DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 284 — DMEA NO. 2105

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [x] Certification of Discovery
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [x] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] ~~Owner's Consent to Lien and~~ Subordination ~~Agreement~~ Letter
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [ ] Work Completed analysis (final)

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

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

Additional Folders:

Left Side

Folders No. _____ : Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with transmittal, narrative and maps.

Folders No. 2 : Maps (Use pocket folder or envelope) ✓

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

17963

DOCKET COPY

RESCISSION OF EXPLORATION PROJECT CONTRACT

AND

CERTIFICATION OF DISCOVERY OR DEVELOPMENT

This Agreement, entered into this 6th day of October, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government", and Beryllium Development, Inc., a corporation, hereinafter called the "Operator",

WITNESSETH THAT:

WHEREAS, the undersigned are parties to that certain Exploration Project Contract dated April 1, 1952, No. Idm-E284, Docket No. DMEA-2105, which provides, among other things, for contribution by the Government to the cost of a certain Exploration Project therein described, for beryl; and

WHEREAS, the Operator, pursuant to the provisions of said contract, performed certain of the exploration work therein provided for, and in the course thereof made a discovery or development from which production has resulted and will result sufficiently beneficial to the Operator so that the Operator desires no contribution whatever from the Government for the work already performed or to be performed under the terms of said Exploration Project Contract; and

WHEREAS, the Operator has made no claim upon the Government for contribution for the cost of said work, as provided in said Exploration Project Contract;

NOW THEREFORE, it is understood and agreed as follows:

1. Said Exploration Project Contract, dated April 1, 1952, Idm-E284, Docket No. DMEA-2105, shall be and is hereby rescinded, revoked, and cancelled as of the date of the contract, without any obligation whatever, one party to the other, the same as if said contract had never been entered into.

2. The Government hereby certifies and the Operator agrees that a discovery or development has resulted from work under the said contract from which production has been and may be made as follows: Beryl ore has been discovered and developed in such amounts as to cause the Operator to go into immediate production and to continue operations for its own account without participation by the Government as far as the exploration work specified in the contract is concerned. By virtue of this discovery and development and this certification thereof, the Government acquires no right to a percentage royalty or lien for the payment thereof or any claim whatever against the property described in the contract or against said production.

IN WITNESS WHEREOF, this Agreement is entered into as of the day and year first above written.

THE UNITED STATES OF AMERICA

By C. J. Mitterdorf
~~Acting~~ Administrator
Defense Minerals Exploration Administration

BERYLLIUM DEVELOPMENT, INC.

By Matthew J. Donachie
Matthew J. Donachie, President

By R. M. Quimby
R. M. Quimby, Secretary

cc: Docket File
Adm. Reading File
Operating Committee
F. E. Johnson
Mr. Thayer, 5216, GSA Bldg.
Mr. Hedges, 4604
Field Team, Region VIII (2)
Mr. Chambers, 2612
Mr. Murkland, 6020
Finance Officer
Mr. Houk

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

Docket No. DMEA - 2105
Commodity Beryl
Idm-E284

DOCKET COPY

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

EXPLORATION PROJECT CONTRACT 1/

It is agreed this 1st day of April, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and 2/ Beryllium Development, Inc., a wholly owned subsidiary of the Beryllium Corporation, Reading, Pennsylvania

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 "Regulations for Government Aid in Defense Exploration Projects."

ARTICLE 2. Operator's property rights. With respect to that certain land situated in the State of Maine, County of Oxford, described as follows:

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/ A rectangular tract of land approximately 7,100 by 4,000 feet, lying partially in Newry Twp. and partially in Rumford Twp. as shown in Figure 1 attached hereto, embracing Plumbago Mountain and the Nevel Mine but excluding a tract of approximately 870 feet by 870 feet surrounding the Whitehall Feldspar Mine as shown in Figure 2 attached hereto.

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: _____

_____

_____

_____

(b) That the Operator is a lessee, in possession and entitled to possession, and the owner's consent to Lien 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 ninety (90) days from the date of this contract shall commence

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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.

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 nine (9) 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

5/ Name of mineral or minerals.

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:

(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 expendable 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 for purchase or as owned and to be furnished by the Operator, and related purchase price and allowable depreciation, are allowable maximums.

(5) Rehabilitation and repairs. Any necessary 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, workmens' compensation and employers' liability insurance and payroll and sales taxes.

(8) Unforeseen. 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.

(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 Operator 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 per cent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $40,140.00, which is 90 per cent of $44,600.00, 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) per cent 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 six 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 ten 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 ten years have elapsed, whichever occurs first, as follows:

(1) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts not in excess of eight dollars ($8.00) per tons

(2) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts, plus one-half ($\frac{1}{2}$) per cent 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) per cent 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 ($1\frac{1}{2}$) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) 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 ten 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 worthwhile 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 prorata share of any money remaining.

ARTICLE 13. Changes and added provisions. _____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Beryllium Development, Inc.
Operator

By Matthew J. Donachie

By C. Mittenthorp
Acting Administrator, Defense
Minerals Exploration Administration
Hotlund (form)
Hourk
Clearance

I, R. H. Quinby, certify that I am the secretary of the corporation named as operator herein; that Matthew J. Donachie who signed this contract on behalf of the operator, was then President 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.

R. H. Quinby [Corporate Seal]
Secretary.

16042

EXPLORATION PROJECT CONTRACT
BERYLLIUM DEVELOPMENT, INC.
DOCKET NO. DMEA-2105

EXHIBIT "A"

Description of the Work

The project has for its purpose the exploration for beryl in commercial amounts in two separate pegmatite dikes. One pegmatite is known as Prospect No. 1 and the other as Prospect No. 2. A high steep ridge intervenes between the two prospects necessitating two separate operations. Both prospects are however within the boundaries of the tract described in paragraph two (2) of the contract.

Statement of Work - Prospect No. 1

The work to be performed on Prospect No. 1 will be on a pegmatite area approximately 300 by 400 feet marked as Beryl Prospect No. 1 on Figure 2 attached hereto and shown in greater detail in Figure 3 attached hereto. The work will consist of removing the shallow overburden from a part of the dike, approximately 100 by 300 feet, and the digging of four trenches roughly 70 feet long, 3 feet wide, and 6 feet deep. The rock thus exposed will be tested and sampled as to quality and quantity of beryl content.

Statement of Work - Prospect No. 2

The work on Prospect No. 2 will be performed on a piece of ground, approximately 580 by 300 feet, marked as Beryl Prospect No. 2 on Figure 2, attached hereto and as shown in more detail in Figure 4 attached hereto. The shallow overburden will be stripped from selected portions of this area and 7 to 10 trenches, approximately 6 feet deep and 3 feet wide will be cut at selected spots which the operator considers to be most promising for uncovering beryl. The rock thus exposed will then be tested for quality and quantity of beryl content. The total work should be completed within 9 months.

Estimated Costs of the Project

(1) Independent Contracts

None

	Prospect No. 1	Prospect No. 2	Total
(2) Labor, Supervision, Consultants			
Foreman, 2,160 hrs. @ $2.25	$ 2,430.00	$ 2,430.00	
Labor, ins., etc. (3 men)	10,122.00	9,834.00	
	$12,552.00	$12,264.00	$24,816.00
(3) Operating Materials and Supplies			
	$ 1,914.00	$ 1,840.00	$ 3,754.00
(4) Operating Equipment			
To be purchased:			
Jeep - 4 wheel drive	$ 1,800.00	-	
Dodge power wagon	3,000.00	-	
2 - 105 air compressor	3,500.00	$ 3,500.00	
2 - 55 lb. jackhammers	400.00	400.00	
	$ 8,700.00	$ 3,900.00	$12,600.00
To be rented:			
Bulldozer, 20 days @ $80.00	$ 800.00	$ 800.00	
Bulldozer, 10 days @ $64.00	640.00	-	
Bulldozer, trail and road	-	190.00	
6' x 6' truck, 10 days @ $30.00	300.00	-	
	$ 1,740.00	$ 990.00	$ 2,730.00
(5) Rehabilitation and Repairs			
None			
(6) New buildings, Improvements Installations			
Combination shed and shelter	$ 250.00	$ 250.00	
Powder House	100.00	100.00	
	$ 350.00	$ 350.00	$ 700.00
(7) Miscellaneous			
None, except as may be included in other items.			
Total Estimated Cost	$25,256.00	$19,344.00	$44,600.00

THE BERYLLIUM CORPORATION

~~KRAMER, PENNSYLVANIA~~

BERYLLIUM DEVELOPMENT, INCORPORATED

Grafton, New Hampshire
January 17, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 18 1952

Defense Minerals Exploratory Administration
Department of the Interior
Industrial Minerals Branch
Washington 25, D. C.

Attention: Mr. Lawrence Houk

Reference: DOCKET NUMBER - DMA 2105

Gentlemen:

In lieu of the Landlord's Subordination Agreement, Form #F-202, called for in the Application for an Exploratory Loan for beryl ore, Beryllium Development, Incorporated wishes to guarantee that they will assume and does hereby assume all the obligations of the Subleasee under the Exploration Project Contract to make repayment to the United States of America according to the terms of the said contract.

Beryllium Development, Incorporated is a holder of a sublease from Whitehall Company, Incorporated, Keene, New Hampshire, copy of which is attached to Docket DMA 2105. Whitehall Company, Incorporated is in turn the Leasee of the property involved from International Paper Company, 220 East 42nd Street, New York City, New York.

Yours very truly,

BERYLLIUM DEVELOPMENT, INCORPORATED

R. M. Quimby
Secretary

GNB:mbs

Subordination Letter

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

Not To Be Filled in by Applicant

Docket No. DMA-2105
Metal or Mineral
Date Received 9-25-51
Amount $
Participation (Government %)

Name and address of applicant

Beryllium Development, Inc.
P. O. Box 1462
Reading, Pennsylvania

Date September 24, 1951

If you have already filed MF-100, give date filed None, type of assistance requested 2105,

DMA Docket Number (if available)

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

   (*b*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

   NOTE: (1) If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*c*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 25 1951

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

11. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

CERTIFICATION

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

BERYLLIUM DEVELOPMENT, INC.
(Name of company)

By Otto T. Englehart
(Signature of authorized official)

September 24, 1951
(Date)

President
(Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

BERYLLIUM DEVELOPMENT, INC.
P. O. Box 1462
Reading, Penna.

NO. 1 PROSPECT

1. (a) Copy of lease attached - International Paper Company. Date to be submitted later.

(b) See lease attached.

(c) Description of exact parcel to be explored is given in attached geologist's report and in Figure #3 of said report.
A Subordination Agreement or a letter from applicant guaranteeing the Government's interests will be submitted at an early date.

2. (a) Beryl, spodumene, feldspar, scrap and sheet mica, quartz, amblygonite and columbite-tantalite.

(b) See attached geological report and maps. Need not be returned.

3. (a) See pages 7 - 8 of attached geologist's report, in addition to the work proposed in the report an additional amount of stripping to more completely disclose the pegmatite will be done. The results of this stripping may very well dictate that additional open cutting be carried out. Total cost of project - $25,255.62.

(b) Probably start May 15, 1952 or earlier as weather permits; estimated duration of prospect from start to finish about twelve months working time or two seasons, May 15 to November 15.

4. See Fig. 3 of attached geologist's report. It is proposed to cut four trenches as shown for an aggregate length of about 130 feet. The trenches will average about 3 feet in width by 6 feet in depth. It is further proposed to strip the overburden from the pegmatite over the entire area of cross hatching shown in Fig. 3. Overburden is estimated to range from 1 - 5 feet in thickness. Subsequent to stripping it is highly probable that further exposures of beryl will be uncovered necessitating further cutting of trenches and test pits; the location or extent of any such operations cannot be predicted at this time. The position of the trenches shown on Figure 3 is diagrammatic in part; their exact location will be confined to spots mutually agreeable to the Government field team and the operator.

The above proposed exploration work is in elaboration and extenuation of work recommended on pages 7 and 8 of the attached geologist's report, which see.

5. None.

6.

Combination tool shed and shelter		$250.00
Powder House and Cap Storage		100.00
Repair present road .87 miles and construct new section of road .40 miles		1,300.00
1 - "6 x 6" Truck - 10 days	$300.00	
1 - Bulldozer - 10 days	640.00	
Labor - 3 men - 10 days	360.00	

7. (a) Rented: Bulldozer for stripping overburden on pegmatite - 10 days @ $80.00 per 800.00

7. (b) Purchased:

4 Wheel drive Jeep	$1,800.00
Dodge Power Wagon 4 Wheel Drive	3,000.00
Compressor 105 CFM	3,500.00
1 - 55 lb. Jackhammer	400.00
50' Length Air Hose	50.00

(c) None.

8.

2 Laborers	4,320 hours @ $1.30	5,616.00
1 Driller	2,160 hours @ 1.60	3,456.00
1 Foreman	1,080 hours @ 2.25	2,430.00
Payroll taxes and insurance @ 6% (estimated)		690.12

NOTE: Foreman's time indicated above represents half-time duty only as he will also be in charge of work on an adjacent property (Prospect #2) which is being covered under a separate application.

9.

4 Pcs. Drill Steel 2' lengths - 1" Steel	@$3.75	15.00
4 Pcs. Drill Steel 4' lengths - 1" Steel	@ 5.00	20.00
4 Pcs. Drill Steel 6' lengths - 1" Steel	@ 6.25	25.00
4 Pcs. Drill Steel 8' lengths - 1" Steel	@ 7.50	30.00
4 Pcs. Carbide tipped bits 1½"	@14.00	56.00
4 Pcs. Carbide tipped bits 1-5/8"	@14.00	56.00
4 Pcs. Carbide tipped bits 1-3/4"	@14.00	56.00
4 Pcs. Carbide tipped bits 1-7/8"	@14.00	56.00
100 Pcs. Steel Bits 2"	@ .40	40.00
100 Pcs. Steel Bits 1-7/8"	@ .40	40.00
100 Pcs. Steel Bits 1-3/4"	@ .40	40.00
100 Pcs. Steel Bits 1-5/8"	@ .40	40.00
1 Blasting Machine (10 Hole)		35.00
1 Galvanometer		15.00
1 Wheelbarrow		25.00
6 Shovels (Round Point)	@ 2.50	15.00
1 12 lb. Sledge		4.25
2 36" Wrecking Bars	@ 1.25	2.50
4 Picks	@ 2.50	10.00
1 18" Stilson Wrench		5.50
1 12" Stilson Wrench		3.25
Miscellaneous Small Tools		104.00
100' Airline Pipe 1"	@ .10	10.00
2,000 Gal. Gasoline	@ .28	560.00
2 Drums (55½ gals.) Esstec #50		70.00
2,000 lbs. 40% Std. Gelatin Dynamite	@22.00 per cwt.	440.00
500 Electric Blasting Caps	~~@12.50~~ per C	75.00
2 Rolls (500 ft.) Duplex Leading Wire	$ 15.00	15.00
		$25,255.62

10. (a) $2,525.56

90% 2273.06

(b) Yes.

11. None.

	Prospect No. 1	Prospect No. 2	Total
(2) **Labor, Supervision, Consultants**			
Foreman, 2,160 hrs. @ $2.25	$ 2,430.00	$ 2,430.00	
Labor, ins., etc. (3 men)	10,122.00	9,834.00	
	$12,552.00	$12,264.00	$24,816.00
(3) **Operating Materials and Supplies**			
	$ 1,914.00	$ 1,840.00	$ 3,754.00
(4) **Operating Equipment**			
To be purchased:			
Jeep - 4 wheel drive	$ 1,800.00	-	
Dodge power wagon	3,000.00	-	
2 - 105 air compressor	3,500.00	$ 3,500.00	
2 - 55 lb. jackhammers	400.00	400.00	
	$ 8,700.00	$ 3,900.00	$12,600.00
To be rented:			
Bulldozer, 20 days @ $80.00	$ 800.00	$ 800.00	
Bulldozer, 10 days @ $64.00	640.00	-	
Bulldozer, trail and road	-	190.00	
6' x 6' truck, 10 days @ $30.00	300.00	-	
	$ 1,740.00	$ 990.00	$ 2,730.00
(5) **Rehabilitation and Repairs**			
None			
(6) **New buildings, Improvements Installations**			
Combination shed and shelter	$ 250.00	$ 250.00	
Powder House	100.00	100.00	
	$ 350.00	$ 350.00	$ 700.00
(7) **Miscellaneous**			
None, except as may be included in other items.			
Total Estimated Cost	$25,256.00	$19,344.00	$44,600.00

GEOLOGICAL REPORT ON THE BERYL-BEARING PEGMATITES OF THE NEWRY-ANDOVER AREA, MAINE

By Andrew H. McNair

Introduction:

The Newry-Andover area in Oxford County, Maine has had sporadic mining of its pegmatites since the 1860's, when small cuts were made in several deposits in search for green tourmalines and aquamarines that could be used as gems. The Nevel Mine, shown on Figure 2, was operated by Alfred Nevel for the General Electric Company during the summers of 1927, [illegible], when petalite, a complex ore of cesium, was mined. The [illegible] according to George Strocher of Andover, Maine, [illegible] was [illegible] tons of pegmatite having an estimated value [illegible]. [illegible] the work in the mine [illegible] pegmatite minerals were [illegible] mineral [illegible]. Although [illegible] has not been [illegible] since [illegible], several [illegible] [illegible] and [illegible] [illegible].

Feldspar mining was also [illegible] the [illegible] Feldspar Mine which was operated by the [illegible] Company in the late 1920's. It was subsequently [illegible] by the Whitehall Company, who worked [illegible] in 1942 and 1943. [illegible] Feldspar, [illegible] of beryl, spodumene, amblygonite and scorzalite were obtained.

The Whitehall Company carried out an intensive search for pegmatites in the Newry-Andover area from 1942 to 1943,

when prospectors searched the hills and woods for pegmatite outcrops. The more promising pegmatites were scraped of their overburden and numerous prospect pits were made in search of coarse-grained pegmatites that might contain commercial quantities of feldspar. In the course of this work they discovered many pegmatites that contained small or widely scattered beryl crystals. Only two prospects were found that contained crystals in any quantity and these constitute the deposits described and evaluated in this report.

Location of area:

The general area containing the beryl prospects is owned by the International Paper Company of Glens Falls, New York, who leased the mineral rights to the Whitehall Company of Keene, New Hampshire. The Whitehall Company in turn has granted the Beryllium Corporation a sub-lease on the mineral rights of all of the area owned by International Paper in the town of Newry east of Bear River and all of the drainage area of Howe Brook in the town of Andover, except for an area of approximately ten acres surrounding the Whitehall Feldspar mine. The location of the lease area is shown in Figure 1 accompanying this report.

