DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 684 — DMEA NO. 3244

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- [ ] Withdrawn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

- [x] Royalty Audits
- [x] Certification of Discovery] 4-29-55
- [ ] Closing Letter]
- [x] Cost Audits
- [x] Termination Notice or Agreement] 1-25-55
- [ ] Recision Notice]
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [ ] Work Comoleted 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) Waived by
- [x] Interim Field Team Reports ltr of 3/23/5
- [X] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [x] 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. _____ : Maps (Use pocket folder or envelope)

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

17963

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-2684, Docket IMEA-3244 (mica), dated July 12, 1954, with

Alex Teague
P. O. Box 244
Jasper, Georgia

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Old Duncan (Denison) and Honey Carney Mine located in Pickens County, Georgia, during the period May 8, 1959, through December 12, 1962.

A certification of discovery or development was issued on April 29, 1955, and, in accordance with Annex II of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated March 25, 1955, indicated accepted costs under the exploration contract amounting to $1,794.00 with the Government's contribution on a 75 percent basis being $1,345.50.

The status of the project, the scope of review, and the reasons therefor are stated on page 2.

This review found the total sales subject to the Government's royalty for the period to be $678.54. Royalty payable to the Government at the rate specified in the contract is $33.93.

A prior Report of Royalty Review found the sales subject to the Government's royalty through May 7, 1959, to be $1,111.30, which added to the sales for this subsequent period make a total of $1,789.84. The royalty account as of May 7, 1959, was:

Total Royalty Payable	$55.56
Total Royalty Paid	55.56
Balance of Royalty Due	$ -0-

As of December 12, 1962, the royalty account of this project was found to be:

Total Royalty Payable	$89.49
Total Royalty Paid	55.56
Balance of Royalty Due	$33.93

January 9, 1963

E. D. Talbert, GMR Auditor

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

This contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on all minerals produced from the land thereunder. The land consists of 18 acres, more or less, located 4.75 miles west of Nelson. At the time the contract was executed, the Operator was in possession by virtue of a January 1, 1954, lease from A. D. Carney. In consideration of the contract, the lessor executed an Owner's Consent to Lien on July 19, 1954.

Exploration work under the contract was terminated effective December 16, 1954, by a Termination Agreement dated January 25, 1955. The so-called "abandonment" provision in the exploration contract was deleted by the terms of the Termination Agreement.

Production during the exploration period resulted in sales of 46.5 lbs. of full trim mica to the GSA Mica Purchase Depot, Spruce Pine, North Carolina, and 2,383 lbs. of punch and scrap mica to other buyers. These sales, on which the proceeds aggregated $1,111.30, are covered by a Report of Royalty Review dated May 14, 1959.

The landowner cancelled the Operator's lease shortly after termination of the exploration project contract. Subsequent examinations of the property, inquiries, and checks of the Spruce Pine Depot's records by DMEA and OME representatives disclosed no evidence of further production through July 1, 1960.

An examination of the Spruce Pine Depot's records during June 1962 by a representative of this Division found no reports of further sales of mica stated as having been produced from the Old Benson Mine. However, in response to an inquiry by MME Form 63 addressed to the Operator, by letter dated September 25, 1962, J. Ben Jones, Administrator of the Alex Teague Estate, Jasper, Georgia, submitted two settlements on 1961 sales by Alex Teague.

One of these settlements covered production from the Franklin Gold Mine in Cherokee County. The other covered a May 28, 1961, sale for $678.54 of 1,917 lbs. of mica produced from the Denny Carney Mine in Pickens County. By letter of inquiry addressed to the landowner on December 12, 1962, it has been established that the Denny Carney Mine is on the property under the contract, Alex Teague again leased the property on May 28, 1960, and there was production from the property. Accordingly, royalty of $33.93 is payable to the Government on the $678.54 sale.

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

(1) The files indicate that all sales of production from the property under the contract have been reported; and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Division of Nonmetallic Minerals, Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-E684, Docket No. DMEA-3244 (Mica), dated July 12, 1954, with

Alex Teague
P. O. Box 266
Jasper, Georgia

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Old Denson Mine located in Pickens County, Georgia, during the period January 27, 1956, through May 7, 1959.

A certification of discovery or development was issued on April 29, 1955, and accordingly royalty is payable on all production from the land described in Article 2 of the contract for a maximum period of 10 years from the date of the contract. A Report of Review in lieu of final cost audit dated March 25, 1955, indicated accepted costs under the exploration contract amounting to $1,794.00 with the Government's contribution, on a 75 percent basis, being $1,345.50.

A prior report of royalty review dated February 1, 1956, indicated total sales subject to Government royalty amounting to $1,111.30 for the period July 12, 1954, through January 26, 1956, and that the royalty due the Government amounting to $55.56 had been paid. No royalty has been received by the Government applicable to this project since the latter date.

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

(1) Periodic inspections by a representative of the Field Team, Region V, have failed to disclose any evidence of production or sales of minerals from this project during the period covered by this review, and

(2) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible royalty which might be disclosed.

C. E. Fisher, OME Auditor

May 14, 1959

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Alex Teague

Address Jasper, Georgia

Exploration Contract No. Idm-E684 Docket No. 3244

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

5/7/59
Date

D. Lynch
Mining Engineer

53362

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, DMEA Field Team, Region V, Knoxville, Tennessee, pertaining to Contract Dma-2684, Docket No. DMEA-3244, dated July 12, 1954, with

Alex Teague
Post Office Box 266
Jasper, Georgia

for the purpose of determining the amount of royalties due the United States Government on sales of mica from property referred to as Old Benson Mine located in Pickens County, Georgia, during the period July 12, 1954, to January 26, 1956.

A certification of discovery or development was issued on April 29, 1955, and, in accordance with the contract, royalty is payable on all production from the land described in Article 2 of the contract for a maximum period of 10 years from the date of the contract. A Report of Review in lieu of final cost audit dated March 25, 1955, indicated allowable costs under the exploration contract amounting to $1,794.00 with the Government's contribution, on a 75 percent basis, being $1,345.50.

My review included a verification of the royalty paid in connection with the sale of 46.90 pounds of trimmed and 2,383 pounds of scrap and punch mica recovered during the exploration period. In addition, a conference was held with Mr. William A. Beck, Mining Engineer, Knoxville, Tennessee, who is thoroughly familiar with the project.

This review was made in lieu of an on-site audit of the operator's accounts and records for the following reasons:

(a) The production involved was incidental to the exploration operations.
(b) The property has been idle since completion of the exploration work.
(c) The administrative cost to the Government of an on-site audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

The review established the total sales of mica to be $1,111.30. Royalty due the United States Government at the contract rate of 5 percent is $55.56. The royalty paid and balance due are as follows:

Total Royalty Due	$55.56
Total Royalty Paid	55.56
Balance of Royalty Due	$ -0-

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

February 1, 1956

DOCK
Surnam
Anderson
Houk
Hoffland
Chambers
Lathon
Selfridge
Johnson

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

600

CERTIFICATION BY THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT UNDER
AN EXPLORATION PROJECT CONTRACT

To: Alex Teague
P. O. Box 266
Jasper, Georgia

Pursuant to the provisions of Exploration Project Contract No. Ida-E684, dated July 12, 1954 (Docket No. DMEA-3244), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows:

A zoned conformable pegmatite in graphitic sericite schist was explored by an incline. Inferred reserves of mica may be calculated.

THE UNITED STATES OF AMERICA

By C. Mitchell
Administrator, Defense Minerals
Exploration Administration

Dated APR 29 1955

WCAnderson:ad 4/21/55
Copy to: Mr. A. D. Carney (attached to Field Team copies for forwarding)
Mr. Clarence A. Fredell, EPS, GSA
Docket
Admr. R. File
Mr. Johnson
Mr. Chambers
Operating Committee
Finance Office
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Alex Teague
P. O. Box 266
Jasper, Georgia

pertaining to Exploration Project Contract No. Idm-E684, Docket No. DMEA-3244, for the months of July, 1954, to November, 1954, inclusive, covering a project for the exploration of mica on property, known as the Denson Mine, located in Pickens County, Georgia.

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

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

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

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

Total cost as billed by Contractor		$1,794.00
Exceptions		
By DMEA Finance Officer	$ - 0 -	
Herewith	- 0 -	-0-
Total Accepted Cost		$1,794.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of One thousand three hundred forty-five and 50/100 Dollars

$1,345.50

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

E. D. Talbert

E. D. Talbert, Auditor

March 25, 1955

Docket Co

TERMINATION AGREEMENT

It is agreed this 25th day of January, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Alex Teague, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-2634, Docket No. DMEA-3244, dated July 12, 1954, hereinafter called the "Contract," that:

1. Effective December 16, 1954, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. Any work or operations prosecuted or costs incurred by the Operator beginning with said effective date shall be for the sole account of the Operator without contribution by the Government.

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

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

5. That part of the second sentence of Article 7 of the Contract that begins with the word "Provided" is deleted.

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

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

THE UNITED STATES OF AMERICA

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

ALEX TEAGUE

Alex Teague

Porter
Hollond
Anderson
Hook
Talbut
Martin
Robinson

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 3294

COMMODITY Mica

Docket copy

IDM-E 684

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

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 12th day of July, 1954, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Alex Teague
Post Office Box 266
Jasper, Georgia

hereinafter called the "Operator," as ~~follows:~~ set forth in Annexes I and II attached hereto and made a part hereof, and as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Georgia, County of Dickens, described as ~~follows:~~ set forth in Annex I

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 encumbrances or conveyances, 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 60 days from the date of this contract shall commence work on a project of exploration for[5] Mica

in or upon the described land; and shall bring the project to completion within a period of Seven(7)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. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. 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 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 75 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $2,245.50, which is 75 percent of $2,994.00 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 check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed 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 units of work performed 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.

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

(*b*) *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 the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, 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 and statement of work performed to accompany his final report.

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

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

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

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

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales, or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be the 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. See Annex II substituted for Article 6

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

_____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Alex Teague

(Operator)

Alex Teague

By _____

By O. M. Mathewson

Administrator, Defense Minerals Exploration Administration

Robert Hoffland

Hank Talbert

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

_____ [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

EXPLORATION PROJECT CONTRACT
ALEX TEAGUE
DOCKET NO. DMEA-3244

ANNEX I

The land referred to in Article 2 of the contract form and in ANNEX II is known as the Old Denson Mine and was leased for mining purposes to Alex Teague for a period of five years by A. D. Carney, by an instrument dated January 1, 1954, and recorded in Book F. F., page 334, of the official records of Pickens County, Georgia. It is located 4.75 airline miles due West of Nelson, Georgia and is bounded as follows:

The beginning is located 17 feet northeast from an old apple tree near the northwest corner of a barn; thence due east 135 feet; thence along Settlement Road N. 2° E., 1800 feet; thence due west 620 feet; thence S. 5° E., 300 feet to a spring; thence S.25°W., 600 feet to a wooden peg; thence due south 1280 feet; thence S. 20° E., 506 feet to a peach tree; thence N. 25° E., 480 feet to the point of beginning; comprising 18 acres, more or less.

EXPLORATION PROJECT CONTRACT
ALEX TEAGUE
DOCKET NO. DMEA-3244

ANNEX II

The following provisions are in lieu of Article 6:

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

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

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

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

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

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

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

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

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

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

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

EXPLORATION PROJECT CONTRACT
ALEX TRAMER
DOCKET NO. DMEA-3244

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be accomplished in the area indicated on the attached map entitled "Sketch of Denson Mine, Pickens Co., Ga. DMEA-3244 (mica)," as follows:

1. Construct a powder magazine and an exploder magazine.

2. Rehabilitate existing vertical shaft.

3. Erect a boom.

4. Remove muck in existing incline.

5. Deepen existing incline an additional 30 feet on the pegmatite.

6. From the bottom of the incline as deepened drive 40 feet of drift on the pegmatite.

All work shall be timbered as necessary.

The cross sectional dimension of the incline and of the drift work shall be not less than 5 feet by 7 feet in the clear of timber.

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

Agreed Unit Costs

Construction - powder magazine 1/	25.00	
exploder magazine 1/	13.00	
Rehabilitating vertical shaft - 37 feet @ $8.00/ft.	296.00	
Erecting boom 1/	130.00	
Removing muck in existing incline 1/	130.00	
Deepening existing incline - 30 feet @ $40.00/ft.	1,200.00	
Driving 40 feet of drift @ $30.00/ft.	1,200.00	
AMENDED ESTIMATED TOTAL COST OF PROJECT		$2,994.00
GOVERNMENT PARTICIPATION AT 75%		$2,245.50

1/ The completed work constitutes the unit.

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Georgia, County of Dickson, described as follows:1/ in a lease, dated January 1, 195[illegible] and recorded in Book [illegible], Page 3[illegible] of the official records of said county.

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

2/ Alex Tarzan

hereinafter called the "Operator"; and

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

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

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

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

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

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

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

(OVER)

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

January 22, 1954

Memorandum

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

From: Executive Officer, D M E A - Region VII

Subject: Application from Alex Teague, Jasper, Georgia (mica)

Enclosed are 3 copies of an application received in this office today, along with one copy of the lease, and one copy of the applicant's inadequate cost estimate and sketch (only one was submitted), and 3 copies of my letter to the applicant.

The fourth copy of form MF-103 is being retained in this office.

Robert A. Laurence

Robert A. Laurence

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

January 22, 1954

Mr. Alex Teague,
P.O. Box 266
Jasper, Georgia

Dear Mr. Teague:

Your application for DMEA assistance in exploration for strategic mica at the Old Denson Mine in Pickens County, Georgia has been received, and forwarded to our Washington office for processing in accordance with established procedure.

As you are not the owner of the land, it will be necessary to have the enclosed form (Owner's Consent to Lien) signed by Mr. A. D. Carney. Eight copies are enclosed; please have Mr. Carney sign all of them and return six of them to me.

It will also help to expedite processing of your application if you will send a quarter-pound sample of mica from this deposit to Mr. W. D. Flynt, Superintendent, General Services Depot, P.O. Box 846, Spruce Pine, North Carolina, and ask him to inform me whether or not it is acceptable under the Government purchasing program.

Very truly yours,

Robert A. Laurence

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

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. 3244
Metal or Mineral Mica
Date Received
Estimated Cost $3,750
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Alex Teague,
P. O. Box 266, Jasper, Ga.

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract
(Copy of Lease agreement inclosed)

(*b*) State any mine name by which the property is known. Old Denson Mine.

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

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

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

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

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

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

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

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points. Easily accessible 6 Mi. South Jasper R. R. Depot. 1½ Mi. from paved road.

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

16—66551-1

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

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

(*c*) The work will start within 10 days and be completed within 6 Mo. months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. 10 Years Mining Talc.

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

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

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

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

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

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

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

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

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

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

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

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

Money and Equipment.

☐ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated 19 January, 1954

Alex Teague
(Applicant)

By

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

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

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. .....
Metal or Mineral .....
Date Received .....
Estimated Cost .....
Participation (Government %) .....

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Alex Tengue, Jasper, Ga.

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract All boundries and drawings on the attached Map of the 18 acres more or less are made a part of the original description in the copy of Lease and if there is a contradiction the map will be taken as correct.

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

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

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

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

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

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

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

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

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

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

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

.....

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

☐ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated June 21, 1954

Alex Teague
(Applicant)

By .....

.....

.....

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

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

Bull Dozer 20 Hours @ $12.50		$ 250.00
Drifting and taking up bottom of old drift		3,500.00
		$ 3,750.00

1. 35 Ft. Drifting @ $35. ft.
2. 35 " " @ 15. "
3. 50 Ft. " @ 35.00 ft.

Please refer to sketch.

Nonmetallic Minerals Divn. DMEA forwarded copy of above to: Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.

on January 27, 1954.

(COPY) COPY (COPY)

STATE OF GEORGIA
COUNTY OF PICKENS:

This Lease Agreement made, this 1st. day of January 1954, by and between A. D. Carney, of the County of Pickens, State of Georgia, hereinafter referred to as the Party of the First Part, and Alex Teague, of the County and State aforementioned, hereinafter referred to as the Party of the Second Part.

WITNESSETH

That for and in consideration of the sum of $1.00 and other valuable considerations in hand paid to the Party of the First Part, receipt whereof is hereby acknowledged, the Party of the First Part has rented, leased and remised and does by these presents rent, lease and remise unto the Party of the Second Part for a period of five (5) years, from date hereof , with privilege of renewal for a like period of said lease, the exclusive mining privileges and mineral rights to the following described property: ALL that tract or parcel of land lying and being in the 13th. District and 2nd Section of Pickens County, Georgia, and being more fully described as follows:

Starting at a large Apple Tree approximately 17 ft. Southwest of the Barn, thence approximately 135 ft. East to a road, thence 1,800 ft. in a Northeasterly direction along the road, thence 620 ft. West, thence approximately 300 ft. in a Southeasterly direction to where there is a fork in an upland ditch, at this point following the East Ditch approximately 500 ft. to where there is an old Chimney, at this point going south approximately 1,280 ft. thence East approximately 506 ft. to a dim road where there is a large peashtree, thence in a Northerly direction approximately 480 ft. to the point of beginning.

