DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

A. L. Jones and Carl Stancil
d/b/a Stancil & Jones
Jasper, Georgia

pertaining to Exploration Project Contract No. Idn-2307, Docket No. DMEA-2840, including Amendments Nos. 1 and 2, for the months of April, 1953 to September, 1953, inclusive, covering a project for the exploration of mica in Pickens County, Georgia, on lands known as the Jones Property.

My review included an examination of the Monthly Reports (Forms MP-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the Regional Field Team, verification of the work performed by reference to the final report of the field team representatives, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of an audit of the Operator's accounts and records for the following reasons:

(a) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible disallowances thereunder;
(b) the Monthly Reports were supported by documentary proof of the costs incurred under the actual costs provisions of the contract; and
(c) a major portion ($4,125.00) of the accepted costs were incurred under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total cost as billed by Contractor		$6,074.11
Exceptions (schedule attached):		
By DMEA Finance Officer	$300.00	
Herwedth	2.25	302.25
Total Accepted Cost		$5,771.86

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Five thousand one hundred ninety-four and 67/100 Dollars,

"$5,194.67"

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

April 6, 1954

E. D. Talbert, Auditor

Idm-E507 DMEA-2840

Stanell & James

Schedule of Exceptions

Exception by Certifying Officer:

Claimed - 177' adit, raises and testpits @ $25/ft.		$4,425.00
Allowed - 165' " " " @ $25/ft.		4,125.00
		$ 300.00

Exception by Auditor:

Claimed - Payroll Taxes	6.00
Allowed - " " ($250.00 payroll @ 1½%)	3.75
	$2.25

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

April 12, 1954

Mr. A. L. Jones
Staneil & Jones
Jasper, Georgia

Re: DMEA-2840, Idm-E 507 (beryl)
Pickens County, Georgia

Dear Mr. Jones:

We have received a Report of Review made by the DMEA auditor on your project. Everything was in order with the exception of $2.25 for payroll taxes.

In the report it is listed as follows:

Exception by Auditor:

Claimed - payroll taxes		$6.00
Allowed - " "	($250 @ 1 1/2 %)	3.75
		$2.25

In order that we may close our books on this project, will you please send us your check, made out to "The Treasurer of the United States" in the amount of $2.03 or 90 percent of $2.25.

Very truly yours,

Robert A. Laurence

RAL/km
ec:
Book
O'Neill
Opr. Cos.
Files

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 23 1953

November 19, 1953

Mr. E. D. Talbert, Acting Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: DMEA-2840, Idm-E 507 (Beryl)
Stancil & Jones, Operator

Dear Mr. Talbert:

This is in reply to the fourth paragraph of your letter of November 16, 1953, concerning the subject exploration contract.

The Operator's statement in the narrative referred to completion of the "adits, raises and test pits," of which the authorized total of 165 feet has been completed. However, the contract authorizes, under stage III, a total of $2175.00 for sampling, analyses and metallurgical tests. Mr. O'Neill's last interim report, dated September 30, stated, "The alloted work should be completed within the next two weeks. It is recommended that samples be taken * * * and be submitted for analysis." We have no later word from Mr. O'Neill, and the Operator has not yet submitted an October voucher covering this work. For that reason, we have not considered the project as being completed. Mr. O'Neill probably will visit the project this week.

Amendment No. 2, dated September 24, authorized sinking two test pits, and provided for a total of "165 feet of adit, raises, or test pits @ $25.00 per foot." The two "shafts" referred to in the Operator's narrative were these 16-foot test pits and they were located and approved by Mr. O'Neill. However, the Operator reported a total of 177 feet, for a total of $4,425.00, and we made a deletion of $300.00 from his October voucher, for the excess 12 feet.

September

Very truly yours,

Robert A. Laurence

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

Idm-E507, DMEA-2840

Excerpt from letter dated November 16, 1953, to Mr. Laurence from Mr. Talbert:

According to our records it appears that DMEA-2840, Idm-E507, Stancil & Jones, also has been completed. The narrative attached to the September MF-104 states, under date of September 25, 1953, "That completes the present contract of 165 ft." This same narrative indicates that the footage of advance, authorized by Amendment No. 1 as "adit or raises", included two 16 foot "shafts" (test pits). Therefore, I have two questions on this project. Has the project been completed? Is approval of the shaft work, apparently authorized informally by the Field Team, being formalized by an amendment?

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

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID BY VOUCHER & SCHEDULE OF PAYMENTS
Department of the Interior
Defense Minerals Administration
RECEIVED
OCT 16 1953

100

OPERATOR'S MONTHLY REPORT AND VOUCHER

September 3 2840 IDM-E507

Month of September 3, 1953 Docket No. DMEA 2840 Contract No. IDM-E507

Operator's Name Stancil & Jones Minerals Beryl

Address Jasper, Ga.

Contract Amount, $ 8,000.00 Government Participation: 90 % Amount, $ 7,200.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling		1,200.	1,200.00			
Bulldozing						
Crosscutting 84 Ft. @ 25.00	2,100.	2,325.00	4,425.00	1,800.00	2,325.00	4,125.00
Drifting						
(2) Labor and Supervision:		100.00	100.00			
Labor		150.00	150.00			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track Drill Bits, Pipe, Picks Hammers, Shovels		50.00	50.00			
(4) Operating Equipment: Compressors etc.		105.00	105.00			
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify): Explosives		38.11	38.11			
Payroll Tax		6.00	6.00			
TOTALS	2,100.	3,974.11	6,074.11	1800.00	3,974.11	5,774.11

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Oct. 1, 1953 *Payee Stancil & Jones

Per Aldon L. Jones Title Partner

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1,620.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date OCT 14 1953 Vou. No. 100

(See other side)

180.00

4

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 507 in accordance with the terms of the contract.

