any item of property that cost more than $500, and shall not sell at less than 25 percent of the purchase price any item of property that cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or offers. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, explosives, pipe, or rail), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item, the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the exploration.

(d) Default of the Operator re disposal.--If within 90 days after the completion of the work, termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may:

(1) in writing extend the time within which the Operator must dispose of or liquidate the property;

(2) by written notice to the Operator, place upon such property what it determines to be a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; and

(3) enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 9. Termination of the Government's obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is 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:

(1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to final accounting and reporting; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 9 shall not affect the Government's rights as provided for in the contract with respect to royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 13.

ARTICLE 10. Notices to be given by the Government may be delivered to the Operator, or may be sent by certified 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 11. 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.

**See Article 16.**

~~ARTICLE 12. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.~~

~~The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.~~

ARTICLE 13. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, Office of Minerals Exploration," as used herein includes his duly authorized representative.

ARTICLE 14. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

ARTICLE 15. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 16. Changes and added provisions.--

**The provisions of Section 301 of Executive Order No. 10925 of March 6, 1961, required to be included in every Government contract are by reference hereby and herein incorporated and made a part of this contract. A copy of said Executive Order is attached to this contract as Exhibit B.** New wording

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

**ALPHA MINERAL COMPANY**
(Operator)

By _____

By _____
**Director, Office of Minerals Exploration**

Title _____

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

_____

[CORPORATE SEAL]



INT.-DUP. SEC., WASH., D.C. 52370

DRAFT
4/30/62
WRGriswold/gla

ALPHA MINERAL COMPANY
EXPLORATION CONTRACT

OME-6243

The land referred to in the contract, with all rights pertaining thereto, is covered by leases held by the Operator on various land parcels. Such leases provide for the right to explore and prospect for and to mine and produce oil, gas, and other minerals. The leases and the property covered thereby are identified as follows:

Lease granted by J. T. Bridges, recorded in Misc. 1, page 332, by the Saline Circuit and Chancery Clark of Saline County, Arkansas.

Lease granted by W. C. McClendon, recorded in Misc. 1, page 342. Attached to the lease is an amendment recorded in Misc. 3, page 49.

Lease granted by Bryan W. Brooks, recorded in Misc. 1, page 352. Attached to the lease is an amendment recorded in Misc. 3, page 53

Lease granted by ~~Bryan W. Brooks~~ Lawrence E. Tatum, recorded in Misc. 1, page 362.

Lease by Leon H. Tatum, recorded in Misc. 1, page 372.

Lease by R. A. Davenport, Sr., et al., recorded in Misc. 1, page 382.

Lease by R. A. Davenport, Sr., recorded ~~in Misc. 1,~~ page 392.

Lease by R. A. Davenport, recorded in Misc. 1, page 402.

Lease by Aluminum Company of America, recorded in Misc. 1, page 406.

Lease by International Paper Company, recorded in Misc. 3, page 157. Attached to the lease is an amendment recorded in Misc. 3, page 154.

Lease by L. M. Tatum Estate, recorded in Misc. 3, page 463.

Lease by Boyd Allinson, recorded in Misc. 3, page 87.

Lease by May Tudor, recorded in Misc. 3, page 73. Attached to the lease is an amendment recorded in Misc. 3, page 82.

Lease by Moses Kidd, recorded in Misc. 3, page 35. Attached to the lease is an amendment recorded in Misc. 3, page 45.

Copies of the above lands are shown outlined in blue color on the attached Figure 1 entitled "Benton Magnetite Prospect, Saline County, Arkansas."

The leased lands are located in the following legal subdivisions:

T. 2 S., R. 14 W., secs. 29, 30, 31, and 32

T. 2 S., R. 15 W., Secs. 25 and 36

all in Saline County, Arkansas

SPECIAL AGREEMENT CONCERNING LAND

In the event the Operator or any subsidiary thereof (whether wholly owned or otherwise), at any time during the period expiring ten years from the date of this contract acquires any interest, title, or equity (exclusive of agreements granting the rights to explore, purchase, or acquire leases) in or with respect to any land, including minerals therein, situate within 1500 feet of the land described in this contract, at the contract date and the right to make such acquisition postdates this contract, it is agreed that such land shall thereupon become subject to the provisions of this contract, and the parties hereto shall promptly execute amendments to this contract listing such land as land included in this contract.

