UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION V

ELECTROTECHNICAL
EXPERIMENT STATION

P. O. BOX 217
NORRIS, TENNESSEE

September 29, 1958

Memorandum

To: Jay L. Chambers, Office of Minerals Exploration, Interior Building, Washington 25, D. C.

From: Personal Assistant, Norris, Tennessee

Subject: Monthly report and voucher

We are enclosing two copies of the following monthly report and vouchers:

Idm-E1194 Roland F. Beers, Inc.
Docket No. DMEA-4896
2nd and final payment - month of July
Completion Date: 7/22/58
Amount $1824.16

Helen R. Miller
Helen R. Miller

Attachments
/hbm
Copies to R. A. Laurence
V. J. Lynch
Norris files
Day files

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 1 1958

DATE		
10/1	C	220
"		110
~~10/1~~	~~Kelly~~	~~500~~

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 7

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1958 Docket No. DMEA 4896 Contract No. Idm-E 1194
Operator's Name Roland F. Beers, Inc. Minerals Copper-Lead-Zinc
Address 447 Pinewoods Ave.(P.O.Box 1019), Troy, N.Y.
Contract Amount, $ 13,080.00 Government Participation: 50 % Amount, $ 6,540.00

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 Contractors: ~~Short Form~~						
Drilling Diamond	2795.30	2757.00	5552.30			
~~xxxxxxx~~ Drill hole						
~~xxxxxxx~~ survey	22.50	7.50	30.00			
~~xxxxxxx~~ Mobilization and demobilization of personnel & equipment	300.00	-	300.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core boxes	84.00	84.00	168.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	4.00	-	4.00			
Payroll Taxes						
Liability Insurance						
Incidental allowance	442.52	437.00	879.52			
(8) Contingencies (specify):						
TOTALS	3648.32	3285.50	6933.82	3648.32	3285.50	6933.82

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

Date Aug. 15, 1958 *Payee Roland F. Beers, Inc.

Per John D. Baker Title Accountant

*Where 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:

$ 1824.16

Signature Helen R. Mellie
(Authorized Certifying Officer)

Date SEP 29 1958 Vou. No. 38

(See other side)

1824.16

(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. IdmE1194 in accordance with the terms of the contract.

Signature Henry H. Amos Title GEOLOGIST, U. S. G. S. Date AUG 18 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: EXECUTIVE OFFICER DMEA REGION V

Signature Robert A. Lawrence Title Date SEP 26 1958

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.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1958 Docket No. DMEA 4896 Contract No. Idm-E 1194

Operator's Name Roland F. Beers, Inc. Minerals Copper-Lead-Zinc

Address 447 Pinewoods Ave. (POBox 1019) Troy, N.Y.

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
Mobilization & demobilization of personnel & equipment	ea	300.00	1	$ 300.00	1	$300.00		300.00
Drill hole survey	hrs	22.50	3	30.00	4	7.50		7.50
Drilling: Overburden and BX Core	feet	2757.90	951	5501.30	1897	2.90		2.90
NX Core	feet	37.40	11	51.00	15	3.40		3.40
Core boxes	ea	84.00	28	168.00	56	3.00		3.00
Incidental allowance	feet	442.52	962	879.52	1912	.46		.46
Assays	ea	4.00	1	4.00	1	4.00		4.00
TOTAL DISTRIBUTED COSTS		3648.32		6933.82				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None		None				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		3648.32		6933.82				13,080.00

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 Aug. 15, 1958 Operator Roland F. Beers, Inc.

Per John D. Baker Title Accountant

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)

REMARKS:

(For Government use only)

Henry H. Amos

GEOLOGIST, U. S. G. S.

AUG 18 1958

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 872894

RECEIVED
OCT 1958
D.M.E.A.

PROGRESS REPORT

August 8, 1958

DE-10 PROSPECT

Roland F. Beers, Inc.

DMEA - 4896

PROGRESS REPORT

August 8, 1958

DE-10 PROSPECT

Roland F. Beers, Inc.

DMEA - 4896

-Introduction-

During July, 1958, 962 feet were drilled on the DE-10 prospect under the stipulations set forth in DMEA Contract Idm E1194. Two holes were drilled during the month, bringing the total number of holes drilled to date to four. Locations of these holes are shown on the accompanying maps.

Drilling took place under the following chronology:

July 1: DH-3 started
July 11: DH-3 completed

July 11: DH-4 started
July 21: DH-4 completed

A time sequence and detailed account of DH-1 and DH-2 were given in the Monthly Report for June, 1958.

A formal request for the termination of this contract has been submitted to the Government. In the event the Government agrees to terminate the contract, at this time, this report will constitute a Final as well as a Monthly Report.

-Drilling Results-

DH-3, located at 3 N ∠ .10 E was drilled vertically through the conductor axis. The hole was drilled to a

depth of 500 feet and was deflected 80 feet S. 56° E. at the bottom. The core exhibited sulfide mineralization in fine disseminations, fracture fillings and small stringers. None of the core from this drill hole was sufficiently mineralized to justify assaying.

DH-4, located on L 9 N + .80 E, was a vertical hole collared on the ground EM conductor axis and drilled to a depth of 462 feet. A drill hole survey showed DH-4 to have drifted 5 feet to the southeast at the bottom. No massive sulfide sections were encountered. The sulfides (mostly pyrrhotite and pyrite) occur as fine disseminations, as fracture fillings and in small stringers.

-Drilling Data-

Four holes were drilled on the DE-10 prospect, all of which were cooperative. The locations of these drill holes are shown on the attached map.

The following table summarizes the physical aspects of each drill hole:

Drill Hole #1:

Location: 9S + .85W
Total depth: 500 feet
Inclination: 90°
Core size: BXC: 0-12 feet
BXWL: 12-500 feet
Cooperative drilling: 500 feet
Corporation drilling: 0
No. of assays: 1

Drill Hole #2:

Location: 3S + .40W
Total depth: 450 feet
Inclination: 90°
Core size: BXC: 0-6 feet
NXBW: 6-10 feet
BXWL: 10-450 feet
Cooperative drilling: 450 feet
Corporation drilling: 0
No. of assays: 0

Drill Hole #3

Location: 3N + .10E
Total depth: 500 feet
Inclination: 90°
Core size: BXC: 0-3 feet
NXBW: 3-10 feet
BXWL: 10-500 feet
Cooperative drilling: 500 feet
Corporation drilling: 0
No. of assays: 0

Drill Hole #4:

Location: 9N + .80E
Elevation: 359.9 feet
Total depth: 462 feet
Inclination: 90°
Core size: BXC: 0-6 feet
NXBW: 6-10 feet
BXWL: 10-316 feet
AXBW: 316-462 feet
Cooperative drilling: 462 feet
Corporation drilling: 0
No. of assays: 0

-Stratigraphy & Mineralization-

Four diamond drill holes were completed on the DE-10 anomaly. The details of location and geology are shown on accompanying maps and cross-sections.

The rock section encountered in diamond drilling consists of two major types: (a) metasediments and (b) metavolcanics. Metasediments are represented by slates, all dark colored and with varying degrees of silica induration. Metavolcanics consist of: (a) very fine-grained, gray tuff and (b) medium-coarse to coarse volcanic breccia. Occasional, minor intraformational breccias are present. Such breccias are apparently of very limited lateral extent. All of the cited rock types were subject to heavy silicification.

Low-grade metamorphism is evidenced by the development of slaty cleavage, principally in the metasediments, and "welding" of nearly all beds. The development of typical metamorphic mineral assemblages is conspiciously absent.

Bedding inclination, as measured on drill core, corroborated surface data. All of the beds dip westward at 32°-35°, without significant departure. Minor structural disturbance is evidenced by widespread fracture development and at least one probable fault breccia. Displacement along both fracture types is

negligible. The fractures occupy a preferential oblique position with reference to bedding.

Sulfide mineralization, consisting of pyrrhotite and pyrite, was encountered in all drill holes. Although these minerals are present throughout the entire rock section, there is a relative concentration in the uppermost 200 feet. As shown on the cross-sections, this part of the section is an alternating series of slates and tuffs. Sulfides are present as very small, disseminated grains, concentrated in this bands (approximately 1/4") at the base of nearly all of the pyroclastic beds. Selected 6" to 8" sections from this interstratified core contain a maximum of 5% total sulfides.

The iron sulfides also occur, with calcite and quartz, in the cross-cutting fractures. The maximum width of such fractures is approximately 3/4". Sludge samples taken in highly fractured core failed to show any appreciable increase in sulfides over non-fractured core.

No massive sulfides were encountered in the completed drill holes.

-Geophysical Data-

The geophysical anomaly, upon which the drilling was based, was verified in all respects. Sufficient conducting sulfides are present in the upper 200 feet

of the section to account for (a) the airborne EM anomaly, (b) the vertical-loop EM cross-overs, and (c) horizontal-loop EM anomaly. The mass conducting effect of thin sulfide bands accounts for the width of the airborne and horizontal-loop anomalies.

The small, though regular, magnetic anomalies are due to the mass magnetic effect of the pyrrhotite. The magnetic profiles corroborate the westward dip of the sulfide-bearing beds.

The self-potential anomaly was previously identified with outcropping pyrrhotite-bearing beds (DE-10 Application, Dec. 1957).

-Assay Data-

One sample of the sulfide-bearing pyroclastic-slate section from DH-1 (147.5'-152.5') was selected for assay. No values for copper-lead-zinc-nickel-silver are present. A trace of gold is recorded. A true copy of the assay certificate is appended.

No other section is sufficiently mineralized to justify assaying.

-Recommendations-

Full evaluation of all data available at this time corroborates the Roland F. Beers, Inc., request to terminate cooperative work on the DE-10 Prospect (letter, 7/22/58).

For purposes of record, it is herein requested that the work requirements of DMEA Contract Idm-E1194 be terminated at the present work stage. It is believed that the exploration intent of both Beers, Inc., and the Government has been fulfilled.

Respectfully submitted:

Robert S. Young

Robert S. Young, Br. Mgr.

Vernon R. Geyer

Vernon R. Geyer, Geologist

August 8, 1958
Roland F. Beers, Inc.
Box 3725, University Station
Charlottesville, Virginia

Location: DE-1[illegible] Prospect Angle: 90° Hole No.: DH-3

Depth: 500 feet Deflection: 80' S 56° E at bottom

Elevation: 654.4' Logged by: VRG

Footage	Description
0-3	overburden.
3-91	fine to medium-grained pyroclastics interbedded with metasediments; 2-4% total sulfides occurring in disseminated form and in stringers; sulfides more concentrated at base of pyroclastic zones; highly fractured 41-43'.
91-123	thinly laminated volcanic tuff and metasediments; minor disseminated sulfides.
123-153	interstratified volcanics and metasediments containing small calcite veinlets.
153-195	silicified volcanic tuff containing few small zones of metasediments; total sulfides 2-4%.
195-201	medium-grained volcanic tuff.
201-243	interbedded fine to medium-grained tuff and metasediments; thin-bedded sections 207-218'; pyrite and pyrrhotite in disseminated form and in fractures. Total sulfides about 3%.
243-263	silicified fine to medium-grained volcanic tuff containing traces of metasediments and minor disseminated sulfides; highly fractured.
263-290	silicified fine-grained tuff; fractured zones 252-253', 255-257.5', 269-271.5' and 274'; highly silicified 6" section at 267'; minor disseminated pyrite and pyrrhotite.
290-338	highly silicified fine-grained tuff containing breccia zones at 308', 311' (6"), 313' (3"), 314-315', fractured section at 290' (4").
338-376	silicified coarse-grained pyroclastics, containing minor amounts of pyrite and pyrrhotite.
376-409	silicified light-gray volcanic breccia with minor sulfides. Fractured zone 382-382.5'.

