☑ Audited

☐ Certified

Name Beam Mining Co

State N.C.

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of Apr

Incl. Voucher for Mar

Commodity

Mica

☐ Actual Cost

☑ Agreed Unit Costs

Docket No. 3599

Idm-E No. 769

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Drilling (Specify)					
Surface Excavation		300.00 300.00		300.00	300.00
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		600.00		300.00	300.00

Prepared by [signature]

71626

Hopkins

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

J. R. Beam and Ernest Crowder
d/b/a Beam Mining Company
Route 2
Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. Idm-2769, Docket No. DMEA-3599, for the month of March, 1955, covering a project for the exploration of mica on property, known as the Beam Prospect located in Gaston County, North Carolina.

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 Final Report of the Field Team, 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		$300.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$300.00

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 Two hundred twenty-five and no/100 Dollars

$225.00

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

E. D. Talbert

E. D. Talbert, Auditor

May 19, 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM POST OFFICE BLDG.
KNOXVILLE 2, TENN.
May 3, 1955

Department of the Interior
Defense Minerals Administration
RECEIVED
MAY 5 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region 5, Knoxville, Tenn.

Subject: Termination Agreement - Idm-E769, DMEA-3599, Beam Mining Co. (mica)

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

V. J. Lynch

ZM.
Lynch
Shirley
Finance Office
Files

DIVISION COPY

Defense Minerals Administration
RECEIVED
APR 5 1955

TERMINATION AGREEMENT

It is agreed this 26 day of April 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and J. R. Beam and Ernest Crowder, d/b/a Beam Mining Company, Gaston County, North Carolina, hereinafter called the "Operators" parties to that certain Exploration Project Contract Idm-E769, Docket No. DMEA-3599, dated March 3, 1955, hereinafter called the "Contract," that:

1. Effective April 6, 1955, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

3. Any work or operations prosecuted or costs incurred by the Operator beginning with said effective date, except as otherwise provided in this termination agreement, shall be for the sole account of the Operator without contribution by the Government.

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

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

6. 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.

BEAM MINING COMPANY

By: J. R. Beam
J. R. Beam, Partner

BY: Ernest Crowder
Ernest Crowder, Partner

THE UNITED STATES OF AMERICA

By Robert A. Lauren
EXECUTIVE OFFICER
DMEA REGION V

2

Division Copy
~~XXXXXXXXXX~~
HCRubin:gjb 2/21/55

Defense Minerals Administration
MAR 28 1955

MF-200A
(Revised June 1954)

Docket No. DMEA 3599

Commodity Mica

Contract No. Idm-E 769

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this 3rd day of March, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] J. R. Beam and Ernest Crouder, partners, d/b/a Beam Mining Company, whose mailing address is Route 2, Spruce Pine, North Carolina, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and .....

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

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of North Carolina, County of Gaston, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, [7] un recorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: None

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.), are attached, as follows: Owner's Consent to Lien

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of ....Mica.... The work to be performed is described in Exhibit "A." The Operator on or before ....April 16, 1955.... shall commence the work, and on or before ....4 mos. from date of contract.... (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $....600.00.... The Government will contribute ....75.... percent of the fixed unit costs as work is performed, in a total sum not in excess of $....450.00....: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records or accounts.

ARTICLE 7. *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 a sufficient final report and final account (see Article 6) has been rendered, 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, within 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 crude 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 (1½) 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 (½) 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 (1½) percent; on an amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *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.

(h) *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.

(i) *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 production operations.

(j) *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.

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

[redacted]
(Operator)

By J. A. Beem

By Ernest Saunders

By O. Mitchendorf
[redacted]

Rubin
Hoffland
Hook
Chamberlin
Selfridge

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—70618-1

EXPLORATION PROJECT CONTRACT
BEAM MINING COMPANY
DOCKET NO. DMEA-3599

ANNEX I

The land referred to in Article 2 of the Contract was leased in an instrument dated December 2, 1954, by Mr. and Mrs. H. T. Beam to the Operator for a period of 5 years, renewable, and is described as follows:

> Beginning at a rock, formerly a sassafras, on Wiley Mauney line and runs with the P. M. Vandyke line S 20 W 63 poles to a stake and pointers on the Neal line; thence with the Neal lines S 72 E 16 poles to a rock and pointers; S 20 W 183 poles to a white oak corner; thence S 72 E 63 poles to a rock and pointers in the old line; thence with the Eaker line N 20 E 168 poles to a rock, formerly a black oak; thence with Wiley Mauney line N 72 W 84 poles to the beginning, containing 34 acres more or less. Same being identical land conveyed to F. S. Beam by deed dated January 8, 1908, and recorded in book 110, page 544 in the office of the Register of Deeds for Gaston County, N. C.

EXPLORATION PROJECT CONTRACT
BEAM MINING COMPANY
DOCKET NO. DMEA-3599

EXHIBIT "A"

Description of the Work

The work shall be performed in two successive stages, as follows:

Stage I

With a D-4 bulldozer or equivalent, strip an area approximately 200 feet by 20 feet by 5 feet deep along the trend (approximately east-west) of the old pits on the property, which are all caved and slumped. The approximate locations of the caved and slumped pits are shown on the sketch entitled, "Beam Prec. Figure 95—Geologic map of the S. R. Self Mine, Gaston County - DMEA 3599 (mice)," attached hereto and made a part hereof.