To have and to hold said mining privileges unto him , the said Party of the Second Part, his heirs, and assigns for the period hereinbefore stated, and as long as there are minerals or Mica mined at a profit.

It is understood by the parties to this agreement that the Party of the Second Part, shall have the right to use the described land in the following manner:
(1) To dig, Quarry and search for and obtain any kind of minerals, particularly mica.
(2) The Party of the Second Part agrees to begin operation of the above described property within ninety (90) days from date of this instrument.
(3) It is understood and agreed that if the party of the second part should fail to operate the above described property for a period of Ninety (90) days after beginning operation, without the written consent of the party of the First Part, this lease shall become Null and Void.
(4) It is further understood and agreed to; that the party of the second part, shall NOT have the right to the use of any timber of any kind or character, which may be located on the property described herein, but they may have the right to erect any buildings, sheds, timber shafts, tunnels that may be deemed necessary by the party of the second part in carrying out this agreement. (5) It is further understood that the party of the second part shall have the right of ingress and egress to and upon the described property.

IT IS UNDERSTOOD AND AGREED that the party of the Second Part, shall pay to the Party of the First, the following royalties: One Eighth(1/8) of the selling price on all Mica mined and sold from said property. The customary and prevailing royalty on any and all other minerals found and sold from said property.

It is further agreed that this Lease cannot be transferred from the Party of the Second Part without the written agreement of the Party of the First Part.

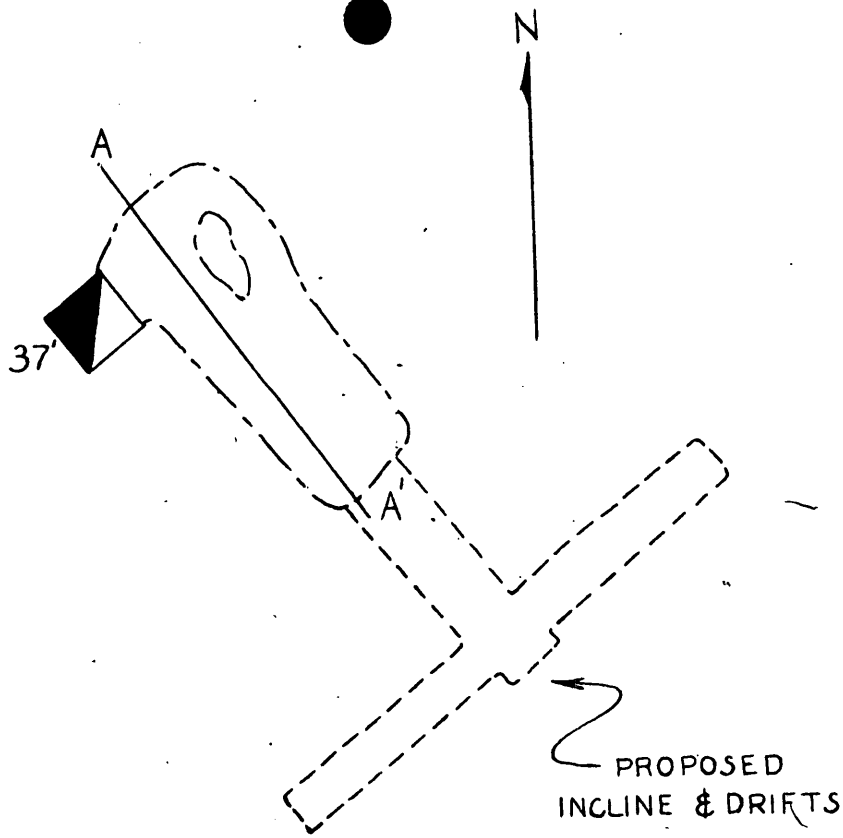
All Royalty Payments are due and must be paid on or before the tenth of the Month following the sale of any and all minerals mined or sold from the above described property.

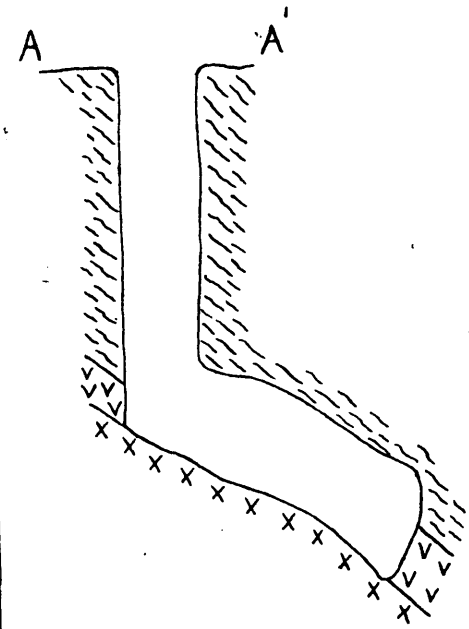
The Party of the Second Part, further agrees to furnish the Party of the First Part, a copy of all sale tickets for minerals sold from said property, and that all Mica must be cut and prepaired for sale on the said premises.

IN TESTIMONY WHEREOF the parties hereto have set their hands and Seals the day and year first written above.

Witness Doyle McCharter SEAL A. D. Carney

Witness Tony Tatum SEAL





SECTION A-A'

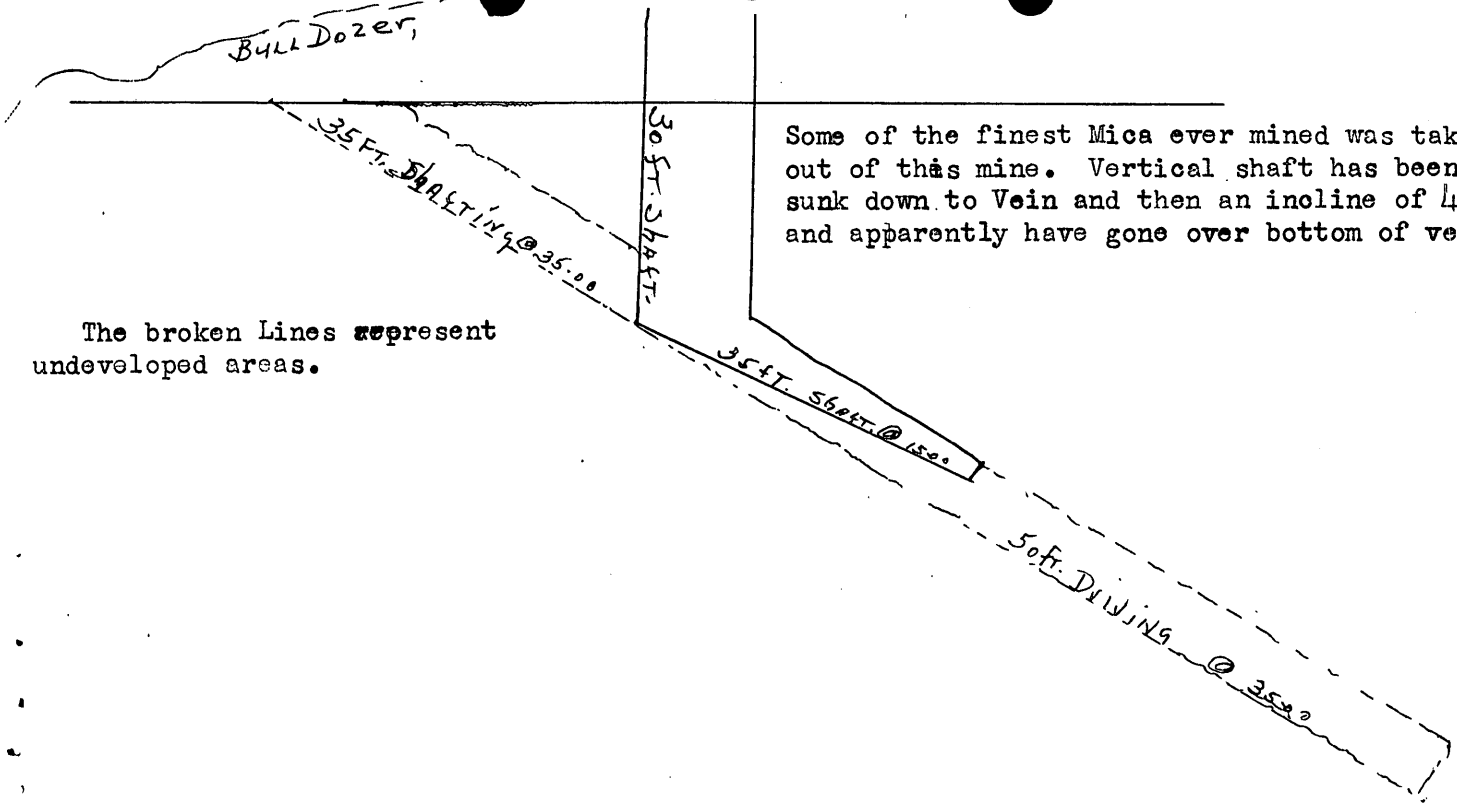
0 20' 40'
SCALE

SKETCH OF DENSON MINE

PICKENS CO., GA.

DMEA-3244 (mica)

5. (b) DESCRIPTION



Some of the finest Mica ever mined was taken out of this mine. Vertical shaft has been sunk down to Vein and then an incline of 45% and apparently have gone over bottom of vein.

The broken Lines represent undeveloped areas.

April 20 - 1955

Project Planning Report

By: ~~Walter~~ C. Anderson

1. Docket No. 10Mine-3244-Mica

Contract No. Adm-E 684

Old Lenoni Mine

Pickens County, Georgia.

Operator: Alex Teague

Post Office Box 266

Jasper, Georgia

Application: Form MF-103 (April 1952) received January 25, 1954

Work proposed: Bulldozer shaft site, rehabilitate 35 feet of existing incline, drive 35 feet additional incline and 50 feet of drifting.

Amount requested: $3,750.00

Operator's property rights:

Lease for 5 years with option to renew for 5 years dated January 1, 1954

Owner's Consent to Lien dated July 19, 1954.

2. Contract: Form MF-200(A) (Feb. 1952) dated July 12, 1954

Work authorized:

Construction - powder & explosive magazines	$ 38.00
Rehabilitation existing vertical shaft - 37 feet @ $8.00/ft.	296.00
Removing muck in existing incline	130.00
Erecting boom	130.00
Deepening existing incline - 30 feet @ $40.00/ft.	1,200.00
Driving 40 feet of drift @ $30.00/ft.	1,200.00
Total agreed unit costs	$ 2994.00
Government participation @ 75%	$ 2,245.50

Amendments: None

Work completed:

Constructed powder & exploder magazines.	$38.00
Erected Boom	130.00
Rehabilitated existing vertical shaft 37 feet @ $8.00/ft.	296.00
Removed muck from existing incline	130.00
Deepened existing incline 30 feet @ $40.00/ft.	1200.00
Total accepted cost	$1,794.00
Government participation @ 75%	$1,345.50

Work began July 26, 1954 and was terminated by mutual agreement on December 16, 1954.

Field Team Final report received March 25, 1955.

Operator's Final report waived.

Mica produced and sold during operation:

Trimmed sheet - 46.5 pounds @	$1015.65
Punch mica - 360 pounds @	54.00
Total	$1069.65

No equipment purchased during project

(3. Certification) Report of [illegible] 51 [illegible]

3. Audit - Report of Review issued March 25, 1955.

Accepted cost	$1,794.00
Government participation	$1,345.50

4. Certification of Discovery issued April 22, 1955

Ore reserves - 10,000 pounds of inferred "mine run" mica.

5. Comments:

How conducted - All the work in which the Government participated was acceptable. Good cooperation between Operator and Government in limiting work to just what was necessary to determine worth of deposit.

Operation - Good

Engineering - Narrative portions of Operator's monthly reports were inadequate. Did not submit a final report, which was waived.

Geological premise - The premise that mica occurrence would continue down the "roll" or "pipe" of the pegmatite proved correct as $1069.65 worth of mica was produced during the project. However, although there is no indication of continuation of pegmatite laterally, this has not been proven.

Geological criteria upon which work is based:

1. Pegmatite - thickness not known. Characteristics not given in field terms report. Hanging wall side only has been exposed. Characteristics of footwall side not known.

2. Mica - flat, hard, abundant occurrence, sizes up to 10 inches across. Some badly cracked.

3. Past production.

Criteria developed during project:

1. Conformable, zoned pegmatite in excess of 12 feet thick.

2. Central quartz core 6 feet thick flanked by

a 5 foot thick hanging wall containing mica concentrations.

3. Strategic quality mica.

Future possibilities - Indications are that all of the mica has been mined down the "roll" or "pipe" of the pegmatite and that chances for continuation laterally are not good.

Recommendations: The Nonmetallic Minerals Division concurs with the field team that a Certification of Discovery or Development should be issued. The Geological Survey and Bureau of Mines also concur.

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
	GCS	120
11/17	Johnson	110
4	[illegible]	100
		220
11/17	[illegible]	

November 17, 1964

Memorandum

To: The File

From: Chief, Division of Exploration Operations

Subject: DMEA-3244 (Mica)
Alex Teague
Old Denison Mine
Pickens County, Georgia
Contract Idm-E684

The date of closing of the subject contract was July 12, 1964. Apparently Mr. Teague died previous to September 25, 1962, as MME Form 63 dated August 15, 1962, addressed to Mr. Teague was returned by J. Ben Jones, administrator of the Alex Teague estate. Mr. Jones also signed MME Form 63 for the year 1963. However, he did not return the 63 form for 1964 which was dated September 11 and sent registered mail. Under the circumstances, it is believed that there has been no production subsequent to the closing of the mica depot and that this contract can be considered closed by this memorandum without notifying Mr. Jones.

George C. Selfridge

GCSelfridge/mm
cc: Director's Reading File
CA&A Division
Mr. R. A. Laurence, Knoxville, Tenn.
Mr. Selfridge
Code 120M

23263

November 17, 1964

Memorandum

To: The File

From: Chief, Division of Exploration Operations

Subject: 0884-3244 (Ga)
Alex Teague
Old Denison Mine
Pickens County, Georgia
Contract Im-7684

The date of closing of the subject contract was July 22, 1964. Apparently Mr. Teague died previous to September 23, 1962, as his Form 63 dated August 15, 1962, addressed to Mr. Teague was returned by J. Ben Jones, administrator of the Alex Teague estate. Mr. Jones also signed MTE Form 63 for the year 1963. However, he did not return the 63 form for 1964 which was dated September 11 and sent registered mail. Under the circumstances, it is believed that there has been no production subsequent to the closing of the mica caps and that this contract can be considered closed by this memorandum without notifying Mr. Jones.

GGSaltridge\mm
cc: Director's Reading File
OAEA Division
Mr. R. A. Lawrence, Knoxville, Tenn.
Mr. Saltridge
Code 1201

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

September 11, 1964

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Re: MEA-3244 (Ga)
Alex Teague
Old Denison Mine
Pickens County, Georgia
Contract Idm-B684

Mr. J. Ben Jones
Administrator, Alex Teague Estate
Box 266
Jasper, Georgia

Dear Sir:

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

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

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

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

2. Since _____, has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
_____		
_____	_____	_____

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

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

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

July 13, 1964

Mr. J. Ben Jones
Administrator, Alex Teague Estate
Box 266
Jasper, Georgia

Re:
DMTA-3244 (Mica)
Alex Teague
Old Denison Mine
Pickens County, Georgia
Contract Idm-2684

Dear Sir:

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

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

Sincerely yours,

George C. Selfridge

George C. Selfridge, Chief
Division of Exploration Operations

MMerrithew/mm

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

From October 24, 1963, to July 12, 1964

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

From October 24, 1963, to July 12, 1964

2. [redacted] , has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
_____	_____	_____
_____	_____	_____

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

Type	Quantity	Estimated Grade	Location
Ore	_____ Tons	_____	_____
Concentrates	_____ Tons	_____	_____
Other	_____ Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

D7184
3244

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee

☐ Show address where delivered

(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

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

J. Ben Jones

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

Mrs J. Ben Jones

DATE DELIVERED

SEP 15 1968

ADDRESS WHERE DELIVERED *(only if requested in item #1)*

Post Office Supr Ga.