Location: DE-10 Prospect Angle: 90° Hole No.: DH-3

Depth: 500 feet Deflection: 80' S 56° E at bottom

Elevation: 654.4' Logged by: VRG

Footage	Description
409-410	fine-grained pyroclastics.
410-419	silicified interstratified breccia and tuff.
419-428	silicified dark-gray fine to medium-grained tuff; minor sulfides (pyrite and pyrrhotite) in fractures. Fractured zone 426.5-427'.
428-447.5	silicified light-gray fine to medium-grained tuff containing few breccia sections, 6" at 432';quartz 436-437'. Minor disseminated sulfides.
447.5-462.5	volcanic breccia with disseminated pytire and pyrrhotite; contains angular grains and fragments of feldspar and calcite.
462.5-500	silicified fine-grained pyroclastics with very minor disseminated sulfides (pyrite and pyrrhotite); dark gray color 462.5-476'; light-gray color 476-500'.
	TDA - 500 feet

Location: DE-[illegible] Prospect Angle: 90° Hole No.: DH-4

Depth: 462 feet Deflection: 5' S 60° E at bottom

Elevation: 659.9' Logged by: VRG

Footage	Description
0-6	overburden.
6-105	fine to medium-grained pyroclastics interbedded with metasediments; total sulfides about 3% by weight; fractured zones at 26-27.5', 30-31' and 37-37.5'. Sulfides (mostly pyrite and pyrrhotite) more concentrated at base of pyroclastic layers.
105-140	dark-gray thin-bedded fine-grained metasediments and pyroclastics.
140-145	light-gray medium-grained pyroclastics containing small calcite veinlets and minor disseminated sulfides.
145-227	interstratified metasediments and pyroclastics with minor disseminated sulfides; 5" breccia section at 220'.
227-232	thin-bedded fine-grained metasediments and volcanic tuff. Highly fractured 229-230'.
232-272.5	silicified volcanic tuff; breccia at 238.5-239.5'; traces of metasediments; highly fractured 233-234' and 241-242'. Minor disseminated sulfides (pyrite and pyrrhotite).
272.5-356	silicified interbedded fine-grained tuff and breccia with disseminated sulfides; highly silicified zones at 272-276', 282.5-286', and 323-356'.
356-363	dark-gray medium-grained volcanic tuff.
363-384	silicified light-gray breccia with minor disseminated sulfides.
384-437	highly silicified volcanic dark-gray color and coarse-grained 406-432'; highly fractured zone 419-421'; sulfides in disseminated form and in fractures. Total sulfides less than 2%.
437-462	dark-gray fine-grained pyroclastics; light-gray section 452-462'; breccia streaks at 442', 447.5' and 448'; very minor disseminated sulfides.
	TDA - 462 feet

Telephone EMpire 3-3302

Hand Sample Serial 35920

Mine Roland F. Beers, Incorporated

ASSAY REPORT

UNION ASSAY OFFICE, Inc.

J. V. SADLER, President
W. C. WANLASS, Vice-Pres. & Treas.
LILY M. HOTTINGER, Secretary

Salt Lake City 10, Utah

RESULTS PER TON OF 2000 POUNDS

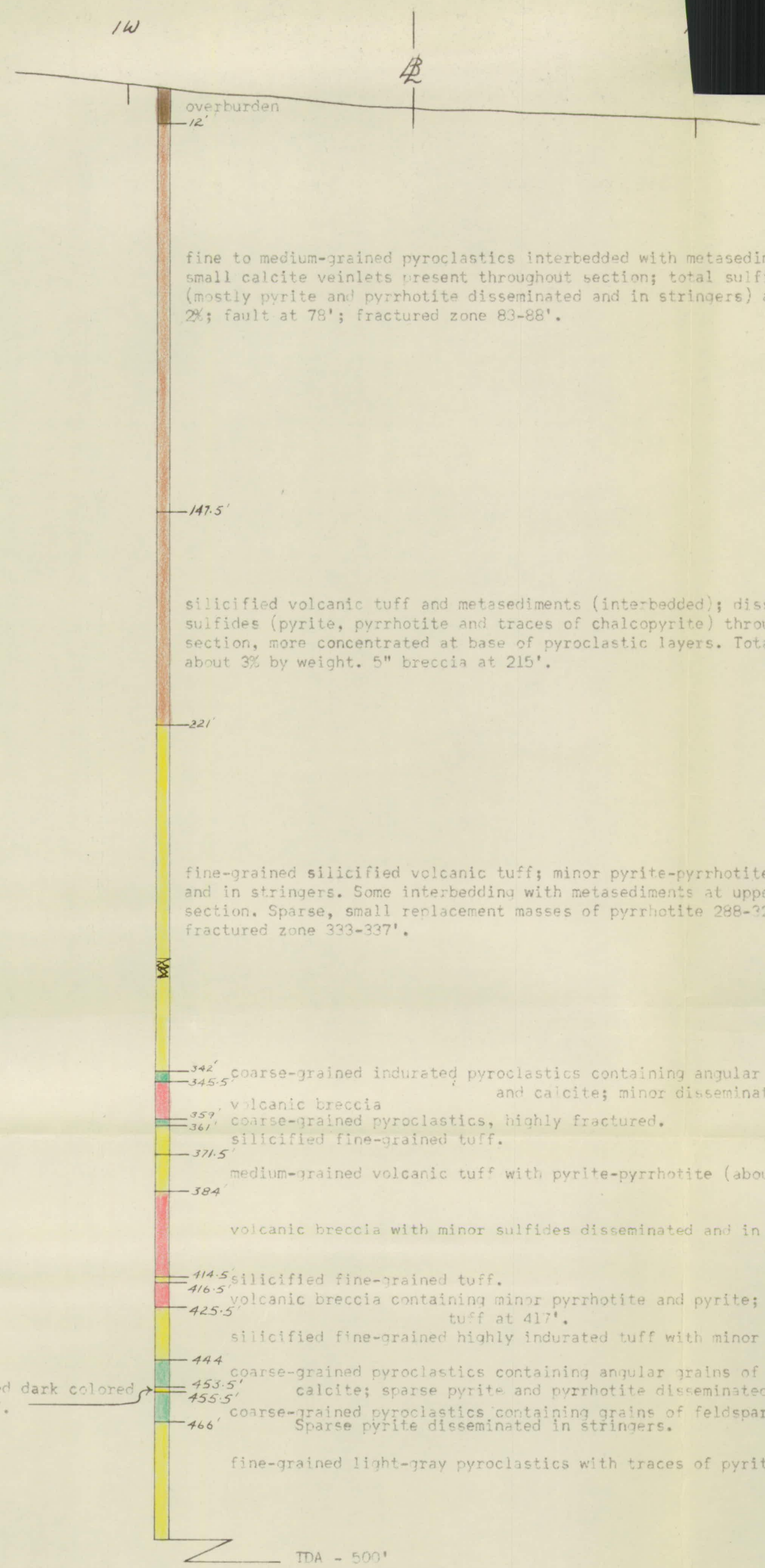
July 8, 1958

NO.	GOLD Ozs. per Ton	SILVER Ozs. per ton	LEAD Per Cent Wet	COPPER Per Cent	INSOL. Per Cent	ZINC Per Cent	SULPHUR Per Cent	~~IRON~~ Per Cent	LIME Per Cent	Per Cent	Per Cent	VALUE GOLD
								Ni				
	Trace	None	None	None		None		None				

Remarks

Charges $ 9.00

W. C. Wanlass

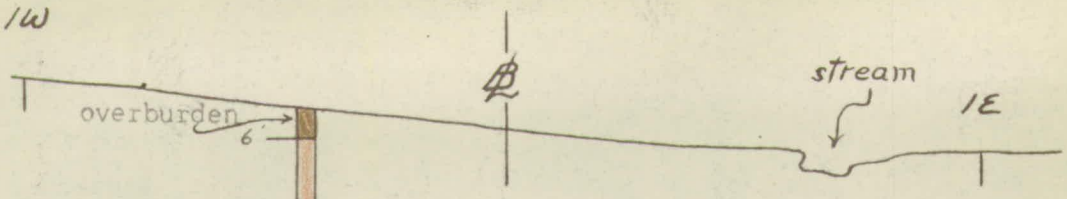


DRILL HOLE CROSS SECTION - DH-1

DE-10 Prospect
Davidson County, N.C.

Roland F. Beers, Inc. DMEA-4896

scale 1" = 40'



interbedded fine to medium-grained pyroclastics and metasediments; small calcite veinlets present throughout section. Pyrite and pyrrhotite (about 2%) disseminated and in stringers.

98'

silicified fine to medium-grained pyroclastics interbedded with metasediments. Disseminated pyrite, pyrrhotite and traces of chalcopyrite throughout section; sulfides more concentrated at base of pyroclastic layers; total sulfides about 3%.

172'

fine and medium-grained volcanic tuff; some interbedding with metasediments; minor disseminated sulfides.

242'

highly silicified fine-grained tuff containing small replacement masses of pyrrhotite and disseminated pyrite; highly fractured zone 260-272'.

319'

coarse-grained pyroclastics containing feldspar and calcite; brecciated sections.

366'

volcanic breccia; minor pyrite disseminated and in stringers.

386'

coarse-grained pyroclastics with angular grains of feldspar and calcite.

407'
410'
413'

silicified fine-grained volcanic tuff with very minor sulfides.
volcanic breccia.

very fine-grained, highly silicified volcanic tuff; sparsely disseminated pyrite. Medium-grained pyroclastics 431-435'.

TDA - 450'