If the Government is of the opinion that the results of Stage I warrant it and if it grants prior approval, Stage II shall be performed.

Stage II

On the most promising places uncovered by Stage I, sink a total of 60 feet of test pits, having minimum cross-sectional dimensions of 5 feet by 5 feet in the door of timber.

All work shall be timbered as necessary.

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

Fixed Unit Costs

Stage I

Bulldozing, 30 hrs @ $10.00/hr.	$300.00

Stage II

Sink 60 feet of test pits @ $5.00/ft.	$300.00	
Estimated total cost of project		$600.00
Government participation @ 75%		$450.00

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 28 1955

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 North Carolina, County of Gaston, described as follows:1/

See Annex

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/ J. R. Bean and Ernest Crowder

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 Jan. 2, and recorded in book 110 page 544 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 2nd day of December, 1954.

(Signed) M. T. Beam [Seal] Rt. 1, Boonsboro City, N.C.

(Signed) Mrs. H. T. Beam [Seal]

_____ [Seal]

North Carolina, Gaston County

Annex to Owner's Consent to Lien:

Located, lying and being in Cherryville Township, County and State aforesiad, and bounded and described as follows:

Beginning at a rock, formerly a sasafrass, on Wiley Mauney line and runs with the P. H. Vandyke line S 20 W 63 poles to a stake and pointers on the Neal line; thence with the Neal lines S 72 E 16 poles to a rock and pointers; S 20 W 123 poles to a white oak corner; thence S 72 E 63 poles to a rock and pointers in the old line; thence with the Baker line N 20 E 188 poles to a rock, formerly a black oak; thence with Wiley Mauney line N 72 W 88 poles to the beginning, containing 84 acres ore or less. Same being identical land conveyed to P. S. Beam by deed dated January 2, 1908, and recorded in book 110, page 544 in the office of the Register of Deeds for Gaston County, N. C.

This tract of land was devised to granters and grantee by will of P. S. Beam which is recorded in the office of the Clerk of Superior Court of Gaston County, North Carolina and granters herein convey their undivided interest in said tract.

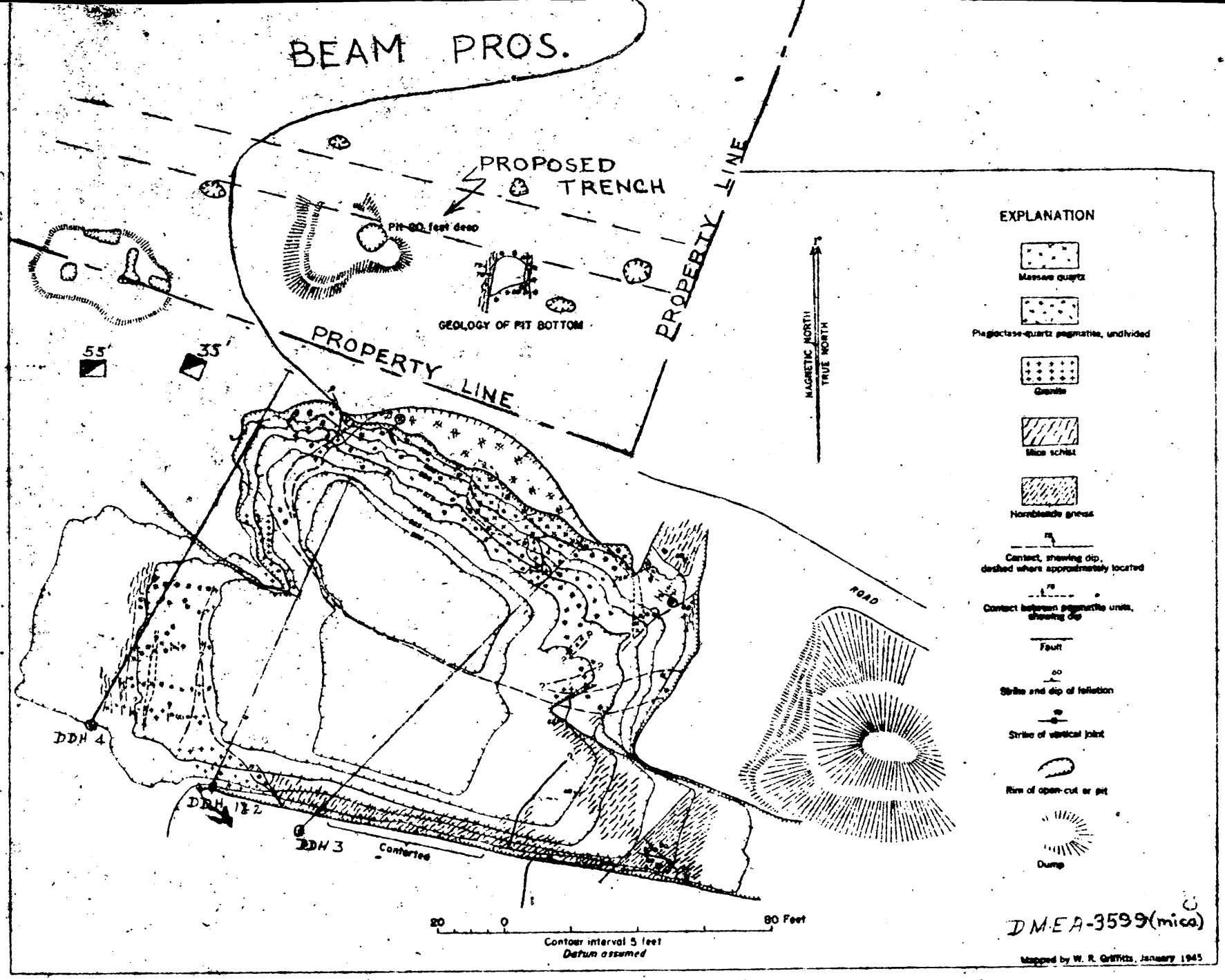


FIGURE 95.—Geologic map of the E. R. Self mine, Gaston County.