CSS—16—71548-4 GPO

3244

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

October 22, 1963

Re: DMEA-3244 (Mica)
Alex Teague
Old Denison Mine
Pickens County, Georgia
Contract Idm-E684

Mr. J. Ben Jones
Administrator, Alex Teague Estate
Jasper, Georgia

Dear Sir:

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

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

Sincerely yours,

F. M. Murphy

F. M. Murphy, Acting Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 1 1963

DATE	INITIALS	CODE
11/4	MEJ	800
		~~100~~
11/7	KS	110
~~11/7~~	~~F. M. Murphy~~	~~500~~
		220

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since September 25, 1962 , has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☑

2. Since September 25, 1962 , has there been any production from the land subject to the contract? Yes ☐ No ☑

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

	Quantity	Value

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

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name Ben Jones Title Adm.

Address Box 266 Date 10-24, 1964?

Jasper, Ga.

4511

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/18	GCS	120
		220

JAN 18 1963

Mr. J. Ben Jones
Administrator, Alex Teague Estate
Jasper, Georgia

Re: DMEA-3244 (Mica)
Alex Teague
Old Denson Mine
Pickens County, Georgia
Contract Idm-K684

Dear Mr. Jones:

Enclosed for your information and files is a copy of a Report of Royalty Review, dated January 9, 1963, prepared by our Division of Contract Administration and Audit.

The report was the basis for the Director's letter to you of January 8, 1963.

We have just received the check drawn in the amount of $33.93 by the Teague Mining Company, for which we thank you.

Sincerely yours,

George C. Selfridge (gla)

Chief, Division of Field Operations

Enclosure

GCSelfridge/gla (1-18-63)
cc to: Docket
Director's Reading File
G. C. Selfridge
CA&A Division
Mr. Laurence, Region IV

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/18		120
		220

JAN 18 1963

Memorandum

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

From: Chief, Division of Field Operations, OME

Subject: IMKA-3244 (Mica)
Alex Teague
Old Denson Mine
Pickens County, Georgia
Contract Idm-2684

Enclosed for your files is the original of a Report of Royalty Review, dated January 9, 1963, on the subject contract.

George C. Selfridge (gla)

Enclosure

GCSelfridge/gla (1-18-63)
cc to: Docket
CA&A Division
Director's Reading File
G.C.Selfridge
R. A. Laurence, USGS, Reg. IV, w/cy of Report of Royalty Review dated 1/9/63 & orig. cy of memo dated 1/11/63 to Chief, Div. of Field Operations from CA&A Division.
Avery Reed, USBM, Reg. IV, w/cy of each item sent to Mr. Laurence

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code

JAN 17 1963

Memorandum

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

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

Subject: DMEA-~~[illegible]~~ 3244 (Tungsten)
Alex Teague
Old Denson Mine
Pickens County, Georgia
Contract Idm-R684

Enclosed for deposit to the subject DMEA account under Symbol 14X4401 as a royalty receipt is a January 14, 1963, check drawn in the amount of $33.93 by Teague Mining Co. on the Citizens Bank, Ball Ground, Georgia.

This check is in payment of a 5% roylaty on the $678.54 proceeds from a May 12, 1961, sale to the G. S. A. Mica Purchase Depot, Spruce Pine, North Carolina.

Enclosure

EDTalbert/cac
1/17/63
cc: Docket
Director's Reading File
CA & A Division
Region IV (2)

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

JAN 1 1 1963

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMRA-3244 (Mica)
Alex Teague
Old Denson Mine
Pickens County, Georgia
Contract Idm-E684

Enclosed are the original and three copies of a Report of Royalty Review covering the subject Region IV contract. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary;
(b) One copy to the Administrator, Alex Teague Estate; and
(c) Two copies to Region IV files.

As evidence of your concurrence, a copy of your letter transmitting a copy of the report to the Administrator, Alex Teague Estate, should be furnished this Division. If for any reason you do not concur, the original and all copies should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 1-11-63

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

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/8	Talbert	800
"	Holt	500
	Frumel	500
	Selfridge	120
1/8	Johnson	110
1-8	Fumich	100
		220

JAN 8 - 1963

Mr. J. Ben Jones
Administrator, Alex Teague Estate
Jasper, Georgia

Re: DMRA-3244 (Mica)
Alex Teague
Old Denson Mine
Pickens County, Georgia
Contract Idm-E684

Dear Mr. Jones:

By letter dated September 25, 1962, you submitted copies of the settlement sheets on two sales of mica by the late Alex Teague. Subsequent investigation has established that one of the settlements, BR3-191(a) dated May 12, 1961, covers the sale of mica produced from the property under the referenced contract.

This contract provides that Alex Teague, as principal if the producer or as surety if not the producer, shall pay to the Government a percentage royalty on all minerals produced from the land thereunder. Accordingly, a 5% royalty on the $678.54 proceeds from the May 12, 1961, sale is due to the Government.

Your prompt remittance of the $33.93 will be appreciated. The check should be made payable to the Office of Minerals Exploration.

Sincerely yours,

George Fumich, Jr.
Director

EDTalbert/ama 1-8-63

cc:
Docket
Director's Reading File
CA & A Division
Region IV (2) (w/cys of reply to 12/12 ltr.)

43683

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

OFFICIAL FILE COPY
RECEIVED
DEC 12 1962

1/8	Talbert	800
"	Holt	500
		500

Mr. A. D. Carney
Jasper, Georgia

Re: DMEA-3244 (Mica)
Alex Teague
Old Denson Mine
Pickens County, Georgia
Contract Idm-E684

Dear Mr. Carney:

In connection with the referenced contract and as an inducement to the Government to enter into it, on July 19, 1954, you executed an Owner's Consent to Lien. The property covered by the lien and at that time under lease to Alex Teague was known as the Old Denson Mine and was described as follows:

> The beginning is located 17 feet northeast from an old apple tree near the northwest corner of a barn; thence due east 135 feet; thence along Settlement Road N. 2° E., 1800 feet; thence due west 620 feet; thence S. 5° E., 300 feet to a spring; thence S. 25° W., 600 feet to a wooden peg; thence due south 1280 feet; thence S. 20° E., 506 feet to a peach tree; thence N. 25° E., 480 feet to the point of beginning; comprising 18 acres, more or less.

In order to clarify our records your answers to the following questions will be appreciated:

Yes (1) Is the Dewey Carney Mine located on the described property?

Yes (2) Since January 1, 1958, has the described property been leased? If so, to whom? ALEX TEAGUE MAY 28th 1960

Yes (3) Since January 1, 1958, has there been any production from the described property?

Sincerely yours,

Frank E. Johnson
ACTING Director

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
12/11	Talbert	800
12/11	Hoff	500
"	Mclean	500
	Selfridge	120
		110
		100
		220

DEC 12 1962

Mr. A. D. Carney
Jasper, Georgia

Re: DMEA-3244 (Mica)
Alex Teague
Old Benson Mine
Pickens County, Georgia
Contract Idm-E684

Dear Mr. Carney:

In connection with the referenced contract and as an inducement to the Government to enter into it, on July 19, 1954, you executed an Owner's Consent to Lien. The property covered by the lien and at that time under lease to Alex Teague was known as the Old Benson Mine and was described as follows:

> The beginning is located 17 feet northeast from an old apple tree near the northwest corner of a barn; thence due east 135 feet; thence along Settlement Road N. 2° E., 1800 feet; thence due west 620 feet; thence S. 5° E., 300 feet to a spring; thence S. 25° W., 600 feet to a wooden peg; thence due south 1280 feet; thence S. 20° E., 506 feet to a peach tree; thence N. 25° E., 480 feet to the point of beginning; comprising 18 acres, more or less.

In order to clarify our records your answers to the following questions will be appreciated:

(1) Is the Dewey Carney Mine located on the described property?
(2) Since January 1, 1958, has the described property been leased? If so, to whom?
(3) Since January 1, 1958, has there been any production from the described property?

Sincerely yours,

(signed) FRANK E. JOHNSON

ACTING Director

EDTalbert/ama
12-11-62

cc: Docket
Director's Reading File
CA & A Division
Region IV Files (2) (w/cy of 9/25 ltr. & attach. from J. Ben Jones)

43683

ALEX U. TEAGUE
Box 266
Jasper, Georgia

Alex Teague
Phone 692-3707
Jasper, Georgia

SEPT. 25-1962

J. Ben Jones
Phone 692-3339
Jasper, Georgia

DEAR MR. GRISWOLD

AM SENDING YOU G.S.A. FORMS 1013 AND 1013A ON DEWEY CARNEY & FRANKLIN GOLD MINES. THE MICA FROM THE DEWEY CARNEY MINES WAS MINED BY MR. TEAGUE IN THE LATTER PART OF 1960. THE MICA FROM THE FRANKLIN GOLD MINES WAS BOUGHT BY MR. TEAGUE FROM DeWEESE MINING CO. THE LEASE BETWEEN MR TEAGUE & MR CARNEY WAS CANCELLED WHEN WORK WAS STOPPED AT MINES. THE ALEX TEAGUE ESTATE HAS NO LEASE OR ANY MINING RIGHTS ON THE CARNEY MINES AND FRANKLIN GOLD MINES AT THIS TIME.

SINCERELY YOURS

J. Ben Jones
Adm. Alex Teague Estate

DM&Q-3244

OFFICIAL FILE COPY
O. M. E
RECEIVED SEP 28 1962

DATE		
9/28	ama	600
"		110
"	~~Received~~	500
10/1	~~Hoff~~ S.F.H	500
		220

Copy typed for Region IV 9/28/62 GLAult

Property under DM&Q-3244 as variously known as Old Dawson, Dawson, and Dawson Mine. Is Dewey Carney Mine also the same property? Was the Carney?

Talbott
9/28/62

MME Form 63
Revised 3-62

DMBA-3244
Idm-3684

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **July 1, 1960**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since **July 1, 1960**, has there been any production from the land subject to the contract? Yes ☒ No ☐

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

	Quantity	Value

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

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name J. Ben Jones Title Adm. Aly Turner Estate

Address Jasper, Ga. Date 9-25-62

4511

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

August 15, 1962

Re: DMEA-3244 (Mica)
Alex Teague
Old Denison Mine
Pickens County, Georgia
Contract Idm-8684

Mr. Alex Teague
P. O. Box 266
Jasper, Georgia

Dear Mr. Teague:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

FORM APPROVED BY COMP. GEN., U.S. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

WARRANTY AND ACCEPTANCE

DOMESTIC MICA PURCHASE PROGRAM (GSA REG. 7, AS AMENDED)

MICA PURCHASE DEPOT - Spruce Pine, N. C.

DATE PURCHASED: 5-17-[illegible]

ACCEPTANCE NUMBER: A02[redacted]

CERTIFICATE AUTHORIZATION NUMBER	LOT NUMBER	VOUCHER NUMBER	SCHEDULE NUMBER
MGC-4-591A	6PA[redacted]		

BASIS FOR FINAL SETTLEMENT: [X] PROGRAM A [ ] PROGRAM B [ ] ALTERNATE PROGRAM B *(Under Regulation 7, Revision 3, as amended)*

NAME AND LOCATION OF MINE

Cherokee County, Ga.
Franklin Gold Mine

TYPE OF MICA: [X] RUBY [ ] NONRUBY

PRELIMINARY PAYMENT

TOTAL POUNDS PURCHASED	AMOUNT OF INITIAL PAYMENT
7.31	$ 24.09

WARRANTY

The undersigned warrants that this lot of mica, weight above indicated, meets the requirements of all applicable regulations and laws governing the Domestic Mica Purchase Program. Further, the undersigned hereby sells this lot of mica to the Government subject to all laws and regulations governing the Domestic Mica Purchase Program and agrees to accept the processing results as valid and correct and to refund unconditionally to the Government any overpayment, with the understanding that the amount of any underpayment will be paid by the Government to the Seller upon completion of the processing of this mica.

SELLER'S NAME AND ADDRESS *(Type or print)*

Alex Teague
Box 249
Jasper, Ga.

SELLER OR PERSON AUTHORIZED TO SIGN FOR SELLER

SIGNATURE:

NAME *(Type or print)*: R. C. Tipton

TITLE *(Type or print)*: Agent

ACCEPTANCE

This lot of mica, weight above indicated, is accepted for the Government subject to all pertinent regulations and laws governing the Domestic Mica Purchase Program.

GENERAL SERVICES ADMINISTRATION

BY *(Type name)*	SIGNATURE	TITLE
Raleigh Young		Buyer

GSA WASH D C 58-3177

GSA FORM 1013
SEPTEMBER 1957

FORM APPROVED BY COMP. GEN., U.S. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA PURCHASE

MICA PURCHASE DEPOT - [illegible]

PROGRAM: [X] A [ ] B

DATE PURCHASED: 5-27-51

ACCEPTANCE NUMBER: [illegible]

CERTIFICATE AUTHORIZATION NUMBER	LOT NUMBER	VOUCHER NUMBER	SCHEDULE NUMBER
[illegible]	[illegible]		

EVALUATION DATA

RUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5				.22	40.00	8.80
GRADES NO. 5½ AND 6				1.22	17.70	21.59
STAINED						
GRADES NO. 3 AND LARGER		12.00			31.90	
GRADES NO. 4 AND 5		5.00		.62	18.25	11.32
GRADES NO. 5½ AND 6		3.00		6.19	7.55	31.03
HEAVY STAINED						
GRADES NO. 3 AND LARGER		8.00			14.80	
GRADES NO. 4 AND 5		4.00		.03	6.85	.09
GRADES NO. 5½ AND 6		2.00		.76	4.00	3.04
TOTALS			$			$

NONRUBY

GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5					40.00	
GRADES NO. 5½ AND 6					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$			$

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY *(Half trim plus full trim)* 7.00 LBS. $ 70.00

ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ _____ X _____ ÷ 18) $

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING

FINAL BASIS FOR PAYMENT $ 70.00

LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER 37.03

BALANCE DUE [X] SELLER [ ] GOVERNMENT $ 32.97

NAME AND LOCATION OF MINE

Franklin Gold Mine, Gunnison County, Co.
U GS G D 20.91

PROCESSED FOR PAYMENT (LBS.)	7.00
PROCESSED - NO PAYMENT (LBS.) THINS	.25
BLACK *(Dots, Spots, Stained)*	
UNDERSIZED	
PROCESSING LOSS	.07
TOTAL POUNDS PURCHASED	7.32

SELLER'S NAME AND ADDRESS *(Type or print)*

Alex Tobin
Box 206
Jasper, Co.

APPROVED

DEPOT SUPERINTENDENT: J. P. McKinney

DATE: 6-26-51

GSA WASH D C 58-3177

GSA FORM 1013a SEPTEMBER 1957

FORM APPROVED BY
COMP. GEN., U.S.
MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

WARRANTY AND ACCEPTANCE

DOMESTIC MICA PURCHASE PROGRAM (GSA REG. 7, AS AMENDED)

MICA PURCHASE DEPOT - Spruce Pine, N. C.

DATE PURCHASE: 12-61

ACCEPTANCE NUMBER: DS[redacted]

CERTIFICATE AUTHORIZATION NUMBER	LOT NUMBER	VOUCHER NUMBER	SCHEDULE NUMBER
[illegible]-1-170	[redacted]		

BASIS FOR FINAL SETTLEMENT: [ ] PROGRAM A [x] PROGRAM B [ ] ALTERNATE PROGRAM B *(Under Regulation 7, Revision 3, as amended)*

NAME AND LOCATION OF MINE: Dewey Cormoy Mine, Elbens County, Ga.

TYPE OF MICA: [x] RUBY [ ] NONRUBY

PRELIMINARY PAYMENT

TOTAL POUNDS PURCHASED	AMOUNT OF INITIAL PAYMENT
1917.00	$ 222.24

WARRANTY

The undersigned warrants that this lot of mica, weight above indicated, meets the requirements of all applicable regulations and laws governing the Domestic Mica Purchase Program. Further, the undersigned hereby sells this lot of mica to the Government subject to all laws and regulations governing the Domestic Mica Purchase Program and agrees to accept the processing results as valid and correct and to refund unconditionally to the Government any overpayment, with the understanding that the amount of any underpayment will be paid by the Government to the Seller upon completion of the processing of this mica.

SELLER'S NAME AND ADDRESS *(Type or print)*

Alex Teague
Box 266
Jasper, Ga.

SELLER OR PERSON AUTHORIZED TO SIGN FOR SELLER

SIGNATURE

NAME *(Type or print)*: R. C. Tippens

TITLE *(Type or print)*: Agent

ACCEPTANCE

This lot of mica, weight above indicated, is accepted for the Government subject to all pertinent regulations and laws governing the Domestic Mica Purchase Program.