Signature J. F. O'Neill Title Engineer Date 10/6/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date OCT 9 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 16 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1953 Docket No. DMEA 2840 Contract No. IDM-E 507
Operator's Name Stancil & Jones Minerals Beryl
Address Jasper, Ga.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	~~2,100.00~~	was ~~84~~ was	was ~~4,425.00~~	was ~~177~~	was ~~25.00~~		
Crosscutting		1800.00	72	4,125.00	165	25.00		
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	Cu.Yds.			1,649.11	5,000	.33		
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS				~~6,074.11~~ was 5,774.11				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS				5,774.11 ~~6,074.11~~ was				

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

Date Oct. 1, 1953 Operator Stancil & Jones

Per Alden L. Jones Title Partner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

A. L. JONES CONSTRUCTION COMPANY
GENERAL CONTRACTORS
PHONE NO. 2102
JASPER, GEORGIA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 16 1953

Monthly Narrative Report
DMEA-2840
Contract No. IDM-E507

Sept. 1- Drove the lead 3ft. still finding beryl.

Sept. 2- Drove lead 4ft. Vein getting a little smaller.

Sept. 3- Drove lead 4ft, and was instructed to stop by Mr. O'Neal, which made the lead or cut 3ft.

Sept. 4- Moved back into the main drift leading a little to the right following Mr. O'Neals instructions.

Sept. 7- Drove drift 4ft. Very hard material.

Sept. 8- Drove drift 3ft. same type material.

Sept. 9- Drove drift. 2ft. Showing a small vein of quarts on the left side.

Sept. 10- Following the vein of quarts, we drove the drift 4ft.

Sept. 11- Timbered around the lead that we drove straight up.

Sept. 14- Finished the timbering and drove the drift 1ft.

Sept. 15- Drove drift 2ft. streak of quarts holding its own.

Sept. 16- Squared up and cleaned out the mine. With the instructions of Mr. O'Neal we are moving around on top of the vein where it was uncovered by a bull dozer. We are to sink one shaft 16ft. and if it proves all right we will sink one more 16ft.

Sept. 17- Moving compressor.

Sept. 18- Still moving.

Sept. 21- Sunk shaft 5ft. Finding quite a few beryl.

Sept. 22- Sunk shaft 6ft. still finding beryl. Vein material approximately 5ft. thick.

Sept. 23- Sunk shaft 5ft. and started a new shaft 50ft. from this one.

Sept. 24- Sunk shaft 10ft. very soft material. Not finding very many beryls.

Sept. 25- Sunk shaft 6ft. still not finding very much beryl. Vein material approximately 3ft. thick.

Sept. 25- That completes the present contract of 165ft.

EXECUTIVE OFFICER
DMEA REGION VII
ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INTERIOR
Domestic Minerals Administration
RECEIVED
OCT 16 1953

October 9, 1953

Mr. A. L. Jones,
Stancil & Jones
Box 173
Jasper, Georgia

Re: DMEA-2840, Idm-E 507 (Beryl)

Dear Mr. Jones:

Your September monthly report and voucher has been received by this office and is being sent to the Finance Office today for payment.

A deletion of $300.00 is being made because your total footage charged for the adit , raises and testpits were 177 feet at $25 per foot or $4,425.00, and the contract allows only 165 feet or $4,125.00.

Please make this correction on your copies of the Form-MF-104 and 104A.

Very truly yours,

Wm. A. Beck, for
R. A. Laurence, Executive Officer
DMEA Field Team, Reg. 7

WAB/sm
cc:
Beck
Finance Office -3
Lynch
Files

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

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August 1953 Docket No. DMEA 2840 Contract No. IDM-E507
Operator's Name Stancil & Jones Minerals Beryl
Address Jasper, Ga.
Contract Amount, $ 8,000.00 Government Participation: 90 % Amount, $ 7,200.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing		1,200.00	1,200.00			
Crosscutting						
Drifting 47'@25.00ft.	1,175.00	1,150.00	2,325.00			
(2) Labor and Supervision:						
Labor		100.00	100.00			
Supervision		150.00	150.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Drillbits, Pipe, Picks Hammers, Shovels		50.00	50.00			
(4) Operating Equipment:						
Rental Compressor etc.		105.00	105.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
Explosives		38.11	38.11			
Payroll Taxes		6.00	6.00			
TOTALS	1,175.00	2,799.11	3,974.11	1,175.00	2,799.11	3,974.11

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-(4

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Sept. 1, 1953 *Payee Stancil & Jones
Per [signature] Title Partner

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1,057.50

Signature Cora A. Piper
(Authorized Certifying Officer)

Date SEP 1 1953 Vou. No. 77
(See other side)

117.50

3

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-507 in accordance with the terms of the contract.

Signature L. F. O'Neill Title Engineer Date 9/8/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VI Date SEP 11 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1953 Docket No. DMEA 2840 Contract No. IDM-E507
Operator's Name Stancil & Jones Minerals Beryl
Address Jasper, Ga.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	1,175.00	47	2,325.00	93	25.00	165	25.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	~~cu. yd.~~	~~1,649.11~~	~~5,000~~	1,649.11	5,000	.33		
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS				3,947.11				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS				3,947.11				

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

Date Sept. 1, 1953 Operator Stancil & Jones

Per Aldus L. Jones Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

A. L. JONES CONSTRUCTION COMPANY
GENERAL CONTRACTORS
PHONE NO. 2102
JASPER, GEORGIA

Monthly Narrative Report
DMEA-2840 (Beryl)
Contract No. IDME-507

Aug. 3- Drove drift 1ft. hit a small pocket of nice beryl.