600

MAR 3 0 1956

Bean Mining Company
c/o Mr. J. R. Bean
Route #2
Spruce Pine, North Carolina

Re: Docket No. [illegible]
Bean Mining Company
Bean Prospect
Avery County, North Carolina
Contract No. [illegible]

Gentlemen:

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

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

Your interest in the DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

C. O. Min[illegible]

Administrator

JHopkins:cmc 3/22/56
Copy to: Docket
Mr. Chambers
Field Team, Region V
Mr. Killaguard, 5222
Mr. Dieterich, 5061
Mr. Hook
Mr. Hopkins
Admr. R. File
Mr. H. T. Bean } LAND OWNERS
Mrs. H. T. Bean }

Hopkins

Project Summary Report

March 22, 1956

By: James Hopkins

1. Docket No. DMEA-3599-Mica
Beam Mining Company (J. R. Beam and Ernest Crowder)
Beam Prospect
Gaston County, North Carolina
Contract No. Idm-K769
Operator: Beam Mining Company
c/o J. R. Beam
Route #2
Spruce Pine, North Carolina
Operator's Property Rights:
Lessee of Mineral Rights from Mr. and Mrs. H. T. Beam
Bessemer City, North Carolina

2. Contract: Dated March 3, 1955
a) Work authorized:
Stage I
Bulldozing to expose pegmatite
30 hours @ $10.00/hr. $300.00
Stage II
Sink 60 feet of test pits @ $5.00/ft.
$300.00
Estimated Total Costs $600.00
b) Amendments: None
c) Work completed:
Bulldozing 3 Trenches across pegmatite
1) 90'x12'x10'-12'; 2) 50'x12'x8';
3) 25'x12'x4'.
30 hrs. @ $10.00/hr. $300.00

Work began on March 10, 1955 and was completed after 30 hrs. work.
The Contract was terminated by mutual agreement April 6, 1955.
Final Field Team Report April 14, 1955
Final Operator's Report waived.

3. Audit: Report of Review dated May 19, 1955
Total Cost as billed by the Operator
$300.00
Exceptions None
Total Accepted Cost $300.00
Government participation @ 75% $225.00

4. Certification of Discovery--none issued

5. Comments:

Geologic Premise:

This project was founded on the premise that the possibility for the discovery of a deposit of mica was favorable because of the close proximity of pits and dumps, exhibiting small mica of strategic quality, to a productive mine.(Self Mine)

Geologic Criteria on which Project was based:

Dump material contains weathered pegmatite. Mica also seen in dumps. Arrangements of pits suggest 1) a pegmatite parallel to Self pegmatite, 2) one or more bulges of it or 3) several pegmatites which are "off shoots" of the Self pegmatite

Geologic Criteria developed during Project:

Several pegmatites poor in mica were exposed by trenching.

Future Possibilities:

None. Lack of vertical and lateral extent and poor quality of mica does not justify further work in the form of test pitting.

The Project was conducted in a satisfactory manner.

Recommendations:

Because the trenches failed to expose pegmatite that contained mica of strategic quality, the Field Team concluded that additional work is not warranted. They recommended that no certification of discovery should be issued.

The Nonmetallic Minerals Division concurs in this recommendation.

The Commodity Divisions of the Geological Survey and Bureau of Mines also concur.

James Hopkins
Nonmetallic Minerals Division

JHopkins:ms 3/22/56
Copy to: Mr. Houk
Admr. R. File

IN REPLY REFER TO:

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

RECEIVED
OCT 7 - 1955

October 6, 1955

Re: DMEA 3599, Idm-5769
Beam Mining Co.
Beam prospect
Gaston Co., N. C.
$600.00 - Mica

Memorandum

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

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team Final report.

$600.00 was approved for this project, one half of which was expended on Stage I work. Stage II work was not undertaken as no strategic mica-bearing pegmatite was uncovered by the bulldozing. Several pegmatites about 4 feet in maximum thickness were exposed.

No mica was produced and no royalty accrued.

The examiners and Field Team recommend that no certificate of discovery be issued.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

NENelson:iml
G-10/6/55

cc: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061

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

May 10, 1955

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 12 1955

Memorandum

To: Operating Committee, DMEA Washington

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

Subject: Final Field Team Report, DMEA-3599 (mica) Beam Mining Co. Spruce Pine, N. C. Beam Prospect, Gaston County, N. C.

Enclosed are four copies of the Field Team final report on the subject exploration contract, which was terminated at the end of stage I. We are waiving the requirement for an Operator's final report, as the narrative submitted with the only voucher fills this requirement.

We do not recommend certification of discovery.