GENERAL SERVICES ADMINISTRATION

BY *(Type name)*	SIGNATURE	TITLE
[illegible] B. Burleson		Buyer

GSA WASH D C 58-3177

GSA FORM 1013
SEPTEMBER 1957

FORM APPROVED BY COMP. GEN., U.S. MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA PURCHASE

MICA PURCHASE DEPOT - Sonora Bldg., N. C.

PROGRAM: [ ] A [ ] B

DATE PURCHASED: 9-12-61

ACCEPTANCE NUMBER: Alcanuco 8 [illegible]-191(a)

CERTIFICATE AUTHORIZATION NUMBER	LOT NUMBER	VOUCHER NUMBER	SCHEDULE NUMBER
[illegible]-3-1703	[illegible]-191(a)		

EVALUATION DATA

RUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM POUNDS	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$	.44	$ 70.00	$ 30.80
GRADES NO. 4 AND 5				3.99	40.00	159.60
GRADES NO. 5½ AND 6				12.91	17.70	228.51
STAINED						
GRADES NO. 3 AND LARGER		12.00		.67	31.90	21.37
GRADES NO. 4 AND 5		5.00		25.03	18.25	456.80
GRADES NO. 5½ AND 6		3.00		49.10	7.55	371.30
HEAVY STAINED						
GRADES NO. 3 AND LARGER		8.00		.22	14.80	3.26
GRADES NO. 4 AND 5		4.00		8.69	6.85	59.51
GRADES NO. 5½ AND 6		2.00		13.31	4.00	53.24
TOTALS			$			$

NONRUBY

QUALITY	POUNDS	PRICE PER LB.	AMOUNT	POUNDS	PRICE PER LB.	AMOUNT
GOOD STAINED AND BETTER						
GRADES NO. 3 AND LARGER		$	$		$ 70.00	$
GRADES NO. 4 AND 5					40.00	
GRADES NO. 5½ AND 6					17.70	
STAINED						
GRADES NO. 3 AND LARGER		9.60			25.55	
GRADES NO. 4 AND 5		4.00			14.60	
GRADES NO. 5½ AND 6		2.40			6.55	
HEAVY STAINED						
GRADES NO. 3 AND LARGER		6.40			11.85	
GRADES NO. 4 AND 5		3.20			5.45	
GRADES NO. 5½ AND 6		1.60			4.00	
TOTALS			$			$

TOTAL YIELD AND VALUE [X] RUBY [ ] NONRUBY (*Half trim plus full trim*) 119.30 LBS.	$ 1359.97
ADJUSTED VALUE WHEN LESS THAN 18% GS & B (ABOVE VALUE $ 1359.97 X 16.94 ÷ 18)	$ 1332.10
FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR RIFTING AND TRIMMING	499.90
FINAL BASIS FOR PAYMENT	$ 870.34
LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER	222.24
BALANCE DUE [X] SELLER [ ] GOVERNMENT	$ 648.30

NAME AND LOCATION OF MINE

Dewey County Mine, Dakota County, Co.
[illegible] 14.93
Scrap 1702.30
Washer 2.00

PROCESSED FOR PAYMENT (LBS.)	119.30
PROCESSED - NO PAYMENT (LBS.) THINS	3.10
BLACK (*Dots, Spots, Stained*)	Unqualified
UNDERSIZED	
PROCESSING LOSS	03.03
TOTAL POUNDS PURCHASED	1917.00

SELLER'S NAME AND ADDRESS (*Type or print*)

Alex Sengua
Box 200
Jasper, Co.

APPROVED

DEPOT SUPERINTENDENT: J. P. McKinney

DATE: 6-21-61

GSA WASH D C 58-3177

GSA FORM 1013a SEPTEMBER 1957

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

August 15, 1962

Re: DMBA-3244 (Mica)
Alex Teague
Old Denison Mine
Pickens County, Georgia
Contract Idm-3684

Mr. Alex Teague
P. O. Box 266
Jasper, Georgia

Dear Mr. Teague:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

BMBA-3244
IGD-3684

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **July 1, 1960**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since **July 1, 1960**, has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
_____	_____	_____
_____	_____	_____

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

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/26	Talbot	800
	Fineman	500
6/26	Selfridge	120
"	[illegible]	110
6/26	Tansey	100
		220

June 26, 1962

Memorandum

To: The File

From: C. E. Fisher, OME Auditor

Subject: Check of Spruce Pine Mica Purchase Depot Records, June 18 - 22, 1962

During the period of June 18 to 22, 1962, I examined the purchase records of the G.S.A. Mica Purchase Depot at Spruce Pine, North Carolina, for the purpose of ascertaining any unreported production under DMEA exploration project contracts. My examination did not disclose any unreported production subject to royalty under the following contracts:

Contract No.	Docket No.	Operator	Mine Names
E- 684	3244	Alex Teague	Old Denson (Denison)
687	3256	Glenn C. Rathburn	Fox, Busby Creek
692	3260	Sam L. Phillips	W. A. McKinney, McKinney No. 1
694	3199	W. B. Chrisawn	R. D. (W. H.) Westall
712	3410	Rock Mining Company	Rock
737	3469	A. Ward	Elmore
757	3559	C. R. Phillips, et al.	Sugar Dave, Ralph
762	3577	Keller Mining Co.	Royster
805	3720	Alvin White, et al.	Coward
830	3265	Mines and Mining, Inc.	Farlow Gap
835	3813	T. B. Vance	Shuffle Vance, Red, Charlie Burleson
840	3799	J. R. Beam	Bennett, Mica Field
865	3860	Ed Boone	Goog Rock
882	3924	J. R. Beam & John Phillips	Little Ray, Pat
891	3543	Buchanan Minerals, Inc.	Buchanan, Dream
900	3942	Sam G. Smith	Doe Hill, Sam Smith
962	4147	Sam L. Phillips	Old Buchanan
1005	4239	John Phillips	Roby (Robby)
1008	4332	John Phillips	John (John's) Brown
1037	4268	Murphy Mining Co.	Murphy, Murphy Rock
1042	4449	Clifton D. Buchanan	Boone, Phillips
1089	4554	Sam L. Phillips	Black Mountain

C. E. Fisher

cc: Docket
Director's Reading File
CA & A Division
Region IV Files (2)

CEFisher/ama
6-26-62

43683

RECEIVED JUL 8

DATE	
7-6	gold
"	Ag

Reporting [illegible] 1950

DMEA No.	Operator
3132 (Ala.)	[illegible] Mines, [illegible] Nelfin, Ala. (Hurst Mine)
2595 and 3375 (Ala.)	[illegible] Reed [illegible], Assignee [illegible], Ala. (Liberty Mine)
3212 [illegible]	[illegible] Spruce Pine, N.C.
✓ 3244	[illegible] Emerson
3799	[illegible] Spec, N.C.

REMARKS: [illegible] but the sales [illegible] Purchasing Depot [illegible]

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 23 1958

DATE	INITIALS	CODE
1/23	C	220
1/23	Com	100
27	Hook	600

DMEA EXPLORATION PROJECT

SEMI-ANNUAL REPORT ON CERTIFIED PROJECT

(mica)
DMEA-3244, Idm-E684, OLD DENSON MINE
Pickens County, Georgia

Reporting Period: 7-1-57 to 1-1-58

Operator: Alex Teague, P.O. Box 226, Jasper, Georgia

This property was visited January 6, 1958 and found idle. Mr. A. D. Carney, the owner of the property stated it was not leased to anyone at present and that it has not been operated since the last visit.

Wm. A. Beck, Mining Engineer
Bureau of Mines

January 15, 1958

z

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 8 1957

DATE	INITIALS	CODE
7/8	C	220
9	Com	100

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

ON

DMEA-3244, Idm-E684(mica) OLD DENSON MINE

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

Operator: Alex Teague, P.O. Box 266, Jasper, Georgia

Location: In Southern Pickens County, Georgia, 4.75 airline miles due west of Nelson, Georgia.

This property was visited by the writer on June 10, 1957. No work was being done, and from all appearances the mine had not been operated since the last inspection on February 14, 1957. Mrs. A. D. Carney, the wife of the property owner stated that no one has a lease on it at the present time.

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

June 10, 1957

z

EXPLORATION PROJECT CONTRACT

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

ON

DMEA-3244, Idm-E684 (mica) OLD DENSON MINE

Operator: Alex Teague, P.O. Box 266, Jasper, Georgia

Location: In Southern Pickens County, Georgia, 4.75 airline miles due west of Nelson, Georgia.

This property was visited by the writer and E. L. Boudette, Geologist, USGS, February 14, 1957. No work was being done there at the time and from all appearances the mine had not been operated since the last visit on July 27, 1956.

Wm. A. Beck, Mining Engineer
Bureau of Mines

February 14, 1957

z

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AUG 1 0 1956

Semi-Annual Reports of Certified Projects

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

Operator: Alex Teague, P.O. Box 266, Jasper, Georgia

Mine Name: Old Denson Mine

County and State: Pickens County, Georgia

Docket Number and Commodity --- DMEA-3244 - Mica

Contract Number --- Idm-E 684

Date of Contract: July 12, 1954

Date of Certification: May 2, 1955 4-29

Expiration Date of Royalty Payments: July 12, 1964

Total Amount of Contract: $2,994.00

Total Expenditures under Contract: $1794.00

Amount of Government Participation at 75% $1,345.50

Royalty Payments this Period; None

Previous Royalty Payments : $55.56

Total Royalty Payments to Date :$55.56

Percent Government Participation Repaid: 4.13 %

Royalty Due on Production to Date : None

Royalty Remarks

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AUG 1 0 1956

Original Estimate of Reserves (from final Engr.-Geol. Report): Inferred - 10,000 lbs mine-run mica

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

Revised Estimate of Reserves: --

Production this Period (Ore or Concentrates) in suitable detail Sheet - 46.60 lbs
Punch -383.00 "

Amount of Previous Production (since date of contract) Scrap - 2000 lbs

Total DMEA Production to Date : Same

Percent of Revised Reserves Mined

Production Remarks: The mine has not been in production since termination of the contract.

Other Remarks:

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

Accompanied by A.D. Carney, owner, of the property the mine was visited July 27, 1956. The entrance to the incline was boarded-up, but the rail was still in the shaft. Mr. Carney stated that a group of men from Spruce Pine pumped out the water this spring but stated the pegmatite did not look godd enough to pay them to mine it, so they did not lease the property.

Signed W. E. Beck Engineer

REPORT OF INSPECTION OF

CERTIFIED PROJECT

DMEA-3244, Idm-E684 (mica) OLD DENSON MINE
Pickens County, Georgia

Operator: Alex Teague, P.O. Box 266, Jasper, Georgia

Location: In southern Pickens County, Georgia, 4.75 airline miles due west of Nelson, Georgia

The subject mine was visited November 8, 1955. No work was being done there at the time and from all appearances the mine has not been operated since the contract was terminated. The entrance to the incline is boarded up.

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

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

RECEIVED
NOV 14 1955

3

RECEIVED
JUL 28 1955

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMEA-3244, Idm-E684, (mica) OLD DENSON MINE
Pickens County, Georgia

Operator: Alex Teague, P.O. Box 266, Jasper, Georgia

Location: In southern Pickens County, Georgia, 4.75 airline miles due west of Nelson, Georgia.

The subject mine was visited on July 13, 1955. No work was being done at the mine when visited. Upon confering with Mr. A. D. Carney, the owner of the property it was found that no work had been done since the contract was terminated. Mr. Carney stated that he has not notified Mr. Teague that his lease was cancelled. However, Teague has not lived up to the 30 day work clause in the lease.

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

July 13, 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1015 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

May 25, 1955

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 27 1955

Memorandum

To: Helen Miller, Ass't Administrative Officer - Knoxville-Morris

From: Executive Officer, DMA - Region 5, Knoxville, Tenn.

Subject: Royalty Payment- Ion-2664, DMA-3244, Alex Teague (mica)
Jasper, Georgia

Transmitted are sale slips in the amount of $1,111.30, and a check for 5% royalty in the amount of $55.56, on the subject certified contract.

Robert A. Laurence

RAL
cc:
Lynch
Ittredorf
Alsman
Files

Copy

Strategic Minerals Administration

GENERAL SERVICES ADMINISTRATION, REGION IV
MICA PURCHASE DEPOT, Spruce Pine, N. C.

Authorization No. EPS-4-551A Acceptance No. 1047 Date: 12-6-54

Seller: Alex Teague, Jasper, Georgia

Mine: Old Denson DMEA No. 3244, Adm E 684
Pickens County, Ga.

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger				.69	$70.00	48.30
No. 4 and 5				9.08	$40.00	363.20
No. 5½ and 6				13.60	$15.00	204.00
Stained No.3 and larger		$12.00		.19	$18.00	3.42
No. 4 and 5		$ 5.00		4.67	$ 8.00	37.36
No. 5½ and 6		$ 3.00		2.59	$ 5.00	12.95
Heavy Stained No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00			$ 3.00	
LOT TOTALS		//////		30.82	//////	
TOTAL		/////			/////	669.23

copy

GENERAL SERVICES ADMINISTRATION, REGION IV
MICA PURCHASE DEPOT, Spruce Pine, N. C.

Authorization No. EPS-4-551A Acceptance No. 799 Date: 10-28-54

Seller: Alex Teague - Jasper, Georgia

Mine: Old Denson Mine DMEA No. 3244-IdmE684
Pickens County, Ga.

Quality of Mica	HALF TRIM			FULL TRIM		
	Pounds	Price/Lb.	Amount	Pounds	Price/Lb.	Amount
Good Stained & Better Grades No. 3 & larger				.56	$70.00	39.20
No. 4 and 5				4.76	$40.00	190.40
No. 5½ and 6				5.18	$15.00	77.70
Stained						
No. 3 and larger		$12.00		.50	$18.00	9.00
No. 4 and 5		$ 5.00		2.24	$ 8.00	17.92
No. 5½ and 6		$ 3.00		2.44	$ 5.00	12.20
Heavy Stained						
No. 3 & larger		$ 8.00			$13.00	
No. 4 and 5		$ 4.00			$ 6.00	
No. 5½ and 6		$ 2.00			$ 3.00	
LOT TOTALS		//////		15.68	//////	
TOTAL		/////			/////	346.42

Sold To:
Franklin Mineral Products, Franklin, N.C.
1 ton scrap mica @ $30/ton - - - - 30.00
Carpenter & Phillips - Dec. 6, 1954
11 lb. ~~Smack~~ Scrap ~~scrap~~ @ 35¢ lb. - - - - - - - 3.85
12 lb. L. Flake @ 65¢ lb - - - - - 7.80
360 lb. punch @ 15¢ lb - 54.00

Total $442.27

FILE COPY
Surname:
Anderson
Houk
Chambers
Gehon
Selfridge
Johnson

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

600

MAY - 2 1955

Mr. Clarence A. Fredell, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
7th and D Streets, S. W.,
Washington 25, D. C.

Re: Docket No. DMEA-3244 - Mica
Alex Teague
Old Denson Mine
Pickens County, Georgia
Contract No. Idm-E684

Operating Committee
Field Team, Region V
Mr. Kilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Dear Mr. Fredell:

I am enclosing one copy of a certification of discovery or development relating to the subject contract.

The exploration contract was signed July 12, 1954, with the Government participating to the extent of 75% of $2,994.00 or $2,245.50. The project was started July 26, 1954, and was terminated by mutual agreement December 16, 1954, after the expenditure of $1,794.00 which is the total net and accepted cost according to the Audit Review. The Government paid 75% of the total accepted cost, or $1,345.50.

WCAnderson:ad 4/20/55
Copy to: Admr. R. File
Docket
Mr. Johnson
Mr. Chambers

The work performed on this project consisted of construction of powder and exploder magazines, erection of a boom, rehabilitation of an existing 37 foot vertical shaft, removing muck from an existing 25 foot incline extending downward from the vertical shaft, and deepening this incline an additional 30 feet. The new work explored a pegmatite in excess of 12 feet in thickness resulting in the discovery of concentration of strategic mica from which an ore reserve of 10,000 pounds of inferred "mine run" mica was calculated. There was recovered and sold during the project 46.5 pounds of trimmed sheet mica for $1,015.65 and 360 pounds of punch mica for $54.00.

The DMEA concurs in the field team's evaluation of the work performed and therefore has certified that a discovery or development has resulted from the work under this contract.

Sincerely yours,

R. O. Mittendorf

Administrator

Enclosure

R.C.H.

DOCKET FILE
Surname:
Anderson
Houk
Chandler
Lehen
Selfridge
H Johnson

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

MAY - 2 1955

Mr. Alex Teague
P. O. Box 266
Jasper, Georgia

Re: Docket No. DMEA-3244 - Mica
Alex Teague
Old Denson Mine
Pickens County, Georgia
Contract No. Idm-E684

Dear Mr. Teague:

Transmitted herewith is a certification of discovery or development on Contract No. Idm-E684 on the Old Denson Mine, Pickens County, Georgia.

