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-2143 (Tungsten)
Alex Teague
Old Benson Mine
Pickens County, Georgia
Contract Idm-E684

Enclosed for deposit to the subject DMEA account under Symbol 1AX4491 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% royalty 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)

TEAGUE MINING CO.
P. O. Box 266
Jasper, Georgia

E684

REPORT OF
ROYALTY REVIEW

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 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 payable to the U. S. Government on sales of minerals from property referred to as the Old Dawson (Bentson) and Bowey 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, OME Auditor

Idm-8684 Alex Teague DMEA-3244

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 GSA 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 DMEA 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 Dewey Carney Mine in Pickens County. By letter of inquiry addressed to the landowner on December 12, 1962, it has been established that the Dewey 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.

JAN 18 1963

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

Re: EMKA-3244 (Mice)
Alex Teague
Old Denson Mine
Pickens County, Georgia
Contract Idm-8684

Dear Mr. Jones:

Enclosed for your information and files is a copy of a Report of Equity 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

Chief, Division of Field Operations

Enclosure

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

JAN 18 1963

Memorandum

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

From: Chief, Division of Field Operations, GMR

Subject: IMEA-3244 (Mica)
Alex Teague
Old Dunson Mine
Pickens County, Georgia
Contract Ida-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

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

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: IMEA-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

JAN 8 - 1963

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

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

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, ER3-191(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.)

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

Mr. A. D. Carney
Jasper, Georgia

Re: BMEA-3244 (Mica)
Alex Teague
Old Dawson Mine
Pickens County, Georgia
Contract Lim-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 Dawson 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,

Director

Mr. A. D. Carney
Jasper, Georgia

Re: [illegible]-3244 (Mica)
Alex Teague
Old Duncan Mine
Pickens County, Georgia
Contract Lim-2664

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 Duncan Mine and was described as follows:

> The beginning is located 17 feet northeast from an old apple tree near the northeast corner of a barn; thence due east 135 feet; thence along Settlement Road N. 2° E., 1000 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 1200 feet; thence S. 20° E., 506 feet to a peach tree; thence E. 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 Roney 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)

C
O
P
Y

800

ALEX U. TEAGUE
Box 266
Jasper, Georgia

Sept. 25 - 1962

Alex Teague
Phone 692-3707
Jasper, Georgia

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,

/s/ J. Ben Jones

Adm. Alex Teague Estate

Adm - E687
DM 89 - 3744

Old Denison
Denison
Dawson
} Mine

Is Dewey Carney Mine the same property?

MME Form 63
Revised 3-62

[illegible]
Id[illegible]

[illegible] PRODUCTION [illegible]
[illegible] UNDER [illegible] ACT [illegible]

1. Since **July 1, 1960** [illegible] there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a copy 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 [illegible] Yes ☒ No ☐

A. If so and [illegible] quantity, value [illegible] date and address of purchaser.

	Quantity	Value

B. If stockpiled [illegible], state quantity, grade and location.

Type	Quantity	Estimate	Grade	Location
Ore				
Concentrates				
Other				

3. Since [illegible] has any production been [illegible] through workings (see [illegible] contract)? Yes ☐ No ☐

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

Description of Material	Quantity	Value

Submitted by:

Name /s/ J. Ben Jones Title Adm. Alex Teague Estate

Address Jasper, Ga. Date 9-25-62

4511

Form APPROVED BY
COMP. GEN.,
MARCH 25, 1957

GENERAL SERVICES ADMINISTRATION

WARRANTY AND REPRESENTATION

DOMESTIC MICA PURCHASE DEPOT

CERTIFICATE NUMBER

BASIS FOR FINAL SELECTION (Section 3, as amended)

NAME AND LOCATION OF MINE

TYPE OF MICA

WARRANTY

The undersigned hereby warrants that the requirements of all applicable regulations and [illegible] sells this lot of mica [illegible] to the Domestic Mica Purchase Depot [illegible] to refund unconditionally to the Government [illegible] payment will be paid by the Government [illegible]

SELLER

SIGNATURE OF PERSON AUTHORIZED TO SIGN FOR SELLER

(Type or print)

(Type or print)

ACCEPTANCE

This lot of mica, weight above [illegible], is accepted [illegible] subject to all pertinent regulations [illegible]

By (Type name)

GSA FORM 1013
SEPTEMBER 1951

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

GENERAL SETTLEMENT [illegible]