Executive Officer, DMEA
Field Team, Region V

Member, Bureau of Mines

RAL/mm
cc: Lynch
Shirley
Files

5-16-55

INTERIM REPORT

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
By
FIELD TEAM, REGION V

On

DMEA-3599, (mica) BEAM PROSPECT

By

K. H. Teague and D. H. Amos, Geologists
U. S. Geological Survey

and

L. E. Shirley Mining Engineer
U, S. Bureau of Mines

DMEA CLASSIFICATION
5-16-55

April 14, 1955

FINAL REPORT
ON
IMEA-3599, Idm-E769 (mica) BEAM PROSPECT

Operator: Beam Mining Co., c/o J. R. Beam, Route # 2, Spruce Pine, N. C.

Location: 4.5 miles southeast of Cherryville, Gaston County, North Carolina. The prospect is adjacent to the Self Mica Mine.

Three trenches cut under this contract failed to expose pegmatite which contained mica of strategic quality. Additional work is not warranted; no certification of a discovery should be issued.

The starting date on this contract is March 29, 1955. Stage I of the contract has been completed, and additional work does not appear warranted. The contract was terminated by mutual consent effective April 6, 1955.

Trenching completed consisted of open cuts by bulldozer. Trench No. 1 trends N. 60° W. and is 90' x 12' x 10-12'. About midway of the No. 1 trench, Trench No. 2 (50' x 12' x 8') trending due north was cut, joining Trench No. 1 on the northeast side, and on the southeast end of Trench No. 1, Trench No. 3 trending N. 65° E. (25' x 12' x 4') and cross-cutting the end of Trench No. 1, was made. Pegmatite was exposed in both No. 1 and No. 2 trenches. Several pegmatites about 4 feet in maximum thickness, and composed of feldspar, quartz and muscovite mica were exposed. The mica was of very poor quality, contained "A" and "fishbone" structure, and was badly stained. Lack of vertical and lateral extent, which could be determined easily, and poor quality of mica in this stringer does not justify further work in the form of test pitting.

Expenditures:

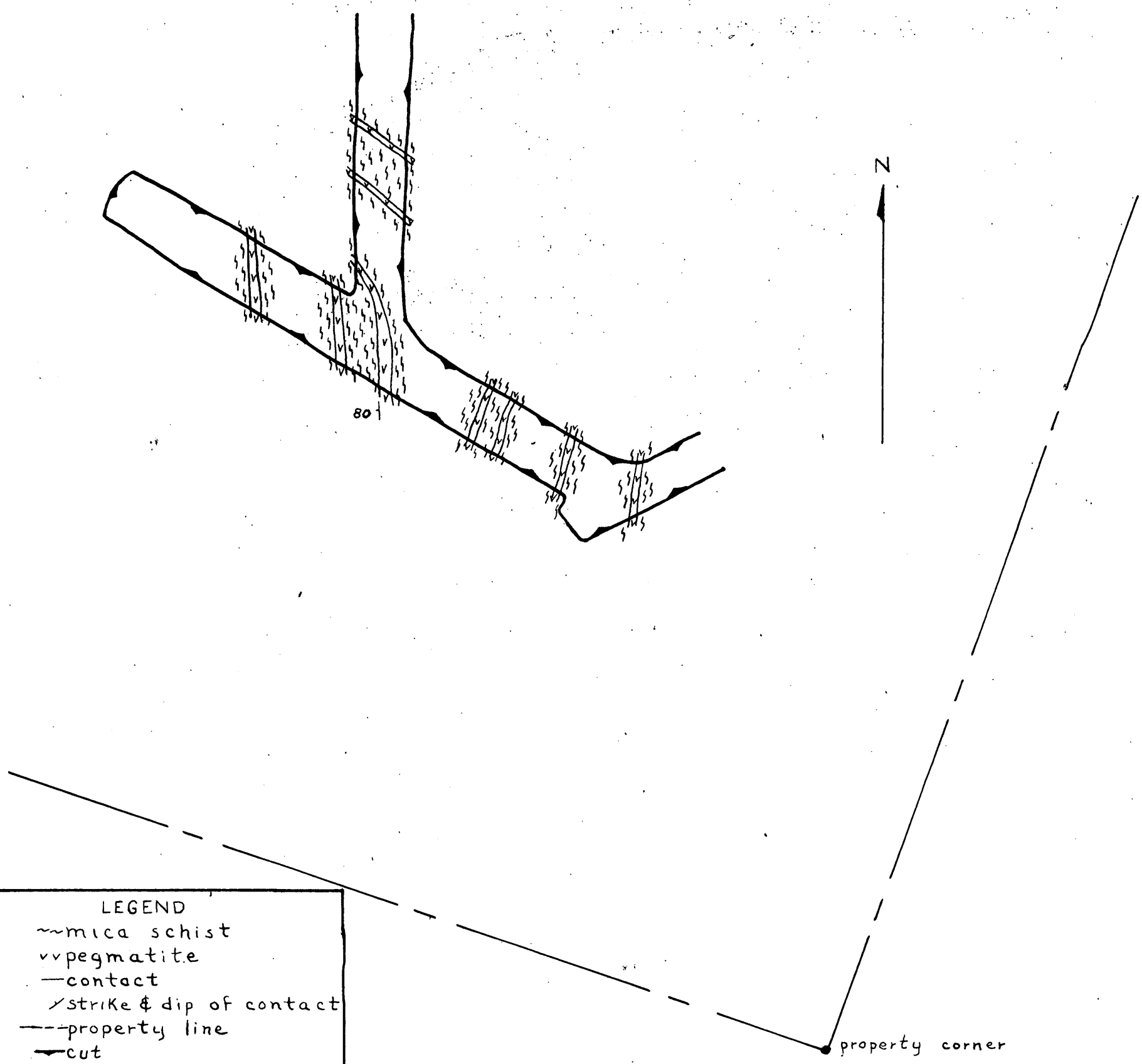
(a)	Total approved	$600.00
(b)	Total cost of project	300.00
(c)	Government's share of cost	225.00
(d)	" " unexpended	225.00
(e)	Value of production during opr.	none

This project was conducted in a satisfactory manner.