Aug. 4- Drove drift 2ft. Vein getting smaller.

Aug. 5- Drove drift 1ft. good vein material, but vein still getting smaller.

Aug. 6- Drove drift 2ft. Vein getting down to about 18in. thick. Found a few nice beryl crystals.

Aug. 10- Drove drift 2ft. Vein holding its own. Head wall mat erial good.

Aug. 11- Drove drift 1ft. Material getting very hard.

Aug. 12- Drove drift 2ft. Vein getting a little wider.

Aug. 13- Drove drift 3ft. Vein getting a little smaller.

Aug. 14- Drove drift 4ft. Vein still getting smaller.

Aug. 17- Drove drift 3ft. Vein about 8in. thick.

Aug. 18- Drove drift 4ft. Vein about 8in. Unable to find beryl.

Aug. 19- Drove drift 3ft. Vein about 6in. wide.

Aug. 20- Drove drift 4ft. Vein still holding its own. Unable to find any beryl.

Aug. 21- With the instructions of Mr. O'Neal we drove the drift 4ft. Then turned a lead straight up.

Aug. 24- Drove the lead straight up 4ft. through head wall material and rock.

Aug. 25- We drove the lead 5ft. and hit dirt.

Aug. 26- With the instructions of Mr. O'Neal we dropped back close to the mouth of the drift, and started a lead to the right of the drift.

Aug. 27- We drove the lead 2ft.

Aug. 28- We are having to timber pretty heavy on account of the shattered vein. Vein here is about 4ft. wide, and we are finding a lot of beryl.

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

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1953 Docket No. DMEA 2840 Contract No. IDM-E507
Operator's Name Stanoil & Jones Minerals Beryl
Address Jasper, Ga.
Contract Amount, $ 8,000.00 Government Participation: 90 % Amount, $ 7,200

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		1,200.00	1,200.00			
Crosscutting						
Drifting 16ft.@ 25.00ft.	400.00		1,150.00			
(2) Labor and Supervision:						
Labor	[illegible]	100.00	100.00			
Supervision	[illegible]	150.00	150.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Drill bits, Pipe, Picks Hammers, Shovels		50.00	50.00			
(4) Operating Equipment:						
Rental Compressor etc		105.00	105.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
Explosives		38.11	38.11			
Payroll Taxes		6.00	6.00			
TOTALS	400.00	2,399.11	2,799.11	400.00	2,399.11	2,799.11

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 9/25/53 *Payee Stanoil & Jones
Per A. Y. Jones Title Partner

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$360.00

Signature Cora A. Pipes
(Authorized Certifying Officer)

Date SEP 2 1953 Vou. No. 56
(See other side)

2.

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-507 in accordance with the terms of the contract.

Signature J. T. O'Neill Title Engineer Date 8/25/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. A. Beck Title ACTING EXECUTIVE OFFICER DMEA REGION VII Date AUG 27 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1953 Docket No. DMEA 2840 Contract No. IUM-3507
Operator's Name Stanell & Jones. Minerals Beryl
Address Jasper, Ga.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	Ft.	400.00	16 ✓	1,150.00	46	25.00	165	25.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	~~cu. Yd.~~	~~1,649.11~~	~~5,000~~	1,649.11	5,000	.33		
Test Pits								
Roads and Trails								
Total Distributed Costs				2,799.11				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs				2,799.11				

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

Date Aug. 25, 1953 Operator Stanell & Jones

Per A. H. Jones Title Partner

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

A. L. JONES CONSTRUCTION COMPANY
GENERAL CONTRACTORS
PHONE NO. 2102
JASPER, GEORGIA

From ~~the 6th. to the 20th~~ June 20th. until ~~the 7th. and 15th~~ July 16th. the mine didn't operate on account of getting new miners.

July 16th. We cut timber.

July 17th. We started timbering the mouth of the drift.

July 20th. Finished timbering our first section, and pulled one shot.

July 21st. We drove the drift approximately 3ft. getting some very rich vein material.

July 22nd. Moved on in about 2ft. finding some pretty nice beryl crystal.

July 23rd. Drove drift approximately 2ft. still in good vein material.

July 24th. Hit some head wall material strong enough to hold without timber.

July 27th. Rigged up lights and water tank.

July 28th. Drove the drift approximately 2ft. in very hard vein material.

July 29th. Drove drift 2ft. vein seems to be getting a bit smaller.

July 30th. Drove drift 2ft. vein still the same size.

July 31st. Drove drift 3ft.

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

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1953 Docket No. DMEA 2040 Contract No. 14-507
Operator's Name Stanell & Jones, Minerals Beryl
Address Jasper, Ga.
Contract Amount, $ 8,000.00 Government Participation: 90 % Amount, $ 2,200.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		1,200.00	1,200.00			
Crosscutting						
Drifting 30Pt.@25.00Ft	750.00		750.00			
(2) Labor and Supervision:						
Labor		100.00	100.00			
Supervision		150.00	150.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Drill Bits, Pipe, Picks						
Hammers, Shovels		50.00	50.00			
(4) Operating Equipment:						
Rental Compressor etc.		105.00	105.00			
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
Explosives		30.11	30.11			
Payroll Taxes		6.00	6.00			
TOTALS	750.00	1,649.11	2,399.11	750.00	1,649.11	2,399.11

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-12

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Aug. 25, 1953 *Payee Stanell & Jones

Per A. L. Jones Title Partner

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 675.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date SEP 2 1953 Vou. No. 56

(See other side)

2

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 507 in accordance with the terms of the contract.