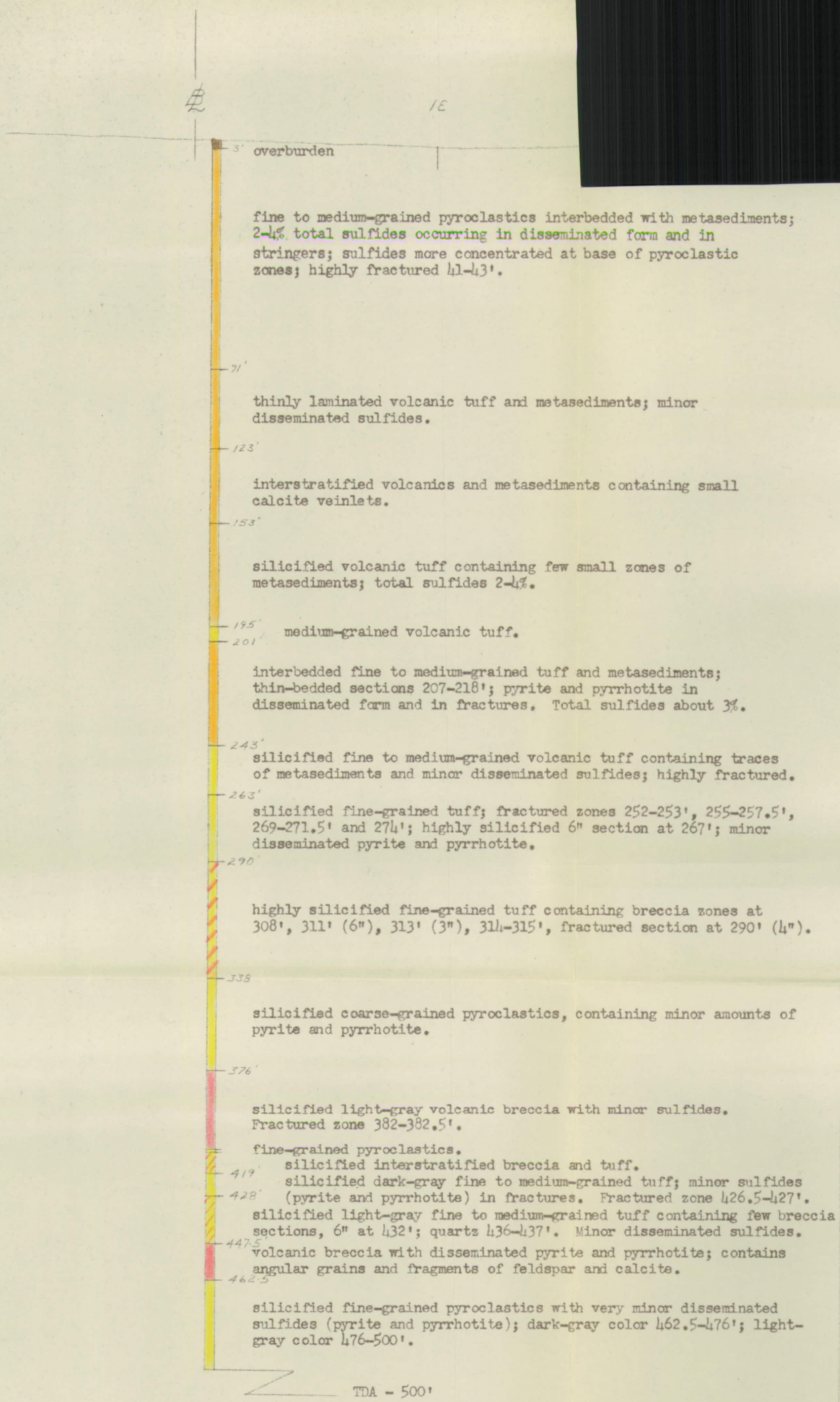
DRILL HOLE CROSS SECTION - DH-2

DE-10 Prospect
Davidson County, N.C.

Roland F. Beers, Inc.

DMEA-4896

scale 1" = 40'



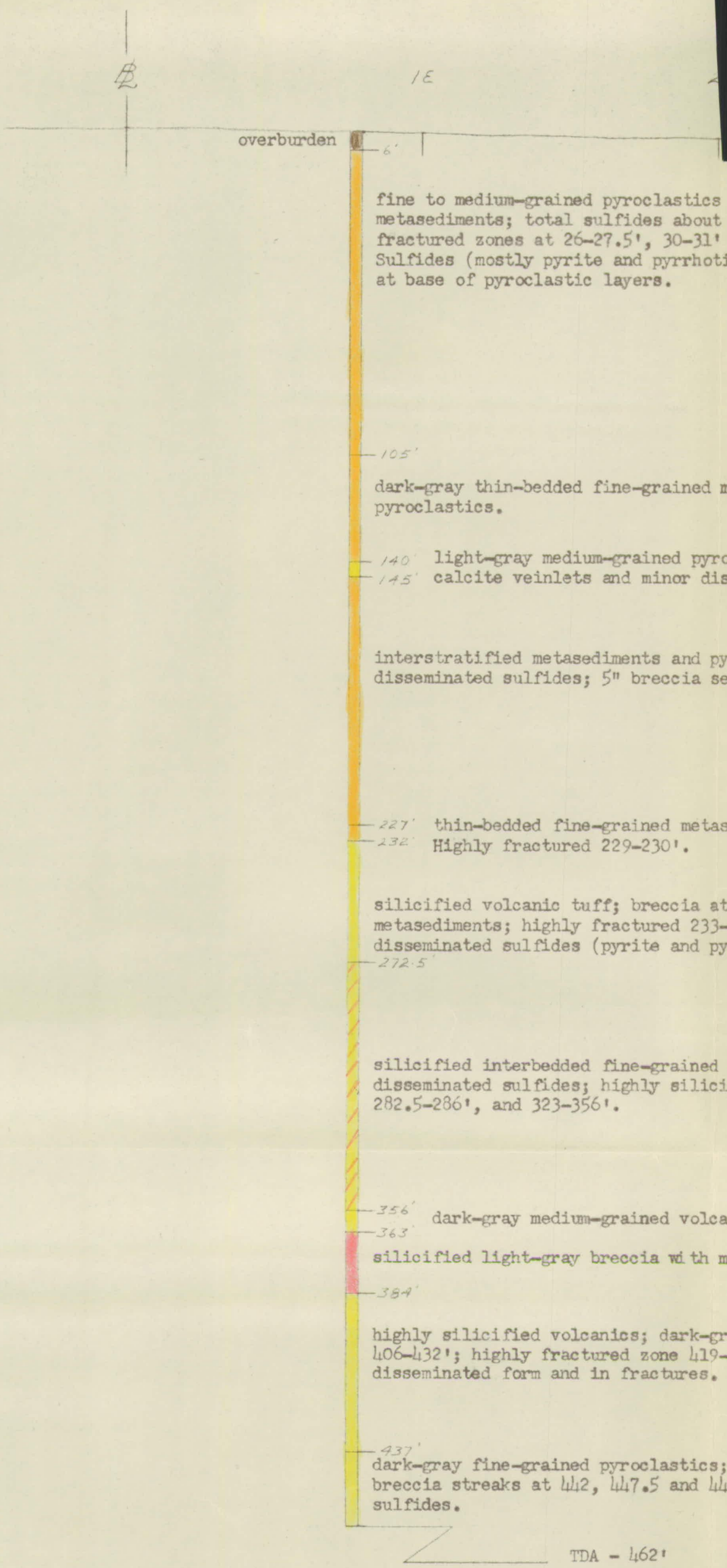
DRILL HOLE CROSS SECTION - DH-3

DE-10 Prospect
Davidson County, N. C.

Roland F. Beers, Inc.

scale 1" = 40'

DMEA-4896



DRILL HOLE CROSS SECTION - DH-4

DE-10 Prospect
Davidson County, N. C.

Roland F. Beers, Inc.

DMEA-4896

scale 1" = 40'

DATE	INITIALS	CODE
8/7	N.J.	225
11	[illegible]	100
"	[illegible]	110
8/12	[illegible]	800
		500

DMEA EXPLORATION PROJECT

INTERIM REPORT

DMEA-4896, Idm-E1194 (Cu, Pb, Zn)

Operator: Roland F. Beers, Inc. Troy, New York

Location: DE-10 Prospect, Davidson County, North Carolina.

Summary of drilling completed

	Since last inspection	To date
Number of holes	3	4 ✓
Footage	1,412	1,912 ✓

Holes Showing:

a)	Commercial ore----	0
b)	Non-Commercial mineralization---	4
c)	No mineralization---	0

Additional data on the three holes completed during the Interim follows:

Hole No.2, W. A. Johnson Property: Coordinates: 3 south, 0.40 west, elevation 646.4 feet. Drilling began June 20, 1958 and was completed June 30, 1958. A detailed log of the hole to a depth of 290 feet has been furnished in the Interim report of June 26, 1958.

A brief log of the completed hole follows: 0-6 ft. overburden, 6-82 ft Meta sediments with interbedded tuffaceous beds and sulphides as films along bedding planes; 82-118 ft Meta sediments, very thin bedded argillites and shales; 118-169 metasediments and acid tuffs, sulphides disseminated in coarser grained tuffs and as films along bedding planes in meta sediments; 169-246 ft tuff, medium to fine-grained, highly silicified; 246-272 tuff, medium-to very fine-grained containing sulphides as films along fractures and disseminated in coarser-grained tuffs; 272-272½ ft pyroclastic breccia; 272½ - 319 ft tuff, very fine-grained, highly silicified; containing small replacement masses of pyrite; 319-366 ft. pyroclastics, coarse-grained, containing brecciated sections; 366-386 volcanic breccia containing minor pyrite; 386-407 ft pyroclastics, coarse-grained; 407-410 ft tuff, silicified with minor sulphides, 410-413 ft volaanic breccia; 413-450 ft tuff, very fine-grained, highly silicified containing sparsely disseminated pyrite.

Hole No.3, B. L. Morris Property. Coordinates 3 north, 0.10 East; elevation 654.4 ft. Drilling began July 1, 1958 and was completed July 11, 1958. A log of the hole follows: 0-3 overburden, (3-10 NX core, 10-500 AX core).

Depth in feet	
3-91	Metasediments and intercalated silicified acid tuffs, thin bedded (1/4" to 4"), metasediments medium to dark gray and very fine-grained, tuffaceous beds light gray and medium- to fine-grained, bedding planes and fractures in metasediments have films of sulphides (pyrrhotite and pyrite), disseminated sulphides in coarser grained basal portions of tuffaceous beds.
91-123	Metasediments, very fine-grained, silicified shales and argillites, medium to dark gray, contains layers of light gray tuff, all very thin bedded (1/16" and 1/8"), sulfides along bedding planes.
123-153	Metasediments and acid tuffs, identical to rock at depth of 3'-91' described above.
153-195	Tuff, silicified, light gray, medium-to fine-grained, few thin layers of metasediments, sulphides disseminated in coarser grained portions of tuffs.
195-201	Tuff, light gray, medium-grained.
201-207	Metasediments and tuffs, interbedded (2" to 8"), metasediments are dark gray and fine-grained, tuffs are light gray and medium-grained, scattered disseminated sulphides.
207-218	Metasediments and tuffs, interbedded (1" to 4"), disseminated sulphides.
218-263	Tuff, silicified, medium-to fine-grained, light gray, widely scattered sulphides.
263-290	Tuff, extremely silicified, very light gray, scattered blebs of pyrrhotite.
290-338	Tuff, silicified, very light gray, few thin layers of volcanic breccia, scattered blebs of pyrrhotite.
338-376	Pyroclastic breccia, silicified, thick bedded.

Depth in feet	
376-408	Pyroclastic breccia, extremely silicified, very light gray.
408-419	Pyroclastic breccia, medium gray.
419-428	Tuff, fine grain, dark gray, few layers of coarse-grained light gray tuff.
428-448	Tuff, very light gray, medium-to fine-grained, few thin layers of pyroclastic breccia.
448-462	Pyroclastic breccia, silicified, widely scattered blebs of sulphides.
462-476	Tuff, fine-grained, dark gray
476-500	Tuff, fine-grained, light gray, silicified.
500	Bottom.

Hole No.4 B. L. Morris, Property. Coordinates: 9 north, 0.80 East; Elevation 659.9'. Drilling began 7/11/58 and was completed 7/21/58. A log of the hole follows: 0-6 overburden; 6-10 NX core, 10-462 AX core.

6-105	Metasediments and intercalated silicified acid tuffs, thin bedded (1/4" to 4"), metasediments medium to dark gray and very fine-grained, tuffaceous beds light gray and medium-to fine-grained, bedding planes and fractures in metasediments have films of sulphides (pyrrhotite and pyrite), disseminated sulphides in coarser-grained basal portions of tuffaceous beds.
105-140	Metasediments, very fine-grained, silicified shales and argillites medium-to dark gray, contains layers of light gray tuff, all very thin bedded (1/16" to 1/8"), sulphides along bedding planes.
140-145	Tuff, medium-grained, light gray, silicified, numerous calcite filled fractures.
145-220	Tuff, medium-to fine-grained, medium gray, thin layers of dark gray metasediments, disseminated sulphides.
220-232	Tuff, fine-grained, silicified, medium gray, thin pyroclastic breccia at 220 ft.

Hole No. 4

232-273	Tuff, fine-grained, medium gray, scattered thin layers of pyroclastic breccia, scattered blebs of sulphides.
273-286	Tuff, very fine-grained, light gray, extremely silicified.
286-323	Tuff, very fine-grained, light to medium gray, scattered layers of pyroclastic breccia.
323-356	Pyroclastic breccia, silicified, few thin layers of light gray tuff.
356-363	Tuff, medium-grained, dark gray.
363-384	Pyroclastic breccia, silicified, light gray.
384-437	Pyroclastic braccia, silicified, medium gray, scattered blebs of sulphides.
437-462	Tuff, medium-to fine-grained, light to medium gray.
462	Bottom.