April 14, 1955.

K. H. Teague and D. M. Amos, Geologists
U. S. Geological Survey

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines



LEGEND
~~mica schist
vvpegmatite
—contact
/strike & dip of contact
---property line
cut

0 20' 40'
SCALE

SKETCH OF
BEAM PROS.
GASTON CO., N.C.

DMEA-3599 (mica)

March 31, 1955

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

Bureau of Mines
Minerals Administration
RECEIVED
MAY 19 1955

May 17, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3599 (mica)

Applicant: Beam Mining Company, c/o J. R. Beam, Route #2, Spruce Pine, N. C.

Name and Location of Property: Beam Prospect
Gaston County, North Carolina

Contract Number: Idm-E769

Date of Field Team Report: 4-14-55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 5-16-55

Field Team Recommendation:

1. Denial.

Comments:

1. Trenching conducted under Stage I failed to expose mica of strategic quality.

2. Additional work was not recommended.

3. Expenditures

- Total approved	$600.00
- Total cost	300.00
- Gov't. share of the cost	225.00
- Value of production during operation	None

Recommendation:

I concur with the field team's recommendation to deny certification of discovery or development.

Signed

W. F. Dietrich

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

62

OPERATOR'S MONTHLY REPORT AND VOUCHER

Defense Minerals Administration
RECEIVED

Month of March, 1955 Docket No. DMEA 3599 Contract No. IC-5769
Operator's Name J. B. Beam and Ernest Crowder Minerals Mica
Address D/B A Beam Mining Co., Rt. 2, Spruce Pine, N.C.
Contract Amount, $ 600.00 Government Participation: 75 % Amount, $ 450.00

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						
30 hr Bulldozing @ 10.00 hr.	300.00		300.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(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	300.00		300.00	300.00		300.00

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

Date 5-2-55 *Payee J.B. Beam & Ernest Crowder

Per J. B. Beam Title Partner

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

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

(Instructions on reverse)

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

$ 225.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date 5-16-55 Vou. No.
(See other side)

75.00

(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. Em-E769 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date May 7, 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date MAY 10 1955

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 872893

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 17 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 5 No. DMEA 3599 Contract No. Icm-769
Operator's Name J. R. Bean & Ernest Crocker Minerals None
Address Bean Mining Co., Rt. 2, Spruce Pine, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Bldg. Building	Hr.	300.00	30	300.00	30	10.00	30	10.00
		300.00		300.00				
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
		300.00		300.00				
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 5-2-55 Operator J.R. Bean & Ernest Crocker

Per J. R. Bean Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

Laurence E. Shirley - May 7, 1955
U.S.B.M.

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

OPERATOR'S

MONTHLY PROGRESS REPORT

March, 1955

Idn-E 769

DMEA-3599

Date Work Began: Mar. 10

Work Accomplished:

Brought bulldozer to site and did 30 hours bulldozing, as set up in Stage I of the contract. Field Team inspected site after this was done, and did not find it advisable to continue work. They recommended that the contract be cancelled.

March 10 and 11: Brought in bulldozer. Worked 3 hrs. on cut as set up in contract. Following day continued same work, working 6 hrs.

March 24 and 25: Returned with dozer, completing bulldozing work.

APR 2 5 1955 600

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

Subject: Docket No. DMEA-3599 - Mica
J. R. Beam and Kenneth Crowder
d/b/a Beam Mining Company
Beam Mine Prospect
Gaston County, North Carolina
Contract No. Idm-2769

Dear Mr. Lawrence:

Reference is made to the interim report dated March 30, 1955, on the subject contract in which it is suggested that the contract be terminated by mutual consent because the results of the work in Stage I indicate that Stage II is not warranted.

Since the Field Team and the Operator are in complete agreement that additional work is not justified, approval is granted to terminate the subject contract in accordance with the provisions of DMEA Circular No. 33, June 30, 1954, employing the form No. 6, "Termination Agreement (all contract forms-MF-200, MF-200A)."

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

JHopkins:ad 4/21/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Hopkins

INTERIM REPORT

DMEA-3599, Idm-E769 (mica) BEAM PROSPECT

Operator: Beam Mining Company, Route # 2, Spruce Pine, N. C.

Location: 4.5 miles southeast of Cherryville, Gaston County, N. C.

The starting date on this contract is March 23, 1955. Stage I of the contract has been completed, and additional work does not appear warranted. It is suggested that the contract be terminated by mutual consent, as the Operator is in complete agreement with the Field Examiners that additional work is not justified.