Signature F. T. O'Neill Title Engineer Date 8/25/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Wm A Beck Title ACTING EXECUTIVE OFFICER DMEA REGION VII Date AUG 27 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1953 Docket No. DMEA 2840 Contract No. IDM-5907

Operator's Name Stanoil & Jones, Minerals Beryl

Address Jasper, Ga.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	750.00	30	750.00	30	25.00	165	25.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	~~cu.yd.~~	~~1,649.11~~	~~5,000~~	1,649.11	5,000	.33		
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS				2,349.11				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS				2,349.11				

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

Date 8/25/53 Operator Stanoil & Jones,

Per A. L. Jones Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

A. L. JONES CONSTRUCTION COMPANY
GENERAL CONTRACTORS
PHONE NO. 2102
JASPER, GEORGIA

Monthly Narrative Report
Contract No. 2840 (Beryl)
IDM-E507

June 9, 1953. Drill and shot 4ft. of cover on vein.

June 10, 1953. Drill in vein and moved approximately 5ft. vein material and over burdon.

June 11, 1953. Moved large bolders and dirt at mouth of tunnel.

June 12, 1953. Moved a lot of quarts and vein material.

June 15, 1953. Found and shot off some head wall material. Thank what we found will hold up to start our drift.

June 16, 1953. Drilled and shot approximately 4ft. Found about 50lb. beryl.

June 18, 1953. Tunnel in about 3ft. Found 40lb. beryl.

June 19, 1953. Drilled and shot 2ft. in the tunnel and had a bad slide. We are still having to open mine on account of the shattered vein.

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

Budget Bureau No. 42-R1036.3. Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAYMENT VOUCHER AND SCHEDULE OF PAYMENTS NOR - 64

175

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April-May, 1953 Docket No. DMEA 2840 Contract No. Idm-E 507

Operator's Name Stanoll & Jones, Minerals Beryl

Address Jasper, Ga.

Contract Amount, $ 8,000.00 Government Participation: 90 % Amount, $ 7,200.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling	105.00	Equip Rental?	105.00			
Bulldozing	1,200.00		1,200.00	1,200.00		1,200.00
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	100.00		100.00	100.00		100.00
Supervision	150.00		150.00	150.00		150.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives	X					
Pipe						
Track						
Drill Bits, Pipe, Pick Hammers, Shovels	50.00		50.00	50.00		50.00
(4) Operating Equipment:						
Rental	X			105.00		105.00
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	X					
Liability Insurance						
(8) Contingencies (specify):						
Explosives	38.11		38.11	38.11		38.11
Payroll Tax	6.00		6.00	6.00		6.00
	1,649.11		1,649.11			
TOTALS				1649.11		1649.11

I certify that the above bill is correct and just and that payment therefor has not been received.

Date _____ *Payee Stanoll & Jones

By Allen L. Jones Title Partner

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1,484.20

Signature Cora A. Piper (Authorized Certifying Officer)

Date JUN 11 1953 Vou. No. 175

(See other side)

164.11

1st

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 507 in accordance with the terms of the contract.

Signature J. T. O'Neill Title Engineer Date June 11 53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date JUN 11 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of _____ 195____ Docket No. DMEA _____ Contract No. _____
Operator's Name _____ Minerals _____
Address _____

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	Cu.Yds.	1,649.11	5,000					
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1,649.11	5,000	1,649.11				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1,649.11	5,000	1,649.11				

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

Date May 27, 1953. Operator Stanell & Jones

Per Alden L. Jones Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-3847.5

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of Apr.-May, 1953

MBA No. 2840

Idn-E 507 (beryl)

Work Accomplished

Moved dozier on to Locality No. 1 to start work.

Daily Notes

Apr. 23. Started stripping, dozier worked nine hours. Moved trees and other rubbish. Picked up 10 lbs. beryl.

Apr. 24. Moved several large bolders of quartz. Picked up 5 lbs. beryl. Dozier worked 6 hours.

Apr. 27. Hired one laborer, dozier used 9½ hrs. picked up 15 lbs. beryl.

Apr. 28. Dozered out a trench along side a vein of quartz about 6' deep. Dug out about 25 lbs. beryl. Bought shovel, picks, hammers and bars. $38.75

Apr. 29. Used Dozier and drill then blasted in vein of quartz, found some beryl bedded in the quartz.

Apr. 30. Used drill, blasted and picked up 20 lbs beryl. Dozer broke down.

May 1. Repaired dozier. dug out and picked up 30 lbs beryl.

May 4. Stripped dirt and rock off along the vein, drilled and blasted. Picked about 40 lbs. beryl. Found a very large crystal.

May 5. Moved about 10' of burden and found a very good vein.

May 7. Cut a trench through the hill, trying to follow vein. Picked up 50 lbs. beryl.

May 8. We are now cutting the trench deeper. Found very little beryl today.

May 9. Worked back on vein, uncovered large pocket of crystals of about 100 lbs.

May 11. Vein shows about 100' and contains the headwall of quartz, pockets of beryl and a vein of mica that I believe will grind. Got 30 lbs. beryl.

May 12. Doziered out around the vein, drilled and shot, picked up 30 lbs. beryl.

May 13. Worked laborer only, digging at various points in the trench.

May 14. Worked laborer digging in trench

May 15. Dug several points in the trench, moved out.

June 11, 1953

Mr. A. L. Jones
c/o Stancil & Jones
Jasper, Georgia

Re: DMEA-2840, Idm-E507 (mica)

Dear Mr. Jones:

Your May monthly report and voucher hasbeen approved by this office and has been sent to the Finance Office for payment.

The item of $105.00 for rental of compressor and drilling equipment should have been placed under item 4- Operating Equipment: Rental.

With your next months report and voucher be sure to send receipt for the above rental as well as for the bulldozer work in the amount of $1200.00.