Accessibility:

The geographic location of the prospects is indicated on Figure 2. The No. 1 prospect is reached from hard

surfaced Route 5 by an abandoned mine road 0.87 miles long that at present cannot be travelled except possibly by a four-wheel drive vehicle; and by a foot path 0.40 miles long. The abandoned mine road is steep and even after being filled and graded can be used only by light four-wheel drive trucks or by 6" by 6" trucks. The foot path from the Whitehall Feldspar mine follows a gentle grade and could be transformed into an acceptable truck road by being graded with waste rock from the dump of the feldspar mine.

The No. 2 prospect is located high on the northeast ridge of Plumbago Mountain. It can most easily be reached on foot by a steep climb from the No. 1 prospect. Mining equipment could be moved to the prospect by using the logging road that ascends Howe Brook and by a caterpillar tractor trail up the south branch of Howe Brook used by the Whitehall Company when the prospect pits a short distance north of the No. 2 prospect were made. The approximate route of this trail is shown on Figure 1.

Mining Conditions:

Deep snow, ice and cold weather normally prohibit both the use of access roads and the efficient use of machinery between November 15 and May 15, although it is reported that during exceptionally mild winters, snow and cold weather do not develop in the area until early in December.

Pegmatites and Beryl Deposits:

Seven pegmatites occur in the area mapped. The approximate size and shape of these bodies is shown on Figure 2. All appear to be irregularly lens-shaped and to have moderate dips. They occur on the crests, flanks and summits of hills and from their surface expression appear to be relatively thin. None of the bodies are well exposed at the surface although overburden is rarely more than a few feet thick. For the most part, where they can be observed, the pegmatites consist of fine to medium-grained perthite, quartz, plagioclase and muscovite. Areas of large crystals with segregations of commercially important minerals are not abundant.

Prospect No. 1:

The No. 1 prospect is lens-shaped in plan. It appears to dip south-east at a somewhat steeper angle than the slope of the hillside on which it crops out. It is approximately 630 feet long and 400 feet wide. It is not well exposed and is covered except for relatively small and scattered outcrops by a thin veneer of forest soil and thin glacial drift. Because of the relatively few exposures and the lack of mine workings it is difficult to determine the internal arrangement and structure of the body.

The apparent structure from the outer part to the center is as follows:

(1) An outer border zone 2 to 6 inches thick, consisting of quartz, muscovite and fine-grained feldspar is in contact with the country rock.

(2) The wall zone is fine-grained perthite, quartz, muscovite and fine-grained graphic granite. This zone appears to range from 2 to 6 feet in thickness and forms most of the upper surface area of the deposits.

(3) An intermediate zone contains scattered clusters of large beryl crystals in relatively coarse-grained quartz, muscovite and perthite. This zone appears to contain the only mineable concentration in the deposit. It is exposed only at four places. The most important exposures are shown on Figure 3 representing the northwest part of the pegmatite. The largest area contains 16 blue-green to gray beryl crystals ranging up to 8 inches in diameter and up to 20 inches long. The second area contains 6 blue-green to gray crystals up to 14 inches in diameter and up to 24 inches long. Total beryl content of both exposures is estimated at four tons, assuming that the zone is one foot thick. From the large size of the crystals it would appear that the zone is more than a foot thick. The entire zone does not contain beryl concentrations as rich as the ones indicated on Figure 3 because the exposed pegmatite south of the largest beryl-bearing area contains no visible trace of beryl.

Two small exposures and several loose blocks of the beryl-bearing zone occur approximately 200 feet northeast of the area shown in Figure 3. The zone here appears to be only 8 to 10 inches thick and contains abundant small crystals from one-half to 4 inches in diameter and 2 to 16 inches long. Surface exposures do not show the relation of these outcrops to the larger exposures to the south. The most likely explanation is that the zone has been eroded away in the area between the two beryl concentrations.

Estimates of Reserves of No. 1 Prospect:

Lack of information on both the extent and concentration of beryl crystals in the deposit prevents an accurate estimate of reserves.

Proven reserves (of beryl in sight) is approximately 4 tons. Probable reserves, assuming that the beryl-bearing zone is present throughout the area indicated as probable underground extent on Figure 3; that the zone averages 18 inches in thickness; and that it contains one half the beryl concentration shown in the two places where it is exposed, is approximately 162 tons.

Additional reserves may be present in the pegmatite. These would largely be dependent on whether the beryl-bearing zone has been eroded from the deposit north and east of the area shown on Figure 3, as well as on the thickness and beryl concentration of the zone. From the

scanty information at hand from the pegmatite itself and from a knowledge of other New England beryl deposits, it seems unlikely that additional reserves would exceed 500 tons.

Recommendations on Prospecting the No. 1 Prospect:

The mining and diamond drilling of numerous pegmatites throughout the country has indicated clearly that mineral concentrations occur in zones more or less parallel to the walls of pegmatitic bodies and concentric to an inner nucleus or core. The clusters of beryl crystals exposed at the No. 1 prospect appear to be part of a fairly continuous zone that has been exposed to the surface at two places. If this is true, then prospecting and mining should be directed at tracing the beryl-bearing zone and fairly careful measurements should be made to determine the amount of beryl in it. Fortunately the zone is close to the surface and open cuts not exceeding 6 feet in depth should encounter the zone throughout the area of probable reserves.

It is recommended that two shallow open cuts be made in the deposit. One cut to extend through the beryl zone from the area of largest concentration southward toward the line marked D on Figure 3. The other cut to extend from the smaller beryl concentration toward the line marked E. If these cuts reveal that the zone contains

more than half as much beryl as is shown by present exposures, then a third cut should be made in the area northeast of the largest beryl concentration. In this way reserves can be developed as prospecting is carried out.

Bulldozing should be done in the vicinity of the two smaller beryl exposures northeast of the area in Figure 3. If the cleared ledges show additional areas of beryl, then another cut should be made in this part of the deposit.

The cleaning of cover from the pegmatite in the vicinity of the quartz core may reveal additional crystals. If this proves to be true, then an open-cut prospect should be made along the core.

Prospect No. 2:

The No. 2 prospect is shown on Figure 4. It is a thin, relatively flat sheet with a general low dip to the east. It is exposed over an east-west distance of approximately 580 feet and a north-south distance of about 300 feet. It ranges from 10 to 60 feet thick. It has an irregularly oval outcrop plan because it is covered by an erosional "island" of wallrock.

The apparent internal structure of the pegmatite from the top to the central core is as follows:

(1) A thin outer zone of fine-grained quartz-muscovite pegmatite is in contact with wall rock. This zone contains much granular black tourmaline in places.

(2) The wall zone consists of medium-grained quartz, feldspar, muscovite and minor amounts of beryl. The largest beryl concentration contains 65 grayish-white crystals ranging from one half to 5 inches in diameter in a thin sheet immediately overlying the quartz core. The beryl concentration appears to be restricted to the southwest corner of the wall zone, although it might be present at other places where the zone is now covered by overburden. Nests and pockets of large muscovite books occur in the zone and these would yield scrap mica.

(3) An intermediate cleavlandite-spodumene-muscovite zone is exposed at the south and east sides of the pegmatite. This zone should contain scattered beryl crystals and amblygonite, although only one beryl crystal was found in the zone along the south margin of the deposit. If this zone were prospected, it is likely that some of the cavities in the cleavlandite would contain green gem tourmaline. The spodumene occurs in large "logs" and in places is the most abundant constituent of the zone.

(4) The centrally located quartz core is discontinuous. Its longest exposure is at the west end of the body where it contains 27 blue-green crystals. Some of the crystals are rimmed with fine-grained albite in bands up to 2½ inches thick. The crystals range from 4 to 11 inches in diameter and from 6 to 24 inches in length. The three beryl crystals exposed in the northeast segment of the core

are white to transparent and do not have crystal outlines. They are difficult to distinguish from the quartz in which they are embedded.

Estimates of Reserves, No. 2 Prospect:

The proven reserves are estimated to be between 3/4 and 1 ton of beryl. The numerous small crystals in the wall zone occur in a sheet apparently not more than 8 to 10 inches thick. The discontinuity, as well as thinness, of the zone does not permit a larger estimate. The concentration of large crystals in the core is highest at the west outcrop and from study of present exposures appears to be lowest in the east part of the pegmatite. It is not unlikely that the core contains several hundred tons of beryl, most of this, it is believed, would occur in widely scattered crystals and could not be recovered profitably. The core itself is discontinuous and no reliable prediction can be made concerning the core in the part of the body that is now covered by wall rock. From the study of the distribution of beryl it is unlikely that large areas of the core contain substantial quantities of beryl.

Recommendations on Prospecting the No. 2 Prospect:

It is recommended that the western end of the body be stripped of its thin layer of overburden and particular attention be given the northwest corner in the hope that beryl-bearing material will be uncovered.

At least two prospect pits should be made in the quartz core concentrations between localities 1 and 4 as shown on Figure 4. These cuts should extend below as well as above the core to test the possibility of a core-margin beryl concentration. It is realized that as these cuts are extended eastward they would have to pass through more and more wall rock as they grew in this direction.

Overburden should be stripped east of the beryl concentration indicated at area 5 and shallow cuts be made to determine the thickness and beryl content.

Overburden should be stripped across the width of the pegmatite in the vicinity of A on Figure 4, and cuts made in any beryl concentration that might be disclosed by the stripping.

The open cuts in both the No. 1 and No. 2 prospects will be small, particularly in the early stages of the work. It would seem advisable, therefore, that a small crew consisting of three or four men would work to greater advantage than a larger number that would get in each others way. It would also be advantageous that one of the men be skilled at recognizing gray and white massive beryl, spodumene and amblygonite.

Summary and Conclusions:

It is unlikely that either of the two beryl prospects could be mined at a profit for beryl alone at the current market price for beryl, except for very short scaled work

aimed at robbing the exposed beryl clusters of a few tons of easily obtainable ore. Both prospects should be worked for all of the materials that could be recovered profitably from them, including feldspar, mica (largely scrap containing a small amount of sheet-mica), spodumene, amblygonite as well as rare mineral specimens.

The shortness of the season during which they could be worked and their remoteness from hard-surfaced roads argue also for efficient, well-planned work in both their prospecting and development.

The two deposits are the most promising untested prospects in New England capable of yielding hand-cobbed beryl that are known to the author. For this reason it is believed that small scale prospecting of the deposits is justified.

Respectfully submitted,

Andrew H. McNair
Hanover, New Hampshire
September 12, 1951

8/23/51

A G R E E M E N T made this 24th day of August, 1951, between WHITEHALL COMPANY, INC., a corporation duly organized and existing under the Laws of the State of New Jersey, hereinafter sometimes designated as Lessor, and BERYLLIUM DEVELOPMENT, INC., a corporation duly organized and existing under the Laws of the State of Delaware, hereinafter sometimes designated as Lessee.

Lessor hereby grants, demises and leases to Lessee, SUBJECT to the rights of International Paper Company, and to the rights of Lessor retained under this lease, sole and exclusive right of mining, digging, boring and prospecting for and removing Feldspar, Beryllium, and all other minerals upon and from the following described tracts of land situated in the County of Oxford, State of Maine, estimated to contain Three Thousand (3,000) acres, more or less, and more particularly bounded and described as follows:

> All lands owned by International Paper Company in the Town of Newry, lying east of Bear River and all lands owned by International Paper Company in the Town of Andover lying in the watershed of Howe Brook, both in the County of Oxford, State of Maine, being the property now leased by International Paper Company (a New York Corporation) to Whitehall Company, Inc.

TO HAVE AND TO HOLD the said premises for said purposes only unto said Lessee for and during the term from the date hereof, to and including the 31st day of July, 1953.

1. Lessee agrees that on and after the date hereof, the minimum royalty due and payable Lessor shall be at the rate of One Thousand ($1,000.00) Dollars per year. Any deficiency in royalty shall be paid within thirty (30) days after the close of the year.

Lessee covenants and agrees to pay Lessor on the twentieth day of each month, a royalty of $0.50 per ton of 2,240 pounds of Feldspar, No. 1 Grade and $0.25 per ton of 2,240 pounds of Feldspar, No. 2 Grade and 10 percent of the current market price, f.o.b. mine for Beryllium and all other minerals, mined and removed from said premises pursuant to the provisions of this lease during the month immediately preceding said dates of payment.

2. The Lessee covenants and agrees to transmit to the Lessor an exact and truthful statement of the amount of Feldspar, Beryllium and of all other minerals removed during the month for which payment is being made. The Feldspar, Beryllium and all other minerals may be weighed by the Railroad Company or any other mutually satisfactory scales and such weights shall determine the quantities as between the Lessor and the Lessee. The Lessor may inspect, review and test the correctness of the weights at any time in such manner as Lessor may see fit to adopt. Any errors discovered shall be corrected in the accounts of the Lessee.

3. The Lessor hereby grants to the Lessee the right to mine, prospect, search, dig, bore and excavate for said Feldspar, Beryllium and all other minerals in as many places upon the premises as the said Lessee may deem proper, and to extract and remove the same from said premises, provided, however, that BERYLLIUM DEVELOPMENT, INC. shall not in any way disturb the "Newry Mine" of Lessor nor prospect or mine within an area of Four Hundred (400) feet distant from the edge of the mine workings.

Lessor reserves the right to operate the "Newry Mine" and to prospect for and mine Feldspar on all

other parts of the property which will not conflict with Lessee's operations then in effect.

4. The Lessor further grants to the Lessee the right to occupy and use as much of said tract or tracts for buildings and improvements as may be necessary for the most efficient and economical mining operations, excepting the "Newry Mine" and any other installations erected by Lessor for prospecting and mining Feldspar.

5. Lessor grants to Lessee except as herein otherwise provided, all such rights of way in the premises to the extent Lessor has control thereof as may be necessary for Lessee to obtain and remove feldspar, [illegible] other minerals as herein otherwise provided.

6. The Lessor hereby grants to the Lessee the right to construct ditches, drains, aerial tramways, trackways, railroads, truck roads, etc., to and across said premises and said adjoining lots, except as herein otherwise provided.

7. The Lessor hereby grants to the Lessee the right to cut and use such timber located upon the said premises as may be necessary for the construction of buildings and/or for other usual purposes of such mining operations, upon paying for the merchantable timber the reasonable market stumpage value thereof at and upon the aforesaid property.

8. The Lessor hereby grants to the Lessee the right to use any stone or gravel located on the aforesaid premises for the purpose of constructing roads necessary and suitable for the full enjoyment of the mining rights hereby

leased by the Lessee, except as herein otherwise provided.

9. The Lessor grants to the Lessee the right to use and/or secure water on said premises in order that the Lessee may conduct his mining operations in an economical and proper manner, except as herein otherwise provided.

10. The Lessor grants to the Lessee the right to [illegible] waste [illegible] within the [illegible] mining operation, [illegible], except [illegible] otherwise provided.

11. [illegible] premises by the [illegible] the [illegible] by [illegible] and [illegible].

12. [illegible]

13. The Lessor [illegible] premises by the Lessee [illegible] its [illegible] property.

14. The Lessee reserves the right to terminate said lease at any time upon giving to the Lessor thirty days written notice of the intention so to do and upon payment of rent owed up to the date of such notice. The said notice shall be given by the Lessee in writing and shall be sent by registered mail in a duly postpaid envelope addressed to the Lessor at Keene, New Hampshire. Said notice shall be deemed complete upon deposit thereof by the Lessee in a United States post-office. Thereafter the Lessee shall be under no further liability hereunder.

15. The Lessee shall not be responsible for any damages to the aforesaid premises by reason of the operations conducted by the Lessee pursuant to the provisions hereof.

16. The Lessor shall have the right to terminate and cancel this lease in the event of a default on the part of the Lessee in complying with any of the terms and conditions of this Lease, provided said default shall continue for a period of sixty days after the Lessor has forwarded written notice thereof to the Lessee. Said notice shall be sent by registered mail to the last known address of the Lessee.

17. The Lessee shall have the right to renew this lease for an additional period of Five Years upon the terms and conditions hereinbefore set forth, provided that ninety days prior to the expiration of this lease the Lessee shall forward to the Lessor written notice thereof in the manner hereinbefore provided for sending notices to Lessor.

Lessor's said lease with International Paper Company, expires July 31, 1935, with the privilege of renewal

for an additional five year period which renewal Lessor intends to exercise.

18. Lessor makes no representation as to its rights in the premises hereinbefore described and Lessee shall only have such rights under this lease as Lessor has in said premises.

19. Lessor shall have the right, except when conditions beyond the control of Lessee prevent, to terminate this lease in the event that the Lessee fails to conduct any operations upon the said premises for a period of one hundred and eighty (180) days.

20. Lessee shall conduct its mining operations in workmanlike manner.

21. If at any time the Lessor shall either orally or in writing inform the Lessee or any of its agents or employees who shall be engaged in such operations that the Lessor believes that there is more than ordinary danger of forest fires through such operations, such agents or employees will vacate the land hereby leased until such time as the Lessor shall notify the Lessee that the danger of fire no longer exists. The Lessee shall instruct any of its agents or employees who go on the land hereby leased of the above condition of this lease and of the great danger of fire which exists through any operations in the forest and shall see that all necessary precautions are taken to prevent fires. Notice to the Lessee under the terms of said lease that there is more than ordinary danger of forest fires will not be

served without reasonable cause.

22. Lessee agrees that it will not assign, mortgage or encumber this agreement nor underlet or use or permit the demised premises or any part thereof to be used by others, except to a successor or successors of Lessee unless the written consent of Lessor is obtained. Lessor will not unreasonably withhold such consent.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed the day and year first above written.

WHITEHALL COMPANY, INC.

By A. E. Davison
A. E. Davison, Vice President

Attest:

L. G. Clark
L. G. Clark, Secretary

BERYLLIUM DEVELOPMENT, INC.

By Otto T. Engelhart
President

Attest:

Secretary

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

This is to certify that on the 24th day of August, 1951, before me personally came Alvah L. Davison, Vice President, with whom I am personally acquainted, who being by me duly sworn, says, that he, Alvah L. Davison, is the Vice President and L. B. Clark is the Secretary of Whitehall Company, Inc., the corporation described in and who executed the foregoing instrument; that he knows the common seal of the corporation; that the seal affixed to the foregoing instrument is said common seal, and the name of the corporation was subscribed thereto by said Vice President and that said Vice President and Secretary subscribed their names thereto and the common seal was affixed, all by order of the Board of Directors of said corporation, and that the said instrument is the act and deed of said corporation.