FINAL SETTLEMENT [illegible] PURCHASE

PURCHASED 3-17-51

MICA PURCHASE DEPOT

CERTIFICATE NUMBER [illegible]

CERTIFICATE AUTHORIZATION NUMBER

SCHEDULE NUMBER

QUALITY			TRIM PER LB.	TRIM AMOUNT
GOOD STAINED AND BETTER				
GRADES NO. 3 AND LARGER			[illegible]	$
GRADES NO. 4 AND 5			[illegible]	3.80
GRADES NO. 5[illegible] AND 6			[illegible]	21.59
STAINED				
GRADES NO. 3 AND LARGER			[illegible]	
GRADES NO. 4 AND 5			[illegible]	11.38
GRADES NO. 5[illegible] AND 6			[illegible]	31.03
HEAVY STAINED				
GRADES NO. 3 AND LARGER			[illegible]	
GRADES NO. 4 AND 5			[illegible]	.55
GRADES NO. 5[illegible] AND 6			[illegible]	3.04
TOTALS				$
NO [illegible] Y				
GOOD STAINED AND BETTER				
GRADES NO. 3 AND LARGER			[illegible]	$
GRADES NO. 4 AND 5			40.00	
GRADES NO. 5[illegible] AND 6			[illegible]	
STAINED				
GRADES NO. 3 AND LARGER			[illegible]	
GRADES NO. 4 AND 5			14.60	
GRADES NO. 5[illegible] AND 6			[illegible]	
HEAVY STAINED				
GRADES NO. 3 AND LARGER			[illegible]	
GRADES NO. 4 AND 5			5.45	
GRADES NO. 5[illegible] AND 6			4.00	
TOTALS				$
TOTAL YIELD AND [illegible]			LBS.	$ 70.93
ADJUSTED VALUE WHEN [illegible] THAN TRIM [illegible] ABOVE [illegible]				$
FOR PROGRAM B, [illegible]				
FINAL BASIS FOR PAYMENT				$ 70.93
LESS: INITIAL [illegible]				[illegible]
BALANCE DUE SELLER				$ [illegible]

NAME AND LOCATION OF MINE

SELLER'S NAME AND ADDRESS (Post Office)

PROCESSED FOR PAYMENT (LBS.)	7.09
PROCESSED - NO PAYMENT (LBS.) [illegible]	.13
BLACK (Dots, Spots, Stained)	
UNDERSIZED	
PROCESSING LOSS	.07
TOTAL POUNDS PURCHASED	7.31

APPROVED

DEPOT SUPERINTENDENT

DATE 6-20-51

GSA WASH. D.C. [illegible]

GSA FORM 1013
SEPTEMBER 1957

APPROVED BY COMP. GEN., U.S. MARCH 28, 1957

GENERAL SERVICES ADMINISTRATION

WARRANTY AND ACCEPTANCE

DOMESTIC MICA PURCHASE PROGRAM (REG. 7 AS AMENDED)

MICA PURCHASE DEPOT

[illegible]-2-61

[illegible]

CERTIFICATE AUTHORIZATION NUMBER

[illegible]-3-170

SCHEDULE NUMBER

BASIS FOR FINAL SETTLEMENT

☐ PROGRAM A

☐ PROGRAM B

☐ [illegible] (Reg. 7, Revision 3, as amended)

NAME AND LOCATION OF MINE

[illegible]

TYPE OF MICA

☒ RUBY

☐ [illegible]

[illegible]

WARRANTY

The undersigned warrants that this lot, weight [illegible] indicated, [illegible] requirements of all applicable regulations and laws governing the Domestic Mica [illegible] 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 adjustments resulting [illegible] refund unconditionally to the Government any overpayment [illegible] any underpayment will be paid by the Government to the Seller upon completion of the price [illegible]

SELLER'S NAME AND ADDRESS (Type or print)

[illegible]

SELLER OR PERSON AUTHORIZED TO SIGN FOR SELLER

SIGNATURE

NAME (Type or print)

[illegible] Riggens

TITLE (Type or print)

[illegible]

ACCEPTANCE

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

BY (Type name)

[illegible]

[illegible]

[illegible]

GSA WASH [illegible]