DRAFT 4/30/62
Rewritten: 5/3/
WRGriswold/gla

ALPHA MINERAL COMPANY
EXPLORATION CONTRACT
OME-6243

The purpose of the project is to explore for iron ore, columbium-tantalum minerals, and bauxite by non-core drilling and by diamond core drilling in the area of a magnetic and gravitational anomaly located within a buried nepheline syenite intrusion. Non-core drilling shall be done in overburden, clays and shales, and diamond core drilling shall be done in limestone and other hard rock.

General Conditions

The Government will not participate in the cost of any work done at a distance of less than three hundred feet from property boundaries.

The Operator shall provide all technical and supervisory services necessary to complete the project in a satisfactory manner.

All drill hole locations ~~will~~ shall be subject to prior approval by the Government.

Description of the Work

It is estimated that drilling (both non-core and core) will be required along two and perhaps three "exploration profile" lines, with individual holes spaced at intervals of approximately 200 feet. In addition, it is estimated that either two or three "heavy mineral" test holes will be needed. In all, it is estimated that approximately 19 vertical holes will be required, having an aggregate total footage of not to exceed 13,400 feet. Drill hole locations are approximately shown on the attached Figure 1, titled "Benton Magnetite Prospect, Saline County, Arkansas." Actually, 24 hole locations are shown, from which approximately 19 shall be selected for drilling, with an average depth of about 700 feet. Drill hole locations may be changed from those indicated on Figure 1, ~~wkh~~ with prior approval of the Government.

A bulldozer shall be used to prepare drill sites and access roads. The dozer shall be of not less than D-7 size or equivalent size of other make. The Government will contribute to the cost of not to exceed 50 hours of such bulldozing.

Diamond drilling shall be done with standard NX (or larger) size coring bits, approximately 2-1/8" bit diameter. However, when it might be necessary to complete a hole, BX or AX size may be used.

Cuttings from the non-core drilling shall be properly bagged and core from the diamond drilling shall be properly boxed and stored so as to be available for inspection by the Government. With prior Government approval, the Operator may later dispose of such stored cuttings and core. When drilling in significantly mineralized areas samples shall be taken and split as necessary, with one fraction set aside for the Government, properly identified as to location. The remaining sample shall be assayed for alumina, iron, phosphorous, silica, titanium, columbium, or tantalum as appears desirable.

[redacted]

Facilities shall be provided for the sampling of diamond drill sludges, and in significantly mineralized areas where the core recovery is less than 60 percent, the sludges shall be split, one fraction set aside for the Government and ~~the remaining~~ fraction assayed in the manner indicated above, in addition to the core segments recovered.

All holes shall be logged geologically and copies of the logs of completed holes, together with maps showing hole locations and sections, shall be furnished with the monthly report to the Government.

No drill hole sample shall represent a space interval of more than five feet of hole.

~~Drill holes [illegible] may be changed from those approximately indicated on Figure 1, with prior approval of the Government.~~

The Government will contribute to the cost of not to exceed 100 determinations for alumina and to the cost of not to exceed 200 samples to be assayed for iron and, if desirable, any or all of six associated minerals (sulphur, phosphorus, silica, titanium, columbium, and tantalum).

## Estimated Costs of the Project

### Actual Costs

Category (1) Independent Contracts

| | |
|---|---|
| Bulldozing, 50 hours, @ $13.00/hr. | $ 650.00 |
| Drilling (mobilization ~~and demobilization of equipment~~) (demobilization) | 350.00 350.00 |
| Non-core, 7,600 feet @ $2.50/ft. | 19,000.00 |
| Diamond core drilling to depth of 600 feet, 3,160 feet, @ $4.75/ft. | 15,010.00 |
| Diamond core drilling at depths beyond 600 feet, 2,640 feet, @ $5.25/ft. | 13,860.00 |

| | | |
|---|---|---|
| BX diamond drilling under 600-foot depth, | | |
| @ $4.25/ft. | | |
| Over 600-foot depth, $4.75/ft. | | |
| AX diamond drilling, | | |
| Under 600-foot depth, $3.75/ft. | | |
| Over 600-foot depth, $4.25/ft. | | |
| Cementing and redrilling, 50 hours, | | |
| @ $10.00/hr. | 500.00 | |
| Reaming and casing, 40 hours, | | |
| @ $15.00/hr. | 600.00 | $50,320.00 |
| Category (3) Operating Materials and Supplies (none except) | | |
| 100 cardboard core boxes, | | |
| @ $1.50 each | ~~$ 150.00~~ | 150.00 |
| Category(7) Miscellaneous (none except) | | |
| Assaying (alumina) | | |
| 100 determinations, @ $5.00 each | 500.00 | |
| Assaying (iron and associated minerals) - Sample includes, if necessary, assay for iron, sulphur, phosphorus, silica, titanium oxide, columbium, and tantalum. | | |
| 200 samples @ $17.00 each | 3,400.00 | 3,900.00 |
| **Fixed Unit Costs** | | |
| Incidental allowance for each foot of drilling completed, 13,400 feet, | | |
| @ $0.30/ft. | | 4,020.00 |
| Estimated Total Cost of Project | | $58,390.00 |
| Government's Participation at 50% | | $29,195.00 |