Witness my hand and official seal this 24th day of August, 1951.

Forest Grant

Notary

STATE OF PENNA.)
) ss.:
COUNTY OF BERKS)

This is to certify that on the 31ST day of August, 1951, before me personally came OTTO T. ENGLEHART President, with whom I am personally acquainted who being by me duly sworn, says, that he is the President, and R. M. QUIMBY is the Secretary of BARYLIT REVERSIBLE, INC.; the corporation described in and who executed the foregoing instrument; that he knows the common seal of the corporation; that the seal affixed to the foregoing instrument is said common seal, and the name of the corporation was subscribed thereto by said President and that said President and Secretary subscribed their names thereto and the common seal was affixed, all by order of the Board of Directors of said corporation, and that the said instrument is the act and deed of said corporation.

Witness my hand and official seal this 31ST day of August, 1951.

NOTARY PUBLIC

My Commission Expires
January 29, 1955

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

OFFICIAL BUSINESS

15

DMEA
Summary Report
January 28, 1953

Operator:	Beryllium Development, Inc.
Location:	Plumbago Mountain, Oxford Co., Maine
Address:	Reading, Pennsylvania
Docket No.:	DMEA-2105
Contract No.:	Idm-E284
Commodity:	Beryl
Total Cost:	$44,600.
Government Participation:	90% - or $40,140.
Duration of Contract:	9 months from April 1, 1952

The purpose of this contract was to explore for beryl in commercial amounts in two separate pegmatite deposits.

The work on this project - a stripping and trenching operation - started about May 26, 1952. In less than 30 days the operator blasted and moved about 500 tons of pegmatite material from which 12 tons of beryl and 3 tons of mica were sorted. The 500 tons contained an average of 2.4 percent beryl.

The favorable showing, so quickly uncovered, caused the company to decide to commence production immediately and to assume the cost of the operation on their own account. They requested a termination of the contract before any Government funds could be contributed to the cost of the work.

The project contract was terminated by mutual agreement.

The Government participated in the early planning of the project and was, therefore, jointly responsible for the initiation of the work that was done. As a result of the approved work and its performance under the terms of a Government contract, a discovery of beryl was made. Because of these facts and for the purpose of accurately reporting the achievements of the exploration program, a special form of Certification of Discovery or Development was made.

A total of 65 tons of beryl were produced between June and December, 1952.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JAN 18 1954

Docket No.:	DMEA-2105 - (Beryl)
Contract No.:	Idm-E204
Operator:	Beryllium Development, Inc.
Mine & Location:	Plumbago Mountain Oxford County, Maine
Date of Certification:	October 6, 1952
Production:	Not known but beryl is being produced
Royalties due the Government:	None
Royalties paid the Government:	None

Operator's interest in the property has not been transferred.

In the Operator's opinion the initial work under this contract exposed sufficient beryl to start production. The Operator requested that the contract be terminated without cost or further participation by the Government.

The plans for exploration, as laid out by the DMEA Field Team, were followed. The Operator absorbed all costs and the contract was terminated.

The production from this deposit is not subject to royalty payments.

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

WASHINGTON 25, D.C.

OFFICIAL FILE COPY
DMEA
RECEIVED APR 24 1957

DATE	INITIALS	CODE
		220

2105

April 22, 1957

Mr. John R. Rand
State Geologist
Department of Industry and
Commerce
Augusta, Maine

Dear Mr. Rand:

The DMEA contract referred to in my letter of April 12 was with Beryllium Development, Inc., of Reading, Pennsylvania, to explore for beryl in Oxford County. This contract was executed in April 1952 and terminated in October 1952. Since that time, we have had no contracts in Maine.

As requested in your letter of April 18, I am mailing, under separate cover, six copies of the revised pamphlet, and I will be glad to supply you with additional copies when these are gone. Also, for your information, I enclose a copy of DMEA Order-1 Amended, which sets forth the regulations of the program.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/as
cc
Operating Com.
Millar
Lynch
Files

Mr. Robertson

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 18 1954

January 15, 1954

orandum

To: George C. Selfridge, Chairman, DMEA Operating Committee

From: Executive Officer, DMEA Field Team, Region VIII

Subject: Semi-Annual Report on Certified Projects.

In accordance with the instructions given in DMEA Circular No. 32, dated April 28, 1953, there is enclosed in quadruplicate the Semi-Annual Report on Certified Projects in Region VIII, as of December 31, 1953.

W. T. Millar

Enclosures 4

WTM:rwa

copies for GeoCSelfridge - Orig. & 3
MPGreenwald, Pgh.
RWardStahl, Pgh
QuentinDSingewald, USGS
DMEA Files 2

DEFENSE MINERALS EXPLORATION ADMINISTRATION
REGION VIII

Semi-Annual Report on Certified Projects

December 31, 1953

Certification of Discovery or Development issued to date:

Contract No.	Operator
Idm-E255	Ozark-Mahoning Company
Idm-E284	Beryllium Development, Inc.

Docket No.:	DMEA-2105 - (Beryl)
Contract No.:	Idm-E284
Operator:	Beryllium Development, Inc.
Mine & Location:	Plumbago Mountain Oxford County, Maine
Date of Certification:	October 6, 1952
Production:	Not known but beryl is being produced
Royalties due the Government:	None
Royalties paid the Government:	None

Operator's interest in the property has not been transferred.

In the Operator's opinion the initial work under this contract exposed sufficient beryl to start production. The Operator requested that the contract be terminated without cost or further participation by the Government.

The plans for exploration, as laid out by the DMEA Field Team, were followed. The Operator absorbed all costs and the contract was terminated.

The production from this deposit is not subject to royalty payments.

Docket No. DME 2105

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 284

Date of Contract ~~or Amendment~~ April 1, 1952

Name and Address of Operator:
Beryllium Development, Inc.
a wholly owned subsidiary of
The Beryllium Corporation
Reading, Pennsylvania

Amount of Government participation $ 40,140.00

Percent of Government participation 90 %

Region: VIII State: Main

Please release $40,140.00
Taken from Signed copy of resolution.

J. L. Chambers
(Name)
J. L. Chambers,
Chief, Contract Administration
and Audit Division
(Title)

Date Delivered to Bureau of Mines, Washington. Oct. 10, 1952 13808

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 16 1952

October 15, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region VIII

Subject: Docket DMEA-2105, Contract Idm-E284 - (Beryl)
Beryllium Development, Inc., Newry Property
Prospects No. 1 and No. 2, Oxford County, Maine

Attached is the original and 2 photostat copies of the narrative report furnished by the Beryllium Corporation in connection with their work at this project.

McHenry Mosier
McHenry Mosier

Attachments - 3

FILE COPY
SURNAME:

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

OCT 14 1952

Robertson
Hunt

Mr. Jens Larsen, Administrator
Defense Materials Procurement
Agency
General Services Administration
Building
Washington 25, D. C.

Subject: Docket No. [illegible] - Beryl
Beryllium Development's
Prospect No. 1 and No. 2
Henry Township
Oxford County, Maine
Contract [illegible] - $44,600

Dear Mr. Larsen:

I am enclosing a copy of a Rescission of Exploration Project Contract and Certification of Discovery or Development, and also, a Final Report by the Regional Field Team. The report is tentative and subject to possible new information which may later be submitted by the Operator

The project contract was signed April 1, 1952. The total amount was $44,600, of which the Government's participation would have been 90 percent. However, no Government monies were advanced.

The work on this project - a stripping and trenching operation - started about May 26, 1952. In less than 30 days the operator blasted and moved about 500 tons of pegmatite rock from which 12 tons of beryl and 3 tons of mica were sorted. The 500 tons contained an average of 2.4 percent beryl.

The favorable showing, so quickly uncovered, caused the company to decide to commence production immediately and to assume the cost of the operation on their own account. They requested a termination of the contract before any Government funds could be contributed to the cost of the work.

Status of the project:

1. The project contract has been terminated by mutual agreement.

2. No contribution of Government funds has been made to the costs of the project.

3. The Government participated in the early planning of the project and was, therefore, jointly responsible for the initiation of the work that was done. As a result of the approved work and its performance under the terms of a Government contract, a discovery of beryl was made. Because of these facts and for the purpose of accurately reporting the achievements of the exploration program, a special form of Certification of Discovery or Development has been made.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

J.H. 10-15-52

Enclosure 2

JTRobertson:ngd 9/22/52

Copy to: Admin. Reading File
Operating Committee
Mr. F. E. Johnson
Mr. Hodges, 4604
Mr. Thayer, 5216 GSA Bldg.
Docket File
Field Team, Region VIII (2)
Mr. Chambers, 2612
Mr. Markland, 6020
Finance Officer
Mr. Hook

FILE COPY
SURNAME:

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

600

Robertson
Crawford
Ellis
Hoffman
Leggon
Hoffman

Mr. Jess Larson, Administrator
Defense Materials Procurement Agency
General Services Administration
Building
Washington 25, D. C.

Subject: Docket No. DMEA-2105 - Beryllium Development's Prospect No. 1 and No. 2
Berry Township
Oxford County, Maine
Contract Idm-E284 - $44,600

Dear Mr. Larson:

I am enclosing a copy of a Rescission of Exploration Project Contract and Certification of Discovery or Development, and also, a Final Report by the Regional Field Team. The report is tentative and subject to possible new information which may later be submitted by the Operator.

The project contract was signed April 1, 1952, the total amount was $44,600 of which the Government's participation would have been 90%. However, no Government monies were advanced.

The work on this project - a stripping and trenching operation - started about May 26, 1952. In less than 30 days, the Operator blasted and moved about 500 tons of pegmatite rock from which 12 tons of beryl and 3 tons of mica were sorted. The 500 tons contained an average of 2.4 percent beryl.

The favorable showing, so quickly uncovered, made the Company decide to go on production and to carry on and assume the cost of the operation on their own account. They request a termination of the contract before any Government funds could be contributed to the cost of the work.

The status of the project is now:

1. The project contract is being terminated by rescission of contract.

2. No Government contribution of Government monies have been made to the project.

3. Because of Government participation in the early planning and setting-up of the project, a Certification of Discovery is being made.

4. A joint report, a tentative termination report, under date of July 8, 1952, is submitted by the Regional Field Team, H. L. Burmeister, USBM, and Glenn W. Stewart, USGS. (This report is attached hereto).

A Company report may later be forthcoming.

Sincerely yours,

Acting Administrator

Attachments - 2

JTRobertson:mp 9/2/52
cc: Docket File
Adm. Reading File
Operating Committee
F. E. Johnson
Mr. Hedges, 4604
Mr. Thayer, 5216, GSA Bldg.
Field Team, Region VIII (2)
Mr. Chambers, 2612
Mr. Murkland, 6020
Finance Officer
Mr. Houk

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

OCT 10 1952

October 9, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region VIII

Subject: Docket DMEA-2105, Contract Idm-E284 - (Beryl)
Beryllium Development, Inc., Oxford Co., Maine

Attached is the original and two copies of a Recission of Exploration Project Contract and Certification of Discovery or Development on subject contract, which have been executed by the Beryllium Development, Inc.

McHenry Mosier

McHenry Mosier

Attachments - 3

THE BERYLLIUM CORPORATION

READING, PENNSYLVANIA

October 7, 1952

Mr. McHenry Mosier, Executive Officer
Bureau-Survey Field Team, Defense
Minerals Exploration Administration
Region VIII
United States Department of The Interior
College Park, Maryland

Dear Mr. Mosier:

As promised to you in a previous telephone conversation, I am reporting the following on progress made on the Newry Property in Oxford County, Maine.

The progress report which follows is copied directly from Mr. John L Duffey's report to this office as of September 1, 1952. Should you require any further information, please feel free to contact the writer for whatever information is required.

The following is a report on the progress being made on Plumbago Mountain in the mining of beryl:

BROOME MINE

Mining activity at the No. 1 prospect was started on May 8, 1952. 2.91 miles of passable road were built over very difficult terrain, the road extending from Route 5 on the Andover highway, to an elevation of 1,425 feet above this highway at the Broome Mine.

Initial stripping of overburden was approximately 30,000 square feet. On the week of August 11, 1952, 50,000 square feet of overburden was stripped to facilitate inspection of the ore zone. This area lies 300 feet southwest of the present workings, and the road passes through this stripped area.

The overburden on Plumbago Mountain is heavy, and requires the removal of many thickly-growing evergreen trees ten inches in diameter. Soil-brush deposits are present, and much of the soil is up to twenty-four inches in depth.

After initial stripping was completed, three cuts were made in the pegmitite. These have been continually enlarged up to the present time, and the production through August 13, 1952 was : 3,600 pounds of beryl and 650 pounds scrap mica.

The method of mining consists of systematic drilling, blasting, and waste removal in an effort to trace the beryl-bearing zones, insofar as is possible. The beryl and mica are sorted, weighed, and bagged before being transported to the Bethel Warehouse.

Crystallization of the pegmitite in this mine is coarse and even in texture, the beryl concentrations being one to six feet below the thin caprock. The caprock has a maximum depth of three feet.

SCOTTY MINE

The work on No. 2 prospect, known as the Scotty Mine, was initiated on June 30, 1952.

Overburden removed prior to blasting extends over an area of 40,000 square feet. No further stripping has been required at the time of this writing.

Two cuts have been made at this mine, the size is 25 feet in length, 20 feet in width, and 9 feet in depth. An inventory on August 13, 1952, reports that from these cuts:

47,500 pounds of beryl
9,000 pounds of scrap mica
2,000,000 pounds of feldspar

is on the dump.

For an access road to this prospect, 0.45 miles were constructed; the old mine road from the Andover Nighway to the Whitehall Mining Company's pits, was utilized for a distance of 1.17 miles.

Construction of a gravel-surfaced road is being considered and modifications over the old mine road, such as straightening and grading of the steep slope to a minimum percentage grade. This road is intended to enable winter operation of the Scotty Mine, and will decrease excessive damage from spring thaws, flash floods, and heavy rainfall common in this area.

At the present time, the road extends to within .19 miles of the mine, 127 miles having been constructed. This remaining portion of road-building has been hampered by steep terrain; however, the road is possible for heavy bulldozers.

The method of mining at the Scotty Mine is similar to that at the Broome Mine, and all waste is readily disposable by bulldozer over the steep dumps.

The pegmatite at this site is bordered on the east by a contact wall zone, and the pegmatite has been traced in a northeasterly direction for above 800 feet. Beryl-bearing outcrops are visible throughout the pegmatite.

Much lithia mica is found through the beryl-bearing zones, and its presence apparently indicates closely the proximity of the beryl. This mica usually appears 7-9 feet below the surface.

Very truly yours,

THE BERYLLIUM CORPORATION

G. N. Broome

G. N. Broome
Executive Assistant

GNB:dac

FILE COPY
SURNAME:
SEP 10 1952

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

Robertson
Hoffman
Chambers
Hoffman

SEP 10 1952

Mr. McHenry Hosler
Executive Officer, DMEA
Field Team, Region VIII
Bureau of Mines
Eastern Experimental Station
College Park, Maryland

Subject: Docket No. DMEA-2109 - Beryl
Beryllium Development, Inc.
Prospect #1 and #2
Newry Township
Oxford County, Maine
Contract Idm-2264

Dear Mr. Hosler:

Please find enclosed six (6) copies of a Termination of Exploration Project Contract and Certification of Discovery or Development for the purpose of closing the subject project. The document is written to suit the special condition in this case.

The document has been signed by Mr. G. A. Mittendorf, ~~Acting~~ Administrator, for the Government. After you have approved it, please have it executed by the Beryllium Development, Inc., and when fully executed, the Company will retain one copy, the Regional Office one copy, and the others please return to this office.

Sincerely yours,

Ernest Wm. Ellis

ACTING Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

T. P. Thayer
Member, Geological Survey

Enclosures 6

JTRobertson:gmd 9/4/52
Copy to: Admin. Reading File
Docket File
Mr. Jess Larson, DMPA
Operating Committee
F. E. Johnson
Mr. Thayer, 5216 GSA Bldg.
Mr. Hedges, 4604
Mr. Chambers, 2612
Mr. Markland, 6020
~~Miss Terry~~
Mr. Houk

P.S. Please deliver one copy to the Regional Finance Office.

FILE COPY
SURNAME:

Robertson
Okano
Hollmer
Chandler

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

September 2, 1952

Memorandum

To: Chairman, Operating Committee

From: Non-Metallic Minerals Division

Subject: Docket No. DMEA-2105 - Beryl
Beryllium Development, Inc., (A subsidiary of Beryllium Corporation.)
Oxford County, Maine
Contract Idm-E284

Re: Rescission of Exploration Project Contract and Certification of Discovery or Development.

The work on this project, a stripping and trenching operation, started about May 26, 1952, and the results were such that in less than 30 days the Company had blasted and moved about 500 tons of pegmatite from which 12 tons of beryl and 3 tons of scrap mica were sorted. The grade of the 500 tons average about 2.4 percent beryl.

The results were considered favorable by the Company and it determined to terminate the contract, assume to its own account the cost to date, and go into production on its own account.

The Company's request for termination of contract is contained in a letter dated June 20, 1952, signed by Matthew Donachie, President of the Beryllium Development, Inc. Some comments on the subject as a result of follow-up phone conversation between Mr. Mosier and Mr. Broome, Executive Assistant to Mr. Donachie, are contained in "Further Comments" by Mr. Mosier. (See docket file).

The status of the project is now:

1. Company desires to voluntarily terminate contract, (Idm-E284).

2. Government has not contributed any monies to the cost of the project and, therefore, no royalty payments are forthcoming.

3. It is desirable to certify to a discovery.

A letter of transmittal to Mr. Mesier of the Termination of Contract is also attached for your approval as is also a letter for the Administrator's signature to Mr. Jess Larson.

Jasper T. Robertson
Non-Metallic Minerals Division

Attachments - 2

JTRobertson:mp
cc: Adm. Reading File
Docket File
Mr. Houk

FILE COPY
SURNAME:

Robertson
Hoffman
Chamberlin

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

September 2, 1952

Memorandum

To: Mr. C. O. Nittendorf, Acting Administrator

From: Jasper T. Robertson, Non-Metallic Minerals Division

Subject: Review of Docket No. DMEA-2105 - Beryl
(Note DMEA-2106 was combined with DMEA-2105)
(Contract signed April 1, 1952 - Idm-M284 - Amount $44,600)
After 30 days Operator went on production and assumed all costs. However, a discovery was certified.
(Contract rescinded September, 1952).
(Certificate of Discovery September, 1952).
Property: Beryllium Development Company's Prospect No. 1 and Prospect No. 2, located in Plumbago Mountain Area, Newry Township, Oxford County, Maine.
Applicant: Beryllium Development, Inc.
Subsidiary of Beryllium Corporation, Reading, Penna.
Correspondents: M. J. Donachie, President
also G. N. Broome, Executive Assistant.