By the terms of the Exploration Project Contract and of the certification, all production from the property from the date of the Exploration Project Contract, July 12, 1954, is subject to the Government's percentage royalty as set forth in the contract until the sum of $1,345.50 is paid or until July 12, 1964, whichever occurs first.

Payments should be made to Mr. Robert A. Laurence, Executive Officer, Defense Minerals Exploration Administration Field Team, Region V, Room 13, Post Office Building, Knoxville 2, Tennessee. Checks should be drawn payable to the Defense Minerals Exploration Administration. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check to the Executive Officer.

Royalty payments to the Government should be accompanied by suitable evidence, such as copies of settlement sheets showing quantity and grade of ore sold, the name of the purchaser, and the price and charges certified to be correct by the purchaser.

You are requested to notify Mr. Laurence of any changes in ownership or production rights that may have any effect on the Government's right to its percentage royalty. Also, if production ceases at any time for any extended period, please notify Mr. Laurence at six-month intervals that no production has been made.

Sincerely yours,

C. O. Mittendorf
Administrator

Enclosure

WCAnderson:ad 4/20/55
Copy to: Mr. A. D. Carney (Attached to Field Team copies for forwarding)
Admr. R. File
Docket

Mr. Johnson
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 19 1955

April 18, 1955

Re: DMEA-3244
Alex Teague
(Denson Mine)
Pickens Co., Ga.
$2994
Mica

Memorandum

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

From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of Final Field Team report

The Field Team has recommended the Denson mine be certified as a discovery. The contract was terminated by mutual agreement.

An estimate of 10,000 pounds of inferred "mine run" mica is reasonable. Inasmuch as $1,069.65 worth of mica has been sold to date, there is a good chance additional mica will be produced which should be subject to Government royalty.

I concur with the Field Team's recommendation that a certificate of discovery be issued.

E. L. Newcomb

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

Department of the Interior
Defense Minerals Administration
RECEIVED
APR 14 1955

April 13, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3244 (mica)

Applicant: Alex Teague

Name and Location of Property: Old Denson Mine
Pickens County, North Carolina

Contract Number: Idm-E 684

Date of Field Team Report: March 23, 1955

Date Rec'd. by Br. of Ceram. & Fert. Mat.: March 30, 1955

Field Team Recommendation:

1. Certification.

Comments:

1. Strategic mica was produced during the DMEA project.

2. Expenditures -

Total approved	$2,994.00
Total cost	1,794.00
Gov't. share of the cost	1,345.50
Value of Production during operation	?

3. Reserves are estimated at 10,000 pounds of inferred "mine-run" mica.

Recommendation:

I concur in the field team's recommendation to certify this project.

W. F. Dietrich

W. F. Dietrich

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

MAR 2 5 1955

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

Dear Mr. Laurence:

Enclosed are the originals and two copies of Reports of Review covering the following completed or terminated Exploration Project Contracts:

Contract No.	Docket No.	Operator
Idm-2495	DMEA-2793	Burns-Spangler Construction Co.
Idm-1705	DMEA-3248	South Tom Mining Co., Inc.
Idm-2714	DMEA-3329	Henry Lee Robinson
Idm-2694	DMEA-3244	Alex Teague

If you concur with the facts stated therein, the original and one copy of each Report of Review should be forwarded to the Certifying Officer and one copy of each should be retained in your files. If, for any reason, a Report of Review does not have your concurrence please return all copies to this Division with your comments thereon.

The Report of Review covering Contract Idm-2495 was drafted by Mr. Fisher during his recent visit to Region V. Copies of Field Team reports and correspondence received in this office have provided a means of verification of the work performed under the other three contracts for which Reports of Review have been prepared.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Acting Chief
Contract Administration
and Audit Division

Enclosures

EDTalbert/aaa
March 25, 1955

Copy to: Docket - 3244
~~Morris~~
Mr. Chambers
Helen Miller
Admr. Reading File

R.C.R.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 5 SHIRK POST OFFICE BLDG.
KNOXVILLE 2, TENN.

March 23, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Final Field Team Report on; DMEA-3244, Idm-E684 (mica)
Alex Teague, Jasper, Ga. Old Denson Mine,
Pickens County, Ga.

Enclosed are 4 copies of the subject final report. The project was terminated by mutual agreement.

We agree with the recommendation for certification.

The requirement for an Operator's final report is waived, as we do not think he could provide any additional information of use to us.

V. J. Lynch, Acting
Executive Officer, DMEA
Field Team, Reg. 5

K. H. Teague, Geologist
U. S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
3-30-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL Field TM Report

FINAL REPORT

FIELD TEAM, REGION V

On

DMEA-3244, Idm-E684, OLD DENSON MINE (mica)
Pickens County, Georgia

By

Kefton H. Teague, Geologist
U. S. Geological Survey

and

J. F. O'Neill, Mining Engineer
U. S. Bureau of Mines

March 21, 1955

Received by
DMEA CHIEF, FIELD SERVICES
3-30-55

FINAL REPORT
ON
DMEA-3244, OLD DENSON MINE (mica)
Idm-E684

Operator: Alex Teague, Box 266, Jasper, Georgia

Work completed under this contract consisted of constructing two magazines, rehabilitating an existing 37-foot vertical shaft, erecting a boom, removing muck from an existing incline, and driving 30 feet of new incline. The contract was terminated by mutual agreement, effective December 16, 1954. Some strategic mica was recovered from the work done under the contract. It is recommended that a certification of discovery be issued.

Work began July 26, 1954 and was terminated by mutual agreement December 16, 1954. A powder magazine and an exploder magazine were constructed and a boom erected. An existing 37-foot vertical shaft was rehabilitated and muck was removed from an existing incline that extended from the bottom of this shaft. This incline was extended an additional 30 feet at a -40° slope in a S. 30° E. direction. The Operator raised to the surface, at his expense, up the dip of the pegmatite and installed track. The pegmatite has been explored down dip for a total of 112 feet from the surface.

A conformable pegmatite in excess of 12 feet thick was explored by the incline. It strikes N. 50° E. and dips 30-45° S. E., and is enclosed by graphitic sericite schist. The incline appears to have been driven down a thicker or "pipe-like" portion of the body. The pegmatite is zoned having a central quartz core up to 6 feet thick flanked on the hanging wall by a zone of plagioclase, quartz, muscovite, garnet and tourmaline that is up to 5 feet thick. Mica tends to be concentrated adjacent to the wall in the hanging wall zone.

A total of 46.5 pounds of trimmed strategic sheet worth $1015.65 was recovered from the incline work and sold to the GSA Depot at Spruce Pine, North Carolina. It was as follows:

	#3 & larger	#4 & 5	# 5½ & 6
Good stained & Better	1.25 lbs.	13.84 lbs.	18.78 lbs
Stained	0.69	6.91	5.03

Also 360 lbs of punch worth about $54.00 has been sold.

No accurate estimation of reserves can be made as the character and size of the pegmatite along its strike is unknown. A conservative estimate of 10,000 pounds of inferred "mine-run" mica can be made.

Expenditures:

(a)	Total approved	$2,994.00
(b)	" cost of project	1,794.00
(c)	Government's share of cost	1,345.50
(d)	Government share unexpended	900.00
(e)	Value of production during opr.	?

The operation was conducted in an efficient and satisfactory manner. No equipment was purchased under the contract.

March 21, 1955

K. H. Teague, Geologist
U. S. Geoligical Survey

J. F. O'Neill, Mining Engineer
U. S. Bureau of Mines

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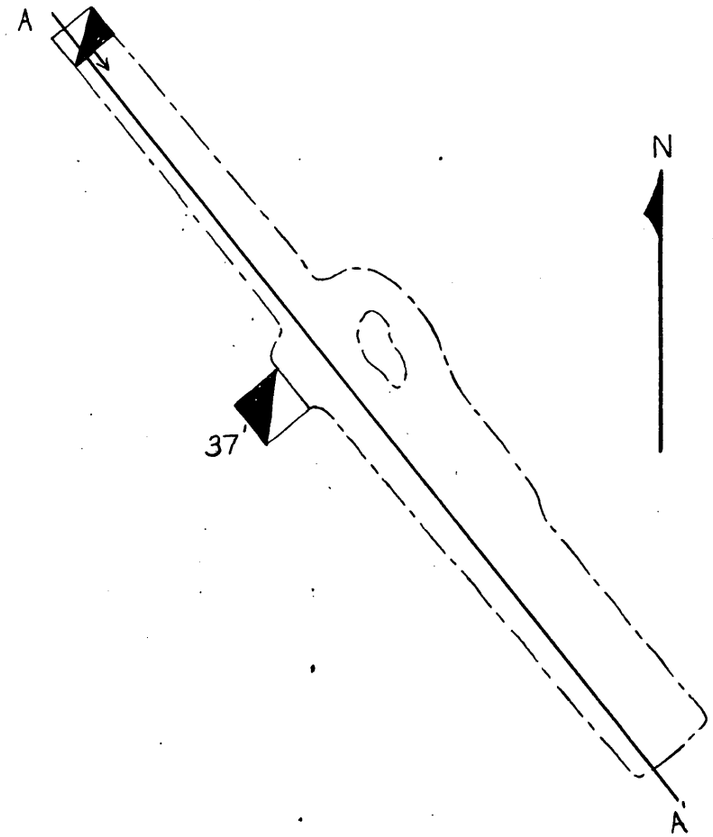

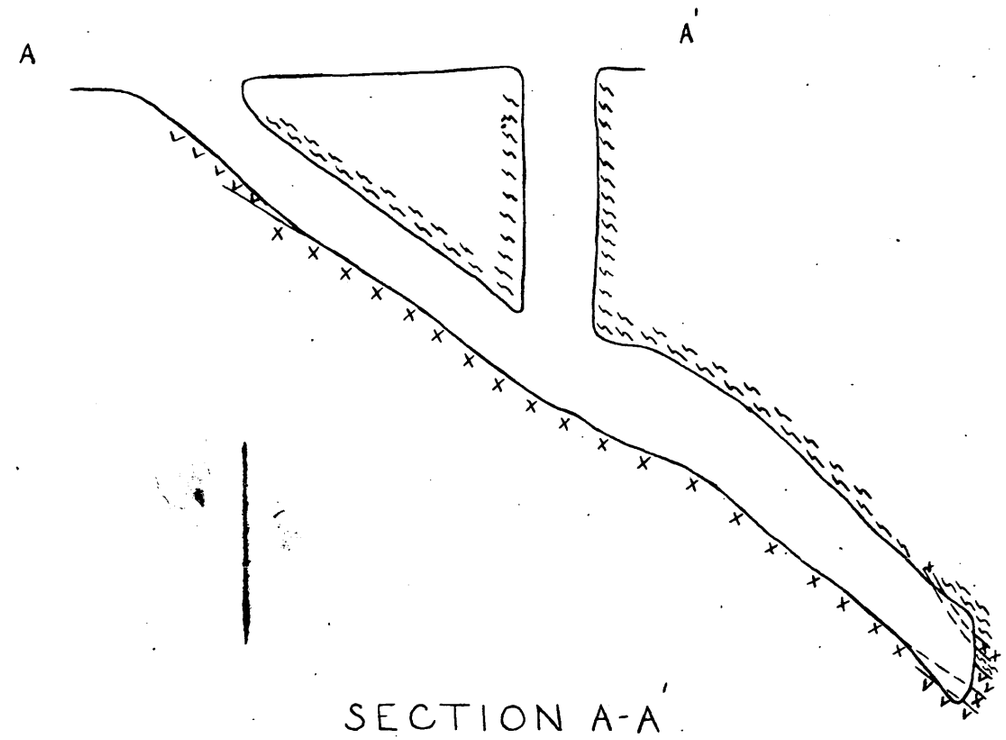

0 20' 40'

SCALE

SKETCH OF
DENSON MINE
PICKENS CO., GA.

DMEA-3244(mica)

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

March 21, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Idm-E684, DMEA-3244, Alex Teague (mica) Georgia.
Termination Agreement.

Transmitted are three copies of the subject termination agreement signed by Mr. Alex Teague. One copy has been retained by this office.

Robert A. Laurence

Robert A. Laurence

DOCKET FILE
Surname:
Anderson
Houk
Talbut
Martin
Frank E. Johnson

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

FEB 16 1955

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

Subject: Docket No. DMEA-3244 - Mica
Alex Teague
Old Denson Mine
Pickens County, Georgia
Contract No. Idm-E684

Dear Mr. Laurence:

Reference is made to Field Team memorandum of January 25, 1955, requesting that Termination Agreement forms be prepared for the subject contract.

Please find herewith the original and five copies of this Termination Agreement. If it meets with your approval please sign it in behalf of the Government and present it to the Operator for approval and signature.

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

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee (HB)

Approved:

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

E. L. Newcomb (HB)
Member, Geological Survey

Enclosures 6

WCAnderson:ad 2/15/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.G.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 27 1955

January 25, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-3244, Idm-E684 (mica) Denson Mine, Pickens County, Georgia. Alex Teague, P.O. Box 266, Jasper, Ga. Operator

Transmitted herewith is an interim report by J. F O'Neill, prepared after a visit to the subject project on December 16, 1954. This report has been held in the Knoxville office until a further visit could be made to the project.

Beck and Teague visited the project on January 14, 1955. No work had been accomplished since the December 16 visit, although the mine was completely dewatered. Considerable mica in books large enough to produce pattern sizes are showing in the face.

None of the lateral work provided in the contract has been accomplished, however, work todate has shown that the pegmatite extends down the dip from the surface at least 112 feet, and has contained more or less mica throughout the incline.

We agree with Mr. O'Neill that a workable deposit has been discovered. However, we believe that, had the laterals been driven, considerable information would have been obtained about the length of the mica-producing zone.

The Operator desires to terminate the project, and we are in agreement. Please prepare the necessary forms to terminate the project by mutual consent. Certification will be recommended.

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

RECEIVED
FEB 3 1955
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

K. H. Teague, Geologist
U. S. Geological Survey

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION VII, SOUTHEASTERN
BOX L
UNIVERSITY, ALABAMA

RECEIVED
DEC 27 1954

FREIGHT ADDRESS:
TUSCALOOSA, ALABAMA

December 20, 1954

Interim Report

DMEA 3244 - Mica
Idm-E-684
Denson Mine
Operator: Alex Teague
P. O. Box 266
Jasper, Georgia
Date examined: December 16, 1954

The incline at this project was estimated about 34 feet or 4 feet beyond the allocated depth. Water was standing in the face which prevented a direct measurement. A round was blasted in the hanging wall about 10 feet from the face and exposed 4 feet of quartz over a 1-foot seam of schist, and underlying a schist wall this part of the dike did not contain any mica.

The dike at the face of the incline was pinched and contained a few badly curved books of mica.

Shipments of mica from this project to date are as follows:

	Pounds	Value	Pounds	Value
No. 3	.69	$48.30	.56	$39.20
4 & 5	9.08	363.20	4.76	190.40
5½ - 6	13.6	204.00	5.18	77.70
Stained				
No. 3	.19	3.42	.50	9.00
4 & 5	4.67	37.36	2.24	17.92
5½ - 6	2.59	12.95	2.44	12.20
Total	30.82	$669.23	15.68	$346.42
Date Shipment	12-6-54		10-28-54	

The operator had no crude mica on hand and alleged that the initial shipment did not pay for its trimming. He requested that the contract be terminated.

The objective of this project appears accomplished. The incline at the project was advanced over a width from 10 to 7 feet and exposed the dike through its greatest thickness and it is apparent that no additional information would be gained by the proposed drifting in the contract. It is therefore recommended that this contract be terminated by mutual agreement.

J. F. O'Neal
Mine Examination and
Exploration Engineer
Mining Division, Region VII

JFO'Neal:me
cc: R. A. Laurence, Orig. &5
Reg.Dir.,Reg. VII
J. F. O'Neal
file
day file

☑ Audited 3/25/55 WO[illegible] ANALYSIS SHEET - DMEA PROJECT ☐ Actual Cost

☑ Certified 4/29/58 Analysis as of 12/20/54 ☑ Agreed Unit Costs

Incl. Voucher for Nov. 1954

Name Alex Teague Docket No. 3244

State Georgia Commodity Mica Idm-E No. 684

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	40 Ft.	$1,200.00	—	—	—
Raising					
Shafts	30 Ft.	$1,200.00	30 Ft.	$1,200.00	$1,200.00
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation		426.00		$426.00	426.00
New Building, Improvements, etc.		168.00		168.00	168.00
Other (Specify)					
Totals		$2,994.00		$1,794.00	$1,794.00

Prepared by Walter C. Robinson

71626

Form MF-10½ (Rev.)
(April 195?)