Trenching completed consisted of open cuts by bulldozer. Trench No. 1 trends N. 60° W. and is 90' x 12' x 10-12'. About midway of the No. 1 trench, Trench No. 2 (50' x 12' x 8') trending due north was cut, joining Trench No. 1 on the northeast side, and on the southeast end of Trench No. 1, Trench No. 3 trending N. 65° E. (25' x 12' x 4') and cross-cutting the end of Trench No. 1, was made. Pegmatite was exposed in both No. 1 and No. 2 trenches. Several pegmatites about 4 feet in maximum thickness, and composed of feldspar, quartz and muscovite mica were exposed. The mica was of very poor quality, contained "A" structure, and was badly stained. Lack of vertical and lateral extent, which could be determined easily and poor quality of mica in this stringer does not justify further work in the form of test pitting.

Thor H. Kiilsgaard and Lawrence G. Houk accompanied the field examiners on this visit to the prospect and examined the Self Mine, which is nearby.

Visited: March 30, 1955.

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

K. H. Teague and D. H. Amos, Geologists
U. S. Geological Survey

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

Defense Minerals Administration
RECEIVED
DEC 28 1954

December 27, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Donald R. Irving, Acting for
Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3599 (mica)

Applicant: Beam Mining Company

Name and Location of Property: Beam Mine Prospect
Gaston County, North Carolina

Date Application Rec'd. by Ceram. & Fert. Mat. Br.: December 8, 1954

Comments:

1. From the limited information presented, it is difficult to determine if an exploration program is justified or if the proposed plan is the logical plan.

2. Estimated costs are in line with other DMEA projects based on a similar plan of exploration.

3. It appears a field examination is necessary.

Recommendation:

It is recommended that the field team visit this mine when in that vicinity to ascertain if an exploration project is justified. If so, the field team and applicant should agree on a definite plan of exploration on a unit-cost basis.

SIGNED

Donald R. Irving

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

Defense Minerals Administration
RECEIVED
DEC 28 1954

December 27, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Donald R. Irving, Acting for
Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3599 (mica)

Applicant: Beam Mining Company

Name and Location of Property: Beam Mine Prospect
Gaston County, North Carolina

Date Application Rec'd. by Ceram. & Fert. Mat. Br.: December 8, 1954

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SIGNED

Donald R. Irving

IN REPLY REFER TO:

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

December 10, 1954

Re: DMEA-3599
J. R. Beam & E. Crowder
(Beam Mine Prospect)
Gaston Co., N. C.
$8,500
Mica

Memorandum

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

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

Subject: Review of application

The applicant proposes work involving 100 feet of shaft sinking and 100 feet of crosscutting and drifting.

We have no information which is specific to this particular prospect.

I recommend the application be referred to the Field Team for their review and recommendations. A field examination may be needed, if the Survey files in Knoxville indicate this property warrants further investigation.

E. L. Newcomb

ELNewcomb:edf

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061 Interior

IN REPLY REFER TO:

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

December 10, 1954

Re: DMEA-3599
J. R. Beam & E. Crowder
(Beam Mine Prospect)
Easton Co., N. C.
$8,500
Mica

Memorandum

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

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

Subject: Review of application

The applicant proposes work involving 100 feet of shaft sinking and 100 feet of crosscutting and drifting.

We have no information which is specific to this particular prospect.

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E. L. Newcomb

ELNewcomb:edf

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061 Interior

MAR 3 - 1955

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

Subject: Docket No. DMEA-3599 - Mica
J. R. Beam and Ernest Crocker
d/b/a Beam Mining Company
Beam Mine Prospect
Graham County, North Carolina

Dear Mr. Lawrence:

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

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

You will note the contract does not authorize Stage III - shaft sinking, as recommended by the Field Team. Authorization is deferred at this time because of the possibility that rock conditions may be encountered identical to those in the adjoining Self Mine area where sinking was so difficult.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from the Geological Survey, dated January 20, 1955, and from the Bureau of Mines, dated February 16, 1955, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

E. L. Newcomb

Member, Geological Survey

Enclosures 20

JHopkins:ad 3/1/55

Copy to: Admr. R. File
Docket
Operating Committee
Mr. Killingsard, 5222
Mr. Dietrich, 3061
Mr. Hook

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

February 16, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Brooke L. Gunsallus, Acting for Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3599 (mica)

Applicant: Beam Mining Company

Name and Location of Property: Beam Prospect
Gaston County, North Carolina

Date of Field Team Report: January 13, 1955

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 1-25-55

Field Team Recommendation:
1. Approval of contract.

Comments:
1. Mica in dump is small in sizes but of strategic quality.
2. Proposed exploration outlined by the field team is consistent with good engineering practices and estimated costs are in line with other DMEA projects.

Recommendation:

I concur in the field team's recommendation for a three stage project in the amount of $5,313.

Signed

Brooke L. Gunsallus

IN REPLY REFER TO:

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

January 20, 1955

Re: DMEA-3599
Beam Mining Co.
(Beam Prospect)
Gaston Co., N. C.
$5,313 - Mica

Memorandum

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

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

Subject: Review of Field Team examination report

The Field Team has recommended a three-stage project be approved.

Although conclusive evidence of mica-bearing pegmatites on the applicant's property has not been clearly established, the possibility exists that preliminary trenching will indicate further exploration is warranted.

Inasmuch as this project can be terminated at the conclusion of Stage I, if results are unfavorable, I recommend the three-stage conditional program recommended by the Field Team be approved.