Please attach a copy of the narrative with each copy of the MF-104.

Very truly yours,

Wm. A. Beck, for R. A. Laurence
Executive Officer, DMEA-Rg. 7

WAB/mm
cc:
Beck
Finance Office-3

Files

Lynch

SEXTUPLICATE

STANDARD FORM 209e (Formerly Cert. of Deposit, Form 6599)
Promulgated August 1951 by Treasury Department, Fiscal Service

CERTIFICATE OF DEPOSIT FOR CHECKING ACCOUNT

DEPOSIT NO.
14-23-070-13

Deposited with Hamilton National Bank, Knoxville, Tenn. 8/11/
(Name and location of depositary) (Date sent)

the sum shown opposite for credit, subject to check, in the disbursing account of—

$ 2.03

SYMBOL NO.
1425

L. A. Pidgeon, Cpt. Pilot, Tenn.
(Name and address of officer to be credited)

On account of—

14.1401 $2.03

Refund of overpayment
Idn-8-992 Stancil & Jones

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Leo A. Pidgeon, Fiscal Officer
Bureau of Mines
Department of the Interior
Knoxville, Tenn.

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITOR WILL RETAIN THIS COPY

C O P Y

March 4, 1955

Memorandum

To: Mr. Jay L. Chambers

From: Lawrence G. Houk

Subject: Closing dockets

The Nonmetallic Minerals Division have reviewed the following contracts and do not intend to make certifications of discovery or development:

Idm-[illegible]52	DMEA-1212	Idm-[illegible]	DMEA-
40	1213	217	1969
13	1679	244	1955
73	519	253	2134
74	1390	257	2077
78	1664	272	2360
93	812B	288	2344
97	1224	324	2255
121	1517	344	2156
124	1318	373	2439
125	1720	411	2528
129	1665	430	2524
134	1732	433	2620
140	1813	444	2646
179	1122	450	2681
180	1250	480	2725
191	1914	497	2778
195	1812	507	2840
198	1929	518	2785
211	1721	524	2909
216	2104	543	2950
		565	3030

Government Copy

EXPLORATION PROJECT CONTRACT
STANCIL & JONES
Docket No. DMEA-2840, (Beryl)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 17 1953

AMENDMENT No. 2

It is agreed this 24th day of September 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and A. L. Jones and Carl Stancil, partners, doing business as Stancil & Jones, each acting in consideration of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E 507, Docket No. DMEA-2840, dated April 9, 1953 as amended, be further modified and amended as of September 18, 1953 as follows:

Under Article 3, is amended to read....." and bring the project to completion within a period of ten(10) months from date of contract".. instead of eight (8) months as written in original contract.

In Exhibit "A"

(a) Under description of the work Stage II, change to read as follows: At a location on the hillside near the creek, drive an adit 4 x 6 feet to the southwest in the pegmatite, and at various locations in the adit drive short raises 4 x 4 feet in cross section. In addition to the adit and raises sink two test pits from the surface where concentrations of beryl are noted. The locations of the adit, raises and test pits are to be specified by the Government. The aggregate footage of the adit, raises and test pits shall not exceed 165 feet.

(b) Under "Estimated Costs of the Project" Stage II, change to read as follows:

Agreed Unit Costs

165 feet of adit, raises or testpits @ $25/ft.	$4,125.00
Total Agreed Costs, Stage II	$4,125.00

The Government will contribute to the costs of the above adit, raises and test pits as they accrue, for units of work actually performed on the basis of the agreed unit costs per foot in Lieu of actual costs. These units costs include all costs of the work. Work to the costs of which the Government will contribute on the basis of agreed estimated unit costs may be performed by independent contractor without reference to the provisions relating to independent

contracts and contractors in Article 4 (a) and (b) and 6 (a) (1) of the contract form.

This amendment is made because after the first work done on the project and the adit and raise were driven it was found adviseable to sink two test pits to get bulk samples.

"This amendment shall not be construed to increase the estimated total costs of the project, the aggregate total amount which the Government may be required to pay, nore the amount of any item designated as 'Allowable Maximum.'

STANCIL & JONES

By Carl Stancil Partner

By A. L. Jones Partner

THE UNITED STATES OF AMERICA

By Robert A. Lawrence
Executive Officer, DMEA Field Team
Region 7

zm

NOV 25 1953

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

Re: Idm-7507, DMEA-2840 (Beryl)
Stancil and Jones
Pickins County, Georgia

Dear Mr. Laurence:

In a letter dated November 19, 1953, addressed to the Contract Administration and Audit Division in regard to the referenced project, you have stated that "Amendment No. 2, dated September 24, authorized sinking two test pits * * *."

Since our records do not disclose the receipt of either the Government, Docket, or Division copies of an Amendment No. 2 to this contract, it must be presumed that they were lost in the mails. Therefore, it is requested that three copies be prepared and forwarded to this Committee.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee

APPROVED:

J. H. Hedges
Member, Bureau of Mines

D. M. Larrabee
Member, Geological Survey

EDTalbert/ama - November 24, 1953

Copy to: Mails and Files
Admr. Reading File
Region VII
Operating Committee
Messrs. T. P. Thayer - OMA R-4234
J. H. Hedges - R-4604
Mr. Houk
Mr. Chambers

Government Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 20 1953

EXPLORATION PROJECT CONTRACT
STANCIL AND JONES
Docket No. DMEA-2840 (Beryl)

AMENDMENT NO. 1

It is agreed this 12th day of June 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and A. L. Jones and Carl Stancil, partners, doing business as Stancil and Jones, each acting in consideration of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E507, Docket No. DMEA-2840, dated April 9, 1953, be modified and amended as of April 27, 1953 as follows:

In Exhibit "A"

(A) Under "Description of the Work," Stage I, change to read as follows:

Strip the overburden to expose the pegmatite for a distance of approximately 300 feet and cut a trench across the strike of the pegmatite for approximately 125 feet at locations that are mutually agreeable to the Operator and the Government.