GSA FORM 1013
SEPTEMBER 1957

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

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT - MICA PURCHASE

DATE PURCHASED

ACCEPTANCE NUMBER

MICA PURCHASE DEPOT -

CERTIFICATE AUTHORIZATION NUMBER

PO NUMBER

SCHEDULE NUMBER

EVALUATION DATA

RUBY

QUALITY	HALF TRIM POUNDS	HALF TRIM PRICE PER LB.	HALF TRIM AMOUNT	FULL TRIM PRICE PER LB.	FULL TRIM AMOUNT
GOOD STAINED AND BETTER					
GRADES NO. 3 AND LARGER		$	$	$ 70.00	$ 30.80
GRADES NO. 4 AND 5				40.00	143.60
GRADES NO. 5½ AND 6				17.70	228.51
STAINED					
GRADES NO. 3 AND LARGER		12.00		32.90	21.37
GRADES NO. 4 AND 5		5.00		18.25	456.80
GRADES NO. 5½ AND 6		3.00		7.55	[illegible]
HEAVY STAINED					
GRADES NO. 3 AND LARGER		8.00		14.80	3.86
GRADES NO. 4 AND 5		4.00		6.85	55.01
GRADES NO. 5½ AND 6		2.00		4.00	53.24
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) LBS. $ 1363.97

ADJUSTED VALUE WHEN LESS THAN 19% GS & P (ABOVE VALUE $ 1363.47 x 14.9% = 18) $ [illegible]

FOR PROGRAM B, DEDUCT $4.00 PER POUND FOR PICKING AND TRIMMING [illegible]

FINAL BASIS FOR PAYMENT $ [illegible]

LESS: INITIAL PAYMENT VOUCHER NUMBER SCHEDULE NUMBER [illegible]

BALANCE DUE [X] SELLER [ ] GOVERNMENT $ [illegible]

NAME AND LOCATION OF MINE

[illegible]
[illegible] 14.X
[illegible] 1702.00
[illegible] 2.02

PROCESSED FOR PAYMENT (LBS.)	113.[illegible]
PROCESSED - NO PAYMENT (LBS.)	3.18
THINS	[illegible]
BLACK (Dots, Spots, Stained)	
UNDERSIZED	
PROCESSING LOSS	95.85
TOTAL POUNDS PURCHASED	1917.00

SELLER'S NAME AND ADDRESS (Type or print)

[illegible]
Box 205
Jasper, [illegible]

APPROVED

DEPOT SUPERINTENDENT

DATE [illegible]

GSA WASH D C 58-1277

GSA FORM 1013a SEPTEMBER 1957

E684 7/12/54 DMGA-3244 Alex Teague

Pickens County, Ga. Old Denson (Denison) Mine

Last reported Depot sale 799 10/28/54 $346.42 Dawson Mine
1047 12/6/54 $669.23 Alex Teague
EPS-4-5051 A

Other known parties of possible interest:
A. D. Carney owner

No other sales noted in S. P. Depot records.
CEF

x

MMB Form 7
(1-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/25		900
		500
		120
		130
		100
		220

, 1962

Memorandum

To: The File

From: [illegible], Mr. Audit [illegible]

[illegible] the [illegible] records,
[illegible] - , 1962

During the period [illegible] 18 to 22, 1962, [illegible] the purchase
report [illegible] ...e, North
[illegible] ...ainin[illegible] ...rted production
under [illegible] contracts [illegible] ...ation did not
disclose [illegible] production subject [illegible] ...ity under the fol-
lowing contracts:

Contract No.	[illegible]	[illegible]	Mine Names
S- 68[illegible]	[illegible]	[illegible]ne	[illegible]vernon (Denison)
6[illegible]	[illegible]	[illegible]	[illegible]x, [illegible]ushy Creek
6[illegible]	[illegible]	[illegible]illi[illegible]	[illegible] [illegible]kinney, McKinney
[illegible]	[illegible]	[illegible]is	[illegible] [illegible] Westall
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]te
[illegible]	[illegible]	[illegible] [illegible]	[illegible]ar[illegible]ve, Ralph
[illegible]	[illegible]	[illegible]nin[illegible]	[illegible]
8[illegible]	[illegible]	[illegible]hite, [illegible]	[illegible]d
[illegible]	[illegible]	[illegible] [illegible]ing, [illegible]	[illegible]p
8[illegible]	[illegible]	[illegible]	[illegible], Red,
			[illegible]on
[illegible]	[illegible]	[illegible]	[illegible] Field
[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	, at
			[illegible]ren
		[illegible]	[illegible]am Smith
		[illegible]	
[illegible]	[illegible]	[illegible]illips	[illegible]
1[illegible]	[illegible]	[illegible]	[illegible]'s Brown
1[illegible]	[illegible]	[illegible]	[illegible]ushy Rock
1[illegible]	[illegible]	[illegible]	[illegible], [illegible]illips
1[illegible]	[illegible]	[illegible]	[illegible]ntain

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

[illegible]
6-26-62

[illegible]

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

C. E. Fisher, OME Auditor

May 14, 1959

(Check Sheet of Examining Engineer filed in Docket)

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 Idm-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 Duncan 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 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.