E. L. Newcomb

ELNewcomb:hlm
G-1/20/55

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061 Interior

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1954

December 27, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Donald R. Irving, Acting for
Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3599 (mica)

Applicant: Beam Mining Company

Name and Location of Property: Beam Mine Prospect
Gaston County, North Carolina

Date Application Rec'd. by Ceram. & Fert. Mat. Br.: December 8, 1954

Comments:

1. From the limited information presented, it is difficult to determine if an exploration program is justified or if the proposed plan is the logical plan.

2. Estimated costs are in line with other DMEA projects based on a similar plan of exploration.

3. It appears a field examination is necessary.

Recommendation:

It is recommended that the field team visit this mine when in that vicinity to ascertain if an exploration project is justified. If so, the field team and applicant should agree on a definite plan of exploration on a unit-cost basis.

Donald R. Irving

IN REPLY REFER TO:

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

December 10, 1954

Re: DMEA-3999
J. R. Beam & H. Crowder
(Beam Mine Prospect)
Gaston Co., N. C.
$6,500
Mica

Memorandum

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

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

Subject: Review of application

The applicant proposes work involving 100 feet of shaft sinking and 100 feet of crosscutting and drifting.

We have no information which is specific to this particular prospect.

I recommend the application be referred to the Field Team for their review and recommendations. A field examination may be needed, if the Survey files in Knoxville indicate this property warrants further investigation.

E. L. Newcomb

ELNewcomb:edf

Copy to: Director's reading, 4212
Branch reading, 4212
DMEA (3)
Docket file
W. F. Dietrich, 3061 Interior

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

RECEIVED

January 13, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report: DMEA-3599 (mica)
Beam Mining Co. Spruce Pine, N. C.
Beam Prospect, Gaston Co., N. C.

Enclosed are four copies of the subject examination report and six extra copies of the map.

We agree with the examiners recommendations, and suggest approval of a contract, on the short form, as outlined in the report.

This prospect was examined without a field referral, as the examiners were in the vicinity last week in connection with other DMEA work.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

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

cc:
Beck
Shirley
Files

Reviewed by
DMEA OPERATING COMMITTEE
1-19-55
(date)

UNITED STATES

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM EXAMINATION REPORT, REGION VII

On

DMEA-3599, BEAM PROSPECT (mica)
Gaston County, N. C.

BY

Dewey H. Amos, Geologist
U. S. Geological Survey

and

Lawrence E. Shirley, Mining Engineer
U. S. Bureau of Mines

January 12, 1955

Reviewed by
DMEA OPERATING COMMITTEE
1-19-55
(date)

FIELD EXAMINATION REPORT

ON

DMEA-3599, BEAM PROSPECT (mica)

Applicant: Beam Mining Company, Route #2, Spruce Pine, North Carolina

The Beam Prospect property is adjacent to the northwest side of the Self Mine (DMEA-1389X and DMEA-2377). The possibility for the discovery of a deposit of strategic mica appear to be favorable; thus, it is recommended that exploration assistance be granted - the work to be staged.

The Prospect is 4.5 miles southeast of Cherryville, in northern Gaston County, N. C. It is about 800 feet north of a soil road and one mile east of the paved Cherryville-Kings Mountain Highway.

Several shallow pits are on the property, all of which are now caved and slumped, (see attached map). No other workings or surface facilities are present.

The geology of the Self Mine and adjacent part of the Beam property are described in detail in the following:

U. S. G. S. Professional Paper 248-D, pp. 251-253.
Field Examination Report - DMEA-1389X
Final Report, DMEA-2377

Dump material consisting of weathered pegmatite is present at all of the pits. No pegmatite in place was observed. All of the dumps contain mica of small sizes which are of strategic quality.

The distribution of the pits suggests that they are located on either (1) a pegmatite parallel to the Self pegmatite, (2) one or more "bulges" of it, or (3) several pegmatites whose strike are normal to and are "offshoots" of the Self pegmatite. The latter is suggested by the geology in one of the pits as shown on the map of the Self Mine in U. S. G. S. Prof. Paper 248-D.

It is the opinion of the field examiners that the applicants' proposal to sink a shaft without preliminary exploration is premature in as much as the attitude, size and number of pegmatites are not known. The exploration should be staged as follows:

Stage I. Strip with a bulldozer along the trend (approximately east-west) of the pits for about 200 feet.

Stage II. Sink 30 feet of test pits on the most promising places unuevered by Stage I.

Stage III. Sink a 50-foot shaft and drive 80 feet of drift and/or crosscut. A toolhouse, powder magazine and exploder magazine will be needed if this stage is undertaken.

The applicants are in agreement with these recommendations.

Working space on the property is sufficient to do the proposed exploration. The applicants are competent to do the work and are financially responsible. Manpower, supplies and equipment are available from the Spruce Pine district. Power is available at the Self Mine.

Estimated expenses:

StageI. Strip an area about 200'x20'x5' deep (all material is highly weathered) with bulldozer 30 hrs. @ $10.00/hr.	$300.00	$300.00
Stage II. Sink a total of 30 feet of 5' x 5' test pits (8 shifts)		
2 - laborers @ $1.00/hr.	128.00	
Hand tools	22.00	
		$150.00
Stage III.		
Toolhouse		75.00
Powder Magazine		25.00
Exploder "		13.00
Sink 50-foot, 5' x 7', two-compartment timbered shaft (25 shifts)		
Labor:		
1 - miner @ 1.50/hr.	$300.00	
1 - Hoistman @ $1.25	250.00	
1 - Laborer @ $1.00/hr.	200.00	
Equipment (rental):		
Compressor, pump and drill @ $240/mo.	300.00	
Hoist @ $50/Mo.	62.50	
Supplies: Gasoline and oil	100.00	

Supplies - cont'd

Explosvies	$ 25.00	
Timber 5000 b.f. @ $65/M	325.00	
Drill steel	25.00	
Water and airlines	100.00	
Hand tools	75.00	
Miscellaneous	177.50	
Insurance & Social Security	150.00	$2,090.00

Drive 80 feet of 5' x 7' drift, timbered where necessary (30 shifts).