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 28

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1954 Docket No. DMEA 3244 Contract No. 684
Operator's Name Alex Teague Minerals Mica
Address Jasper, Ga.
Contract Amount, $2,994.00 Government Participation: 75% Amount, $2,994.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
Erecting Boom			130.00		130.00	130.00
Timbering Shaft			296.00		296.00	296.00
Drifting Incline 4½ft	180.00	380.00	1,200.00	180.00	1020.00	1,200.00
Removing Muck			130.00		130.00	130.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Powder Mag.			25.00		25.00	25.00
Expleder "			13.00		13.00	13.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$180.00	$380.00	$1,794.00	180.00	1,614.00	1,794.00

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

Date Dec. 7, 54 *Payee Alex Teague

Per _____ Title Owner

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

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

(Instructions on reverse)

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

$135.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date DEC 1 3 Vou. No. 105
(See other side)

4

45.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-684 in accordance with the terms of the contract.

Signature J. F. O'Neill Title Engineer Date 12-10-54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date DEC 13 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1954 Docket No. DMEA 3244 Contract No. 684

Operator's Name Alex Teague Minerals Mica

Address Jasper, Ga.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting Incline	ft.	180.00	4½ ft.	1,200.00	30	1,200.00		
Crosscutting								
~~Raising~~ Timbering Shaft				296.00	37	296.00		
Shafts								
~~Winzes~~ Powder Mag.				25.00	1	25.00		
~~Drilling: Core~~ Exploder Mag				13.00	1	13.00		
Churn								
Erecting Boom ~~Auger~~				130.00	1	130.00		
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Removing Muck				130.00	1	130.00		
TOTAL DISTRIBUTED COSTS		180.00		1,794.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		180.00		1,794.00				

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

Date Dec. 7, 54 Operator Alex Teague

Per Title Owner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Monthly Narrative Report
DMEA 3244
Contract No. 684

November 5, Drove incline 1ft.

November 8, Drove incline 1½ft.

November 10, Drove incline 1ft.

November 12, Drove incline 1ft.

Trimed and sold 30 lbs. mica, which brought $669.23. Have about 50 lbs. crude mica on hand.

U. S. Bureau of Mines
RECEIVED

DEC 9 1954

Southern Experiment Station
Box L, University, Ala.

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

Department of the Interior
Defense Minerals Administration
RECEIVED
NOV 19 1954

November 17, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII - Knoxville

Subject: DMEA-3244, Idm-E 684(mica). Alex Teague, Jasper, Ga.
Denson Mine, Pickens County, Ga.

Enclosed are 4 copies of the latest interim report on the subject mine.

Mr. Teague visited the project on November 12. He explained to the Operator that sinking the incline beyond the authorized depth was permissible, but would have to be done at the Operator's expense. Mr. Teague also thinks that a 5 x 7' drift on the footwall split of the pegmatite (if it is a split) will be adequate to explore the supposed hanging wall split. Therefore, the requested hanging wall crosscut would not be needed, and for the present at least, we do not recommend any amendments. Time extension beyond February 10, 1955 will be given consideration at that time, if needed.

Robert A. Laurence
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REGION VII, SOUTHEASTERN
BOX L
UNIVERSITY, ALABAMA

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 19 1954

FREIGHT ADDRESS:
TUSCALOOSA, ALABAMA

November 8, 1954

Interim Report

DMEA No. 3244 - Mica
Idm-E-684
Denson Mine
Operator: Alex Teague
P. O. Box 266
Jasper, Georgia
Date examined: November 6, 1954

Work was resumed on sinking the incline and is now advanced 25.5 feet. The last stage of the sinking was sized 5 ft. x 6 ft. The foreman stated that a number of large book were wasted because of the close blasting required in the small sized incline, and requested that he be allowed to widen the incline so that he could slab the face and increase the recovery of the mica. He was informed that the procedure of sinking the incline is the operator's decision and does not appear objectionable. He also informed me that he considered the showing of mica so good that he would like to sink the incline below the 30 ft. established in the contract, if the showing of mica was still good at this point and was willing to assume all of the cost of sinking below the 30 ft. level. He stated that if he did go below the 30 ft. level, he wanted the drifting that was allocated in the contract to the lower horizon or the bottom of the incline. He still insisted that the dike was split by a horse of wall rock from 18 inches to 2 feet thick (see Interim Report of September 24, 1954). The foot wall portion of the dike is being well-tested by the incline and drifting on this phase of the dike appears repetitious. He requested that he be allowed to crosscut at the bottom of the incline in order to test the split phase of the dike and also a possible foot wall dike and allow excess footage over the crosscuts applicable to testing by drifting to the hanging or foot wall veins. He was requested to make an application for an amendment to the contract by letter and consideration would be given to it.

It is recommended that upon receipt of the suggested letter that the changes requested be given favorable consideration and that the contract also be amended allowing the operator a 6-month extension of time in order to complete the work under the new proposal.

The size of the pegmatite is unchanged. Mica occurs in the hanging wall side of the quartz core. The books have increased in number and size and are not stained.

J. F. O'Neill
Mine Examination and
Exploration Engineer
Mining Division, Region VII

JFO'Neill:wjk
cc: R. A. Laurence, orig. & 5
Reg. Dir., Reg. VII
J. F. O'Neill
file
day file

F-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

OPERATOR'S MONTHLY REPORT AND VOUCHER

th of October, 1954 Docket No. DMEA 3244 Contract No. 684
rator's Name Alex Teague Minerals Mica
Address Jasper, Ga.
ntract Amount, $ 2,994.00 Government Participation: 25 % Amount, $ 2,994.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Timbering Shaft		296.00	296.00			
~~Bulldozing~~						
Erecting Boom		130.00	130.00			
~~Crosscutting~~						
Drifting incline 9½ft	380.00	640.00	1,020.00			
Removing Muck		130.00	130.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Powder Mag.		25.00	25.00			
Exploder Mag.		13.00	13.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	380.00	1,234.00	1,614.00	380.00	1,234.00	1,614.00

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

Date 11-8-1954 *Payee Alex Teague

Per _____ Title Owner

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

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

(Instructions on reverse)

95.00

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

$ 285.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date NOV 23 1954 Vou. No. 90

(See other side)

3

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-684 in accordance with the terms of the contract.

Signature J. F. Mell Title Engineer Date 11-12-54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date NOV 15 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1954 Docket No. DMEA 3244 Contract No. 684

Operator's Name Alex Teague Minerals Mica

Address Jasper, Ga.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting incline	ft.	380.00	9½ft.	1,020.00	25½ft.	1,020.00	✓	
Crosscutting								
~~Raising~~ Timbering Shaft				296.00	37	296.00	✓	
Shafts								
~~Winzes~~ Erecting Boom				130.00	1	130.00		
Drilling: Core								
~~Churn~~ Powder Mag.				25.00	1	25.00		
~~Auger~~ Exploder Mag.				13.00	1	13.00		
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Removing Muck				130.00	1	130.00	✓	
TOTAL DISTRIBUTED COSTS		380.00		1,614.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		380.00		1,614.00				

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

Date 11-8-1954 Operator Alex Teague

Per Title Owner

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. Bureau of Mines
RECEIVED
NOV 12 1954
Southern Experiment Station
Box L, University, Ala.

GPO 83-38475

Monthly Narrative Report
DMEA 3244
Contract No. 684

October 1st. through October 15th.
Absent on account of men driving incline

October 18th. Drove incline 3ft.

October 19th. Drove incline 4ft.

October 20th. Drove incline 2½ft.

Mined around 200 lbs. mica.

Trimed and sold 15 lbs. mica which brought $346.42. Have 6 lbs. trimed mica on hand and approx. 11 lbs. of crude mica.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 29 1954

INTERIM REPORT
DMEA-3244, Idm-E 684, DENSON MINE (mica)

Operator: Alex Teague, P.O. Box 266, Jasper, Georgia

Location: Four and one-half airline miles from Nelson, Georgia

Since work was resumed on October 11, 1954, incline has been advanced to 24 feet, leaving 6 feet of incline to be driven. Character, attitude and composition of pegmatite remains essentially unchanged. Mica occurs on the hanging wall side of the quartz core.

To date 18 pounds of mica have been prepared for sale. That prepared for sale is in fairly large sizes.

The foreman was advised to begin drifting to the northeast after completing incline.

Progress on the project is satisfactory.

Date of Inspection - October 26, 1954

K. H. Teague
Kefton H. Teague, Geologist
U. S. Geological Survey

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION VII, SOUTHEASTERN
BOX L
UNIVERSITY, ALABAMA

FREIGHT ADDRESS:
TUSCALOOSA, ALABAMA

RECEIVED
OCT 19 1954

October 15, 1954

Interim Report

DMEA No. 3244 - Mica
Idm-E-684
Denson Mine
Operator: Alex Teague
P. O. Box 266
Jasper, Ga.
Date examined: October 13, 1954

Work was suspended from September 3 to October 11, 1954. The incline was advanced a total of 18 feet.

The dip of the pegmatite has steepened to 47°. The mica content of the dike is lower but the books that are found are not heavy stained.

The operator requested that when the incline is completed that he be allowed to run a hanging wall cross-cut in order to test for the presence of a hanging wall dike. He alleges that he drilled a hole in the back at the face and struck pegmatite. Favorable consideration should be given to this request.

It was suggested to the operator that he hold the alignment of the incline with the trackage, stay with the pegmatite, and require all of his men to wear hard hats.

J. F. O'Neill

J. F. O'Neill

JFO'Neill:al

cc: R. A. Laurence, original and 5
Regional Director, Region VII
J. F. O'Neill
Day File
File

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION VII, SOUTHEASTERN
BOX L
UNIVERSITY, ALABAMA

FREIGHT ADDRESS:
TUSCALOOSA, ALABAMA

Minerals Administration
RECEIVED
SEP 29 1954

September 24, 1954

Interim Report

DMEA No. 3244 - Mica
Idm-E-684
Denson Mine
Operator: Alex Teague
P. O. Box 266
Jasper, Ga.
Date examined: September 27, 1954

Work has been suspended since September 3, 1954. The incline was advanced 14 feet, which was the same as the previous report.

The operator said that they started to trim the recovered mica and found it so badly stained that it would not pay for its trimming, and for this reason he did not consider it advisable to spend any more money on the project.

Books of mica weighing up to 35 pounds were recovered to date but all of them contained numerous small black spots that the trimmer was cutting large sheets into small sizes in order to eliminate the staining. He was wasting more mica than he was recovering. The staining mineral appeared to be manganese or iron film and it is possible that the large sheets would be accepted as a stained quality.

It was suggested to the operator that he and the trimmer make a trip to Spruce Pine, mica depot, and get instructions as to the most economical way to trim the mica into an acceptable grade.

It was recommended that the incline be continued to a pinch or 30 feet, the incline be steepened to conform with the dip of the pegmatite, and that it be cut from a stope incline to a 5 foot by 6 foot size.

The operator alleged that there was a split in the vein or two veins in the old part incline and the better grade of mica came from the upper vein or a hanging wall dike. There is some evidence of this structure and the feature should be tested before the contract is cancelled.

J. F. O'Neill

J. F. O'Neill, Mining Engineer
Mining Development Branch
Mining Division, Region VII

JFO'Neill:al
cc: Laurence, orig. + 5
Reg. Dir., Reg. VII
O'Neill
Day File, File

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 24 1954

September 22, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII - Tennessee

Subject: DMEA-3244, Idm-E 684 (mica) Alex Teague, Jasper, Georgia.
Old Denson Mine, Pickens County, Ga.

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

When we have received Mr. O'Neill's report of the inspection to be made on September 22, we will advise you as to whether or not we favor continuation or termination.

Robert A. Laurence

Robert A. Laurence

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION VII, SOUTHEASTERN
BOX L
UNIVERSITY, ALABAMA

FREIGHT ADDRESS:
TUSCALOOSA, ALABAMA

Bureau Mines
RECEIVED
SEP 24 1954

September 20, 1954

Interim Report

DMEA No. 3244 - Mica
Idm-E-684
Denson Mine
Operator: Alex Teague
P. O. Box 266
Jasper, Ga.
Date visited: Sept. 18, 1954

The project was closed and the incline was about half full of water.

The operator was located at his quary operation at Holy Springs, Ga., and said that he closed down the previous week because when they trimmed the recovered mica they found it full of small tourmaline crystals. Their recovery of acceptable mica would not pay for its trimming. He saw no reason why any more money should be spent on the project as he considered it a waste of time and money.

He was asked if he would pump the water from the incline and have it open for inspection on Wednesday, Sept. 22, 1954, and he agreed to do so.

J. F. O'Neill, Mining Engr.
Mining Development Branch
Mining Division, Region VII

JFO'Neill:al
cc: R. A. Laurence, orig. & 5
Reg. Dir., Reg. VII
J. F. O'Neill
Day File, File

RECEIVED
SEP 22 1954
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

RECEIVED
SEP 22 1954
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

INTERIM REPORT

ON

DMEA-3244, Idm-E 684, Old Denson Mine
(mica)

Operator: Alex Teague, P.O. Box 266, Jasper, Georgia

Location: 4 1/2 miles airline from Nelson. Georgia

Work continues on this project. Incline work accomplished todate amounts to 14 feet, with about 500 pounds of mica recovered.

Drill holes through the quartz core to the footwall indicates that the pegmatite is about 6 feet thick. A 2-foot feldspathic zone occurs above the quartz, with the mica zone adjacent to the wall rock. The incline is on a - 34° slope in a S. 30° E. direction. At the face the pegmatite appears to steepen to about 45°. The Operator was instructed to "stay with" the pegmatite.

Progress on this project is satisfactory.

Sept. 3, 1954.

K. H. Teague, Geologist
U. S. Geological Survey

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

RECEIVED
SEP 17 1954

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1954 Docket No. DMEA 3244 Contract No. 684
Operator's Name Alex Teague Minerals Mica
Address Jasper, Ga.
Contract Amount, $2,994.00 Government Participation: ~~35~~ 15% Amount, $2,994.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
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Bulldozing						
Crosscutting						
Drifting Incline	$640.00		640.00			
Removing Muck	130.00		130.00			
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Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
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Explosives mag.		25.00	25.00			
Pipe Powder mag.		13.00	13.00			
Track						
Erecting boom		130.00	130.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$770.00		~~$1,234.00~~	770.00	464.00	1,234.00

PAID ON VOUCHER & SCHEDULE 15 OF PAYMENTS K-

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Sept. 2, *Payee Alex Teague
Per _____ Title Owner

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

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

(Instructions on reverse)

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

$577.50

Signature Cora A. Pizer
(Authorized Certifying Officer)

Date SEP 14 1954 Vou. No. 57
(See other side)

19250

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-684 in accordance with the terms of the contract.

Signature J. F. O'Neill Title Engineer Date 9/8/54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Lorna Beck ACTING Title EXECUTIVE OFFICER DMEA REGION VII Date SEP 10 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1954 Docket No. DMEA 3244 Contract No. 684
Operator's Name Alex Teague Minerals Mica
Address Jasper, Ga.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting Incline	16'	$640.00	16'	640.00	16'	640.00	16'	640.00
Crosscutting Timbering	37'			296.00	37'	296.00	37'	296.00
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping Powder exc	-		1	25.00	1	25.00	1	25.00
Trenching Exploder mag			1	13.00	1	13.00	1	13.00
Test Pits Boom			1	130.00	1	130.00	1	130.00
Roads and Trails								
Removing Muck	1	$130.00	1	130.00	1	130.00	1	130.00
Total Distributed Costs		$770.00		1,234.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date Sept. 2, 54 Operator Alex Teague

Per _____ Title Owner

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Monthly Narrative Report
DMEA 3244
Contract No. 684

August 2, 1954	Driving up slope
August 3, 1954	Driving up slope
August 4, 1954	Driving up slope
August 5, 1954	Laying steel rack in incline
August 6, 1954	Laying steel rack in incline
August 9, 1954	Building elevated track for train car
August 10,1954	Mucking incline
August 11,1954	Mucking incline
August 12,1954	Mucking incline
August 13,1954	Mucking incline
August 16,1954	Mucking incline
August 17,1954	Mucking incline
August 18,1954	Installing electric pump
August 19,1954	Mucking incline
August 20,1954	Driving incline
August 23,1954	Driving incline
August 24,1954	Driving incline
August 25,1954	Driving incline
August 26,1954	Driving incline
August 27,1954	Driving incline
August 30,1954	Driving incline
August 31,1954	Driving incline

Remarks: Mined 200lbs. Mica.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION VII, SOUTHEASTERN
BOX L
UNIVERSITY, ALABAMA

FREIGHT ADDRESS:
TUSCALOOSA, ALABAMA

August 12, 1954

Interim Report

DMEA No. 3244 - Mica
Idm-E-684
Denson Mine

Operator: Alex Teague
Location: 4-1/2 miles airline from Nelson, Georgia
Date Examined: August 10, 1954

The timbering of the shaft at this project is completed. Six by six inch ringset with 6-inch square posts and 1-inch lagging was used in the timbering.