As noted in the summary of drilling completed, none of the holes drilled to date has encountered commercial mineralization. The Operator has requested mutual termination of the contract without completion of the remaining two holes allowable under the Contract. The Field Examiners are in agreement with the Operator's request for termination for the following reasons:

a) Most of the mineralization encountered to date is above the "favorable or outlined geologic target, which was interpreted as the pyroclastic breccia beds.

b) Mineralization encountered in all holes was pyrite and pyrrhotite only; no copper, lead, or zinc sulphides were detected.

c) The mineralization encountered is scattered over a thick "stratigraphic" range, most of which is above the proposed target.

d) The intensity of the mineralization and the outlined anomaly decreases to the north. Drill holes No. 5 and 6 are located in this area of decreasing intensity of mineralization. Results of the preceding drilling to the south indicates that additional drilling to the north would not be in the best interest of the Government, nor the Operator.

The Field Examiners recommend that a mutual termination agreement be prepared and sent to the Operator for signature.

Date of Inspection: July 27, 1958.

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

D. H. Amos, Geologist
Geological Survey

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

FIRST REPORT

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID-ON VOUCHER & SCHEDULE OF PAYMENTS K-3

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1958 / Docket No. DMEA 4896 Contract No. 1194
Operator's Name Roland F. Beers, Inc. Minerals Copper-Lead-Zinc
Address 447 Pinewoods Ave. (P. O. Box 1019), Troy, N. Y.
Contract Amount, $ 13,080.00 Government Participation: 50 % Amount, $ 6,540.00

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 Contracts:						
Drilling Diamond	2757.00	-	$2,757.00	8/11/58		
Drill hole						
survey	7.50	-	7.50			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core boxes	84.00	-	84.00			
(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						
Incidental allowance	437.00	-	437.00			
(8) Contingencies (specify):						
TOTALS	$3285.50		$3,285.50	3285.50		3285.50

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

Date July 14, 1958 Payee Roland F. Beers, Inc.

Per John S. Bakos Title Asst. Secretary

*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:

$ 1642.75

Signature Helen R. Mueller
(Authorized Certifying Officer)

Date JUL 21 1958 Vou. No. 9
(See other side)

1642.75

(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-1194 in accordance with the terms of the contract.

Signature [illegible] Title GEOLOGIST, U. S. G. S. Date JUL 18 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title ACTING EXECUTIVE OFFICER DMEA REGION V Date JUL 18 1958

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.

Form MV-104A
(April 1952)

Budget Bureau No. 42-R1151.2

FIRST REPORT

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1958 Docket No. DMEA 4896 Contract No. 1194

Operator's Name Roland F. Beers, Inc. Minerals Copper-Lead-Zinc

Address 447 Pinewoods Ave. (P.O.Box 1019) Troy, N. Y.

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~~ Drill hole survey	hrs.	$ 7.50	1	$ 7.50	1	$7.50		$7.50
Winzes								
Drilling: ~~Core~~ ~~Shaft~~ ~~Auger~~ Overburden and BX core	feet	2743.40	946	2743.40	946	2.90		2.90
NX core	feet	13.60	4	13.60	4	3.40		3.40
~~Stripping~~ Core boxes	each	84.00	28	84.00	28	3.00		3.00
~~Trenching~~ ~~Test Pits~~ Incidental allowance	feet	437.00	950	437.00	950	.46		.46
~~Roads and Trails~~								
TOTAL DISTRIBUTED COSTS		$3285.50		$3285.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None		None				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$3285.50		$3285.50				$13,080.00

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 July 14, 1958 Operator Roland F. Beers, Inc.

Per John D. Bates Title Asst. Secretary

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)

Henry H. Amos

GEOLOGIST, U. S. G. S.

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 872894

PROGRESS REPORT

July 1, 1958

DE-10 PROSPECT

Roland F. Beers, Inc.

DMEA - 4986

PROGRESS REPORT

July 1, 1958

DE-10 PROSPECT

Roland F. Beers, Inc.

DMEA - 4896

-Introduction-

During the month of June, 1958, a drilling program of 950 feet was completed on the DE-10 prospect, under the conditions of DMEA contract #4896. Both DH-1 and DH-2, having respective depths of 500 feet and 450 feet, were drilled on the Johnson property. The locations of these holes are shown on the accompanying maps.

Drilling progressed under the following time sequence:

June 12: DH-1 started
June 20: DH-1 completed

June 20: DH-2 started
June 30: DH-2 completed

The drilling contractor, E. J. Longyear Company, provided a truck-mounted diamond drill rig which operated on two eight-hour shifts, six days per week.

-Drilling Results-

DH-1, located on L 9 S at .85 W was a vertical hole collared on the ground EM conductor axis and drilled to a depth of 500 feet. A drill hole survey showed that DH-1 deflected S 60° E about 65 feet at the bottom. The core

exhibited only weak sulfide mineralization (traces to approx. 3½%) in disseminated form and in small stringers and veinlets. No massive sulfides were present in the core from DH-1.

DH-2, a vertical hole located on L 3 S at .40 W, was drilled on the conductor axis and was bottomed at 450 feet. Tests showed DH-2 to have drifted 22 feet S 55° E at the bottom of the hole. No massive sulfide intersections were encountered in DH-2.

No significant sulfide accumulation appears to be present in any of the core drilled to date. However, one sample was selected from DH-1 (core interval 147.5-152.5') and submitted to the Union Assay Offices, Salt Lake City, Utah. Assay results are not available at this time.

A fair correlation appears to exist between DH-1 and DH-2, with key changes showing up about 50 feet higher in DH-2 than in DH-1. From the surface to 221 feet in DH-1 and from 0-172 feet in DH-2, the core is interstratified. It is assumed that these zones consist of metasediments interbedded with pyroclastics. Thin sections are being prepared to ascertain or disprove this assumption. It is estimated that metasediments comprise about 50% of the core down to these respective elevations and rapidly disappear with increasing depth. Volcanic breccia which outcrops on the east side of the grid and is the "target" of the drilling program was encountered and drilled through in both holes. The breccia contained pyrite-pyrrhotite and traces of chalcopyrite. The sulfides are found in disseminated form, in stringers and in small fractures.

Silicified beds and highly fractured sections affected drilling progress considerably.

Though core recovery to date has been almost 100%, sludge samples will be taken in highly fractured zones in future drill holes to determine more accurately the sulfide content of these fractured areas. Possibly much of the sulfide mineralization which occurred in the fractures was washed out with the cuttings during drilling. It is conceivable that enough sulfide might be present in these fractures to explain the EM crossover.

Respectfully submitted:

Vernon R. Geyer
District Geologist

Roland F. Beers, Inc.
Charlottesville, Va.

Location DE-[illegible] Prospect
Dep. 500'
Elev. 648'

Angle vertical Hole No. 1
Deflection 65' S 60° E at bottom of DH
Logged by: VRG

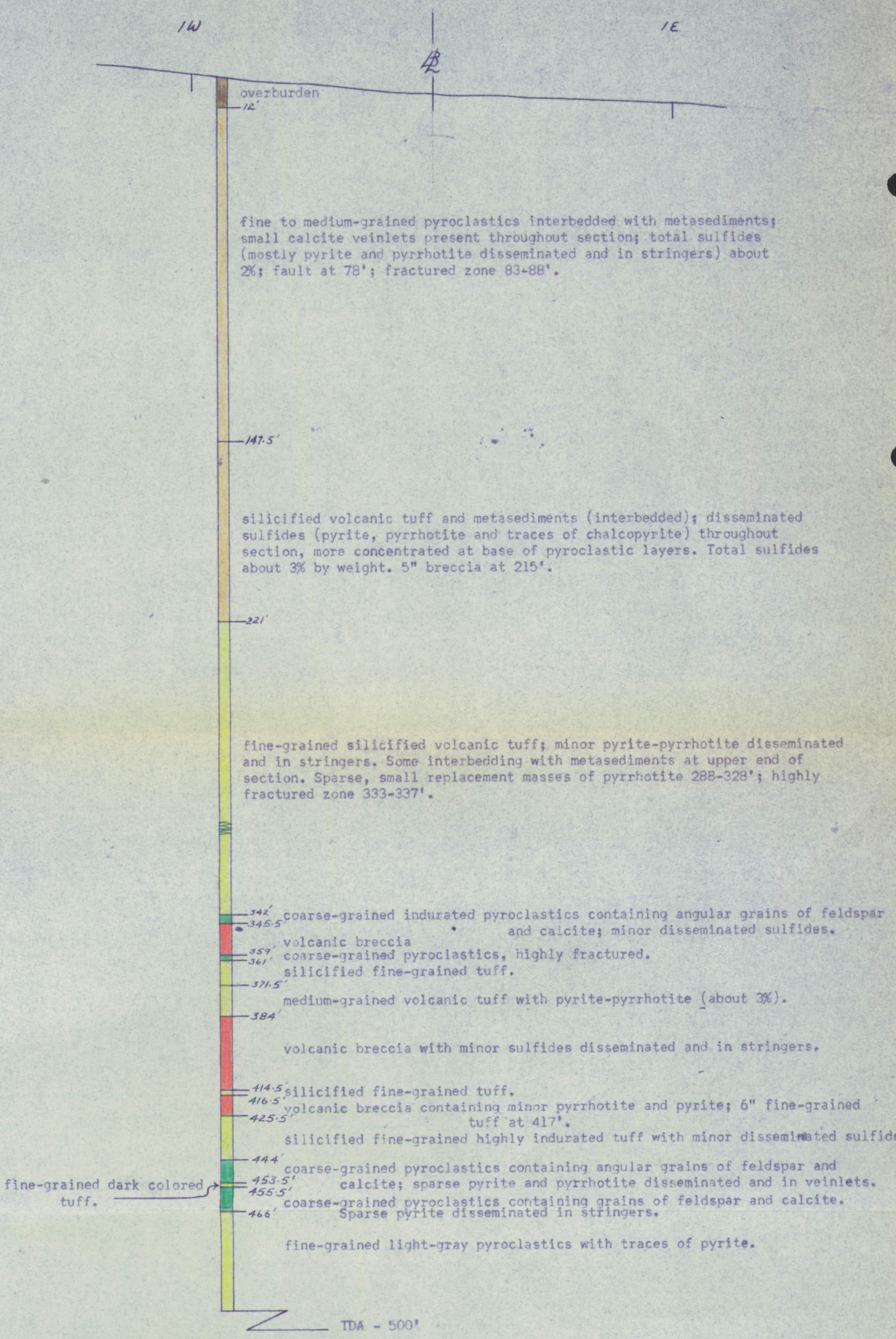
Footage	Description
0-12	overburden
12-147.5	fine to medium-grained pyroclastics interbedded with metasediments; small calcite veinlets present throughout section; total sulfides (mostly pyrite and pyrrhotite disseminated and in stringers) about 2%; fault at 78'; fractured zone 83-88'.
147.5-221	silicified volcanic tuff and metasediments (interbedded); disseminated sulfides (pyrite, pyrrhotite and traces of chalcopyrite) throughout section, more concentrated at base of pyroclastic layers. Total sulfides about 3% by weight. 5" breccia at 215'.
221-342	fine-grained silicified volcanic tuff; minor pyrite-pyrrhotite disseminated and in stringers. Some interbedding with metasediments at upper end of section. Sparse, small replacement masses of pyrrhotite 288-328'; highly fractured zone 333-337.
342-345.5	coarse-grained indurated pyroclastics containing angular grains of feldspar and calcite; minor disseminated sulfides.
345.5-359	volcanic breccia.
359-361	coarse-grained pyroclastics, highly fractured.
361-371.5	silicified, fine-grained tuff.
371.5-384	medium-grained volcanic tuff with pyrite-pyrrhotite (about 3%).
384-414.5	volcanic breccia with minor sulfides disseminated and in stringers.
414.5-416.5	silicified fine-grained tuff.
416.5-425.5	volcanic breccia containing minor pyrrhotite and pyrite; 6" fine-grained tuff at 417'.
425.5-444	silicified fine-grained highly indurated tuff with minor disseminated sulfides.
444-453.5	coarse-grained pyroclastics containing angular grains of feldspar and calcite; sparse pyrite and pyrrhotite disseminated and in veinlets.
453.5-455.5	fine-grained dark colored tuff.