If the results of the above work are considered favorable by it, the Government will notify the Operator that Stage II, as hereinafter amended, is to be undertaken.

(B) Under description of the work Stage II, change to read as follows:

At a location on the hillside near the creek, drive an adit 4 x 6 feet to the southwest in the pegmatite, and at various locations in the adit drive short raises 4 x 4 feet in cross section. The locations of the adit and the raises are to be specified by the Government. The aggregate footage of the adit and the raises shall not exceed 165 feet.

(C) Under "Estimated Costs of the Project" Stage II, change to read as follows:

Agreed Unit Costs

165 feet of adit or raises @ $25/ft.....$4,125.00

Total Agreed Unit Costs, Stage II $4,125.00

The Government will contribute to the costs of the above adit and raises as they accrue, for units of work actually performed on the basis of the agreed units costs per foot in lieu of actual costs. These unit costs include all costs of the work. Work to the costs of which the Government will contribute on the basis of agreed estimated unit costs may be performed

by independent contractor without reference to the provisions relating to independent contracts and contractors in Article 4 (a) and (b) and 6 (a) (1) of the contract form.

This amendment is made because after the first work done on the project it was seen that the above changes would be a better method of exploring this deposit than originally set up in the contract.

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

THE UNITED STATES OF AMERICA

By Robert A. Lawrence
Executive Officer, DMEA Field Team
Region VII

STANCIL AND JONES

By A. L. Jones
A.L. Jones, Partner

By Carl Stancil
Carl Stancil, Partner

zm

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

COPY

Room 13, Post Office Bldg.
Knoxville 2, Tenn.

July 14, 1953

Memorandum

To: Chairman, Operating Committee, D M E A Washington

From: Field Team, D M E A - Region VII

Subject: Amendment No. 1, Docket No. DMEA-2840 (Beryl) Stancil and Jones Jones Property, Pickens County, Georgia. Contract Idm-E507.

Reference is made to your letter of July 6 concerning the subject Amendment.

Results of the bulldozer work in Stage I indicated that the scattered out crops belong to a single pegmatite zone, instead of three separate pegmatites. This pegmatite has a very low dip, and inclined shafts from the surface would be unsatisfactory because of the small amount of cover and weathered condition of the overlying rock.

There is no definite beryl zone, although pockets of beryl crystals occur along the margins of the quartz core, especially the footwall margin more commonly than elsewhere. Some beryl crystals have been seen in the quartz core, but most of them are in the pegmatite outside of the core. As the entire thickness of the pegmatite is only about five feet, it is impossible to restrict the workings of the most favorable beryl zone.

For this reason, it seemed best to explore with an adit, slightly above creek level, extending alone the strike to expose both the footwall and hanging wall zones. This will provide opportunity to make crystal counts in fresh unweathered pegmatite and should also provide a safer operation without increasing costs of the operation. These changes were recommended by the field examiners, Mr. Teague and Mr. O'Neill, after a thorough study of the work accomplished in Stage I.

The amendment will be rewritten to include the paragraph which was inadvertently omitted.

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

(Signed) Robert A. Laurence,
Executive Officer, DMEA
Region VII

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 7/16/53

REFERRED TO:
1. Mr. Chambers, Rm. 4542
2.
3.
4.

FOR:

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

REMARKS: MRS. ALLEY: I judge from this letter that the present Am.#1 is to be considered cancelled, or something. On the basis of this letter I am returning the docket copy of Am.#1 to R&R for handling.

Hazel

Check (X) before the items needing attention.

George C. Selfridge
Initials of sender.

GPO 16—63815-1

Government Copy

EXPLORATION PROJECT CONTRACT
STANCIL AND JONES
Docket No. DMEA-2840 (beryl)

AMENDMENT NO. 1

It is agreed this 12th day of June 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and A. L. Jones and Carl Stancil, partners doing business as Stancil and Jones, each acting in consideration of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E 507, Docket No. DMEA-2840, dated April 9, 1953, be modified and amended as of April 27, 1953 as follows:

In Exhibit "A"

(A) Under "Description of the Work," Stage I, change to read as follows:

Strip the overburden to expose the pegmatite for a distance of approximately 300 feet and cut a trench across the strike of the pegmatite for approximately 125 feet at locations that are mutually agreeable to the Operator and the Government.

If the results of the above work are considered favorable by it, the Government will notify the Operator that Stage II, as hereinafter amended, is to be undertaken.

(B) Under description of the work Stage II, change to read as follows:

At a location on the hillside near the creek, drive an adit 4 x 6 feet to the southwest in the pegmatite and at various locations in the adit drive short raises 4 x 4 feet in cross section. The locations of the adit and the raises are to be specified by the Government. The aggregate footage of the adit and the raises shall not exceed 165 feet.

(C) Under "Estimated Costs of the Project" Stage II, change to read as follows:

Agreed Unit Costs

165 feet of adit or raises @ $25/ft. ...$4,125.00

Total Agreed Unit Cost, Stage II $4,125.00

The Government will contribute to the costs of the above adit and raises as they accrue, for units of work actually performed on the basis of the agreed unit costs per foot in lieu of actual costs. These unit costs include all costs of the work. Work to the costs of which the Government will contribute on the basis of agreed estimated unit costs may

Replaced by Amended Amendment No. 1. See Docket File for correspondence.

be performed by independent contractor contractor without reference to the provisions relating to independent contracts and contractors in Article 4 (a) and (b) and 6 (a) (1) of the contract form.