My review included a verification of the royalty paid in connection with the sale of 46.50 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

For Certificate of Deposit No. 102, dated May 26, 1955, giving royalty repayment of $55.56, see E-410.

REPORT
OF REVIEW

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, Auditor

March 25, 1955

Form MF-194 (Rev.)
(April 1952)

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

DEC 20 1954

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						
~~Building~~ Erecting Boom			130.00		130.00	130.00
~~Crosscutting~~ 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
Exploder "			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	1614.00	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 10 1954 Vou. No. 105
(See other side)

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 L 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	AUTHORIZED BY CONTRACT Unit Costs
Drifting Incline	ft.	180.00	4½ft.	1,200.00	30	1,200.00		
Crosscutting								
Timbering Shaft				296.00	37	296.00		
Raising								
Shafts								
Powder Mag.				25.00	1	25.00		
Winzes								
Exploder Mag.				13.00	1	13.00		
Drilling: Core								
Churn								
Erecting Boom				130.00	1	130.00		
Auger								
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

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

November 5, Drove incline 1ft.

November 8, Drove incline 1ft.

November 10, Drove incline 1ft.

November 12, Drove incline 1ft.

Trimed and sold 30 lbs. mica which brought $669.23. Have about 80 lbs. crude mica on hand.

U. S. Bureau of Mines
RECEIVED

DEC 9 1954

Southern Experiment Station
Box 6, University, Ala.

Form MF-1[illegible] (Rev.)
(April 1952)

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

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

Month of October, 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: 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			
Building						
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 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:

$ 285.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date NOV 23 1954 Vou. No. 90

(See other side)

3

95.00

(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 T O'Neill 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

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.

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 200lbs. mica.

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

U. S. Bureau of Mines
RECEIVED

NOV 1 2 1954

Southern Experiment Station
Box L, University, Ala.

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: ~~25~~ 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 Incline	$640.00		640.00			
Removing Muck	130.00		130.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber Shaft		296.00	296.00			
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~~	770.00	464.00	1,234.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-5

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. Pipes
(Authorized Certifying Officer)

Date SEP 14 1954 Vou. No. 57

(See other side)

192.50

(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 W. A. 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:

(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.

RECEIVED
SEP 17 1954

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	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 mag			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

RECEIVED
SEP 17 1954

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.

Form MR-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. Pipes
(Authorized Certifying Officer)
Date AUG 18 1954 Vou. No. 39
(See other side)

1st 5/7/26 116.00

(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'Neil Title Engineer Date 8-13-54

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VIII 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	Authorized by Contract: 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								
Room	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.

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 M&E Form 63 dated August 13, 1962, addressed to Mr. Teague was returned by J. Ben Jones, administrator of the Alex Teague estate. Mr. Jones also signed M&E 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

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. Idm-5684, 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 O'Mutterdorf
Administrator, Defense Minerals
Exploration Administration

Dated APR 2 9 1955

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

Mr. Johnson
Mr. Christian
Mr. Hunt
Mr. Dieterich, DMEA
Mr. Mitchell, DMEA
Copy for Mr. A. B. Gurney (Attached to Field Team copies for forwarding)
Admin. Asst. File
Archive

4/20/55

GEO

MAY - 2 1955

Mr. Alex Teague
P. O. Box [illegible]
Jasper, Georgia

Re: Contract No. [illegible] - Alex Teague
Old Duncan Mine
Pickens County, Georgia
Contract No. [illegible]

Dear Mr. Teague:

Transmitted herewith is a certification of discovery or development on Contract No. [illegible] on the Old Duncan 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 $3,345.00 is paid or until July 12, 1964, whichever occurs first.

Payments should be made to Mr. Robert A. Lawrence, 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. Lawrence 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. Lawrence at six-month intervals that no production has been made.