Location: D[illegible]10 Prospect Angle vertical[illegible] Hole No. 1
Dep. 500'[illegible] Deflection: 65' S 60° E at bottom of DH
Elev. 648' Logged by: VRG

Footage	Description
455.5-466	coarse-grained pyroclastics containing grains of feldspar and calcite. Sparse pyrite disseminated and in stringers.
466-500	fine-grained light-gray pyroclastics with traces of pyrite.
	TDA - 500'

Location: DE[illegible]D Prospect Angle vertical Hole No. 2
Dep. 450' Deflection: 22' S 55° E at bottom of DH
Elev. 646.4' Logged by VRG

Footage	Description
0-6	overburden.
6-98	interbedded fine to medium-grained pyroclastics and metasediments; small calcite veinlets present throughout section. Pyrite and pyrrhotite (about 2%) disseminated and in stringers.
98-172	silicified fine to medium-grained pyroclastics interbedded with metasediments. Disseminated pyrite, pyrrhotite and traces of chalcopyrite throughout section; sulfides more concentrated at base of pyroclastic layers; total sulfides about 3%.
172-242	fine and medium-grained volcanic tuff; some interbedding with metasediments; minor disseminated sulfides.
242-319	highly silicified fine-grained tuff containing small replacement masses of pyrrhotite and disseminated pyrite; highly fractured zone 260-272'.
319-366	coarse-grained pyroclastics containing feldspar and calcite; brecciated sections.
366-386	volcanic breccia; minor pyrite disseminated and in stringers.
386-407	coarse-grained pyroclastics with angular grains of feldspar and calcite.
407-410	silicified fine-grained volcanic tuff with very minor sulfides.
410-413	volcanic breccia.
413-450	very fine-grained, highly silicified volcanic tuff; sparsely disseminated pyrite. Medium-grained pyroclastics 431-435'.
	TDA - 450'



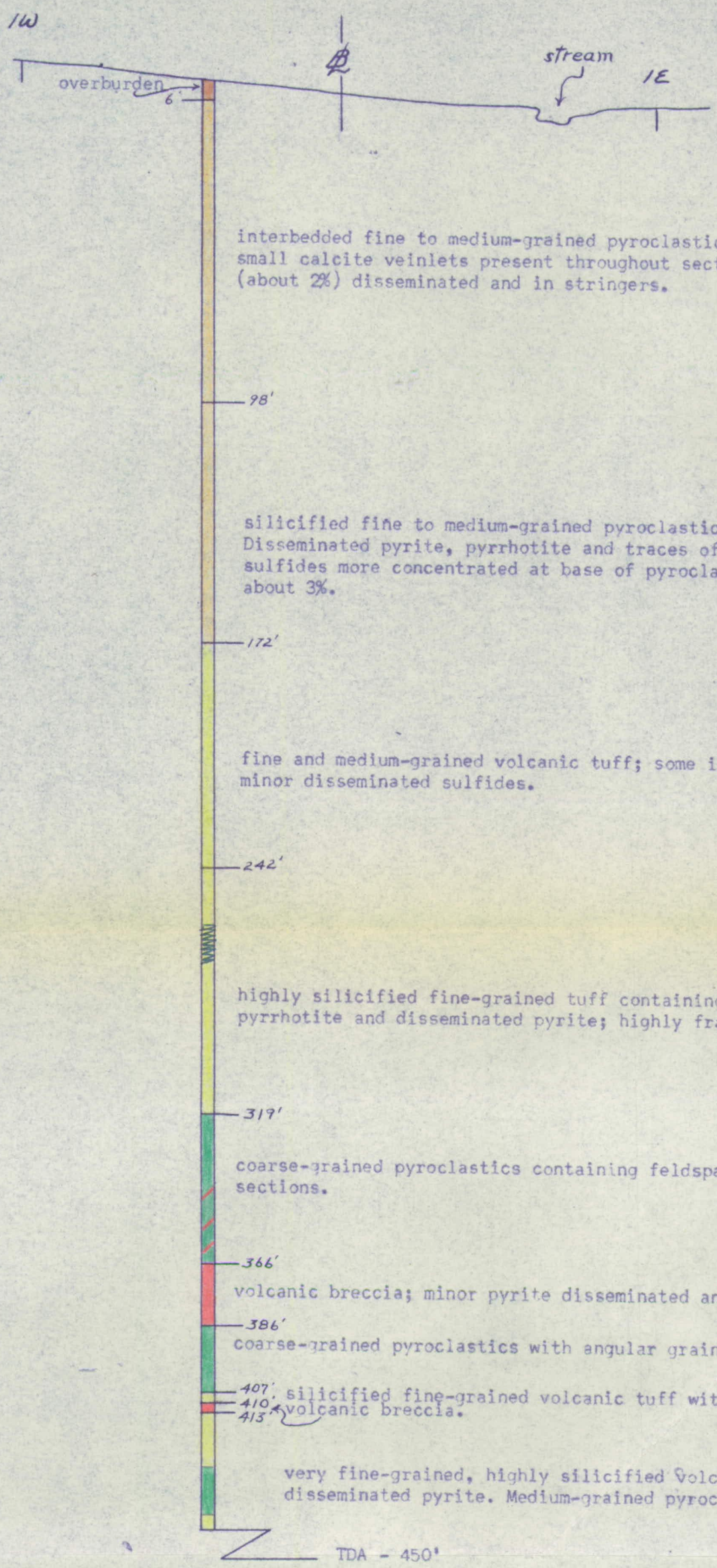
DRILL HOLE CROSS SECTION - DH-1

DE-10 Prospect
Davidson County, N.C.

Roland F. Beers, Inc.

scale 1" = 40'

DMEA-4896



DRILL HOLE CROSS SECTION - DH-2

DE-10 Prospect
Davidson County, N.C.

Roland F. Beers, Inc.

DMEA-4896

scale 1" = 40'

INTERIM REPORT

DMEA-4896, Idm-E1194 (Cu, Pb, Zn)

Operator: Roland F. Beers, Inc., Troy, New York

Location: DE-10 Prospect, Davidson County, North Carolina

Drilling began on this contract June 11, 1958 and was in progress on the date of this inspection.

Summary of drilling Completed

	Since last inspection	Todate
Number of holes	1	1
Footage	500 ft	500 ft

Holes showing:

a) Commercial ore	0
b) Non-commercial mineralization	1
c) No mineralization	0

Additional data on the one hole completed during the interim follows:

Hole No.	Property	Total Depth	Remarks
1	W. A. Johnson	500 ft	Coordinates: 9 S. 0.85 W.; elevation approximately 610 ft Drilling began 6/11/58 Completed 6/20/58

The hole has been surveyed at depths of 175 ft, 300 ft, and 497 ft. The bedding is dipping 30° to 35° NW and the inclination of the hole is dipping to the southeast. Drift at 175 ft was 6°, 10° at 300 ft, and 12° at 497 ft. Directions were not available at the time of this inspection, but will be included with the first monthly report.

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DMEA
RECEIVED JUL 7 1958

DATE	INITIALS	COST
7-7	C	220
7	Com	100
7	[illegible]	110
7/8	[illegible]	800
7/10	[illegible]	500

Log of Hole No. 1

Depth	
0- 12	Overburden (NX core)
12-106	Metasediments and minor intercalated silicified acid tuffs, thin bedded ($\frac{1}{4}$" to 4"), metasediments medium to dark gray and very fine-grained, tuffaceous beds light gray and medium- to fine-grained, tuffaceous beds show graded bedding which indicates units are not overturned, bedding-planes in metasediments have films of sulphides (pyrrhotite, pyrite and chalcopyrite), coarser-grained basal portions of tuffaceous beds contain disseminated sulphides. Rock fractured at 24', 28', 78', and 83' depths, fractures coated with film of sulphides.
106-149	Metasediments, very fine grained silicified shales and argillites, alternating light and dark gray, very thin bedded (1/16" to 1/8").
149-194	Metasediments and acid tuffs, interbedded, thin bedded (1/4" to 3"), metasediments medium to dark gray and very fine-grained, tuffaceous beds, light gray and medium- to fine-grained, tuffaceous beds show graded bedding, disseminated sulphides in coarser-grained basal portions of tuffaceous beds, films of sulphides along bedding-planes and fractures in metasediments.
194-198	Metasediments, very thin bedded, medium to dark gray, silicified, films of sulfides along bedding planes.
198-213	Metasediments and tuffs, thin bedded (2" to 6"), silicified, metasediments medium to dark gray and very fine-grained, tuffaceous beds medium-to fine-grained and light gray in color. Rocks fractured at 199'. Sulfides disseminated in coarser-grained portions of pyroclastic beds.
213-220	Metasediments with minor tuffs, very thin-bedded, medium to dark gray.
220-263	Tuff, light gray, medium grained, silicified, beds 2" to 24", widely disseminated sulphides.
263-302	Tuff, light gray, very fine-grained, highly silicified, few thin beds medium-grained tuffs.
302-310	Pyroclastic breccia, light gray, silicified.
310-337	Tuff, light gray, very fine-grained highly silicified.

Log of Hole No. 1,--Continued.

Depth	
337-346	Pyroclastic breccia, not silicified.
346-364	Pyroclastic breccia, very light gray, highly silicified.
364-371	Tuff, light gray, very fine-grained, highly silicified.
371-425	Pyroclastic breccia, light gray, coarse-grained, few thin beds of very fine-grained light gray silicified tuff. Widely disseminated sulphides.
425-439	Tuff, light gray, very fine-grained, silicified.
439-466	Pyroclastic breccia, light gray, few thin beds of fine-grained tuff.
466-500	Tuff, light gray, very fine-grained, highly silicified.

Bottom at 500 ft

Hole No.	Property	Total Depth	Remarks
2	W. A. Johnson	290 ft	Coordinates: 3 S, 0.40 W. Drilling began on 6/20/58 and is still in progress.

Log of Hole No. 2

Depth	
0- 6	Overburden
6- 82	Metasediments with minor interbedded tuff, thin bedded ($\frac{1}{4}$" to 3"), metasediments medium to dark gray and very fine grained, tuffaceous beds light gray and medium- to fine-grained, tuffaceous beds show graded bedding which indicates units are not overturned, sulphides as films along bedding planes of metasediments and disseminated in coarser-grained basal portions of tuffaceous beds. 2" bed of bentonitic clay at 22 ft.
82-118	Metasediments, very fine grained silicified argillites and shales, alternating light and drak gray, very thin bedded.

Log of Hole No. 2.--Continued.