9/26/51 - Application received.
10/9/51 - Referred to Regional Field Team.
12/12/51 - Received Field Report from Region VIII.
1/28/52 - Assigned to J. T. Robertson for processing.
3/25/52 - Received from Legal Division Contract $44,600.
4/28/52 - Executed copy of contract sent to applicant.
4/26/52 - Work started on Project - Prospect No. 1.
6/20/52 - Letter from Mr. Donachie, President, requesting rescission.
7/3/52 - Property went into production of beryl.
7/30/52 - Received Report of DMEA Field Team. A Tentative Final Report, dated July 8, 1952, by H. L. Burmeister, USBM and Glenn W. Stewart, USGS. (2 sketches and map).
- Rescission of Exploration Project Contract and Certification of Discovery approved.

JTRobertson:mp
cc: Docket File
Adm. Reading File
Mr. Hopk

2757

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

September 2, 1952

Memorandum

To: Mr. C. O. Mittendorf, Acting Administrator

From: Jasper T. Robertson, Non-Metallic Minerals Division J.T.R.

Subject: Review of Docket No. DMEA-2105 - Beryl
(Note DMEA-2106 was combined with DMEA-2105)
(Contract signed April 1, 1952 - Idm-E284 - Amount $44,600)
After 30 days Operator went on production and assumed all costs. However, a discovery was certified.
(Contract rescinded September, 1952).
(Certificate of Discovery September, 1952).
Property: Beryllium Development Company's Prospect No. 1 and Prospect No. 2, located in Plumbago Mountain Area, Newry Township, Oxford County, Maine.
Applicant: Beryllium Development, Inc.
Subsidiary of Beryllium Corporation, Reading, Penna.
Correspondents: M. J. Donachie, President
also G. N. Broome, Exdcutive Assistant.

9/26/51 - Application received.
10/9/51 - Referred to Regional Field Team.
12/12/51 - Received Field Report from Region VIII.
1/28/52 - Assigned to J. T. Robertson for processing.
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7/30/52 - Received Report of DMEA Field Team. A Tentative Final Report, dated July 8, 1952, by H. L. Burmeister, USBM and Glenn W. Stewart, USGS. (2 sketches and map).
- Rescission of Exploration Project Contract and Cerfification of Discovery approved.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 25 1952

July 24, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region VIII

Subject: Docket No. DMEA-2105 - Beryl
Beryllium Development, Inc.
Oxford County, Maine
Contract Idm-E284

In reference to our telephone conversation today with Mr. Lawrence G. Houk, regarding a Certificate of Discovery, attached are four copies of the DMEA Field Team Report, on Tentative Completed or Terminated Contract in above docket. It was being held pending receipt of a report promised from the Beryllium Development, Inc., on the valuation of this deposit.

Of course no royalty from the Beryllium Development, Inc. will ensue because the Government has never made any disbursements under this contract which is to be rescinded by mutual agreement.

McHenry Mosier

McHenry Mosier

Attachments 4

C
O
P
Y

Report of DMEA Field Team on "Tentative Completed or Terminated Contract," July 8, 1952

DMEA Docket No. 2105-2106 included -- BERYL

Reviewed by
DMEA OPERATING COMMITTEE
7-30-52
(date)

Contract No. E284
Beryllium Development Corporation
Reading, Pa.

At the Company offices in Reading, Pa. Mr. Broome, the administrative assistant, stated that since production began on the No. 1 prospect, there had been produced 23 or 24 tons of beryl. Mr. Broome also stated that the decision ~~to~~ not to continue with the contract was reached solely on the recommendation of their own employees.

The Company is expecting to make an application for another DMEA loan on the White Cap property several miles northeast of the present operations.

Actual production of beryl on the No. 1 began about May 26, 1952 and on July 3, 30 days had gone into production. Both the mine foreman and the superintendent, Mr. Jack Duffy, stated that all the beryl produced was still at the production site. The foreman counted the sacks and stated that the total beryl production was 12 tons. The Field Team estimated this to be about correct.

Mr. Duffy did not accompany the Field Team to the property, but the next day told Mr. Burmeister that 24 tons of beryl had been produced and that he had so reported to the Company. It is considered to be very probable that 24,000 pounds or 12 tons has been confused with 24 tons. The mine foreman is capable and has had much experience with this type of mining. The competence of supervision is open to grave doubt. Efforts to locate the mine foreman on July 4 to corroborate his tonnage figures were not successful. It is possible that the Company's decision to terminate their contract may have been made on the basis of production that is believed not to exist.

The Beryllium Development Corporation wished to cancel the entire project and not have the Government participate at all. They also wish to pay for all equipment themselves and keep it for operation. Therefore, it is recommended that "Recission of Exploration Project Contract by Agreement before work is begun" be employed and that a certificate of discovery or development be issued. It seems reasonable to believe that the matter of profit is sedondary to that of procuring beryl for the Company's processing plant.

Final Field Rept

Equipment Purchased under Docket 2105

2 - Joy air compressors - at $3,000 each Class - WK-80, Model-105 - Gas Shop #48843 and #49636	$6,000
1 - Dodge power wagon	3,200
1 - Jeep	2,400
2 - Sullivan jackhammers - #47 at $300	600
1 - G. D. jackhammer - #47 at $300	300
Drill steel, bits, small tools	2,000
	$14,500

Preliminary Cost Analysis

Approximately 500 tons of pegmatite was blasted and moved to produce 12 tons of beryl and 3 tons of scrap mica. The deposit to date has averaged 2.4 percent beryl and 0.6 percent scrap mica. Approximately 40 percent of the work done has been in the area where beryl was showing before work was begun.

There has been about 30 working days since production started. The average wage is about $1.30 per hour for 7 men.

Income

12 tons of beryl at $400/ton	$4800	
3 tons scrap mica at $25/ton	75	
		$4,875

Estimated Direct Production Cost (30 working days)

7 drillers and laborers, 30 days at average of $1.30/hour	$2,184	
1 foreman	360	
1 superintendent	500	
		$3,044

Supplies

Blasting supplies	$130	
Drilling supplies	40	
Gasoline, oil	120	
		$290
Estimated direct operating cost for 30 working days before royalties, insurance, workman compensation, taxes, and depreciation		$3,334
Estimated direct operating profit for 30 working days before royalties, insurance, workman compensation, taxes, and depreciation		$1,541

Prospect No. 2, near the top of Plumbago Mountain, was not visited by Burmeister and Stewart because the work that has been done would not materially alter the content of the last report.

Work at the No. 2 Prospect was started on June 15 by moving in a compressor and bulldozer. Three days were spent stripping the small amount of overburden. Mr. Duffy states that 13 beryl crystals were uncovered during the stripping on the eastern side of the deposit (See Overlay Map). Drilling and blasting in the side hill cuts toward the beryl zone was then started. Three of these cuts are being driven, none of which have encountered the beryl zone.

Seven men are continuously employed at the No. 2 Prospect.

Geological Summary

Although more pegmatite has been exposed by bulldozing and excavation since the property was visited in October 1951, the type of beryl deposit cannot be established with any degree of certainty. However, if Cut C (See Overlay Map) at Prospect No. 1 is deepened and extended to the northwest, the beryl "zone" between Cuts A and E should become exposed if it is continuous. This is the plan for future work.

The beryl appears to occur in pockets where the perthite is much coarser-grained than in other parts of the pegmatite. Scrap mica in wedge-shaped books is also associated with the beryl and perthite. Much of the quartz is smoky and occurs in small bodies 8 to 10 inches across.

The strike of the pegmatite appears to be about N. 30° E. No contacts are exposed but small patches of the border zone (selvages of fine-grained quartz and muscovite) suggest that the pegmatite dips from 30° to 40° southeast in the area which has been recently stripped. The pegmatite may steepen southeast of the stripped area.

Much detailed geological information is lacking. The true dip, which would be of great assistance in determining the thickness of the pegmatite, cannot be measured accurately. The exact location, width, and depth as well as the general behavior of the beryl "zone" is unknown, making the reserves very difficult to estimate. If the beryl should occur in pockets and the pegmatite should have a gentle dip, it would seem reasonable to assume that the reserves would probably be much less than those estimated originally.

No beryl has been recovered in Cuts B, C, and D (See Overlay Map for Prospect No. 1). In Cut A approximately 130 tons of pegmatite and approximately 3 tons of beryl have been mined, the beryl content being 4.3 percent. In Cut E approximately 70 tons of pegmatite and 9 tons of beryl have been mined, the beryl content being 12.9 percent. A total of about 500 tons of pegmatite has been mined and the average beryl content is approximately 2.4 percent.

Summary of Operation and Beryl Production
Prospect No. 1

Cut A

Approximate size, 28 by 14 feet
Average depth, 4 feet
Pegmatite mined, about 130 tons
Beryl recovery, about 3 tons
Beryl content, ~~4.3~~ percent — 2.3%
Beryl crystals visible on July 3, 1952, 6 - estimated to be 175 pounds of beryl

Cut B

Approximate size, 45 by 20 feet
Average depth, 2 feet
Pegmatite mined, about 150 tons
No beryl recovered

Cut C

Approximate size, 23 by 16 feet
Average depth, 3.5 feet
Pegmatite removed, about 107 tons
No beryl recovered

Cut D

Approximate size, 16 by 10 feet
Average depth, 3 feet
Pegmatite removed, about 45 tons
No beryl recovered

Cut E

Approximate size, 15 by 14 feet
Average depth, 4 feet
Pegmatite removed, about 70 tons
Beryl recovered, about 9 tons
Beryl content, 12.9 percent
Beryl crystals visible on July 3, 1952, 2 - estimated to be 25 pounds of beryl

Total tonnage of pegmatite mined:	502 tons
Total tonnage of beryl mined:	12 tons
Total tonnage of scrap mica mined:	3 tons

Average beryl content: 2.4 percent

Submitted on July 8, 1952 by:

/s/ H. L. Burmeister
H. L. Burmeister
U. S. Bureau of Mines

/s/ Glenn W. Stewart
Glenn W. Stewart
U. S. Geological Survey

DOCKET - DMEA-210

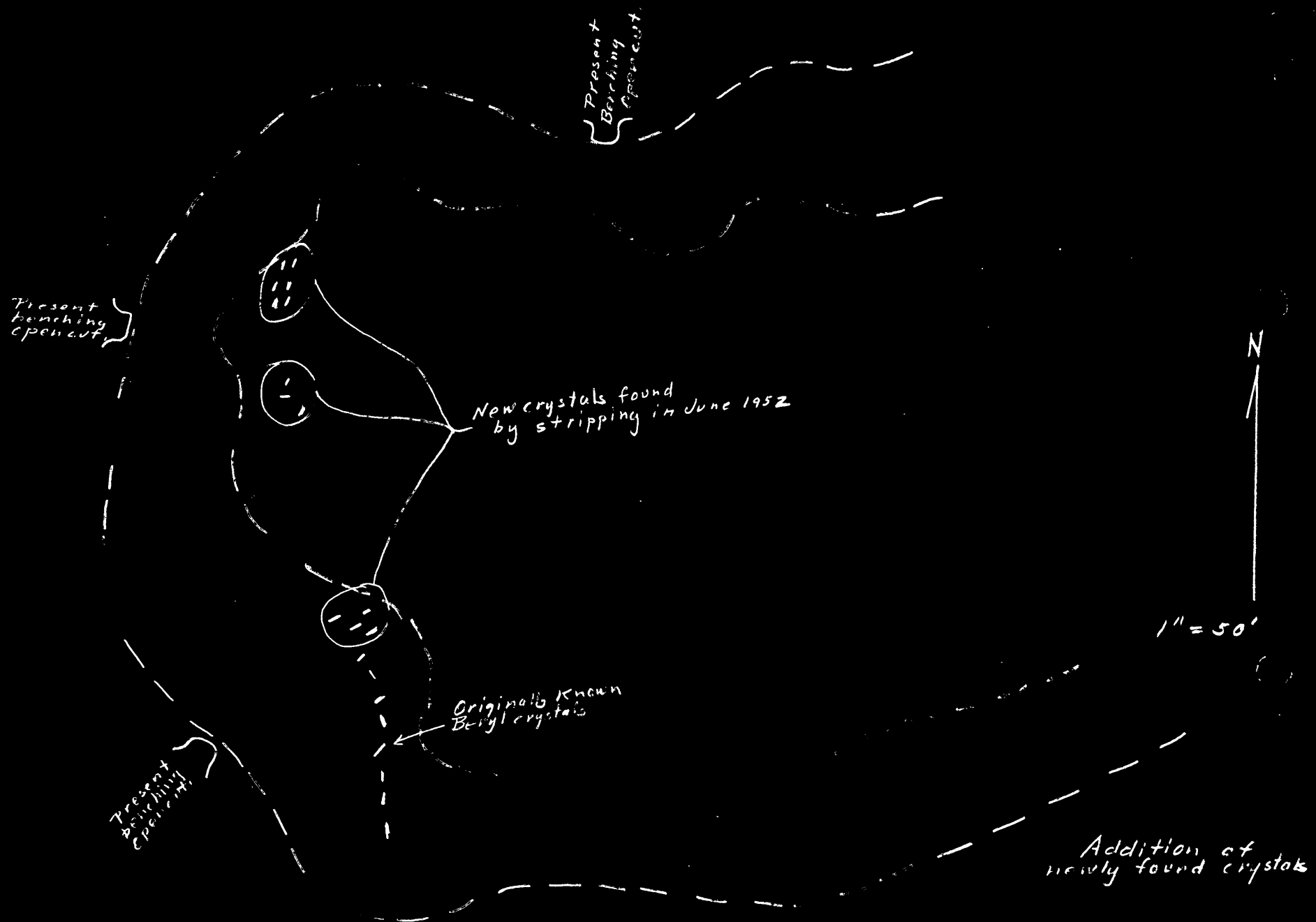

FIG 4 SKETCH MAP — No 2 BERYL PROSPECT

Beryllium Corp.

Field Team Report, 7/3/52

FILE COPY
SURNAME:

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

JUN 30 1952

Mr. McHenry Mosier
Executive Officer, DMEA
Field Team, Region VIII
Bureau of Mines
Eastern Experiment Station
College Park, Maryland

Subject: Docket No. DMEA-2105 - Beryl
Beryllium Development, Inc.
Oxford County, Maine
Exploration Project Contract
No. Idm-3234 $44,600

Dear Mr. Mosier:

Reference is made to your memorandum of June 23, 1952, requesting information on procedure to terminate subject contract without penalty to the company.

The Operator should be requested to supply a final report on work accomplished to June 30th, and a final field team report may be made shortly thereafter. When the Operator's and the field report are received in this office, a certification of discovery or development will be made and the project will be terminated by mutual agreement. Should the Operator not desire to submit a final report he may be excused.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

J. H. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

LGHouk:gad 6/25/52

Copy to: Admin. Reading File
Operating Committee (2)
Docket File
Mr. Needleman, 1347
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

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

June 23, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region VIII

Subject: Docket No. DMEA-2105 - Beryl
Beryllium Development, Inc.
Oxford County, Maine
Contract No. Idm-E284

The Beryllium Development, Inc., through Mr. M. J. Donachie, Pres., has advised me in a letter dated June 20, 1952, that the exploratory phase of the Newry project has been completed and that production will start within a week. Owing to the small actual cost of the exploration already performed, the company is able to finance the entire project itself. The company also prepared to build a road to Prospect No. 2 and to perform some exploration at that locality.

The Government has not approved the May Progress Report nor has the Government reimbursed the Beryllium Company in any way for work done to date. It is the company's request that the contract be terminated without penalty, as it wishes to proceed with production of beryl.

In talking with Mr. Hofflund, Chief Counsel, this morning, he suggested that a formal request be made to his office to draft a letter of termination of Contract Idm-E284, releasing both the Government and the company from any legal obligations with respect to this contract. May I ask you to transmit this request to Mr. Hofflund.

A copy of Mr. Donachie's letter to me dated June 20, 1952, is attached. Please note the reference to our Mr. Neumann in paragraphs one and two. Mr. Neumann stated that he was misunderstood in this matter and that what he actually said was it looked to him that the company was going into production instead of exploring the deposit. At any rate the company now claims to have ten tons of clean beryl ready for shipment.

McHenry Mosier

McHenry Mosier

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 24 1952

Attachments:
Ltr. of 6/20/52 from MJDonachie (3)
Further Comments

C
O
P
Y

BERYLLIUM DEVELOPMENT, INC.

Reading, Pa.

Dictated June 18, 1952
June 20, 1952

Mr. McHenry Mosier
Executive Officer
Administration Reg. VIII
United States Department of the Interior
Defense Minerals Administration
College Park, Maryland

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 24 1952

SUBJECT: Docket No. DMEA-2105 - Beryl
Beryllium Development, Inc.
Oxford County, Maine
Contract No. Idm-E284

Dear Mr. Mosier:

This is to convey to you our satisfaction in the unexpected developments in our Newry projects. This, I would like to say has been one of the most pleasant disappointments we have encountered for some time. After examination of the data submitted by Mr. John Duffey in line with the recommendations of your Mr. G. Neumann, we are now definitely of the opinion that this project should go over on to a production basis.

When Mr. Neumann was up to the mining operation, he had indicated to our Mr. Duffey that it looked like we could definitely go into production, although we were somewhat loathe to follow his advice. However, subsequent evidence have shown that his prognostication was correct. We are swinging over into production. We hope to do this within a week just as soon as we have an anlysis made on the last materials produced.

At this time I wish to take the opportunity to thank the Bureau first for their assistance in helping us in the exploration and the technological and field assistance which led us to this development. And, again for the fine work done by the field team and the helpful information which we found to be of assistance to us in the actual excavation and other mechanical operations accompanied with the exploration.

At this time we seek your assistance on the next step since we have not yet completed an official accepted report for this project and since there has been no reimbursement of funds invested on this project. We would appreciate, because of these unusual circumstances, your advice on what we should do next to swing this into a straight produdtion project.

Very truly yours,

BERYLLIUM DEVELOPMENT, INC.