This amendment is made because after the first work done on project it was seen that the above changes would be a better method of exploring this deposit than originally set up in the contract.

THE UNITED STATES OF AMERICA

By Robert A. Lawrence
Executive Officer, DMEA Field Team
Region VII.

STANCIL AND JONES

By A. L. Jones
A. L. Jones, Partner

By Carl Stancil
Carl Stancil, Partner

zm.

Docket No. 2040

Commodity Beryl

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 507

Date of Contract ~~or Amendment~~: April 9, 1953

Name and Address of Operator:
A.L. Jones and Carl Stancil
d/b/a Stancil and Jones
Jasper, Georgia

Amount of Government participation $7,200.00

Percent of Government participation 90 %

Region: V11 State: Ga.

Note: Please release $ 2,005.33; Advice Contract Administration and Audit Division

(Name)
J/ L. Chambers
Chief, Contract Administration and Audit Div.

(Title)

Date Delivered to Bureau of Mines, Washington.

4/12/54

54458

Docket No. ~~DMEA 2940~~

Commodity ~~Beryl~~

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration, under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 507

Date of Contract ~~or Amendment:~~ April 9, 1953

Name and Address of Operator:

A. L. Jones and Carl Stancil
d/b/a Stancil and Jones,
Jasper, Georgia

Amount of Government participation $ 7,200.00

Percent of Government participation 90 %

Region: VII State: Georgia

(Name)

J. L. Chambers,
Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. April 9, 1953 13808

14

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. DMEA 2840

COMMODITY Beryl

Government's copy

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DMEA 507

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 27 1953

EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this 9th day of April, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] A. L. Jones and Carl Stancil, both of Jasper, Georgia, partners doing business as Stancil and Jones, Jasper, Georgia

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Georgia, County of Pickens, described as follows:[3] Seventy-five acres described in deed dated January 8, 1952, from Walter Denson to A. L. Jones, and recorded on page 150 in Deed Book C C in Office of Clerk of Court, Pickens County Court House, Jasper, Georgia

the Operator represents and undertakes:[4]

(*a*) That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

~~(*b*) That the Operator is a lessee, in possession and entitled to possession, and the lease or consent to lease is attached.~~

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within 60 days from the date of this contract shall commence work on a project of exploration for[5] Beryl

in or upon the described land; and shall bring the project to completion within a period of eight (8) Months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following: also the costs referred to in Annex I.

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related ~~initial~~ allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) The Government's payments in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) Compliance with requirements.—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 90 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $ 7,200.00, which is 90 percent of $ 8,000.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

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

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

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

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

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

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

ARTICLE 10. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* The Operator's obligation to bring the project to completion continues only as long as the accumulated allowable costs of the project in which the Government will participate do not exceed the agreed, total estimated cost of the project set forth in Article 8.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By O. Mitterdorf
Administrator, Defense Minerals Exploration Administration

STANCIL AND JONES
(Operator)

By Carl Stancil (Partner)

By Allen L. Jones (Partner)

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

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

EXPLORATION PROJECT CONTRACT
STANCIL AND JONES
DOCKET NO. DMEA-2840

ANNEX I

To the extent that costs are set forth in Exhibit "A" as "agreed unit costs" they are in lieu of the actual costs that would otherwise be allowable costs of the project as provided in Article 6(a) of the contract form.

EXPLORATION PROJECT CONTRACT
STANCIL AND JONES
DOCKET NO. DMEA-2840

EXHIBIT "A"

Description of the Work

The exploration of three pegmatite dikes containing beryl is to be undertaken in three stages. The location, direction, and extent of all work is to be specified by the Government, but is to be essentially as follows:

STAGE I

Trenches are to be excavated at Localities 1, 2, and 3, indicated on the map attached hereto and made a part hereof, and entitled "Jones Property, Pickens Co., Ga. DMEA-2840 (beryl)." Approximate dimensions in feet for the trench at each locality are:

Locality	Length	Width	Depth
1	100	20	10
2	50	20	10
3	75	20	10

If the results of the above work are considered favorable by it, the Government will notify the Operator that Stage II is to be undertaken.

STAGE II

At Locations 1, 2, and 3, sink not more than 75 feet of test pits, 4 x 6 feet in cross section. From the bottom of the test pits, drift not more than 90 feet in cross section not less than 4 x 6 feet. If the results of Stage II are considered favorable by it, the Government will notify the Operator that Stage III is to be undertaken.

STAGE III

Cut a maximum of 10 samples as directed by the Government and have metallurgical tests and the necessary chemical analyses made on the samples. The Government, in

its discretion, itself may perform any or all of the work in Stage III. However, if this work is done by the Operator, the sampler, analyst, and metallurgist must have Government approval before the work is undertaken.

Estimated Costs of the Project
(*Indicates allowable maximum)

STAGE I

Estimated
Actual Costs

(1) Independent contracts

Bulldozer, including operator, transportation to and from site, repairs, and all operating expenses--complete, 100 hours @ $12.00*/hr.		$1,200.00*

(2) Labor, supervision, and consultants

1--Laborer, 100 hrs.,@ $1.00/hr.	$ 100.00	
1--Working foreman,100 hrs, @ $1.50*/hr.	150.00*	
		250.00

(3) Operating materials and supplies

Supplies	50.00

(4) Operating equipment

To be rented

1--compressor, jackhammer, hose and steel, 30 hrs. @ $3.50/hr.	105.00

(5) Rehabilitation and repairs

None

(6) New buildings, improvements, installations

None

(7) Miscellaneous

and

(8) Contingencies $ 95.00

Total Estimated Actual Cost of Stage I $1,700.00

STAGE II

Agreed Unit Costs

75 ft. of test pits, @ $25.00/ft.	1,875.00	
90 ft. of drifts, @ $25.00/ft.	2,250.00	
Total agreed Unit Cost of Stage II		4,125.00

The Government will contribute to the costs of the above test pits and drifts as they accrue , for units of work actually performed on the basis of the agreed unit costs per foot in lieu of actual costs. These unit costs include all costs of the work. Work to the costs of which the Government will contribute on the basis of agreed estimated unit costs may be performed by independent contractor without reference to the provisions relating to independent contracts and contractors in Articles 4(a) and (b) and 6(a)(1) of the contract form.