Depth	
118-169	Metasediments and acid tuffs, interbedded, [illegible] bedded (1/4" to 1/2"), metasediments medium to dark gray and very fine-grained, tuffaceous beds light gray and medium- to fine-grained. Sulfides disseminated in coarser grained tuffs and as films along bedding planes in metasediments.
169-246	Tuff, light gray, medium-grained except near base where very fine-grained, highly silicified, thin pyroclastic bed near base.
246-272	Tuff, light gray, medium to very fine grained, highly silicified, fractured at 252 - 254 ft and at 262 - 272 ft, sulfides as films along fractures and disseminated in coarser grained tuffs.
272-272½	Pyroclastic breccia, light gray.
272½-287	Tuff, light gray, very fine-grained, highly silicified.
287-290	Pyroclastic breccia, light gray, small nodules of pyrrohite.

Date of Inspection: June 26, 1958

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

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

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Roland F. Beers, Inc.
P. O. Box 1019
Troy, New York

pertaining to Exploration Project Contract No. Idm-E1194, DMEA No. 4896, for June 1958 and July 1958, inclusive, covering a copper-lead-zinc project on the DE-10 (Denton) Prospect, Davidson County, North Carolina.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents, comparison of the claimed costs with the contract and pertinent schedules, verification of work performed by reference to Field Team reports and correspondence, 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 reasons given in the attached schedule.

The findings of this review are stated in the following summary and the attached schedule:

Total cost billed by Operator		$6,933.82
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total acceptable cost		$6,933.82

The contract calls for a 50 percent contribution of the allowable costs by the Government. Therefore, if the project is otherwise accepted as having met the terms of the contract, payments as follows are valid and proper:

Payable on audited claim	$3,466.91
Paid to date	1,642.75
Balance due Operator	$1,824.16

E. D. Talbert, Auditor

September 24, 1958

Reasons for Report of Review in lieu of a final audit:

(a) the Monthly Reports were supported by documentary proof of that portion ($5,882.30) of the costs covering work performed at unit rates under independent contract;

(b) the balance ($1,051.52) of the costs was under a contract provision for payment by the Government at fixed unit costs for work performed; and

(c) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible disallowances.

Mr. Robert A. Laurence
Executive Officer
OME Field Team, Region V
Room 2-B, Post Office Building
Knoxville 2, Tennessee

Re: Docket No. DMEA-4896
(Copper-Lead-Zinc)
Roland F. Beers, Inc.
Contract No. Idm-E1194

Dear Mr. Laurence:

The original and three copies of a Report of Review in lieu of a final audit of the referenced project, as requested by your September 17 memorandum, are enclosed.

If you concur with the facts as stated therein, the usual distribution of the report should be made. If for any reason you do not concur, please return all copies with your comments to this Division.

The final (July 1958) MF-104 and attachments (as received in this Division), together with a drilling invoice supporting the prior (June 1958) MF-104, are being returned by certified mail to Mrs. Miller with a copy of this letter. Mrs. Miller's September 19 memorandum stated that the "final MF-104, MF-104A and attachments" were enclosed. However, only the MF-104, a drilling invoice and an assay report were received.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert
Contract Administration
and Audit Division

Enclosures

cc: Docket
Director's Reading File
Mr. Chambers
Mrs. Helen R. Miller (via certified mail)

EDTalbert/GMcC
September 24, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 22 1958
DATE | INITIALS | FILE

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

September 17, 1958

Memorandum

To: Jay L. Chambers, Director Contract Administration-DMEA

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

Subject: Termination - DMEA-4896, Idm-E1194(copper-lead-zinc)
Roland F. Beers, Inc., Troy N. Y.
DE-10 Prospect, Davidson County, N.C.

Work on the subject contract was terminated as of July 31, 1958.

The following units of work have been acceptably performed as verified by our Field Examiners:

1. 15 feet of NX diamond drilling completed in 4 holes.

2. 1897 feet of BX diamond drilling completed in 4 holes.

3. 4 hours of surveying drill holes.

4. 28 core boxes used.

5. 1 sample assayed.

An adequate final engineering and geological report has been received.

A report of review is requested. The original of the Operator's final voucher is attached.

Robert A. Laurence
Robert A. Laurence

DMEA
RECEIVED SEP 22 1958

DATE	INITIALS	CODE
9/23	C	224
		800

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION V

ELECTROTECHNICAL
EXPERIMENT STATION

REGISTERED MAIL

P. O. BOX 217
NORRIS, TENNESSEE

September 19, 1958

Memorandum

To: Jay L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Personal Assistant, Norris, Tennessee

Subject: Termination - Contract Idm-E1194

A Report of Review in lieu of final audit is requested on DMEA-4896, DMEA Contract Idm-E1194 (copper-lead-zinc), Roland F. Beers, Inc., Troy, New York, DE-10 Prospect, Davidson County, North Carolina. The following documents are attached:

1. Final MF-104, MF-104A and attachments

2. Invoices covering previous paid vouchers

3. Memorandum from Executive Officer, Region V, regarding completion of contract

Helen R. Miller

Helen R. Miller

Attachments
/hbm
Copies to R. A. Laurence
V. J. Lynch
Norris files
Day files

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1958 Docket No. DMEA 4896 Contract No. Idm-E 1194
Operator's Name Roland F. Beers, Inc. Minerals Copper-Lead-Zinc
Address 447 Pinewoods Ave.(P.O.Box 1019), Troy, N.Y.
Contract Amount, $ 13,080.00 Government Participation: 50 % Amount, $ 6,540.00

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 Contracts: ~~Short Form~~						
Drilling Diamond	2795.30	2757.00	5552.30			
~~xx Drilling~~ Drill hole						
~~xx Prospecting~~ survey	22.50	7.50	30.00			
~~xx Drifting xx~~ Mobilization and demobilization of personnel & equipment	300.00	-	300.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core boxes	84.00	84.00	168.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis	4.00	-	4.00			
Payroll Taxes						
Liability Insurance						
Incidental allowance	442.52	437.00	879.52			
(8) Contingencies (specify):						
TOTALS	3648.32	3285.50	6933.82	3648.32	3285.50	6933.82

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

Date Aug. 15, 1958 *Payee Roland F. Beers, Inc.

Per John D. Bates Title Accountant

*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:

$ 1824.16

Signature Helen R. Mullin
(Authorized Certifying Officer)

Date SEP 29 1958 Vou. No. 38

(See other side)

1824.16

(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. IdmE1194 in accordance with the terms of the contract.

Signature Harvey H. Amos Title GEOLOGIST, U. S. G. S. Date AUG 18 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date SEP 26 1958

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.

Form MF[redacted]A
(April 1962)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1958 Docket No. DMEA 4896 Contract No. Idm-E 1194
Operator's Name Roland F. Beers, Inc. Minerals Copper-Lead-Zinc
Address 447 Pinewoods Ave.(POBox 1019)Troy, N.Y.

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
Mobilization & demobilization of personnel & equipment	ea	300.00	1	$ 300.00	1	$300.00		300.00
Drill hole survey	hrs	22.50	3	30.00	4	7.50		7.50
Drilling: Overburden								
and BX Core	feet	2757.90	951	5501.30	1897	2.90		2.90
NX Core	feet	37.40	11	51.00	15	3.40		3.40
Core boxes	ea	84.00	28	168.00	56	3.00		3.00
Incidental allowance	feet	442.52	962	879.52	1912	.46		.46
Assays	ea	4.00	1	4.00	1	4.00		4.00
TOTAL DISTRIBUTED COSTS		3648.32		6933.82				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		N		N				
Initial Rehabilitation and Repairs		o		o				
New Buildings, Improvements, etc.		n		n				
		e		e				
TOTAL COSTS		3648.32		6933.82				13,080.00

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.

REMARKS:

Date Aug. 15, 1958 Operator Roland F. Beers, Inc.

Per John D. Baker Title Accountant

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)

Henry H. Amos

GEOLOGIST, U. S. G. S.

AUG 18 1958

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 872894

PROGRESS REPORT

August 8, 1958

DE-10 PROSPECT

Roland F. Beers, Inc.

DMEA - 4896

-Introduction-

During July, 1958, 962 feet were drilled on the DE-10 prospect under the stipulations set forth in DMEA Contract Idm E1194. Two holes were drilled during the month, bringing the total number of holes drilled to date to four. Locations of these holes are shown on the accompanying maps.

Drilling took place under the following chronology:

July 1: DH-3 started
July 11: DH-3 completed

July 11: DH-4 started
July 21: DH-4 completed

A time sequence and detailed account of DH-1 and DH-2 were given in the Monthly Report for June, 1958.

A formal request for the termination of this contract has been submitted to the Government. In the event the Government agrees to terminate the contract, at this time, this report will constitute a Final as well as a Monthly Report.

-Drilling Results-

DH-3, located at 3 N ≠ .10 E was drilled vertically through the conductor axis. The hole was drilled to a

depth of 500 feet and was deflected 80 feet S. 56° E. at the bottom. The core exhibited sulfide mineralization in fine disseminations, fracture fillings and small stringers. None of the core from this drill hole was sufficiently mineralized to justify assaying.

DH-4, located on L 9 N + .80 E, was a vertical hole collared on the ground EM conductor axis and drilled to a depth of 462 feet. A drill hole survey showed DH-4 to have drifted 5 feet to the southeast at the bottom. No massive sulfide sections were encountered. The sulfides (mostly pyrrhotite and pyrite) occur as fine disseminations, as fracture fillings and in small stringers.

-Drilling Data-

Four holes were drilled on the DE-10 prospect, all of which were cooperative. The locations of these drill holes are shown on the attached map.

The following table summarizes the physical aspects of each drill hole:

Drill Hole #1:

Location: 9S + .85W
Total depth: 500 feet
Inclination: 90°
Core size: BXC: 0-12 feet
BXWL: 12-500 feet
Cooperative drilling: 500 feet
Corporation drilling: 0
No. of assays: 1

Drill Hole #2:

Location: 3S + .40W
Total depth: 450 feet
Inclination: 90°
Core size: BXC: 0-6 feet
NXBW: 6-10 feet
BXWL: 10-450 feet
Cooperative drilling: 450 feet
Corporation drilling: 0
No. of assays: 0

Drill Hole #3

Location: 3N + .10E
Total depth: 500 feet
Inclination: 90°
Core size: BXC: 0-3 feet
NXBW: 3-10 feet
BXWL: 10-500 feet
Cooperative drilling: 500 feet
Corporation drilling: 0
No. of assays: 0

Drill Hole #4:

Location: 9N + .80E
Elevation: 359.9 feet
Total depth: 462 feet
Inclination: 90°
Core size: BXC: 0-6 feet
NXBW: 6-10 feet
BXWL: 10-316 feet
AXBW: 316-462 feet
Cooperative drilling: 462 feet
Corporation drilling: 0
No. of assays: 0

-Stratigraphy & Mineralization-

Four diamond drill holes were completed on the DE-10 anomaly. The details of location and geology are shown on accompanying maps and cross-sections.

The rock section encountered in diamond drilling consists of two major types: (a) metasediments and (b) metavolcanics. Metasediments are represented by slates, all dark colored and with varying degrees of silica induration. Metavolcanics consist of: (a) very fine-grained, gray tuff and (b) medium-coarse to coarse volcanic breccia. Occasional, minor intraformational breccias are present. Such breccias are apparently of very limited lateral extent. All of the cited rock types were subject to heavy silicification.

Low-grade metamorphism is evidenced by the development of slaty cleavage, principally in the metasediments, and "welding" of nearly all beds. The development of typical metamorphic mineral assemblages is conspiciously absent.

Bedding inclination, as measured on drill core, corroborated surface data. All of the beds dip westward at 32°-35°, without significant departure. Minor structural disturbance is evidenced by widespread fracture development and at least one probable fault breccia. Displacement along both fracture types is

negligible. The fractures occupy a preferential oblique position with reference to bedding.