/s/ Matthew J. Donachie
M. J. Donachie
President

MJD:ed

Important Letter

Re: Docket No. DMEA-2105 - Beryl
Beryllium Development, Inc.
Oxford County, Maine
Contract No. Idm-E284

Further Comments:

As Mr. Donachie's letter was most ambiguous I telephoned to Reading for clarification, but unable to reach Mr. Donachie, I talked with Mr. Broome, his Executive Assistant. Mr. Broome informed me that it was the company's desire to terminate the contract without any reimbursement from the Government funds because of the success beyond expectations in finding beryl at such small expense. When asked about the company's plans for exploring Prospect No. 2, he said it was the intention to build an access road and to prospect this area using company funds. Also, the company is examining two other areas in this same district, and that later exploratory loans for these might be requested. Mr. Broome was under the impression that the contract could be terminated only by the Government and that he did not want the contract to be defaulted because of the failure of the company to carry out its agreement. He also requested that the Government cerfify a discovery or development.

Would it be possible for the Field Team to issue a certificate of development, under these circumstances? Mr. Duffey, Field Engineer for Beryllium Development, Inc., wrote on June 18th that ten tons of beryl have been sorted for shipment as of that date. In our opinion this in itself would constitute a discovery or development, but before proceding further we will await your advice.

McHenry Mosier

McHenry Mosier

Concerning letter June 20, 1952 Beryllium Development, Inc. M. J. Donachie, President.

Carbon copy given to Mr Hoad

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
(DMEA)
JUN 20 1952

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

June 19, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator, DMEA

From: Executive Officer, DMEA Field Team, Region VIII

Subject: Enclosed application of Beryllium Development, Inc. for amendment to increase amount of Contract IdmE-284, DMEA Docket 2105, from $44,600 to $48,300, Increase $3,700 Government Participation from $40,140 to $43,470, Increase $3,330

Article 1. Exhibit "A" - Item #2; Labor, Supervision, Consultants

An allowable maximum of $24,816 has been set up for this item. This should be ample to cover a part-time engineer, particularly as the highest wages now being paid to labor is at rate of $1.20 an hour as compared to the $1.50 average estimated.

Article 2. Exhibit "A" - Item #4; Operation Equipment

The increase in basic price on the Jeep pickup or the Dodge powerwagon between date of application October 1951 and date of Contract April 1952 was approximately $100 each. It appears that the Beryllium Company raised its sights or at the time of the original request overlooked the necessary accessories to do the job right. However, this extra equipment is considered essential and increases the safety and efficiency of these machines. Therefore it seems justifiable to increase the allowable maximum on the purchase of operational equipment to cover the additions and increases in basic prices. An increase of $1,000 on this item is recommended as some saving was effected on the compressors and jackhammers.

Article 3. Exhibit "A" - Item #7; Miscellaneous

No miscellaneous accounts were specified in the original contract. The four items, previously overlooked, seem to be legitimate charges, therefore it is recommended that the amount of the contract be increased to cover them. The amount for analyses appears low because beryllia determinations are rather expensive. It is recommended that this item be increased by $1,500.

SDS 6-30-52

Summary:

Article #2. Exhibit "A" - Item #4; Increase		$1,000
Article #3. Exhibit "A" - Item #7; Increase		1,500
Total Increase -		$2,500

Original Contract	$44,600	
Government Participation		$40,140
Contract Increase	2,500	
Government Participation		2,250
Totals -	$47,100	$42,390

The Field Team is uncertain as to the policy of the Defense Minerals Exploration Administration to increasing the amount of a contract after work has started in the field. If over sights of this nature can be given consideration at this late date an increase seems justifiable in the present case.

McHenry Mosier

McHenry Mosier

Enclosure 1

THE BERYLLIUM CORPORATION

READING, PENNSYLVANIA

June 13, 1952

DMEa
2105

Mr. Lawrence Houk
Defense Materials Procurement Agency
General Services Administration
18th & C Streets, N.W.
Washington, D. C.

Dear Mr. Houk:

This is to inform you that Mr. Cloyd Smith is acting for us in a survey of the beryl ore situation in regard to possible operations in mining and also recovery. It is quite likely that Mr. Smith may call upon you. Any assistance you can render to Mr. Smith will be greatly appreciated.

Mr. Smith has been instructed to pass on all information to you pertaining to our activities.

Very truly yours,

THE BERYLLIUM CORPORATION

M. J. Donachie

M. J. Donachie
President

MJD:ed

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 17 1952

BERYLLIUM DEVELOPMENT, INC.

BERYLLIUM

READING, PENNSYLVANIA

June 13, 1952

United States Department of the Interior
Defense Minerals Administration
Washington 25, D. C.

Attention: Mr. C. Mittendorf
Acting Administrator

SUBJECT: Docket No. DMEA-2105 - Beryllium Development, Inc.
Oxford County, Maine
$44,600. - Contract No. Idm-E284

Gentlemen:

Please consider this letter a formal application for amending the subject contract and docket to include increased costs of equipment and expenses. Details and explanations as follows:

1. EXHIBIT "A" - ITEM #2; LABOR, SUPERVISION, CONSULTANTS.

During the preparation of the original application for the exploratory loan, a consulting mining engineer was not deemed necessary and no costs were anticipated for these services. However, at the start of the exploratory work it was found necessary to send one of our mining engineers to the project on a part-time basis. We, therefore, apply for the part-time salary of a mining engineer at $150.00 per month or a total allowable maximum of $1350.00 for the term of the contract. To supplement our request for this increase we have, up to date, been able to secure labor at lower rates per hour than those indicated in our original application.

2. EXHIBIT "A" - ITEM #4; OPERATION EQUIPMENT.

During the elapsed time between the presentation of the original application, September 24, 1951 and the granting of the subject contract, April 1, 1952, there occurred an increase in price of some of the operating equipment for which we applied. We, therefore, apply for additional costs on operating equipment above the allowable maximums as follows:

Jeep - 4 Wheel Drive	(Additional Cost)	$671.25
Dodge Power Wagon	(Additional Cost)	385.40
		$1056.65

To supplement our request, we have purchased two (2) Jack Hammers at a total reduction of $110.00 below the allowable maximum and two (2) Air Compressors at a total reduction of $53.96 below the allowable maximum. Original invoices for the above items will be attached to and made part of requests for payment and progress reports submitted.

BERYLLIUM DEVELOPMENT, INC.

BERYLLIUM

READING, PENNSYLVANIA

United States Department of the Interior
Defense Minerals Administration

6-13-52

3. EXHIBIT "A" - ITEM #7 - MISCELLANEOUS.

Due to an oversight, equipment insurance costs, accounting services, and analytical costs were not included in the original application and were, therefore, not included in the total amount granted under the subject contract. We, therefore, apply for additional costs to the total of the subject contract under Exhibit "A" - Item #7 - Miscellaneous as a maximum allowable, as follows:

Insurance on purchased equipment	$250.00
Accounting Services	500.00
Analytical Cost (Analysis of Samples)	200.00
Repairs and Maintenance (Including license plates for jeep and truck - est.)	350.00
	$1300.00

4. SUMMARY OF ADDITIONAL COSTS REQUESTED:

Exhibit "A" - Item #2	$1,350.00
Exhibit "A" - Item #4	1,056.65
Exhibit "A" - Item #7	1,300.00
TOTAL ADDITIONAL COST REQUESTED	$3,706.65

Yours very truly,

BERYLLIUM DEVELOPMENT, INC.

G. N. Broome

G. N. Broome
Executive Assistant

GNB:mbs

R

[redacted]
College Park, Maryland

June 2, 1952

Mr. G. E. Bryant
Executive Assistant
The Berylliam Corporation
Reading, Pennsylvania

Dear Mr. Bryant:

In confirmation of my telephone conversation this morning with you regarding Contract [redacted], DMA Project [redacted]

It will be agreeable with the Government to increase the number of men employed at the project to ten or twelve. This is with the understanding that the total amount expended for labor will not exceed the estimate contained in the contract.

Yours very truly,

Mallory Walker, Executive Officer
Reconnaissance Field Team
Defense Minerals Exploration
Administration, Region VIII

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration
JUN 5 1952

McHMirwin

copy for: GHBroome
FEJohnson - 2
DHAnderson
DMA Files

FILE COPY
SURNAME:

Talbert
Houk

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

MAY 1 1952

Mr. Delmar N. Anderson
Finance Officer
4800 Forbes Street
Pittsburgh, Pennsylvania

Re: Project DMEA-2105, Contract Idm-8264
Beryllium Development, Inc.
Reading, Pennsylvania

Dear Mr. Anderson:

As the result of a recent determination the Contract Administration and Audit Division has undertaken the current review of Exploration Project Contracts for the purpose of advising the DMEA Finance Officers on any elements for which interpretation or clarification possibly may be required in order to insure proper administrative examination and certification for payment. A review of the referenced contract, copies of which were distributed within the last few days, indicates the possibility that one item of cost listed in Exhibit "A", attached thereto, may need clarification.

Under Estimated Costs of the Project, as listed on Exhibit "A", item (7) Miscellaneous is followed by the words: "None, except as may be included in other items." It is not the intent of this statement to prohibit the allowance of the specific costs listed under the pertinent Article 6(a) (7) of the contract, but rather to indicate that no specific amount has been estimated for such costs. Such costs are allowable provided that they are within the limit of the total aggregate estimate of costs for each of the Prospects.

If you have any questions on this or any other Exploration Project Contracts, please do not hesitate to call upon this Division for advice.

Sincerely yours,

(Signed) E. D. Talbert

for Jay L. Chambers, Chief
Contract Administration and
Audit Division

P.N.
5-1-52

EDTalbert/wb
April 29, 1952

Copy to: Docket File
Admr. Reading File
Executive Officer, Region VIII
Mr. Houk
Mr. Chambers

Docket No. 2105

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 284

Date of Contract ~~or Amendment~~ April 1, 1952

Name and Address of Operator:
Beryllium Development, Inc., a wholly owned subsidiary of
The Beryllium Corporation
Reading, Pennsylvania

Amount of Government participation $ 40,140.00

Percent of Government participation 90 %

Region: VIII State: Maine

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

(Title)

Date Delivered to Bureau of Mines, Washington. April 1, 1952 13808

FILE COPY
SURNAME:

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

APR 28 1952

600

Houk

Mr. McHenry Mosier
Executive Officer, Region VIII
Bureau of Mines
Eastern Experiment Station
College Park, Maryland

Subject: Docket No. DMEA-2105 - Beryl
(DMEA-2106 included)
Prospect No. 1 and No. 2
Beryllium Development, Inc.
Oxford County, Maine
Idm-M284
Total Amount of Contract $44,600

Dear Mr. Mosier:

Please find herewith one copy of a contract covering the subject exploration project which has been signed by this office for the Government, and by the applicant, with register number and effective date as shown.

A copy of the contract required by the Regional Finance Office will be forwarded directly by the Washington Finance Section.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Enclosure

LGHouk:mp 4/25/52
cc: Docket File
Operating Committee (2)
Adm. Reading File
Mr. Needleman, 1347
Mr. Norton, G-232, GSA Bldg.
Mr. Houk

Approved:

Member, Bureau of Mines

Member, Geological Survey

FILE COPY
SURNAME:

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

APR 28 1952

Houk
Needles
Needleman

Beryllium Development, Inc.
P. O. Box 1462
Reading, Pennsylvania

Subject: Docket No. DMEA-2106 - Beryl
Beryllium Development, Inc.
Oxford County, Maine
$44,600
Idm-E284

Gentlemen:

Transmitted herewith is copy of Contract Idm-E284 covering the subject exploration project which has been signed by this office for the Government with register number and effective date as shown.

Sincerely yours,

SIGNED

Acting Administrator
Defense Minerals Exploration
Administration

Enclosure

LGHouk:gad 4/25/52

Copy to: Admin. Reading File
Operating Committee (2)
Docket File
Mr. Norton, G-232 GSA Bldg.
Mr. Needleman, 1347
Mr. Houk
Region VIII

College Park, Maryland

April 24, 1952

Mr. Matthew J. Donachie, President
Beryllium Development, Inc.
Reading, Pennsylvania

Dear Mr. Donachie:

Contribution by the Government to the costs of the work under your Exploration Project Contract No. Idm-E264, necessarily depends upon some suitable evidence of the various items of cost to which the Government contributes. Generally, this evidence should be in the form of original or certified copies or certified transcripts of invoices, purchase orders, purchase contracts, or payrolls, for all costs to which the Government is to contribute. Such documentary evidence of each item of cost should be attached to each monthly report on Form MF-104, setting forth costs for contribution by the Government.

If all costs are supported by suitable documentary evidence, in many cases the Government's contribution can be paid in full, currently, as the costs are incurred. As to any items for which such suitable documentation is not provided, auditing of the operator's accounts by the Government, with consequent delay in payment and withholding of final settlement and payment by the Government, will be necessitated.

The certification on such supporting documents may be simply: "Certified true copy (or transcript)," followed by the signature of the operator.

Very truly yours,

McHenry Mosier, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

copy for WChamberlain
DNAnderson, Pgh.
DMEA Files 2

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D. C.~~

College Park, Maryland

April 18, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator, DMEA

From: Executive Officer, Bureau-Survey Field Team, Region VIII

Subject: Docket No. DMEA-2105 - Beryl
(DMEA-2106 included)
Prospect No. 1 and No. 2
Beryllium Development, Inc.
Oxford County, Maine

Attached are original and six copies of Contract Idm-E284, which the Beryllium Development, Inc. has executed so that they are now ready for your signature.

McHenry Mosier

McHenry Mosier

Enclosures (6)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
APR 21 1952

THE BERYLLIUM CORPORATION
P. O. BOX 1462
READING, PENNA.

FOR BERYLLIUM DEVELOPMENT, INCORPORATED
A Wholly Owned Subsidiary of
The Beryllium Corporation

April 17, 1952

McHenry Mosier, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration Administration
Region VIII
College Park, Maryland

SUBJECT: Dockets No. DMEA-2105 & DMEA-2106
Beryl - Prospects Nos. 1 & 2
Beryllium Development, Inc.
Oxford County, Maine
Combined to Docket No. DMEA-2105.

Dear Mr. Mosier:

Enclosed herewith are the original and five copies of Contract Idm-E284, covering exploratory work outlined in the subject docket, duly executed and bearing the seal of Beryllium Development, Incorporated.

Please make note that Mr. O. T. Englehart, who signed the original application and to whom your letter of April 3, 1952 was addressed, is no longer connected with the company and Mr. Matthew J. Donachie is now President of both The Beryllium Corporation and Beryllium Development, Incorporated.

Yours very truly,

BERYLLIUM DEVELOPMENT, INC.

Matthew J. Donachie

Matthew J. Donachie
President.

MJD/GWB:mbs

Enclosures - 6.

FILE COPY
SURNAME:

Robertson
Houk
Hoffman

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

APR 1 1952 600

Mr. McHenry Mosier
Executive Officer, Region VIII
Bureau of Mines
Eastern Experiment Station
College Park, Maryland

Subject: Docket No. DMEA-2105 - Beryl
(DMEA-2106 included)
Prospect No. 1 and No. 2
Beryllium Development, Inc.
Oxford County, Maine

Dear Mr. Mosier:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by this office for the Government with register number and effective date.

We call to your attention the combining of two applications DMEA-2105 - Prospect No. 1 and DMEA-2106 - Prospect No. 2 under one contract. Both prospects will now come under DMEA-2105.

If the contract meets with your approval, present it to the Operator for his approval and signature. If any provisions are unsatisfactory to the Operator, return all copies to this office along with suggested changes for consideration.

After signing of the contract, one copy is to be given to the Operator, one copy retained for your files, and the remaining copies, including the original, are to be returned to this office as soon as possible.

A copy of the contract required by the Regional Finance Office will be forwarded directly by the Washington Finance Section.

Sincerely yours,

CC 4/1

(signed) FRANK E. JOHNSON (JHB)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Enclosures - 6
Approved:

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

T. P. Thayer (JHB)
Member, Geological Survey

JTRobertson:mp 3/26/52
cc: Operating Committee
Adm. Reading File
W. T. Millar, College Park
J. J. Norton, G-232, GSA Bldg.
S. Needleman, 1347
Mr. Houk
Docket File

~~OFFICE OF THE ADMINISTRATOR~~

140

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

March 25, 1952

Memorandum

To: Lawrence G. Houk

From: Chief Counsel

Subject: Beryllium Development, Inc. exploration project - Docket No. DMEA-2105

The attached seven copies of the proposed contract in this case have been prepared on the new contract form and are satisfactory from a legal standpoint, provided as indicated in the data which you submitted to us, you have determined that the guarantee of the Operator as set forth in the new form can be accepted in lieu of the consent of the owner of the property. Copies of the necessary maps should be attached to each copy of the contract.

Your file in this case is returned herewith.

J. L. Hofflund
Chief Counsel

Attachments

Phone Conversation February [illegible], 1952

Mr. Broome - BERYLLIUM CORPORATION - Telephoned 2:55 P. M.

Mr. Broome: Jack Clark will be able to talk about program made and we have been holding those awaiting his return.

Mr. Houk: I understand he is in Brazil.

Mr. Broome: Yes, that is right.

Mr. Houk: Now the question has come up about combining the two applications into one project.

Mr. Broome: I am not too familiar with it as Clark's handling it.

Mr. Houk: Now Mr. Robertson has been handling those two applications, and I'll get him on the phone.

Mr. Robertson: Now what we have in mind is to combine the two projects and shorten the time period. We want to get the job over with in one season.

Mr. Broome: We put in the maximum that we could.

Mr. Robertson: I don't think that you will need it.

Mr. Broome: We put in the maximum but I don't think we will need it either.

Mr. Robertson: Another thing, the area of land that will be involved. Instead of an outcrop as in project one, we would take in that square that would take in Plumbago Mountain. About 7,000 ft x 4,000 ft. excluding Whitehall, Feldspar Mine property.

Mr. Broome: We have the lease on the entire property. At the present time we are only interested in those two areas.

Mr. Robertson: Another point, do you think you will need all that equipment, one compressor on each project?

Mr. Broome: I personally have not seen the property. Clark has surveyed it and Dr. McNair from Dartmouth. Personally, I don't know. They know that country.

Mr. Robertson: Then we will figure on a compressor on each prospect.

Mr. Broome: Yes, that is what they had in mind, I believe.

Mr. Robertson: I think we will write you a letter after preparing the contract.

Mr. Broome: Mr. Clark should be back by the end of this month anyway. The only point is trying to get the machinery. Do you think it will be necessary for somebody to go over it with you?