Sincerely yours,

J. D. Mittendorf

Administrator

Enclosure

609

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: Contract No. DMA-3344 - Mica
Alex Teague
Old Indian Mine
Fulton County, Georgia
Contract No. [illegible]

Operating Committee
Field Team, Region V
Mr. Ellingson, Region V
Mr. Mitchell, DMA
Mr. Mitchell

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 $2,594.00 or $1,945.50. The project was started July 26, 1954, and was terminated by mutual agreement December 14, 1954, after the expenditure of $2,594.00 which is the total cost and accepted cost according to the Audit Review. The Government paid 75% of the total accepted cost, or $1,945.50.

The work performed on this project consisted of construction of powder and exploder magazines, erection of a hoist, rehabilitation of an existing 37 foot vertical shaft, removing muck from an existing 45 foot incline embedding downward from the vertical shaft, and deepening this incline an additional 30 feet. The new work exposed a pegmatite in excess of 12 feet in thickness resulting in the discovery of concentration of phlogopite mica from which an ore reserve of 30,000 pounds of inferred "mine run" mica was calculated. There was recovered and sold during the project 24.5 pounds of trimmed sheet mica for $1,035.65 and 360 pounds of punch mica for $54.00.

Recommended 4/29/55
Copy to: Adm. A. File
Mr. Robertson
Mr. Johnson
Mr. Clarkson

The DMA 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,

C. O. Mittendorf

Administrator

Enclosure

Government's Copy

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-E684, 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 N. J. Lynch
ACTING Executive Officer
DMEA Field Team, Region V

ALEX TEAGUE

Alex Teague

RECEIVED
JAN 23 1955

Docket No. DMEA - 3244

Commodity Mica

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 694

Date of Contract ~~or Amendment~~ July 12, 1954

Name and Address of Operator:

Alex Teague
P. O. Box 256
Jasper, Georgia

Amount of Government participation $ 2,245.50

Percent of Government participation 75 %

Region: V State: Georgia

Note: Please release $ 900.00

E H Talbert
(Name)
for J. L. Chambers
Chief, Contract Administration and Audit Division
(Title)

Date Delivered to Bureau of Mines, Washington. 3/29/55

54458

Docket No. 3244

Commodity Mica

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E 684

Date of Contract ~~or Amendment~~: July 12, 1954

Name and Address of Operator:

Alex Teague
P. O. Box 266
Jasper, Georgia

Amount of Government participation $ 2,245.50

Percent of Government participation 75 %

Region: VII State: Georgia

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

(Title)

Date Delivered to Bureau of Mines, Washington. 7/12/54

54458

MF-200 (A)
(February 1952)

DOCKET NO. D[illegible]A 3244

COMMODITY Mica

Government 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 ~~xxxx~~ 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 Pickens, described as ~~xxxx~~ 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 Operator is the owner of the following tracts, lots, or sections, each of which the Government has approved of the Operator's title:~~

(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.

Alex Teague
(Operator)
Alex Teague

By _____

THE UNITED STATES OF AMERICA

By O. P. Mitchenor
Administrator, Defense Minerals Exploration Administration

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 354, 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.

58694

EXPLORATION PROJECT CONTRACT
ALEX TEAGUE
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.