Sulfide mineralization, consisting of pyrrhotite and pyrite, was encountered in all drill holes. Although these minerals are present throughout the entire rock section, there is a relative concentration in the uppermost 200 feet. As shown on the cross-sections, this part of the section is an alternating series of slates and tuffs. Sulfides are present as very small, disseminated grains, concentrated in this bands (approximately 1/4") at the base of nearly all of the pyroclastic beds. Selected 6" to 8" sections from this interstratified core contain a maximum of 5% total sulfides.

The iron sulfides also occur, with calcite and quartz, in the cross-cutting fractures. The maximum width of such fractures is approximately 3/4". Sludge samples taken in highly fractured core failed to show any appreciable increase in sulfides over non-fractured core.

No massive sulfides were encountered in the completed drill holes.

-Geophysical Data-

The geophysical anomaly, upon which the drilling was based, was verified in all respects. Sufficient conducting sulfides are present in the upper 200 feet

of the section to account for (a) the airborne EM anomaly, (b) the vertical-loop EM cross-overs, and (c) horizontal-loop EM anomaly. The mass conducting effect of thin sulfide bands accounts for the width of the airborne and horizontal-loop anomalies.

The small, though regular, magnetic anomalies are due to the mass magnetic effect of the pyrrhotite. The magnetic profiles corroborate the westward dip of the sulfide-bearing beds.

The self-potential anomaly was previously identified with outcropping pyrrhotite-bearing beds (DE-10 Application, Dec. 1957).

-Assay Data-

One sample of the sulfide-bearing pyroclastic-slate section from DH-1 (147.5'-152.5') was selected for assay. No values for copper-lead-zinc-nickel-silver are present. A trace of gold is recorded. A true copy of the assay certificate is appended.

No other section is sufficiently mineralized to justify assaying.

-Recommendations-

Full evaluation of all data available at this time corroborates the Roland F. Beers, Inc., request to terminate cooperative work on the DE-10 Prospect (letter, 7/22/58).

For purposes of record, it is herein requested that the work requirements of DMEA Contract Idm-E1194 be terminated at the present work stage. It is believed that the exploration intent of both Beers, Inc., and the Government has been fulfilled.

Respectfully submitted:

Robert S. Young

Robert S. Young, Br. Mgr.

Vernon R. Geyer

Vernon R. Geyer, Geologist

August 8, 1958
Roland F. Beers, Inc.
Box 3725, University Station
Charlottesville, Virginia

Telephone EMpire 3-3302

Hand Sample Serial 35920

Mine Roland F. Beers, Incorporated

ASSAY REPORT

UNION ASSAY OFFICE, Inc.

J. V. SADLER, President
W. C. WANLASS, Vice-Pres. & Treas.
LILY M. HOTTINGER, Secretary

Salt Lake City 10, Utah

RESULTS PER TON OF 2000 POUNDS

July 8, 1958

NO.	GOLD Ozs. per Ton	SILVER Ozs. per ton	LEAD Per Cent Wet	COPPER Per Cent	INSOL. Per Cent	ZINC Per Cent	SULPHUR Per Cent	~~IRON~~ Ni Per Cent	LIME Per Cent	Per Cent	Per Cent	VALUE GOLD
	Trace	None	None	None		None		None				

Remarks

Charges $ 9.00

W. C. Wanlass

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

FIRST REPORT

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1958 Docket No. DMEA 4896 Contract No. 1194

Operator's Name Roland F. Beers, Inc. Minerals Copper-Lead-Zinc

Address 447 Pinewoods Ave. (P. O. Box 1019), Troy, N. Y.

Contract Amount, $ 13,080.00 Government Participation: 50 % Amount, $ 6,540.00

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 Contracts:						
Drilling Diamond	2757.00	-	$2,757.00			
Drill hole survey	7.50	-	7.50			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Core boxes	84.00	-	84.00			
(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						
Incidental allowance	437.00	-	437.00			
(8) Contingencies (specify):						
TOTALS	$3285.50		$3,285.50	3285.50		3285.50

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

Date July 14, 1958 Payee Roland F. Beers, Inc.

Per John D. Baker Title Asst. Secretary

*When 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:

$ 1642.75

Signature Helen R. Mullin
(Authorized Certifying Officer)

Date JUL 21 1958 Vou. No. 8

(See other side)

1642.75

(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-1194 in accordance with the terms of the contract.

Signature [illegible] Title GEOLOGIST, U. S. G. S. Date JUL 18 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature [illegible] Title ACTING EXECUTIVE OFFICER DMEA - REGION V Date JUL 18 1958

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.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

FIRST REPORT

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1958 Docket No. DMEA 4896 Contract No. 1194
Operator's Name Roland F. Beers, Inc. Minerals Copper-Lead-Zinc
Address 447 Pinewoods Ave. (P.O.Box 1019) Troy, N. Y.

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								
Drill hole survey	hrs.	$ 7.50	1	$ 7.50	1	$7.50		$7.50
Winzes								
Drilling: Overburden and BX core	feet	2743.40	946	2743.40	946	2.90		2.90
NX core	feet	13.60	4	13.60	4	3.40		3.40
Core boxes	each	84.00	28	84.00	28	3.00		3.00
Incidental allowance	feet	437.00	950	437.00	950	.46		.46
TOTAL DISTRIBUTED COSTS		$3285.50		$3285.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		None		None				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$3285.50		$3285.50				$13,080.00

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 July 14, 1958 Operator Roland F. Beers, Inc.

Per John D. Bates Title Asst. Secretary

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)

REMARKS:

(For Government use only)

Henry H. Cenos
GEOLOGIST, U. S. G. S.

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 872894

PROGRESS REPORT

July 1, 1958

DE-10 PROSPECT

Roland F. Beers, Inc.

DMEA - 4986

PROGRESS REPORT

July 1, 1958

DE-10 PROSPECT

Roland F. Beers, Inc.

DMEA - 4896

-Introduction-

During the month of June, 1958, a drilling program of 950 feet was completed on the DE-10 prospect, under the conditions of DMEA contract #4896. Both DH-1 and DH-2, having respective depths of 500 feet and 450 feet, were drilled on the Johnson property. The locations of these holes are shown on the accompanying maps.

Drilling progressed under the following time sequence:

June 12: DH-1 started
June 20: DH-1 completed

June 20: DH-2 started
June 30: DH-2 completed

The drilling contractor, E. J. Longyear Company, provided a truck-mounted diamond drill rig which operated on two eight-hour shifts, six days per week.

-Drilling Results-

DH-1, located on L 9 S at .85 W was a vertical hole collared on the ground EM conductor axis and drilled to a depth of 500 feet. A drill hole survey showed that DH-1 deflected S 60° E about 65 feet at the bottom. The core

exhibited only weak sulfide mineralization (traces to approx. 3½%) in disseminated form and in small stringers and veinlets. No massive sulfides were present in the core from DH-1.

DH-2, a vertical hole located on L 3 S at .40 W, was drilled on the conductor axis and was bottomed at 450 feet. Tests showed DH-2 to have drifted 22 feet S 55° E at the bottom of the hole. No massive sulfide intersections were encountered in DH-2.

No significant sulfide accumulation appears to be present in any of the core drilled to date. However, one sample was selected from DH-1 (core interval 147.5-152.5') and submitted to the Union Assay Offices, Salt Lake City, Utah. Assay results are not available at this time.

A fair correlation appears to exist between DH-1 and DH-2, with key changes showing up about 50 feet higher in DH-2 than in DH-1. From the surface to 221 feet in DH-1 and from 0-172 feet in DH-2, the core is interstratified. It is assumed that these zones consist of metasediments interbedded with pyroclastics. Thin sections are being prepared to ascertain or disprove this assumption. It is estimated that metasediments comprise about 50% of the core down to these respective elevations and rapidly disappear with increasing depth. Volcanic breccia which outcrops on the east side of the grid and is the "target" of the drilling program was encountered and drilled through in both holes. The breccia contained pyrite-pyrrhotite and traces of chalcopyrite. The sulfides are found in disseminated form, in stringers and in small fractures.

Silicified beds and highly fractured sections affected drilling progress considerably.

Though core recovery to date has been almost 100%, sludge samples will be taken in highly fractured zones in future drill holes to determine more accurately the sulfide content of these fractured areas. Possibly much of the sulfide mineralization which occurred in the fractures was washed out with the cuttings during drilling. It is conceivable that enough sulfide might be present in these fractures to explain the EM crossover.

Respectfully submitted:

Vernon R. Geyer
District Geologist

Roland F. Beers, Inc.
Charlottesville, Va.

Location DE-[illegible] Prospect
Dep. 500'
Elev. 648'

Angle vertical Hole No. 1
Deflection 65' S 60° E at bottom of DH
Logged by: VRG

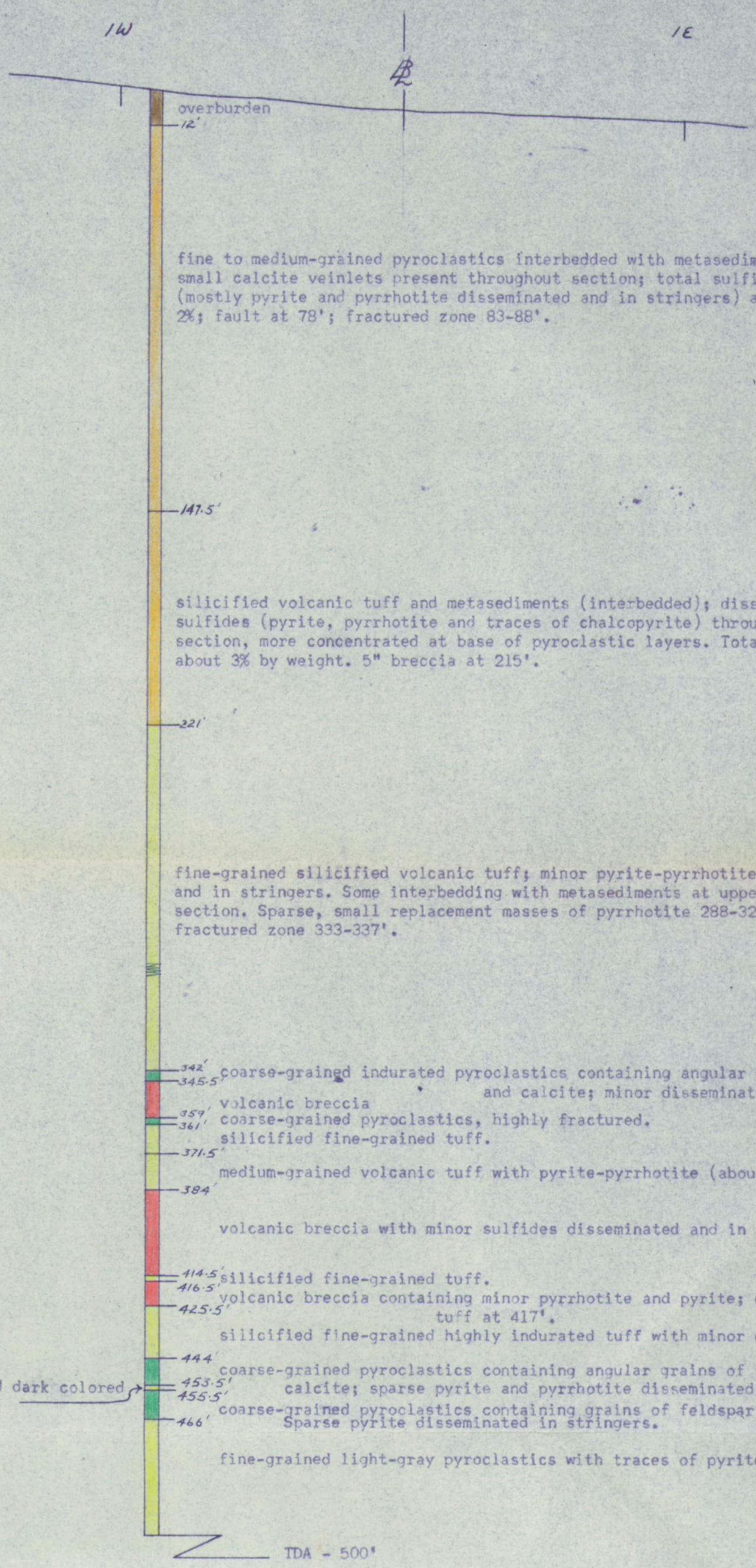
Footage	Description
0-12	overburden
12-147.5	fine to medium-grained pyroclastics interbedded with metasediments; small calcite veinlets present throughout section; total sulfides (mostly pyrite and pyrrhotite disseminated and in stringers) about 2%; fault at 78'; fractured zone 83-88'.
147.5-221	silicified volcanic tuff and metasediments (interbedded); disseminated sulfides (pyrite, pyrrhotite and traces of chalcopyrite) throughout section, more concentrated at base of pyroclastic layers. Total sulfides about 3% by weight. 5" breccia at 215'.
221-342	fine-grained silicified volcanic tuff; minor pyrite-pyrrhotite disseminated and in stringers. Some interbedding with metasediments at upper end of section. Sparse, small replacement masses of pyrrhotite 288-328'; highly fractured zone 333-337.
342-345.5	coarse-grained indurated pyroclastics containing angular grains of feldspar and calcite; minor disseminated sulfides.
345.5-359	volcanic breccia.
359-361	coarse-grained pyroclastics, highly fractured.
361-371.5	silicified, fine-grained tuff.
371.5-384	medium-grained volcanic tuff with pyrite-pyrrhotite (about 3%).
384-414.5	volcanic breccia with minor sulfides disseminated and in stringers.
414.5-416.5	silicified fine-grained tuff.
416.5-425.5	volcanic breccia containing minor pyrrhotite and pyrite; 6" fine-grained tuff at 417'.
425.5-444	silicified fine-grained highly indurated tuff with minor disseminated sulfides.
444-453.5	coarse-grained pyroclastics containing angular grains of feldspar and calcite; sparse pyrite and pyrrhotite disseminated and in veinlets.
453.5-455.5	fine-grained dark colored tuff.