Mr. Robertson: No I don't think it will be necessary.

Mr. Broome: I made up the proposals, I don't know the layout of the countryside.

Mr. Robertson: I think the physical condition at the mine is what we are interested in.

Mr. Broome: It is not too great a distance in between the two prospects, it is rather rough tho. It would mean considerable expense the way I understand to try to move the equipment from one to another. On No. 2 they will have to come on the far side and I don't think they will be able to use the same equipment.

Mr. Robertson: We will have to take it up with Legal as to how the two applications will be made under one application.

Mr. Broome: If I want to get in touch with you again what is your extension?

Mr. Houk: 2971. Another thing there is a question as to the purchase of the power wagon and jeep. Now the power wagon, I understand, will be used for tractors?

Mr. Broome: Now I am not too familiar with that part of it.

Mr. Houk: Of course, we were thinking there might be some duplication there.

Mr. Broome: I would like to see the property myself.

Mr. Houk: I think we can possibly have this contract completed within two weeks to a month without any difficulty.

Mr. Broome: Fine. We would like to get it as soon as possible. We have to get the men and machinery.

Mr. Houk: I hear GeorgeCooker is to be the foreman on it, you are getting a very good man.

Mr. Broome: We think so.

Mr. Robertson: What procedure do you think will be necessary to combine the two applications?

Mr. Houk: I think the application 2106 could be made over to 2105

Mr. Broome: Sorry I can't help much on that but Jack Clark should be back by the end of February or the beginning of March. I will notify him right away and tell him about it and he will contact you. If there is anything that turns up later he will call you.

Mr. Houk: What is your title in the firm?

Mr. Broome: I am the Executive Assistant up here and my extension is #13.

IN REPLY REFER TO:
G-MD-DHK

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

January 22, 1952

Memorandum

REVIEW OF FIELD TEAM REPORTS ON APPLICATION DMEA-2105 and 2106.

To: Non-Metallic Minerals Division, DMEA.
From: D. H. Kupfer, U. S. Geological Survey.
Commodity: Beryl.
Applicant: Beryllium Development, Inc.
Name of property: Plumbago Mtn. Beryl Prospect and a nearby property.
Location of property: On the lands of the International Paper Company in Oxford County, Maine.
Field team's recommendation: Applications be approved with minor modifications.

Comments: None.

ACTION SUGGESTED: Follow field team's recommendations.

Donald H. Kupfer

D. H. Kupfer

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D.C.~~

College Park, Maryland

January 25, 1952

Memorandum

To: L. G. Houk, Room 4637

From: W. T. Millar

Subject: Dockets Nos. DMA-2105 and DMA-2106

The proposed exploratory work on the beryl prospects on Plumbago Mountain, Maine is indicated on the enclosed prints from a geological map prepared by A. H. McNair, September 1951 for the applicant.

Results obtained as the proposed exploratory work progresses may alter the procedure but the work as indicated should give valuable information.

Bill

W. T. Millar

Attachments

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 28 1952

THE BERYLLIUM CORPORATION

READING, PENNSYLVANIA

January 17, 1952

Pending File

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 18 1952

Defense Minerals Exploratory Administration
Department of the Interior
Industrial Minerals Branch
Washington 25, D. C.

Attention: Mr. Lawrence Houk

Reference: DOCKET NUMBERS DMA 2105 and ~~DMA-2106~~

Gentlemen:

Enclosed herewith are the executed agreements to be attached to Docket No. DMA-2105 and DMA-2106, application for exploratory project loans.

We would also appreciate the expediting of these applications for reason that if they are granted, the necessary machinery must be purchased and delivered in order that we may start work in early Spring.

Yours very truly,

THE BERYLLIUM CORPORATION

G. N. Broome

G. N. Broome
Executive Assistant

GNB:mbs

Attachment.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
College Park, Maryland

December 11, 1951

Reviewed by
DMEA OPERATING COMMITTEE
12/19/51 HB
(date)

Memorandum

To: Frank E. Johnson, Chairman
Operating Committee, DMEA

From: Executive Officer
DMEA Field Team

Subject: DMEA Dockets 2105X and 2106X - (Beryl)
Beryllium Development, Inc. - Oxford County, Me.

Enclosed are Field Team reports on the subject dockets suggesting favorable action for Government's participation.

During our interview with the applicant it was stated that the company prefers to supply a guarantee for its obligation instead of obtaining subordination agreements. The guarantee may be prepared at any time pending action upon the application.

McHenry Mosier

McHenry Mosier

Attachments
(In quadruplicate)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 12 1951

12/13/51 Jack Clark called to inquire when Operating Committee will [illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION VIII

DMA-2105X, Beryllium Development, Inc.

Oxford County, Maine

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 12 1951

W. T. Millar, Mining Engineer
U. S. Bureau of Mines

Glenn W. Stewart, Geologist
U. S. Geological Survey

November 30, 1951

On-Site Exam Rpt

CONCLUSION AND RECOMMENDATIONS

The geological indications and the conservative estimate of inferred beryl tonnage are considered sufficient to warrant exploratory work on this prospect.

The exploration as outlined in the application and indicated on Figure 3 is considered favorably. It seems advisable to extend the two trenches northeast from line "D" Figure 3 to approximately 60 feet and one trench southeast from line "E" Figure 3 to 50 feet for structural information and possible extension of the beryl-bearing zone. This additional trenching will increase the total trenching by approximately 70 feet which will total about 200 feet of trenching 3 feet wide and 6 feet deep.

The initial stripping of the area along the trend of the beryl-bearing zone for approximately 300 feet long and 100 feet wide may be sufficient.

It is considered that the proposed exploratory work as outlined is sufficient to determine if development of this prospect for production is justified.

It is recommended that the application be approved.

INTRODUCTION

DMA Docket No. 2105X, in which the Beryllium Development, Inc. applies for Government's participation in exploration of a beryl deposit in Oxford County, Maine was submitted to the field office for a field examination.

The beryl-bearing pegmatites specified in the application were examined on October 19 and 20, 1951 by W. T. Millar of the Bureau of Mines and Glenn W. Stewart of the Geological Survey. The Beryllium Development, Inc. was not represented during the field examination.

The geological report by A. H. McNair, Consulting Geologist for the Beryllium Development, Inc. which was submitted with the application is considered complete and well prepared.

The following report is based on the results of the examination by the DMA Field Team.

GENERAL DISCUSSION

The maps submitted with application refer to "Prospect No. 1", detailed in Figure 3 and described in DMA Docket No. 2105X.

The beryl crystals exposed in the pegmatite outcrop were found as indicated in Figure 3.

Estimating the beryl in this deposit is based on actual measurements of the exposed crystals and the exposed beryl-bearing zone. The percentages of beryl obtained from these measurements are used as the basis for estimating the beryl content in the inferred beryl-bearing zone.

The calculations are as follows:

Locality - 1

Exposed area of beryl-bearing zone measured 38 feet x 4 feet =	152 square feet
Exposed beryl crystals measured - total	2.1 square feet
Estimated thickness of the beryl-bearing zone is 1 foot or equivalent to 1.4 percent beryl, ~~per cubic foot.~~	

Locality - 2

Exposed area of beryl-bearing zone measured 10 feet x 5 feet =	50 square feet
Exposed beryl crystals measured - total	10 square feet
Estimated thickness of the beryl-bearing zone is 1 foot or equivalent to 20 percent beryl, ~~per cubic foot~~	

Therefore:

152 x 1.4 = 212.80
50 x 20 = 1,000.00
202 1,212.80

1,212.80 ÷ 202 = 6 percent beryl. ~~per cubic foot~~

The inferred beryl-bearing zone is 180 feet x 70 feet and estimated to be -

1.5 feet thick or 18,900 cubic feet
18,900 x 6% = 1,134.00 cubic feet of beryl
Using 11.9 cubic feet per ton, the beryl content is slightly less than 100 tons

This estimate varies considerably with the tonnage shown in the application but is conservatively based on measured crystals exposed in the pegmatite outcrop. Beryl is a very erratically occurring mineral and there may be large concentrations unexposed and without surface indications of its presence. It is possible that a much greater tonnage may be indicated by exploratory work.

The shallow open cuts or trenches for exploratory work as suggested by A. H. McNair in his geological report accompanying this application are considered favorably. The trenches in the northern and west central portions of Figure 3 are necessary to determine the attitude of the beryl-bearing zone. The discovery by Glenn W. Stewart of another isolated beryl crystal,

Reserves

Proven 4 Tons
Possible 162
Top Probable 500

Work
2 possible 3 cuts 6' deep

12x24x8 inches which is east of the central concentration shown on Figure 3 justifies additional trenching to the east to determine if the crystal is on the foot-wall side of the quartz-perthite core or if the beryl-bearing zone dips more steeply than anticipated. Also, further prospecting to the northeast is justified to determine the continuity of the beryl-bearing zone. Stripping may reveal extensions of the beryl-bearing zone in the two small outcrops northeast of the beryl exposure indicated on Figure 3 and along the general trend of the exposed beryl-bearing zone and is considered justified. Any extension of the stripping operation will depend on the results of the initial work.

This application was discussed in the office of the Beryllium Development, Inc. in Reading, Pennsylvania. The proposed exploratory work outlined will be under the supervision of an experienced mining engineer. The material excavated will be measured and hand sorted for valuable minerals to obtain accurate data for evaluating the prospect and to conduct the exploration in accordance with the results obtained. The applicant has a market for feldspar and mica which may be recovered and intends to utilize to the best advantage any valuable material found, if the exploratory work proves successful.

Equipment requested for this exploration is considered justified. There are two prospects on this property and a separate application filed for each prospect in order that both exploratory jobs may be conducted at the same time and under the same supervision. Although the direct distance between the two locations is less than one half of a mile, the terrain between the two locations is too rugged to transport equipment effectively. The supervising engineer intends to travel on foot between the prospects while the exploratory work is in progress. The automotive equipment is necessary for transportation of supplies and a four wheel drive vehicle is best adapted for service in the New England pegmatite areas. It is the intention of the applicant to continue prospecting for new deposits and arrangements satisfactory with the Government may be arranged for further utilization of the equipment listed in the cost estimate accompanying the application.

Access to this prospect is over 0.8 of a mile of rough road and approximately 0.25 of a mile of trail. The equipment for the exploratory work may be transported to the project by a tractor but if the property develops into a producing mine the access road will have to be improved. The provisions made in the cost estimate of the application appear to be sufficient for the exploratory work.

The only power requirements for the proposed exploratory work will be supplied by the gasoline operated portable compressor. The small amount of water required for the equipment is to be hauled.

Glenn W Stewart

Glenn W. Stewart
Geological Survey

W. T. Millar

W. T. Millar
Bureau of Mines

Answers to Questionnaire

Docket No. 2105X
Commodity - Beryl
Total Amount - $25,255.62
Government Participation - 90%

7 - (b) The applicant will supply a guarantee if the application is approved.

10 - (a) The proposed exploratory work is outlined in the report by the Field Team.

(b) After stripping the area designated on the map, some test-pitting may be advisable. This is suggested in the report by the Field Team, but the location of test pits can not be shown on the map until the overburden has been removed.

(g) The cost estimate is considered reasonable and the equipment listed is essential to carry on the proposed work.

17 - The proposed exploratory as indicated on the map accompanying the application includes trenches and stripping. It is possible that stripping may expose an extention of the beryl-bearing zone which may necessitate small test pits to determine the thickness of the zone and possible core concentration of beryl.

FILE COPY
SURNAME:

Murphy
Barr
Ron
amp

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

370

OCT 12 1951

Beryllium Development, Inc.
P. O. Box 1462
Reading, Pennsylvania

Subject: DMA-2105X - Beryl

Gentlemen:

Your application is being referred to Mr. McHenry Mosier, Executive Officer, DMA Field Team, Region VIII, Eastern Experiment Station, College Park, Maryland, for further information.

Sincerely yours,

SIGNED
Tom Lyon, Director
Supply Division

RWASKEY:mp
10-8-51
cc: Field Team, Region VIII (2)
DMA Docket File
Mr. Barr

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D.C. 370

OCT 12 1951

Mr. McHenry Mosier, Executive Officer
DMA Field Team, Region VIII
Eastern Experiment Station
College Park, Maryland

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Applicant ~~Beryllium Development, Inc.~~

Docket No. ~~DMA-2105X~~

Commodity ~~Beryl~~

Amount $ ~~90% of $25,255.00~~

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review".

Very truly yours,

Tom Lyon, Chairman
Coordinating Committee

For Bureau of Mines

For Geological Survey

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 2105

Commodity Beryl

Total Amount $25,255 62

Govt. Participation 90%

1. Name and Address of Applicant Beryllium Development, Inc. P.O. Box 1462 Reading, Penn.

2. Location of Property Oxford County, Maine

3. Mineral or metal Beryl Is it listed in Section 9 of MO-5? YES

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good Memo Attached

b) Poor

c) None

d) Don't know—needs field examination

e) Is there an alternative and favorable project? (If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? (question 5, 6, 7)* Yes, Lessee

6. If applicant is a lessee, is a copy of the lease attached? yes

Does the lease have sufficient time to run to cover a future productive period? yes

*question numbers are those of MF-103

7. Are subordination agreements necessary? Yes

a) MF-201? NO

b) MF-202 ✓ Required

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? Yes (b)

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

Is a field check needed on this point? NO

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Fairly Well

If not, are there sufficient data given so that you can describe the project? NO If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? Yes, However some work is apparently contemplated subject to initial work and not shown for that reason-

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes

If not, what part of it is?

Is this part a worthwhile exploration project? _____

d) Are the cost estimates detailed? Fairly Well

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? NO NOT on footage basis If so, attach a draft.

e) Are the cost estimates reasonable? Appear so

f) Should more information be requested from applicant? NO

g) Is a field examination necessary to complete Exhibit A? ~~Yes, Check~~ Needs

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes

b) If so, are sufficient data furnished? Yes If so, attach a draft.

c) Is a field check needed? NO

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes

b) Sufficient data? Yes see 7(b) If so, attach a draft.

c) Are rents and charges reasonable? Appear so

d) Is a field check needed? Yes Establish Needs

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? yes

c) Is the schedule excessive for the work proposed? NO

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? Yes - Establish Needs

14. Exhibit E (question 23-c)*

a) Is it applicable? NO

b) Sufficient data? —

c) Reasonable? —

d) Field check needed? —

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? Proposed work shown on Applicants Map is preliminary only - Try to work out in as much detail as possible the subsequent work - How much work and expense is justified by present showings? Applicant is proposing to purchase equipment perhaps in excess of needs for this project but expects to use some of it on other pegmatites in the vicinity - Check on this and report on justification for the amount of equipment requested - Make this examination in connection with DMA-2106 - same Applicant -

Reviewed by: [illegible]

Date 10/9/51

INT.-DUP. SEC., WASH., D.C. 99009

IN REPLY REFER TO:

G-MD-WRG

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

October 8, 1951

Memorandum

To: Robert Waskey, Defense Minerals Administration

From: W. R. Griffitts, U. S. Geological Survey

Subject: Application DMA-2105 from Beryllium Development, Inc., for beryl exploration near Newry, Maine.

This application is for exploration of a beryl deposit that adjoins the one for which Beryllium Development, Inc. has applied for funds for exploration in application DMA-2106. Reference should be made to that report. The two can be dealt with by the field team on one visit to the property.

This application, like 2106, is well prepared and documented. The field team can judge whether the proposed sites for trenching are the best. The listing of air-compressors and jackhammers indicates that work in bed-rock is anticipated but there is no statement of the treatment to be given the rock broken to determine its content of beryl and other valuable minerals. It is suggested that the field team arrange with the operator to have all the rock broken sorted by hand as carefully as possible and the resulting mineral concentrates weighed, to permit grade determination. Without such examination of the samples there would be little point in breaking the rock. Such sorting may be planned, but a definite statement of any such plans is much to be desired.

The equipment purchases and costs should be carefully reviewed. It is noted that each application includes a request for a $400 jackhammer, a powder house and cap storage for $100, a combination tool shed and shelter at $250, and a $3,500 compressor. It may be possible to arrange a work schedule that will permit one piece of equipment to be used at both prospects.

W R Griffitts

W. R. Griffitts

DMA - 2105
2106

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

October 5, 1951

Memorandum

To: Robert Waskey, Industrial Minerals Branch, DMA

From: Stanley Needleman, Rare and Precious Metals Branch

Subject: DMA-2105, DMA-2106 (Beryl), Beryllium Development, Inc., P. O. Box 1462, Reading, Pennsylvania.

Returned herewith are the subject applications, which were referred to us for consideration and comment.

Based upon our records of the reserves of the Newry Hill area, Oxford County, Maine, recently estimated by the Geological Survey and in combination with the geological report of the beryl-bearing pegmatite deposits in question submitted by A. H. Mc Nair as of September 12, 1951, the probability of substantial tonnage of beryl coming from Prospects #1 and #2 respectively described in DMA-2105 and DMA-2106, is definitely optimistic.

It is understood that the Beryllium Development, Inc. is a wholly owned subsidiary of the Beryllium Corporation, Reading, Pa. The Beryllium Corporation is the largest known beryl consumer both in the United States and the world beryllium industry. In view of the urgent need for stimulating domestic beryl production for national security reasons, this office highly recommends prompt referral of these subject dockets to the field team. In addition, the applications merit all the consideration possible subject, however, to the findings of the field team examination.

Stanley Needleman
STANLEY NEEDLEMAN

THE BERYLLIUM CORPORATION

READING, PENNSYLVANIA

September 24, 1951

DMA-2105

Defense Minerals Administration
Department of the Interior
Washington 25, D. C.

Gentlemen:

Enclosed herewith is our Application for Aid for an Exploration Project Pursuant to Mineral Order 5, Under Defense Production Act of 1950, Form MF-103, in quadruplicate.

In lieu of information that would be contained on form MF-100, we refer you to our application for exploration project dated April 27, 1951, and bearing Doc. No. DMA-1115.

This application is made for Beryllium Development, Inc., a wholly owned subsidiary of The Beryllium Corporation.

Yours very truly,

THE BERYLLIUM CORPORATION

G. N. Broome

G. N. Broome
Executive Assistant

GNB:mbs

Enclosure

SEP 25 10 01 AM '51
DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.

Mr. G. N. Broome, Executive Ass't
Beryllium Development, Inc.
Reading, Pennsylvania

Subject:
Re: DMA-2105
Exploration Loan
#2 Prospect

My dear Mr. Broome:

This will acknowledge receipt of your application dated September 24, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMA-2105 and referred to the Industrial Minerals Branch.