STAGE III

Estimated Actual Costs

(1) Independent Contracts

None

(2) Labor, supervision, and consultants

Sampler--10 shifts @ $10.00*/shift 100.00

(3) Operating materials and supplies

None

(4) Operating equipment

None

(5) Rehabilitation and repairs

None

(6) New buildings, improvements, installations

None

(7) Miscellaneous

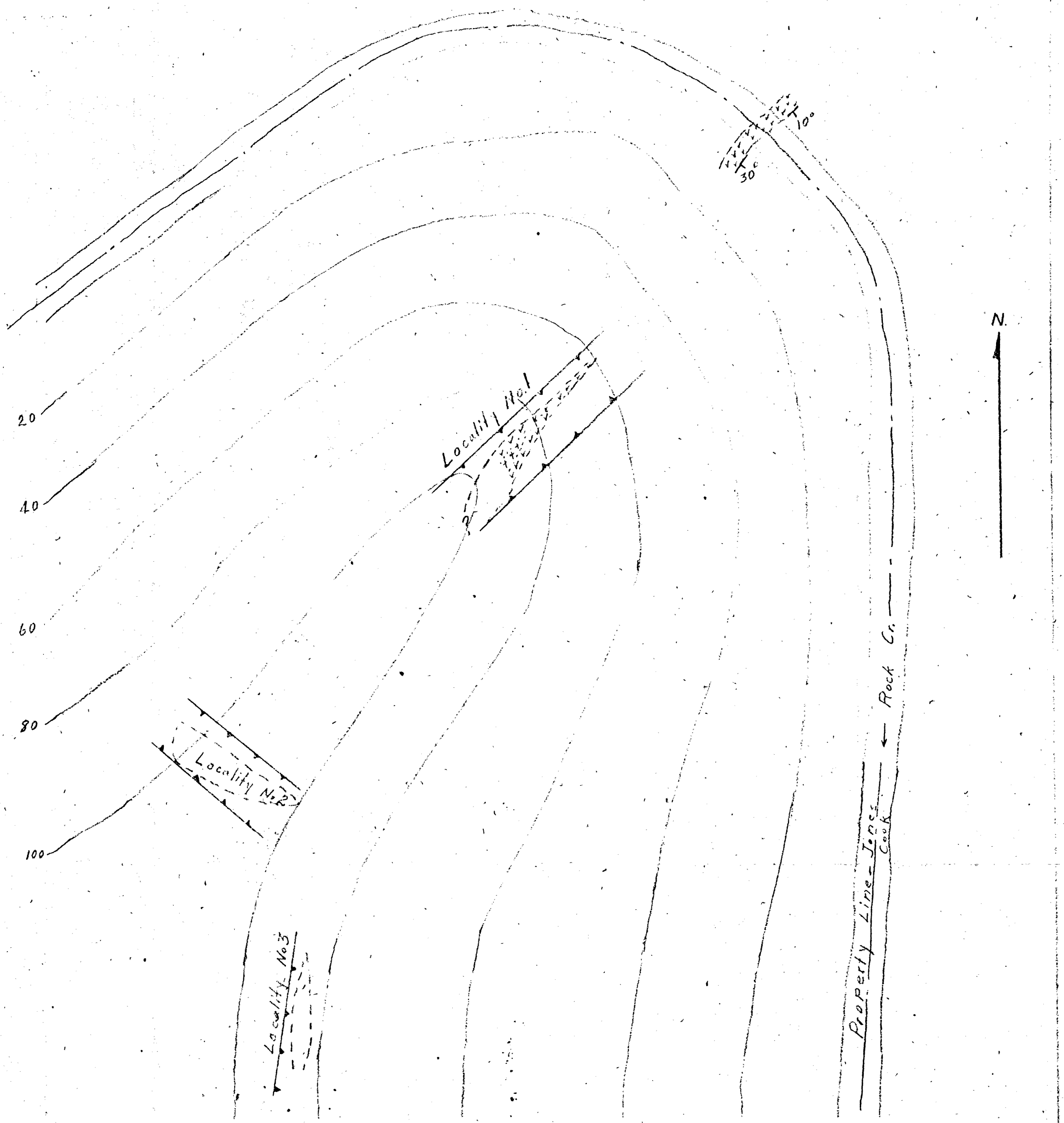
Analytical work, metallurgical tests, Workmen's Compensation, Employers' Liability Insurance, and payroll taxes	$2,010.00	

(8) Contingencies

Handling and transportation of samples, etc.	65.00	
Total Estimated Actual Cost of Stage III		$2,175.00

S U M M A R Y

Total Estimated Actual Cost of Stage I	$1,700.00	
Total Agreed Unit Cost of Stage II	4,125.00	
Total Estimated Actual Cost of Stage III	2,175.00	
Total Estimated Cost of the Project		$8,000.00*
Government's Participation at 90%		$7,200.00*



Jones Property
Pickens Co., Ga.

0 40' 80'
Scale

DMEA-2840 (beryl)