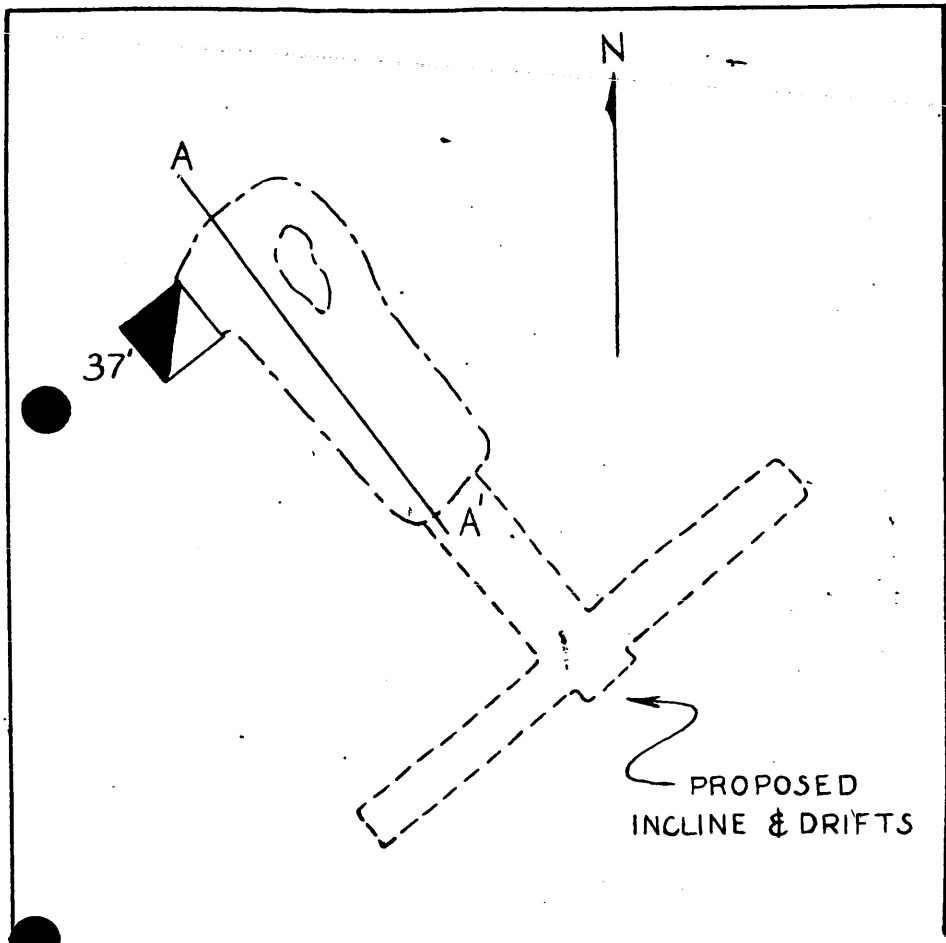
The cross sectional dimension of the incline and of the drift work shall be not less than 5 feet by 7 feet in the clear of timber.

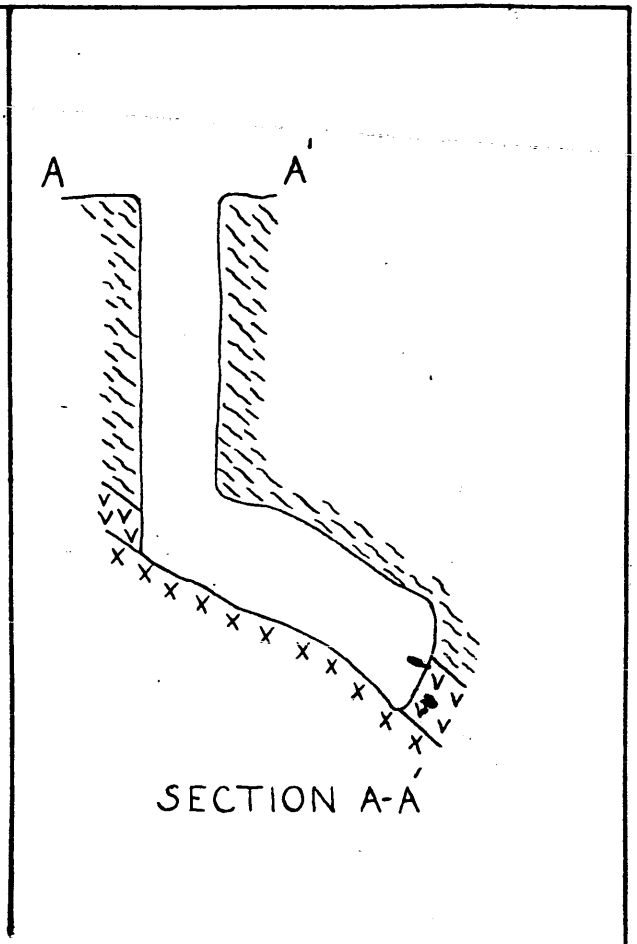
The location, inclination, direction and extent of all work are subject to the approval of the Government.

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	
AGREED ESTIMATED TOTAL COST OF PROJECT		$2,994.00
GOVERNMENT PARTICIPATION AT 75%		$2,245.50

1/ The completed work constitutes the unit.





0 20' 40'
SCALE

SKETCH OF DENSON MINE

PICKENS CO., GA.

DMEA-3244 (mica)

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 Pickens, described ~~as follows:~~ 1/ in a Lease, dated January 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 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)

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 19 day of July, 195~~4~~

A D Carney [Seal]

_____ [Seal]

_____ [Seal]