Kindly refer to DMA-2105 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams

Robert E. Adams, Chief
Reports and Records Unit

2463

THE BERYLLIUM CORPORATION
P. O. BOX 1462
READING, PENNA.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 25 1951

September 24, 1951

DMA-2105

Defense Minerals Administration
Department of the Interior
Washington 25, D. C.

Gentlemen:

Enclosed herewith is our Application for Aid for an Exploration Project Pursuant to Mineral Order 5, Under Defense Production Act of 1950, Form MF-103, in quadruplicate.

In lieu of information that would be contained on form MF-100, we refer you to our application for exploration project dated April 27, 1951, and bearing Doc. No. DMA-1115.

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Yours very truly,

THE BERYLLIUM CORPORATION

G. N. Broome

G. N. Broome
Executive Assistant

GNB:mbs

Enclosure

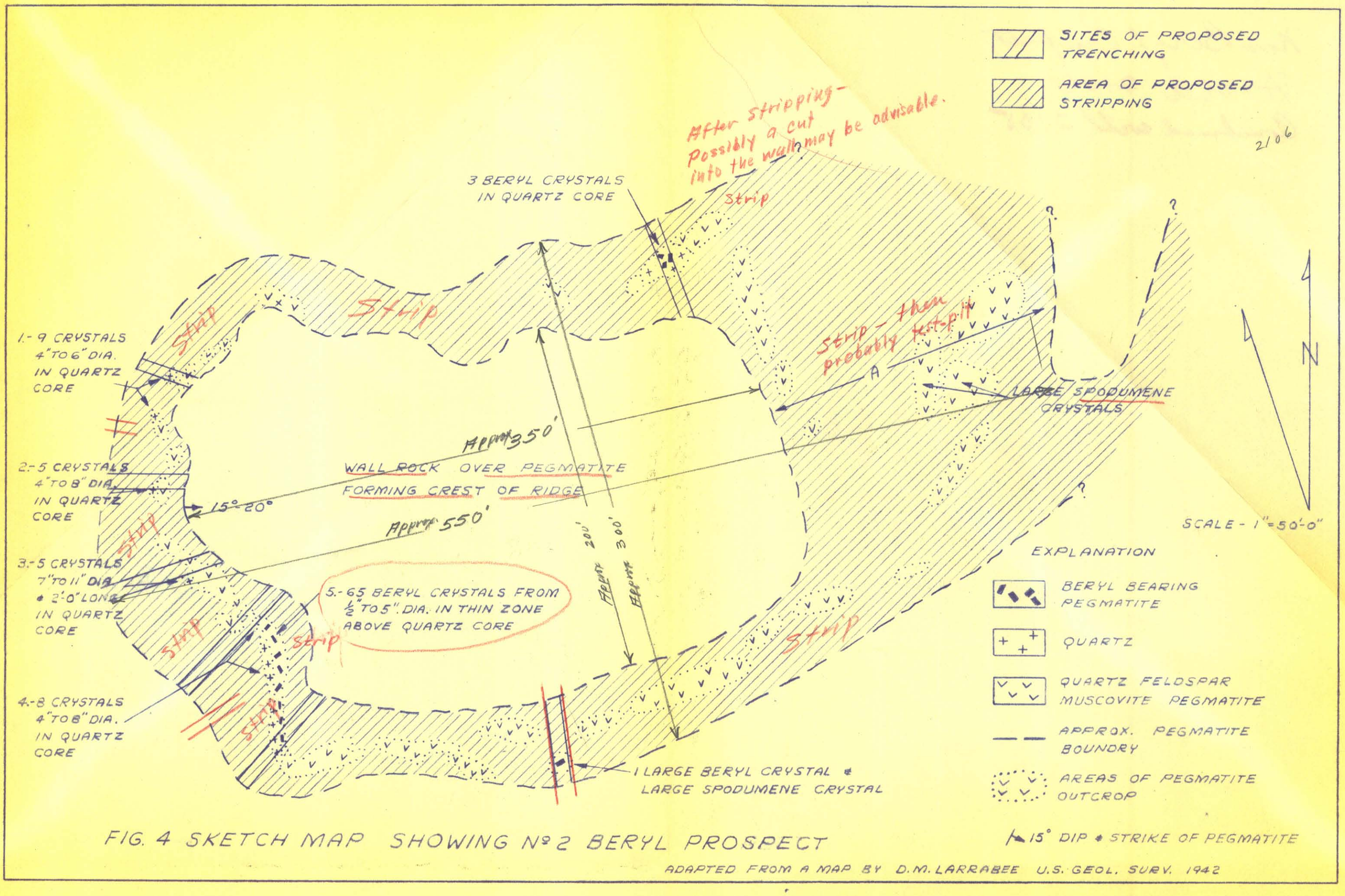


FIG. 4 SKETCH MAP SHOWING Nº 2 BERYL PROSPECT

ADAPTED FROM A MAP BY D.M. LARRABEE U.S. GEOL. SURV. 1942

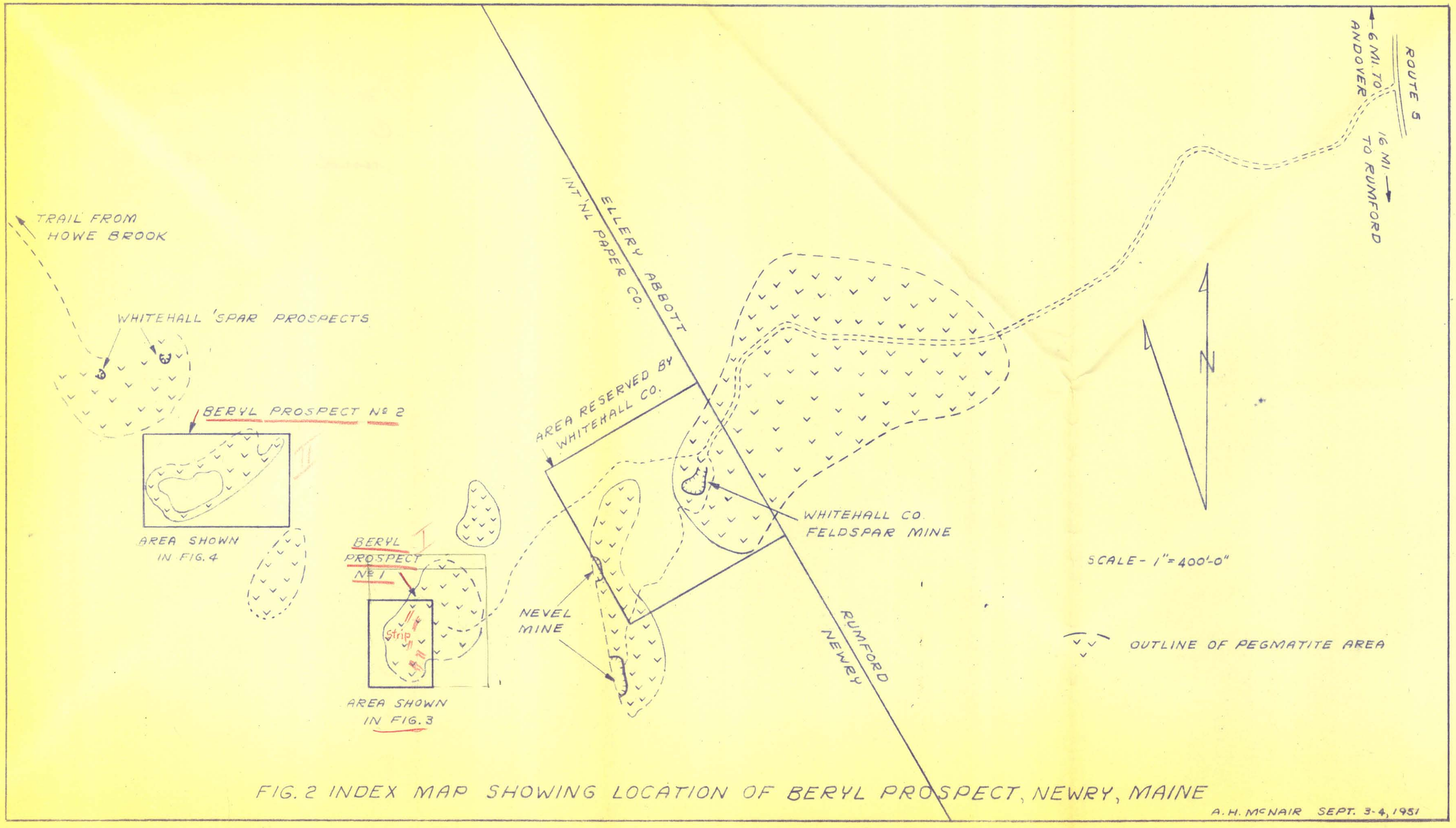


FIG. 2 INDEX MAP SHOWING LOCATION OF BERYL PROSPECT, NEWRY, MAINE

A. H. McNAIR SEPT. 3-4, 1951

DMEA 2105

DMA 2105

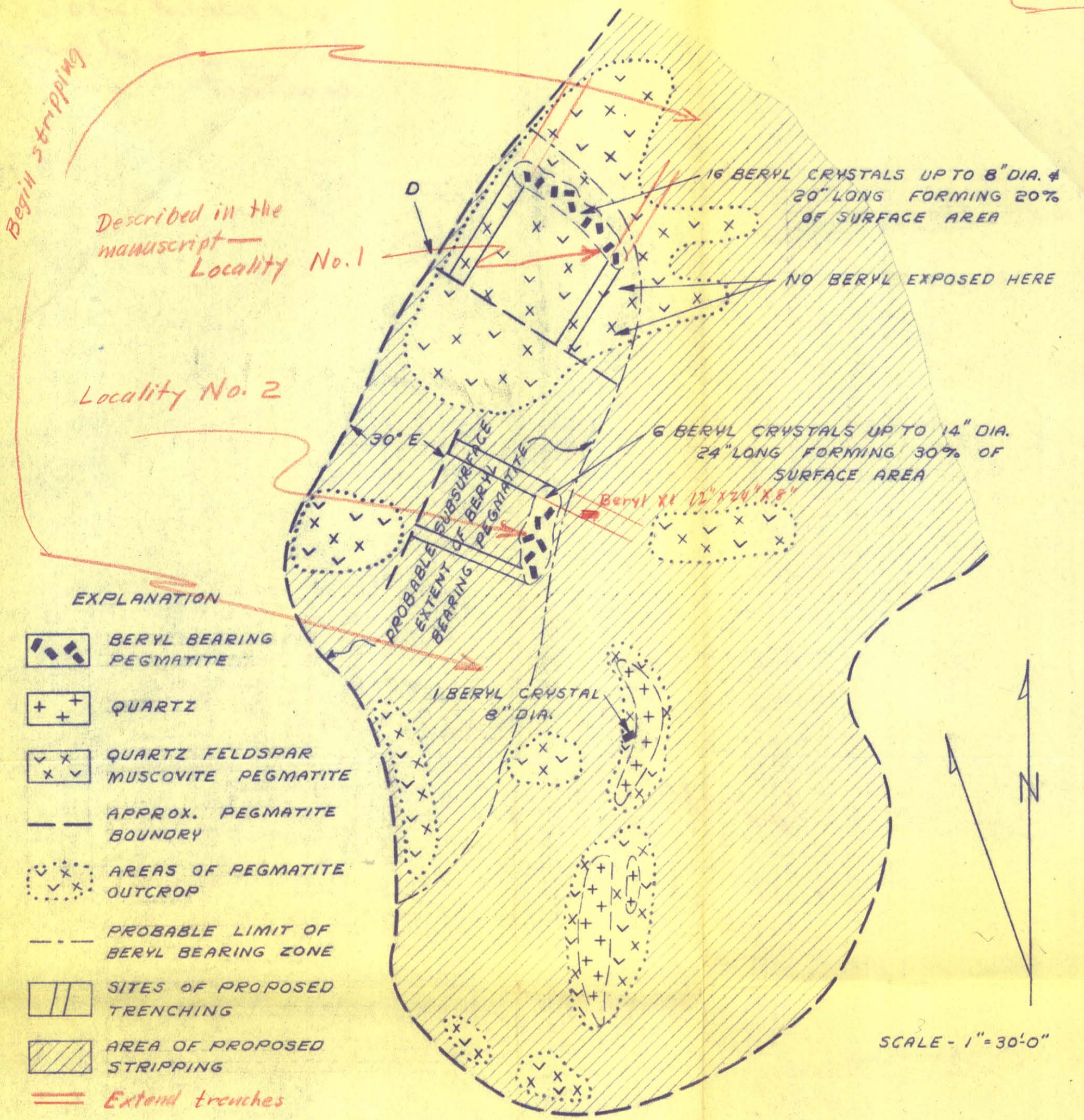