Labor:		
1 - Miner @ $1.50/hr.	$360.00	
1 - Hoistman @ $1.25/hr.	300.00	
2 - Laborers @ $1.00/hr.	480.00	
Equipment (rental)		
Compressor, pump, drill & jackleg @ $250/mo.	375.00	
Hoist @ $50/Mo.	75.00	
Supplies:		
Gasoline and oil	175.00	
Explosives	25.00	
Timber, 4000 b. f. @ $65/M	260.00	
Drill steel	25.00	
Pipe	80.00	
Hand tools	75.00	
Miscellaneous	130.00	
Insurance and Social Security	300.00	~~$2,660.00~~
Total Stage III		$2,660.00
Total Stages, I, II, and III		$5,313.00

January 12, 1955

D. H. Amos, Geologist, U. S. G. S.

L. E. Shirley, Mining Engineer
U. S. B. M.

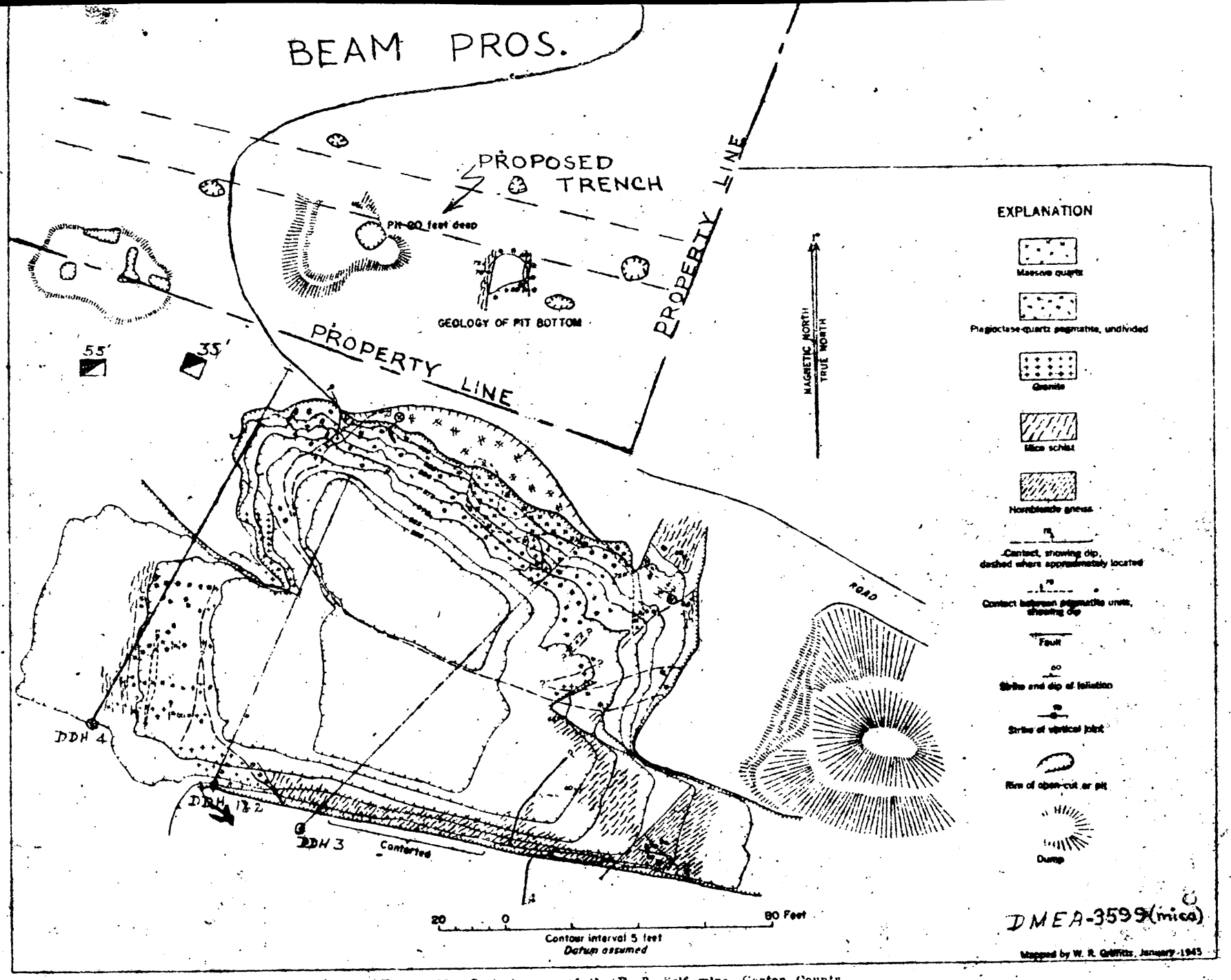

FIGURE 95.—Geologic map of the E. R. Self mine, Gaston County.