Forty-two feet of an incline that was sunk to intersect the bottom of the shaft for haulage purposes was driven at the operator's own expense.

A hoist, dumping tipple, powder and exploder magazines were all constructed and clean-up work was started in the old incline.

About 175 pounds of beryl was uncovered in a foot wall vein by a dozer in clearing for the hoist and tipple site.

This project is being worked in an excellent miner-like manner and the progress to date is above average.

J. F. O'Neill
Mine Examination & Exploration Engineer
Mining Development Branch
Mining Division, Region VII

RECEIVED
AUG 16 1954
Knoxville, Tenn.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

39

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1954 Docket No. DMEA 3244 Contract No. 684
Operator's Name Alex Teague Minerals Mica
Address Jasper, Ga.
Contract Amount, $ 2,994.00 Government Participation: 75% Amount, $ 2,994.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
~~Drifting~~ Timber shaft	$296.00		$296.00			
Erecting boom	$130.00		$130.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Powder Mag.	$25.00		$25.00			
Exploder Mag.	$13.00		$13.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$464.00		$464.00	464.00	—	464.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-9

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 30 *Payee Alex Teague
Per _____ Title Owner

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

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 348.00
Signature Cora A. Pirson
(Authorized Certifying Officer)
Date AUG 18 1954 Vou. No. 39
(See other side)

1st 5/26 116.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-684 in accordance with the terms of the contract.

Signature J F O'Neill Title Engineer Date 8-13-54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date AUG 16 1954

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1954 Docket No. DMEA 3244 Contract No. 684
Operator's Name Alex Teague Minerals Mica
Address Jasper, Ga.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract	
							Units	Unit Costs.
Drifting								
Crosscutting								
Raising								
Shafts Timbering	ft.	$296.00	37ft.	$296.00	37	296.00	37	$296.00
Winzes								
Drilling: Core								
Churn								
Auger								
~~Stripping~~ Powder Mag.	1	25.00	1	25.00	1	25.00	1	25.00
~~Trenching~~ Exploder Mag.	1	13.00	1	13.00	1	13.00	1	13.00
Test Pits								
Roads and Trails								
Boom	1	130.00	1	130.00	1	130.00	1	130.00
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								

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

Date July 30, Operator Alex Teague

Per Title Owner

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

Remarks:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Monthly Narrative Report
DMEA-3244
Contract No. 684

July 26, 1954	Erecting Boom pds.
July 27, 1954	Building powder mag. and Exploder mag.
July 28, 1954	Making bottom shaft.
July 29, 1954	Cribbing shaft.
July 30, 1954	Cribbing shaft.

Remarks: Mined 100 lbs. Mica & 150 lbs. Beryl

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

July 20, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Signed Contract: Idm-E684, DMEA-3244. Alex Teague
Denson Mine, Pickens County, Georgia

Transmitted herewith are three signed copies of the subject contract. The usual distribution of the other signed copies has been made by this office.

Robert A. Laurence

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

FILE COPY
Surname:

Anderson
Houk
Talbert
Selfridge

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

JUL 12 1954

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

Subject: Docket No. DMEA-3244 - Mica
Alex Teague
Old Denson Mine
Pickens County, Georgia

Dear Mr. Laurence:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by the Government with register number and effective date as shown. It is subject to the attachment of new Owner's Consent to Lien forms, executed by A. D. Carney. A copy of memorandum from the Legal Division is enclosed.

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

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from the Geological Survey, dated March 23, 1954, and May 12, 1954, and from the Bureau of Mines, dated April 2, 1954, are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (2/B)

Approved:

J. H. Hedges (2/B)
Member, Bureau of Mines

Philip W. Guild (2/B)
Member, Geological Survey

Enclosures 19

WCAnderson:ag 7/7/54

Copy to: Admr. R. File
Mr. Dietrich, 3061
Mr. Larrabee, 5216
Docket File
Operating Committee
Mr. Houk

R.C.G.

Docket DMEA
File copy
Surname

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

July 2, 1954

Memorandum

To: Administrator
Through: L. G. Houk

INTERIOR DEPT.
JUL 2 - 1954
SOLICITOR

From: Acting Assistant Solicitor, Defense Minerals

Subject: Alex Teague, Docket No. DMEA-3244 (mica)

Attached is a contract covering the above-described project in satisfactory legal form for execution subject to the attachment of Owner's Consent-to-Lien. Appropriate forms for Owner's Consent-to-Lien are attached to this memorandum.

J. L. Hofflund

J. L. Hofflund
Acting Assistant Solicitor

Attachments
HCRubin:lm - 7-2-54

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

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

June 11, 1954

Memorandum

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

From: Field Team, DMEA - Region VII

Subject: DMEA-3244 (mica) Alex Teague, (Old Denson Mine) Pickens Co., Ga.

Reference is made to your letter of June 7, and the Field Team's Supplemental Report of May 7, 1954 on the subject application.

In your letter you called attention to the breakdown of costs on sinking a 30-foot incline. Some of these costs you thought were too high.

1. Labor: It was suggested that one laborer be eliminated. The field examiners' breakdown called for 1-hoistman, 1-driller-foreman, and two laborers. When mucking, two men work in the mine and it is necessary to have an extra man on top besides the hoistman to swing the boom and dump the bucket. Hoisting is done by means of a stiffleg and boom. While drilling, this extra man is used in cleaning up, cutting timber and doing any other work necessary around a mine. We do not feel that labor is excessive.

2. It was stated that compressor, pump and hammer rental of $240 per month appeared high. This figure is lower than the standard rates for construction equipment. In the 1950 rate book, put out by Associated Equipment Distributors, 360 N. Michigan Ave., Chicago 1, Ill., the rates are as follows:

85 - 105 cu. ft. Portable gasoline driven air compressor.....	per month	$164.00
Rotating air rock drill 51-68 pounds,	per month	40.50
Small pneumatic sump pump,	per month	90.50
	Total	$ 295.00

If it is necessary to use heavier equipment the rates would be

much higher. For instance, if much water is encountered larger pumping equipment would be required. A medium pump rents for $112 per month and a tandem for $230.

3. Under supplies it was stated that gas and oil per shift should not amount to more than 10 gallons of gas and 1 quart of oil. It is assumed that the compressor will be operating at full load practically all the time if pumping and drilling are to be done with a 105 cu. ft. compressor. Gasoline consumption at full load on the Ingersoll Rand Gyroflow compressor is rated at 2.27 gallons per hour or 18.16 gallons per 8 hour shaft. Their old type compressor has a rating of 2.10 gallons per hour or 16.8 gallons per 8 hour shift. Of course this is the manufacturers rating on a new compressor. As a rule when a rental agency rents a compressor they do not send out a new one and the older a machine, the greater its oil and gas consumption. We feel that double the estimate of 10 gallons of gasoline and 1 quart of oil would be more in accord with the actual consumption. Gasoline is also used in the hoist.

In figuring the explosives, the cost of a blasting machine - about $60; a galvanometer - about $20; and blasting wire must be included with dynamite and exploders. Dynamite will cost around 25¢ per pound and delay exploders about 25¢ each. These supplies are generally bought in small lots from the local hardware dealer and are higher than if bought in large quantities. Most of the mica miners have no idea of what cut holes are and their method of advance is by slabbing. When they do use a cut, they generally use a burn cut and load their holes very heavily.

4. Miscellaneous: The greatest part of this item is insurance. There is no company operating in Georgia or North Carolina that will accept an application for liability insurance on a miner. In order to get insurance, the Operator must apply to the State Department of Labor, and they will assign it to some company that will charge very high rates. In addition each employee must have a chest X-ray which will cost $10 each.

The $93 for contingencies was added to include any necessary costs such as timbering, track or preparation of working site.

The Field team still feels that the cost of $50 per foot in sinking the incline and $35 per foot for the drift is not excessive. The estimate may be high in some instances but low in others.

Your attention is called to the MF-104A's on Docket No. 3132, contract Idm-E 618, Dixie Mines, Inc., in which the operator shows his actual costs.

Robert A. Laurence

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

W A Beck

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

FILE COPY
Surname:
Anderson
Houk
Selfridge
Hyland

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

JUN - 7 1954

Mr. Alex Teague
P. O. Box 266
Jasper, Georgia

Re: Docket No. DMEA-3244 - Mica
Old Denson Mine
Pickens County, Georgia

Dear Mr. Teague:

Reference is made to the land description on the copy of the lease attached to your application for exploration assistance for the subject mine.

The lease does not contain an adequate legal description of the property. The distances are given but bearings are indefinite. Please note Article 3 (a) of the enclosed MF-103. The legal description should state the bounding bearings and distances, and the total acreage. A property map, if available, would be helpful.

As soon as we receive the above land description we will resume processing your application.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosure

LGHouk:gad 5/24/54
Copy to: Admr. R. File
Docket File
Field Team, Region VII
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.B.

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

JUN - 7 1954

Mr. Alex Teague
P. O. Box 266
Jasper, Georgia

Re: Docket No. DMEA-3244 - Mica
Old Denson Mine
Pickens County, Georgia

Dear Mr. Teague:

Reference is made to the land description on the copy of the lease attached to your application for exploration assistance for the subject mine.

The lease does not contain an adequate legal description of the property. The distances are given but bearings are indefinite. Please note Article 3 (a) of the enclosed MF-103. The legal description should state the bounding bearings and distances, and the total acreage. A property map, if available, would be helpful.

As soon as we receive the above land description we will resume processing your application.

Sincerely yours,

Lawrence G. Houk

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosure

Attached hereto is a map drawn of the 18 acres described in the lease with distances and bearings. Trusting this is satisfactory, I am

Very truly yours
Alex Teague
Alex Teague

FILE COPY
Surname:
Anderson
Houk
Selfridge
Kilpatrick
Whitmore

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

JUN - 7 1954

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

Subject: Docket No. DMEA-3244 - Mice
Alex Teague
Old Denson Mine
Pickens County, Georgia

Dear Mr. Laurence:

Reference is made to Field Team Supplemental Report of May 7, 1954, on the subject applicant's Old Denson Mine.

We wish to call your attention to the breakdown of costs, some of which we think are too high, as follows:

Advance incline 30 feet (15 shifts).

1. Labor. Three men should be enough. If one laborer was eliminated it would reduce the unit labor cost from $18.00 to $14.00 per foot.

2. Compressor, pump and hammer rental appears high. A further breakdown on how this charge is arrived at will be appreciated.

3. Under supplies. Consumption of gas and oil per shift should not amount to more than 10 gallons of gas and 1 quart of oil. This would account for a unit cost of about $1.50 per foot of incline for gas and oil. A breakdown to the actual explosives used per round of drilling would probably show a similar saving. Costs for these supplies for drifting also appear high.

4. For Miscellaneous (including insurance, social security, etc.) and Contingencies the cost of $9.77 per foot of advance seems much too high. We will appreciate knowing how the costs for these items are arrived at. The cost amounts to almost 20% of the total. It should not be much more than 10% of the total cost.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

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

D. M. Larrabee (JHB)
Member, Geological Survey

WCAnderson:gad 5/24/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.B.

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

~~April~~ May 7, 1954

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Supplemental Report on DMEA-3244 (mica) Old Denson Mine (mica) Alex Teague, Applicant. Pickens County, Georgia

Enclosed are 4 copies of a supplemental report on the subject application , supplying a breakdown of costs and other requested information.

We recommend approval of the usual unit-cost contract, with the following items:

Powder Magazine	$50.00
Exploder "	25.00
Reconditioning shaft and incline	500.00
Incline, 30 ft. @ $50/ft.	1500.00
Drift and/or crosscuts, 40 ft. @ $35/ft.	1400.00
Long drill holes, 100 ft. @ $1.00/ft	100.00
	$3,575.00

Robert A. Laurence

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

W A Beck

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.
May 5, 1954

SUPPLEMENTAL REPORT ON
DMEA-3244, OLD DENSON MINE
(mica)
Pickens County, Georgia

Applicant: Alex Teague, Box 226, Jasper, Georgia

The Field Team concurs in general with the Operating Committee's recommendations. It is our opinion that an exploratory program consisting of rehabilitation of the existing 37' shaft, advancing the present incline an additional 30 feet, driving 40 feet of laterals, and drilling about 100 feet of long drill hole would be economical and yield the quickest results.

It is believed that the incline advance should be in the footwall portion of the pegmatite provided that the quartz core is not too thick or the footwall part too thin. This could be determined by drill holes prior to advancing the incline. If drilling shows it is not practical to advance on the footwall portion, then the incline should be on the hanging wall part of the pegmatite. Work on the footwall portion of the pegmatite would be exploration of an unknown part of the pegmatite.

As the existing incline appears to be along a thicker portion or "pipe", the Field Team is of the opinion that some lateral work is justified to explore for possible parallel thick portions of the pegmatite. There is no evidence that the deposit is discontinuous along the strike, thus the lateral work would be confined to pegmatite. Long hole drilling along the strike would be of little value in this respect.

No field evidence suggests possible parallel pegmatites but drill holes to determine the possibility of an existing one below the known pegmatite may be worthwhile. The existing 37-foot vertical shaft crosscuts about 33 feet of country rock above the known pegmatite.

An occassional drill hole to determine the character and thickness of either the footwall or hanging wall portion depending where the incline is advanced should be made.

The following unit costs are believed to be consistent with local costs, noting that mining labor is not locally available and all new advance will be in fresh rock.

Powder Magazine		$50.00
Exploder		25.00
Drilling 100' of long drill holes @ $1.00/ft		100.00

Reconditioning shaft and incline (timbering and removal of muck)

Timber - 3000 B.F. @ $70/1000 B.F.	$210.00	
Nails, etc.	10.00	
Labor for timbering (5 shifts)		
1 Carpenter @ $1.75/hr.	70.00	
2 Helpers @ $1.00/hr.	80.00	
Labor for removal of muck (3 shifts)		
1 Hoistman @ $1.25/hr.	30.00	
3 Laborers @ $1.00/hr.	72.00	
Contingencies	28.00	
		500.00

Advance incline 30 feet (15 shifts)

Labor		
1 Hoistman @ $1.25/hr.	150.00	
1 Driller-foreman @ $1.25/hr.	150.00	
2 Laborers @ $1.00/hr	240.00	
Compressor, pump and hammer rental @ $240/Mo.	180.00	
Hoist rental @ $50/Mo.	37.00	
Supplies:		
Gas & Oil	150.00	
Explosives	200.00	
Drill Steel	50.00	
Small tools	50.00	
Miscellaneous (insurance, social security, repairs etc.,	200.00	
Contingencies	93.00	
		1,500.00

Drive Laterals - 40 feet (15 shifts)

Labor:		
1 Hoistman @ $1.35/hr.	150.00	
1 Diller-foreman @ $1.25/hr.	150.00	
2 Laborers @ $1.00/hr.	240.00	
Compressor, pump & Hammer rental @ $240/Mo.	180.00	
Hoist rental @ $50/Mo.	37.00	

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Supplies:

Gas and Oil	150.00	
Explosives	200.00	
Drill Steel	50.00	
Small tools	43.00	
Miscellaneous (insurance, social security, repairs, etc.)	200.00	
		$1,400.00
Total		$3,575.00

K. H. Teague and Dewey H. Amos.
U. S. Geological Survey

May 7, 1954.

IN REPLY REFER TO:

G-MD-CNM

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

Defense Minerals Administration
RECEIVED
MAY 12 1954

May 12, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3244 (MICA)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Alex Teague, Jasper, Georgia.
Name of property: Old Denson Mine.
Location of property: Pickens County, Georgia.
Date of field team report: May 5, 1954.
Authorship of field team report: K. H. Teague and L. E. Shirley (?)
Field team's recommendation:

1. Rehabilitate 37' shaft, advance incline an additional 30', drift 40', drill 100' of long hole.

Comments: None.

ACTION RECOMMENDED: Follow field team's recommendation.

D M Larrabee

D. M. Larrabee

File Copy
Surname:
Selfridge
McDaniel
Mitchell

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

APR 15 1954

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

Subject: Docket No. DMEA-3244 - Mica
Alex Teague
Old Denson Mine
Pickens County, Georgia

Reference is made to the field examination report on the subject property.