FIG. 3 ~~NORTHWEST~~ Southeast PART OF Nº 1 PROSPECT

A.H. McNAIR SEPT. 3-4, 1951

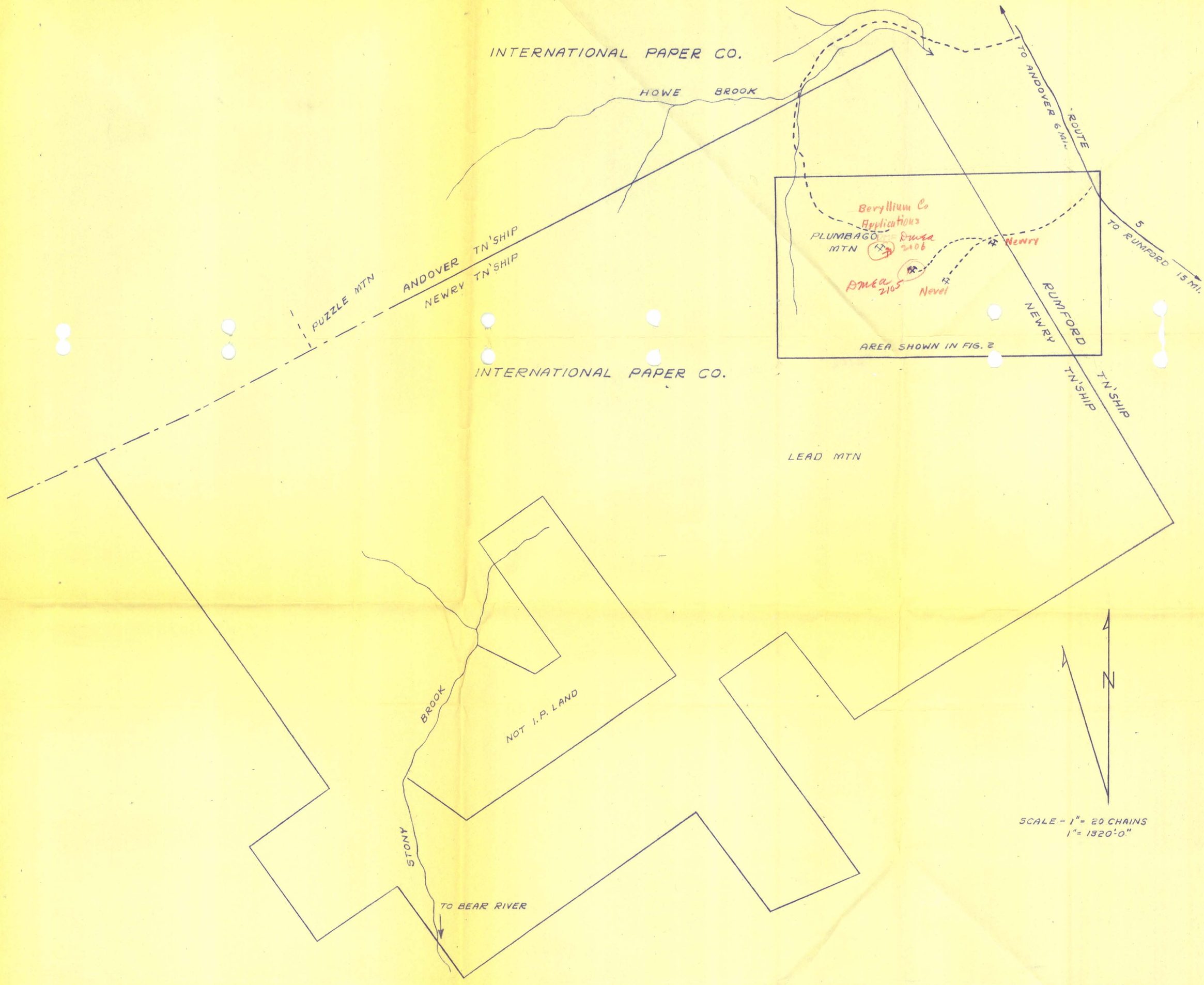


FIG. 1 SHOWING LOCATION MINERAL RIGHT LEASES NEWRY AREA, MAINE

FROM INTERNATIONAL PAPER CO MAP

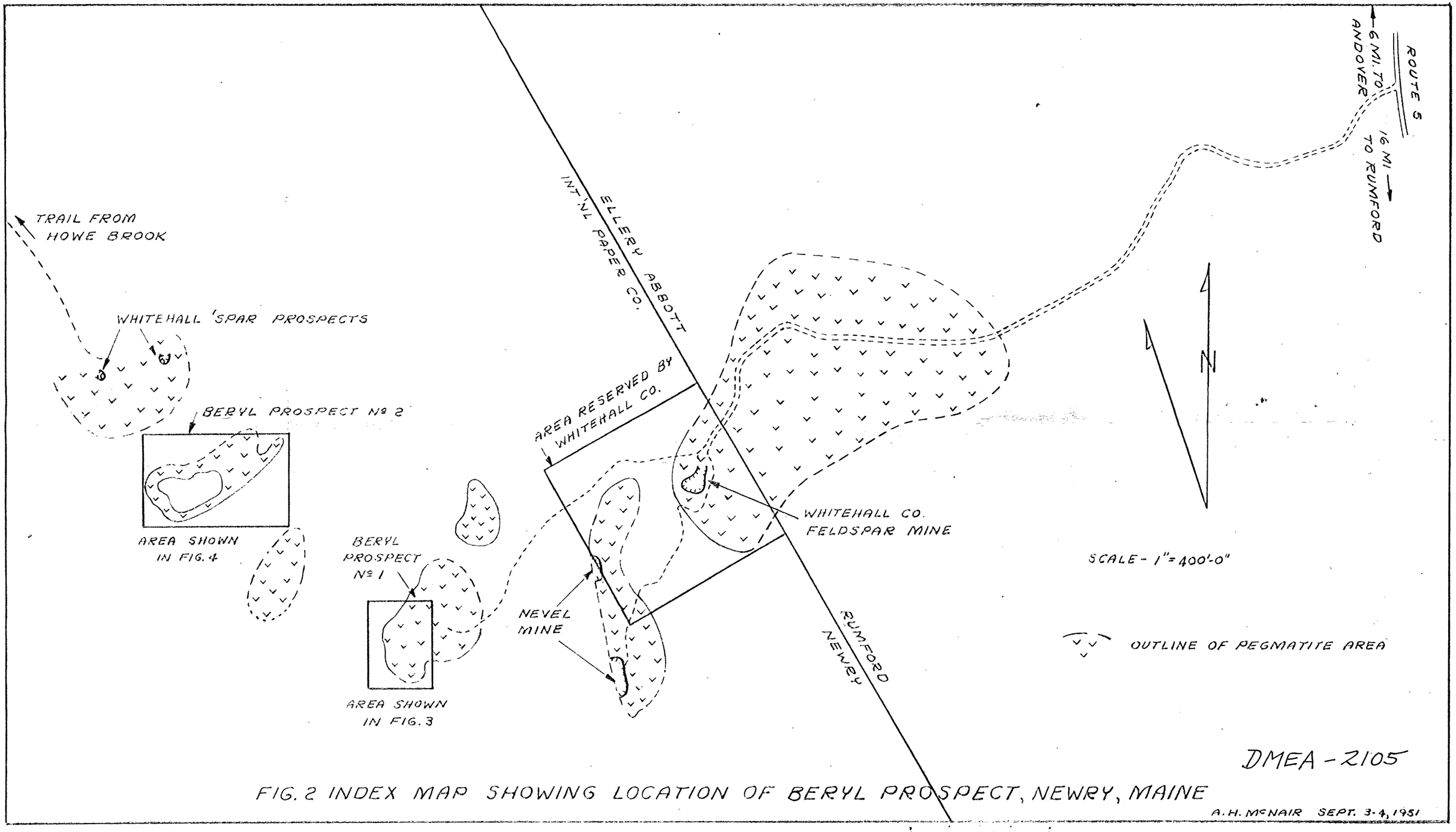
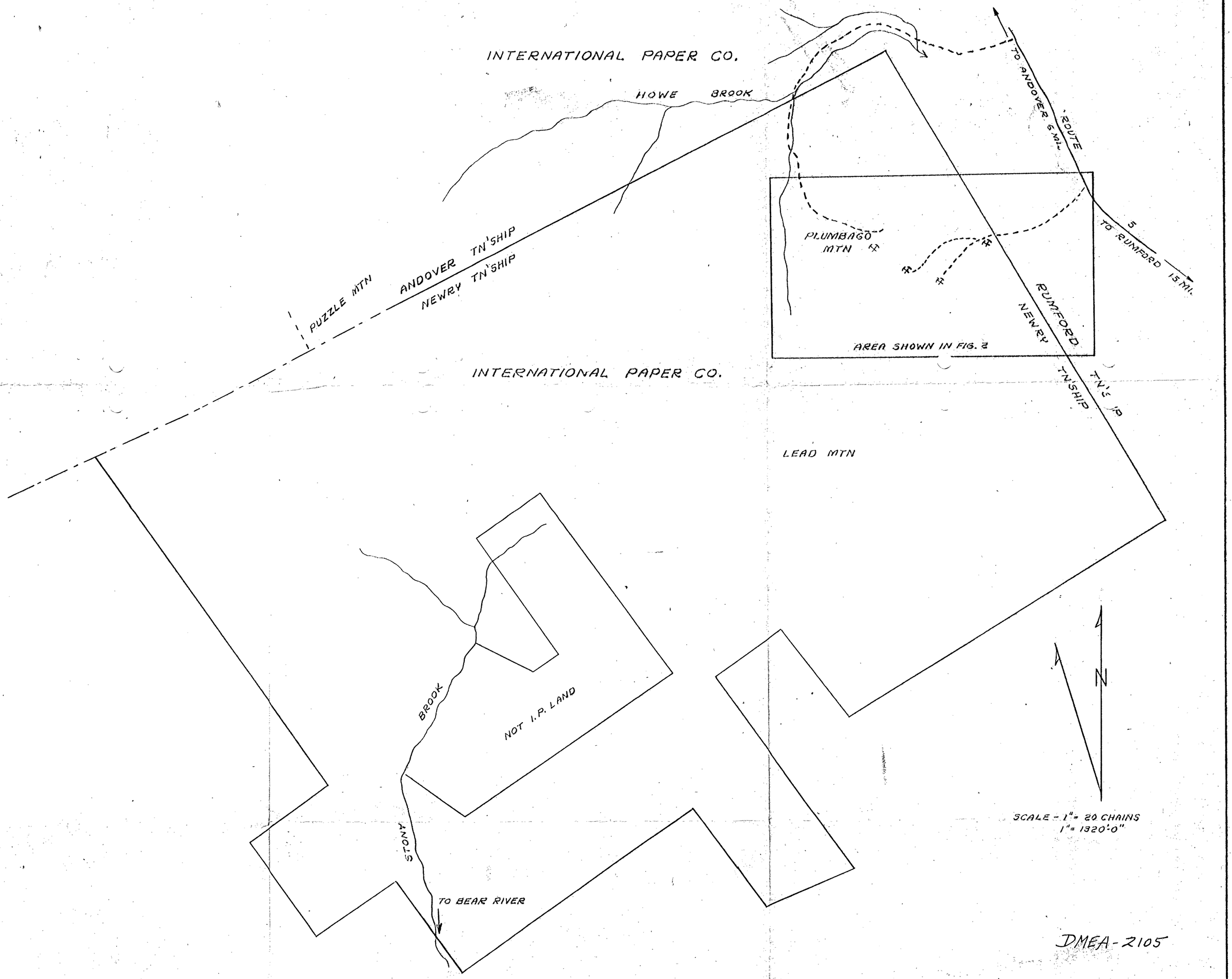


FIG. 2 INDEX MAP SHOWING LOCATION OF BERYL PROSPECT, NEWRY, MAINE

A. H. McNAIR SEPT. 3-4, 1951

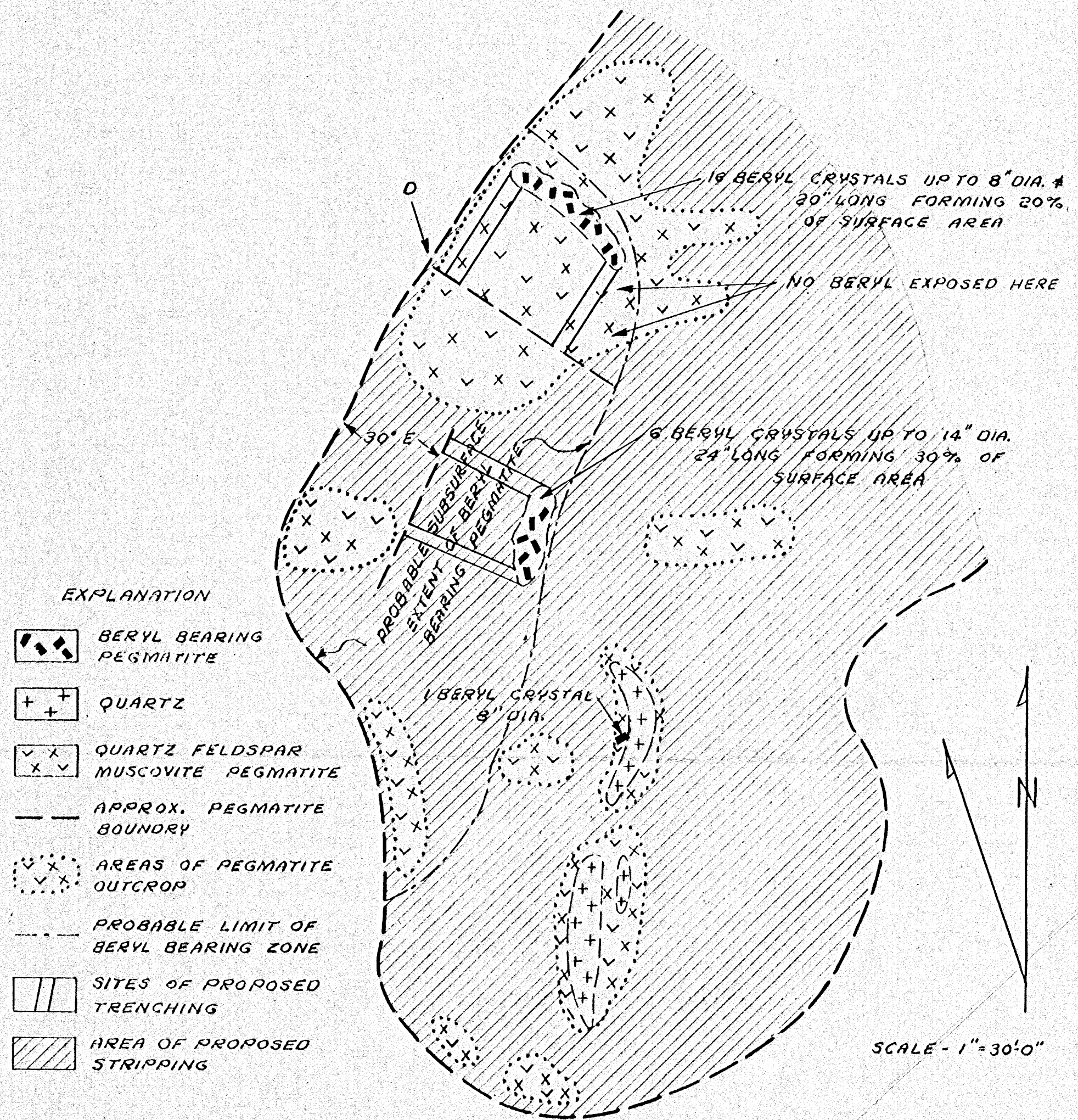


DMEA-2105

FIG. 1 SHOWING LOCATION MINERAL RIGHT LEASES NEWRY AREA, MAINE

FROM INTERNATIONAL PAPER CO MAP

DMEA 2105



EXPLANATION

- BERYL BEARING PEGMATITE
- QUARTZ
- QUARTZ FELDSPAR MUSCOVITE PEGMATITE
- APPROX. PEGMATITE BOUNDRY
- AREAS OF PEGMATITE OUTCROP
- PROBABLE LIMIT OF BERYL BEARING ZONE
- SITES OF PROPOSED TRENCHING
- AREA OF PROPOSED STRIPPING

FIG. 3 ~~NORTH~~ SOUTHWEST PART OF Nº 1 PROSPECT

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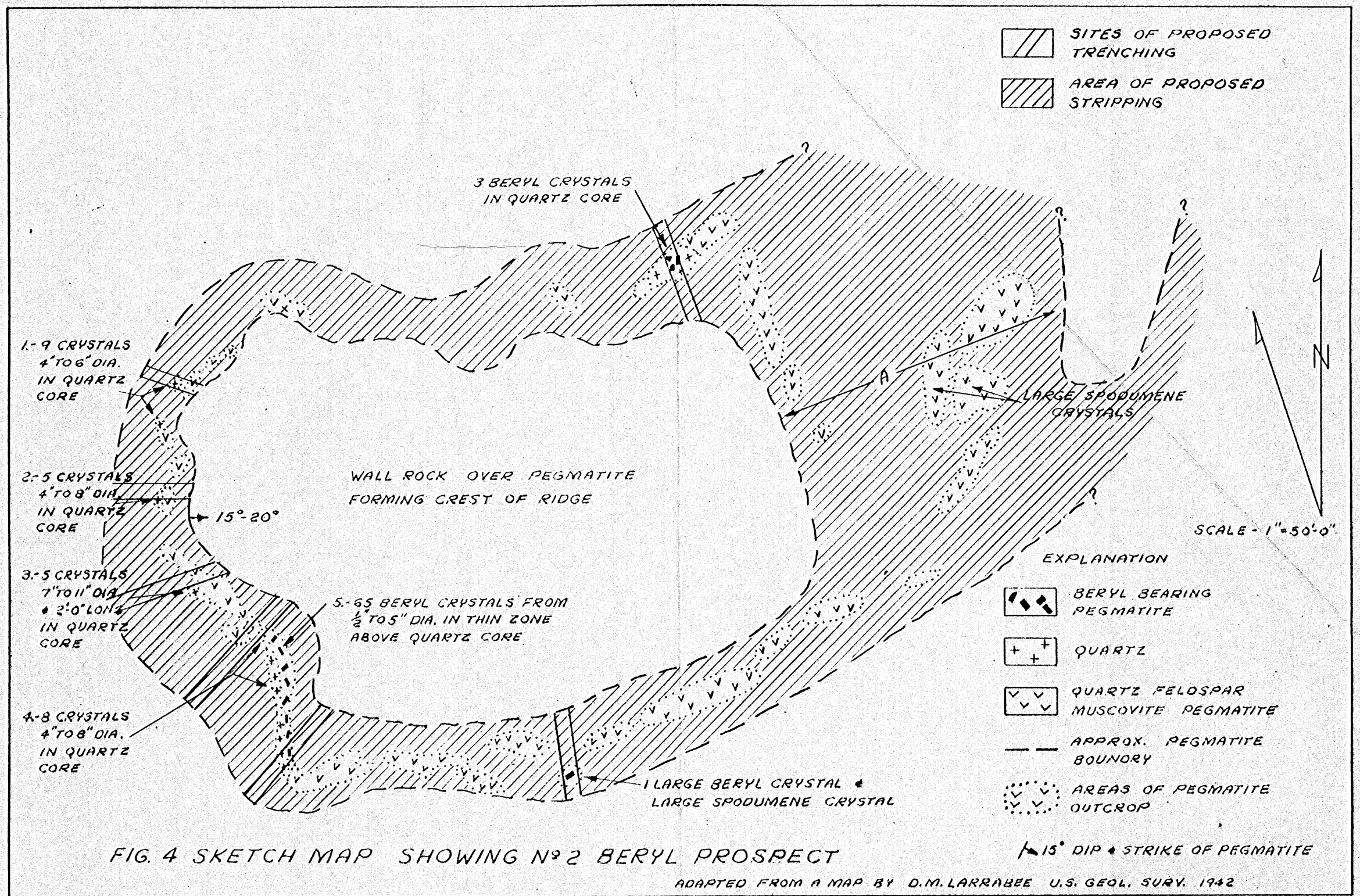

FIG. 4 SKETCH MAP SHOWING Nº 2 BERYL PROSPECT

ADAPTED FROM A MAP BY D.M. LARRABEE U.S. GEOL. SURV. 1942

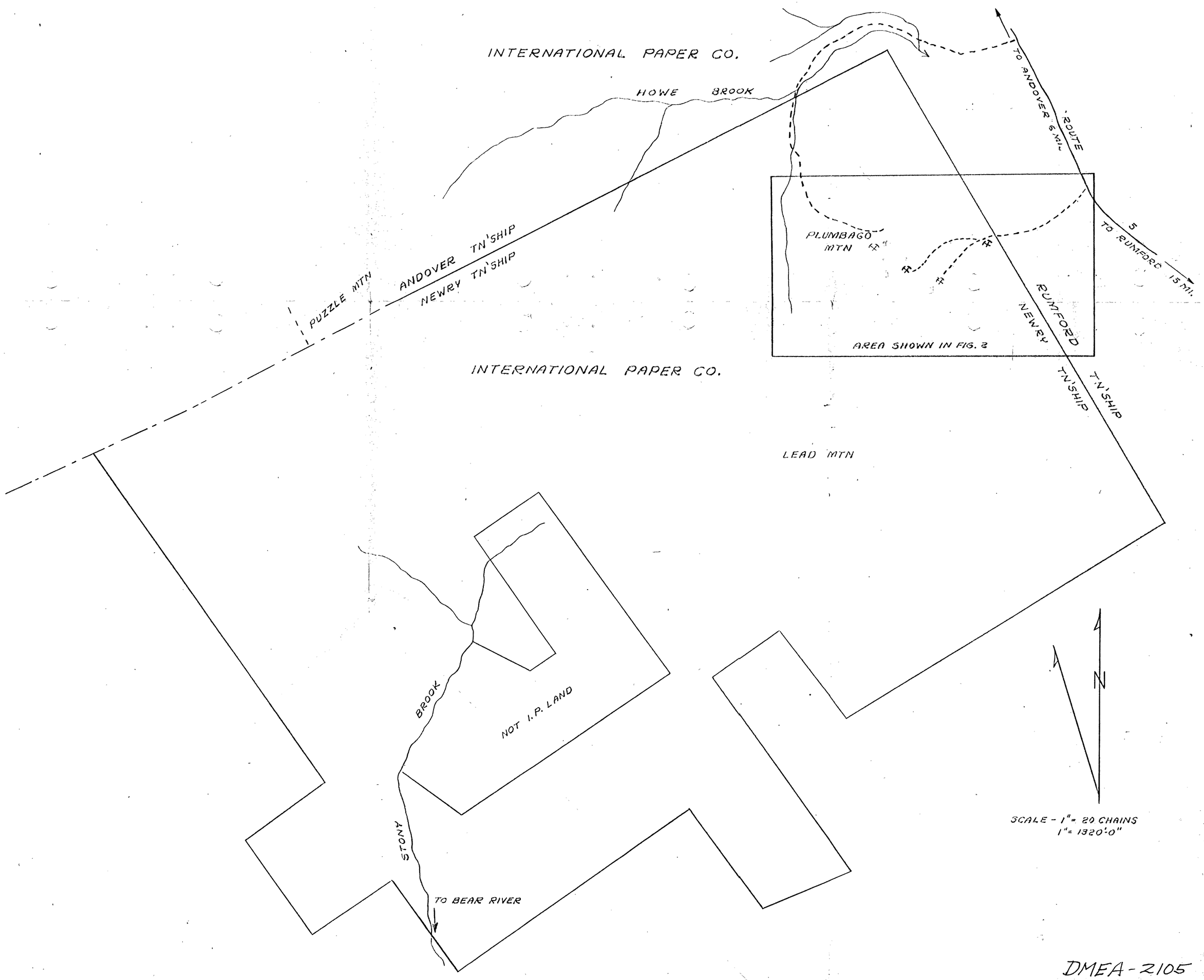

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FIG. 1 SHOWING LOCATION MINERAL RIGHT LEASES NEWRY AREA, MAINE

FROM INTERNATIONAL PAPER CO MAP