MME Form 7
(10-58)

OFFICIAL FILE COPY

| Date | Surname | Code |
|---|---|---|
| 4/25 | | 500 |
| 4/25 | Selfridge | 120 |
| " | Gilmson | 110 |
| 4/26 | Fossick | 100 |
| 4/26 | cee | 220 |
| | | 500 |
| | | |
| | | |
| | | |

APR 26 1962

Mr. L. W. Minturn
Alpha Mineral Company
753 West Creekside Drive
Houston 24, Texas

Re: OME-6243 (Iron Ore, Columbium, Tantalum, Bauxite)
Alpha Mineral Company
Benton Prospect
Saline County, Arkansas

Dear Mr. Minturn:

This is with further reference to the Alpha Mineral Company application for exploration assistance. In that various of the property owners have refused to execute Lien and Subordination Agreements, in the event the Government should decide to enter into the project it would be necessary for your company to provide a Performance Bond covering the amount of whatever the Government's contribution might be. Such amount, of course, could not be known prior to the preparation of a contract.

A sample of the required Performance Bond is enclosed. Will you kindly advise us if you would be prepared to furnish such a bond in the event your application should be viewed favorably. You understand, of course, that the above is not to be taken as an advance assurance that the Government would grant a contract.

Sincerely yours,

W. R. Griswold (gla)

W. R. Griswold, Chief
Division of Minerals

Enclosure

WRGriswold/gla
4-25-62
cc to: Director's Reading File
Region IV
Docket

Bruce Cook says reply this letter has been received (Spafford) & says that [illegible] can be forwarded if [illegible] 5/1/62

43683

April 23, 1962

Alpha Mineral Company
753 W. Greekside Drive
Houston 24, Texas

Subject: OME-6243

Gentlemen:

Your application for exploration assistance, dated April 18, 1962 submitted to our office at Washington, D. C. has been assigned Docket Number OME-6243.

Please identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Allen S. Dakan, Chief
Division of Administrative
Management

Copy to Region IV
with copy of application

LOCAL 200' HIGH LOCATED ALONG THIS LINE. NOT YET SURVEYED IN. THIS HIGH IS STRONGER BY 200' THAN THE HIGH MAPPED BY THE AERIAL SURVEY ON WHICH EP3 WAS BASED.

AIRBORNE SURVEY HIGH ON GROUND

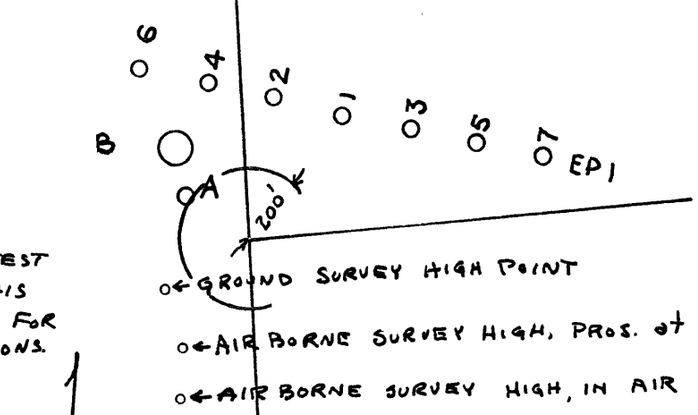
AIRBORNE SURVEY HIGH IN AIR

RE: OME 6243
CONTRACT 2150

30

ALPHA MINERAL COMPANY
753 W. CREEKSIDE DRIVE
HOUSTON 24, TEXAS

Location B is Magnetic NORTH OF GROUND SURVEY HIGH POINT, PROJECTED TO A DEPTH OF 800 - 1000' AT 66°. IT IS PROPOSED THAT A TEST HOLE BE DRILLED WITHIN THIS CIRCLE, WITH DUE REGARD FOR THE ROAD AND LOCAL CONDITIONS.




MAG. NORTH

SCALE: 1" = 500'
Dec. 8, 1967
Rutherford, General Partner