Pursuant to instructions outlined in the Operating Committee's letter of March 26, 1954, we are requesting that unit costs involving reconditioning of existing shaft, and sinking 5' x 7' incline be broken down to the items of labor, material and supplies, supervision, and equipment purchase or rental.

The Operating Committee is of the opinion that advancing the 10 foot wide stope face would not be exploration. We suggest the following proposal: Recondition the 37' shaft, drive 50 to 70 feet of 5' x 7' incline in the pegmatite, provided the pegmatite continues, explore the footwall and explore for parallel pegmatite by long hole drilling.

If you concur in these suggestions, please have the Field Team submit a supplemental report with a breakdown of unit costs as requested.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee GCS

LGHouk:gad 4/12/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

Approved:

J. H. Hedges
Member, Bureau of Mines JHH

D. M. Larrabee
Member, Geological Survey DML

R.C.S.

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

Defense Minerals Administration
RECEIVED
APR 2 1954

April 2, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3244

Applicant: Alex Teague

Name and Location of Property: Denson Mine, Pickens County Georgia

Date of Field Team's Report: March 19, 1954

Date Rec'd. by Ceramic & Fertilizer Materials Br.: March 29, 1954

Field Team's Recommendation:

1. Exploration at an estimate cost of $4,320.

Comments:

1. This mine was worked during 1952 and 1953. Mica valued in excess of $8,000 was sold to the Government Purchasing Depot.

2. Although the geology indicates a possibility of encountering additional strategic mica, it is difficult from studying this report to determine whether the proposed work can be classified as exploration. The examiners state "there is doubt in the minds of the examiners that work at present face could be considered as exploration."

3. Unknown features of the pegmatite could be determined under "development" as well as under "exploration." However, projects approved by DMEA must show promise of yielding materials of acceptable quality in quantities that will significantly improve our mineral supply position. The examiners are of the opinion that strategic mica occurs at this mine.

Recommendation:

Although it is difficult to distinguish between "exploration" or "development" at this mine, it is suggested the recommendations of the field team for an exploration program in the amount of $4,320 be approved.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

DEPARTMENT OF THE INTERIOR G-MD-CNM
Defense Minerals Administration
RECEIVED
MAR 24 1954

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

March 23, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3244 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Alex Teague, Jasper, Georgia
Name of property: Denson Mine
Location of property: Pickens County, Georgia.
Date of field team report: March 17, 1954.
Authorship of field team report: K. H. Teague, J. F. O'Neill, and D. H. Amos.
Field team's recommendation:

1. Recondition shaft.
2. Inclined shaft 25'.
3. 50' drift

$4,320

Comments:

1. Additional strategic mica occurs.
2. Be sure the work is exploration rather than development, if they can be divorced.

ACTION RECOMMENDED:

Follow field team's recommendation.

D M Larrabee

D. M. Larrabee

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

March 19, 1954

Memorandum

To: Operating Committee, D M E A - Washington

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

Subject: Field Examination Reports:
DMEA-3244, Denson Mine, Pickens Co.,Ga. (mica)
DMEA-3248, Carson Rock Mine, Yancey County, North Carolina

Enclosed are four copies each of the subject examination reports, with 6 extra copies of the map accompanying each report.

The Field Team agrees with the examiners' conclusions that these deposits show sufficient promise to merit exploration, and recommend adoption of the exploration plans as outlined in the reports.

Robert A. Laurence
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

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

Reviewed by
DMEA OPERATING COMMITTEE
3-26-54
(date)

RECEIVED
22 1954

ON-S.'45
Report

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF FIELD EXAMINATION BY FIELD TEAM, REGION VII

On

DMEA-3244, DENSON MINE
Mica
Pickens County, Ga.

By
Kefton H. Teague, Geologist
U. S. Geological Survey

James F. O'Neill, Mining Engineer
U. S. Bureau of Mines

Dewey H. Amos, Geologist
U. S. Geological Survey

March 17, 1954

Reviewed by
DMEA OPERATING COMMITTEE
3-26-54
(date)

gs
4/9/54

FIELD EXAMINATION REPORT

ON

DMEA-3244 (mica) DENSON MINE

Applicant: Alex Teague, Jasper, Georgia.

This property was the subject of an application by T. J. Berkmeyer, DMEA-2800, on which a report was prepared on March 9, 1953. Although DMEA-2800 was on several scrap mica pegmatites on the same property as the Denson Mine, the application was not directed at the main Denson pegmatite; however, no work was considered on it, as it was in production at that time. No work has been done at the mine since May 1953. The examiners believe that strategic mica can still be produced from the pegmatite.

This property was examined on Feburary 18, 1954. Mr. Carney, property owner, accompanied the examiners on the inspection which required two hours. Mr. Teague, the applicant, was later contacted and a proposed program of exploration, as later outlined is acceptable to him.

The Denson Mine is in southern Pickens County, 4.75 miles (airline) due west of Nelson, Georgia. Access is good at all times.

The applicant has considerable mining experience. He is at present producing sericite and chlorite from Cherokee County, Georgia.

At present the surface facilities on the property consist of a hoist house, mica house, and a single phase - 220 volt line to the shaft collar. Openings consist of a 37-foot untimbered shaft, and an inclined stope (-30°) which is about 35 feet in length along the incline, in a S. 40° E. direction.

The pegmatite appears to strike about N. 20° E, dipping 30° SE. Total thickness of the pegmatite is not known. All of the past work has been on the hanging wall, above the quartz core. The stope seems to have been made in a "roll" or "pipe", although no work has been done laterally on the pegmatite. Neither is the character of the pegmatite below the quartz core nor the thickness of the core known.

In that portion of the pegmatite the hanging wall has been mined, this zone is from 4 to 5 feet thick. It is composed of plagioclase feldspar, quartz, muscovite, garnet, and tourmaline, listed in order of abundance. The wall rock is sericite schist with accessory garnet and graphite. The schistosity is conformable to the pegmatite.

The mica is hard and generally flat. Some is rather badly cracked and biotite inclusions are common. Mica is relatively abundant in the face, with sizes up to 10 inches in diameter. During one 6-weeks of operation by Mr. Berkmeyer, in early 1953, rock broken was estimated to contain approximately $3.00 worth of mica per cubic foot.

During 1952 and 1953, the mine was operated for a period of about eight months, using inexperienced labor. In excess of $8,000 worth of mica was sold during this interval to the Spruce Pine Depot. Reasons for abandoning the mine are not known.

There seems to be little doubt that additional strategic mica occurs at this place. Production probably could be resumed at the present face; however, there is doubt in the minds of the examiners that work at the present face could be considered as exploration. However, certain features of the mine probably could be explored with justification. Unknown features of the pegmatite include the character and extent of the footwall zone, character of the pegmatite down dip from the present stope, and character and extent of the pegmatite along its strike.

To determine the above, the following program of exploration is recommended:

Labor material supplies

Construct exploder magazine	$25.00
Construct powder magazine	50.00
Recondition (timber) existing shaft 37 ft. @ $10/ft.	370.00
Remove pegmatite to footwall in existing incline and timber where necessary 35 ft. @ $25/ft.	875.00
Advance inclined stope 25 ft. 25 ft. @ $50/ft.	$1,250.00
Drive 50 feet of level along the trend of the pegmatite from the incline - 50 feet @ $35.00/ft.	1,750.00
Estimated Total Cost.....	$4,320.00

Not approved 5'x7' incline Cost based labor, supplies 50 to 70' prorated. Shoot pegmatite contains

Drift at bottom will be confined to pegmatite

Estimated time required - 6 months.

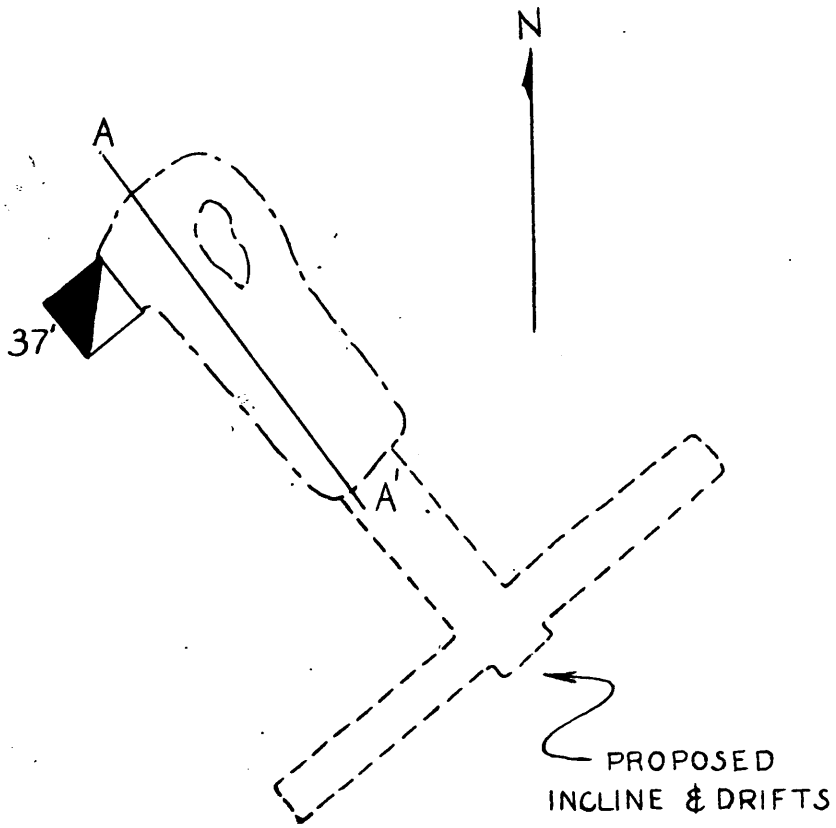
Labor cost Sub-

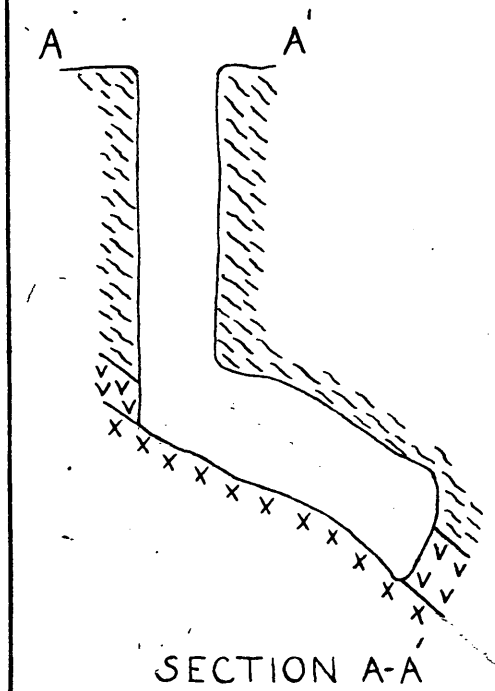
The applicant has been notified that on all mica projects the contribution by the Government is 75 percent of the agreed unit cost.

February 18, 1954

K. H. Teague and D. H. Amos, Geologists
U. S. G. S.

J. F. O'Neill, Mining Engineer, USBM





0 20' 40'
SCALE

SKETCH OF
DENSON MINE
PICKENS CO., GA.

DMEA-3244 (mica)

File Copy
Surname:
Anderson
Doyle
Selfridge

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

MAR 3 1954

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

Subject: Docket No. DMEA-3244 ~~Mine~~
Alex Teague
Old Deason Mine
Pickens County, Georgia

Dear Mr. Laurence:

Please review the subject application and arrange for a field examination if you deem it necessary.

Copies of memoranda from the Geological Survey, dated January 29, 1954, and from the Bureau of Mines, dated February 5, 1954, are enclosed for your information.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GCS)

Approved:

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

D. M. Larrabee
Member, Geological Survey (GCS)

Enclosures 4

LGHouk:gad 3/2/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.G.F. 3-9-54

File Copy
Surname:

Anderson
Houk
Hedges
Larrabee
Sellsage
Johnson

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

MAR 3 1954

Mr. Alex Teague
P. O. Box 266
Jasper, Georgia

Re: Docket No. DMEA-3244 - Mica
Old Dawson Mine
Pickens County, Georgia

Dear Mr. Teague:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Lawrence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

The Regional Office will contact you at an early date if an examination is to be made. Any assistance that you may give the members of the field team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

LGHouk:gad 3/2/54
Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.B.
3-4-54

Mr. Anderson

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

February 5, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3244

Applicant: Alex Teague

Name and Location of Property: Old Denson Mine
Pickens County, Georgia

Date of Application: January 25, 1954

Date Rec'd by Ceramic & Fertilizer Mats. Branch: January 27, 1954

Comments:

1. No data are available in this office on subject property.
2. Estimated cost of project - $3,750

Recommendation:

If the samples of mica are judged to be of strategic quality, it is suggested the field team visit this property when a member of the field team is in that vicinity to ascertain if an exploration program is justified.

W. F. Dietrich

W. F. Dietrich

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1954

February 1, 1954

Memorandum

To: Operating Committee, D M E A - Washington

From: Executive Officer, DMEA - Region 7

Subject: Forms Mf-203, on DMEA-3244, Alex Teague, Applicant, Jasper, Ga. (mica)

Transmitted are six signed copies of Owner's Consent to Lien on the subject application sent your office January 22, 1954.

Robert A. Laurence

Robert A. Laurence

zm

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1954

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of Georgia, County of Pickens described ~~as~~ ~~xxxxxxxxx~~ in a Lease, dated Jan. 1 1954 and recorded in Book F. F. Page 354 of the Official records of said County.

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

2/ Alex Teague,

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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

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

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

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

4. Changes and added provisions

Dated this 29th day of January, 1954.

A D Carney [Seal]

[Seal]

[Seal]

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

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

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

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

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

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

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

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

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

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

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

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

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

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
RECEIVED
JAN 29 1954

January 29, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3244 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. A. Brobst, U. S. Geological Survey
Applicant's name and address: Alex Teague, Box 266, Jasper, Georgia.
Name of property: Old Denson Mine.
Location of property: 6 miles south of Jasper RR depot, 1½ miles from paved road.
Summary of applicant's proposal:

Bulldozer 20 hours at $12.50/hr.	$250.00
Rehabilitating 35' of old drift at $15/ft.	525.00
85' of new drift at $35/ft.	2975.00
	$3750.00

Sources of information on applicant's property: A one-page report dated June 12, 1948 by J. C. Olson indicates that the Colonial Mica Corporation purchased 4.69 pounds of mica from this mine for $28.14 during World War II. Some sheets of mica 12x18 inches are reported to have been mined. Bull. 48 of Georgia Geol. Survey reports 33 barrels of mica were removed from the property. Water stopped some early efforts to mine the pegmatite which is 10 feet wide and dips to the south. Olson believed the mica sold during World War II was gleaned from the surface and that the property was not sufficiently attractive to warrant a full-scale mining operation. Prospects are considered highly speculative.

Comments: Possibilities of producing strategic mica from this mine are essentially unknown. If the mica requested for testing meets the requirements, then the property should be checked by the field team. Inquire whether the applicant is aware that he must contribute 25% of the total cost.

RECOMMENDATION: Send the field team to examine the property only if the mica samples requested in the letter from R. A. Laurence January 22, 1954 meet Government specifications.

D. A. Brobst

D. A. Brobst

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

JAN 28 1954

Mr. Alex Teague
P. O. Box 266
Jasper, Georgia

Re: Docket No. DMEA-3244 - Mica
Old Denson Mine
Pickens County, Georgia

Dear Mr. Teague:

Reference is made to your application for exploration assistance for mica.

On November 3, 1953, Amendment No. 3 to DMEA Order-1 became effective and limited Government participation in the case of mica to 75 percent of the approved costs. Inasmuch as your application was received after November 3, 1953, please advise this office in writing if you desire to have your application processed under the new Government participation rate. The processing of your application will be deferred until receipt of your reply.

A copy of our release of November 3, 1953, is enclosed for your information.

Sincerely yours,

Lawrence G. Houk

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosure

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1954

Mr. Lawerence G. Houk, Chief
Nonmetallic Minerals Div.
Knoxville, Tenn.

Dear Sir:

Please go ahead and process my application for assistance in exploration of Mica. I understand that it will be 75% for the government and 25% paid by me.

Yours Very truly

Alex Teague

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

Mr. Alex Teague
P. O. Box 266
Jasper, Georgia

January 25, 1954
Subject: DMEA-3244
Re: Exploration Assistance
Old Denson Mine

Dear Mr. Teague:

The receipt of your application dated January 19, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3244 and referred to the Nonmetallic Minerals Div.

Kindly refer to DMEA-3244 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams
Chief, Operations Control
and Statistics Division

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

January 25, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region VII

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

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

DMEA
-3244 Alex Teague.

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