Location: [illegible]10 Prospect Angle vertica[illegible] Hole No. 1
Dep. 500[illegible] Deflection: 65' S 60° E at bottom of DH
Elev. 648' Logged by: VRG

Footage	Description
455.5-466	coarse-grained pyroclastics containing grains of feldspar and calcite. Sparse pyrite disseminated and in stringers.
466-500	fine-grained light-gray pyroclastics with traces of pyrite.
	TDA - 500'

Location: DE-10 Prospect Angle vertical Hole No. 2
Dep. 450' Deflection: 22' S 55° E at bottom of DH
Elev. 646.4' Logged by VRG

Footage	Description
0-6	overburden.
6-98	interbedded fine to medium-grained pyroclastics and metasediments; small calcite veinlets present throughout section. Pyrite and pyrrhotite (about 2%) disseminated and in stringers.
98-172	silicified fine to medium-grained pyroclastics interbedded with metasediments. Disseminated pyrite, pyrrhotite and traces of chalcopyrite throughout section; sulfides more concentrated at base of pyroclastic layers; total sulfides about 3%.
172-242	fine and medium-grained volcanic tuff; some interbedding with metasediments; minor disseminated sulfides.
242-319	highly silicified fine-grained tuff containing small replacement masses of pyrrhotite and disseminated pyrite; highly fractured zone 260-272'.
319-366	coarse-grained pyroclastics containing feldspar and calcite; brecciated sections.
366-386	volcanic breccia; minor pyrite disseminated and in stringers.
386-407	coarse-grained pyroclastics with angular grains of feldspar and calcite.
407-410	silicified fine-grained volcanic tuff with very minor sulfides.
410-413	volcanic breccia.
413-450	very fine-grained, highly silicified volcanic tuff; sparsely disseminated pyrite. Medium-grained pyroclastics 431-435'.
	TDA - 450'

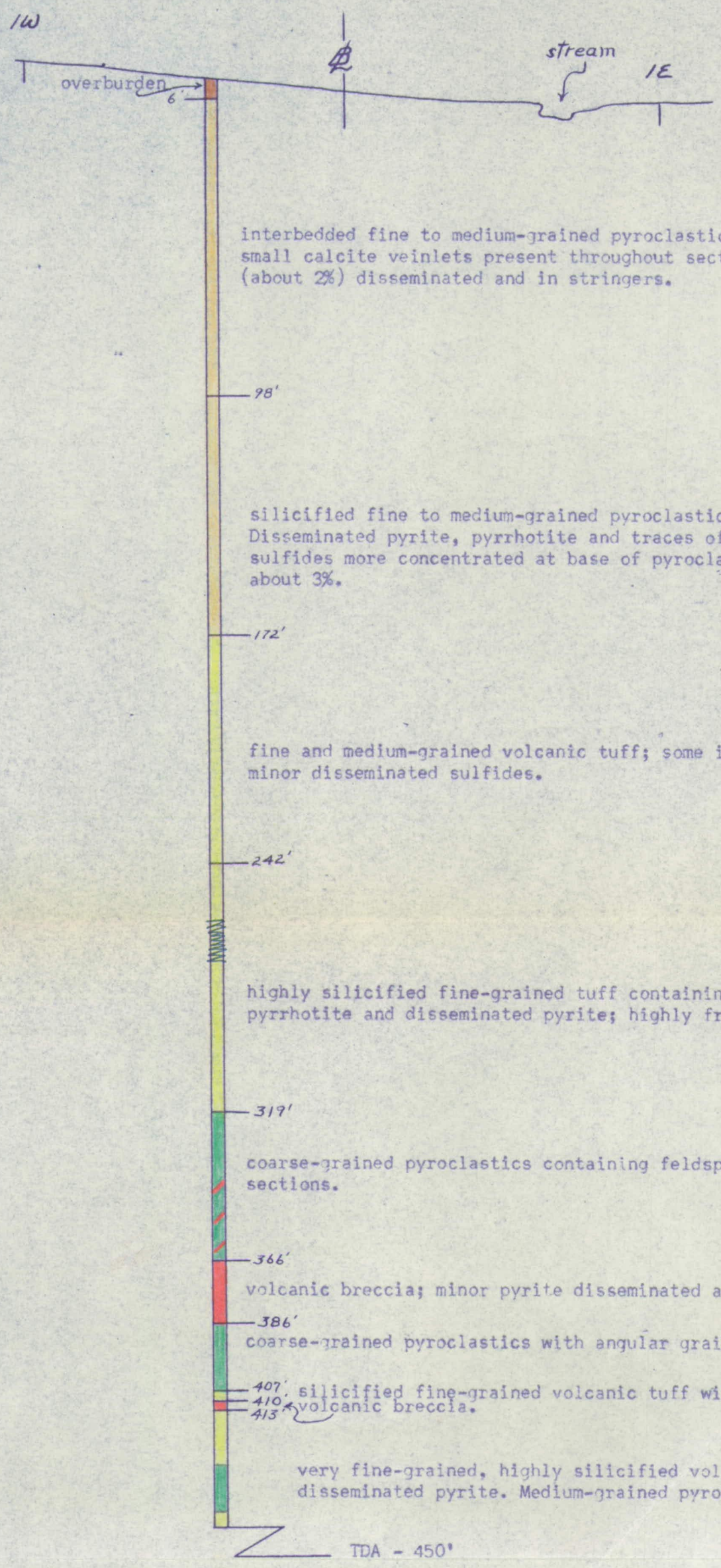


DRILL HOLE CROSS SECTION - DH-1

DE-10 Prospect
Davidson County, N.C.

Roland F. Beers, Inc. DMEA-4896

scale 1" = 40'



DRILL HOLE CROSS SECTION - DH-2

DE-10 Prospect
Davidson County, N.C.

Roland F. Beers, Inc. DMEA-4896

scale 1" = 40'

MAR 19 1959

Mr. Roland F. Beers, President
Roland F. Beers, Inc.
Post Office Box 1019
Troy, New York

Re: Docket No. DMA-1096 (Copper-Lead-Zinc)
Roland F. Beers, Inc.
DE-18 Prospect
Davidson County, North Carolina
Contract No. 14-[illegible]

Dear Mr. Beers:

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.

We appreciate your interest and participation in the Defense Minerals Exploration Administration program which has now been succeeded by the Office of Minerals Exploration program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Wrklugemeid/er 3/17/59
Copy to: Docket
Dir Read File
Op. Committee
Mr. Mahnkow, [illegible]
Mr. Killsgaard, [illegible]
Mr. Chambers, [illegible]
Region V (2)
Chron.

Audit's copy

DMEA
SEP 12 1958
MINERALS

TERMINATION AGREEMENT

It is agreed this 26th day of August, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Roland F. Beers, Inc., hereinafter called the "Operator," parties to that certain Exploration Project Contract No. Idm-E1194 (Docket No. DMEA-4896), dated May 23, 1958, hereinafter called the "Contract," that:

1. Effective July 31, 1958, 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 to allowable costs incurred prior to said effective date.

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 respecting certification of discovery or development, percentage royalty and liens to secure the payment thereof, reports (including preservation of Operator's records), accounts, audits, and the right to recover any overpayment, are preserved.

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.

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

THE UNITED STATES OF AMERICA

By C. P. Mitteudorf
Administrator, Defense Minerals
Exploration Administration

ROLAND F. BEERS, INC.

By Roland F. Beers

Title President

MME Form 14
Sept. 1958

Contract No. Idm-E) 1194
~~X14-23)~~

Docket No. DMEA) 4896
~~X MME)~~

Date of Action 10/20/58

Terminated contract

DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

OBLIGATION DOCUMENT

To: Chief, Accounts Section, Finance Branch, Bureau of Mines

From: Director, Division of Operations Control and Statistics

Please enter the amounts shown below on the accounts of the Office of Minerals Exploration.

Name and Address of Contractor: Roland F. Beers, Inc.
P. O. Box 1019
Troy, New York

Date of Contract	Region	State	Commodity
May 23, 1958	V	North Carolina	Copper-Lead-Zinc
	Reserve		Obligation
Prior Amount	0		6,540.00
Increase	0		0
Decrease	~~0~~		~~3,073.09~~
Revised Amount	0		3,466.91

Remarks:

cc: 800
210

43244

DMEA Form 14

Contract No. Idm-E 1194

Docket No. 4896

Executed Contract

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

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

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
May 23, 1958	V	North Carolina	Copper-Lead-Zinc

Name and Address of Operator: Roland F. Beers, Inc.
P. O. Box 1019
Troy, New York

	Reserve	Obligation
Prior Amount	6,540.00	0
Increase	0	6,540.00
Decrease	6,540.00	0
Revised Amount	0	6,540.00

Remarks:

(Name)
Allen S. Dakan, Chief Operations Control and Statistics Division

(Title)

Date delivered to Bureau of Mines, Washington 6/13/58

22848

Audit copy

MF-200
(Revised June 1954)

Docket No. DMEA 4896

Commodity copper-lead-zinc

Contract No. Idm-E 1194

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 13 1958

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 23 MAY 1958 day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Roland F. Beers, Inc., a New York corporation, whose mailing address is P. O. Box 1019 Troy, New York, 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-200), the attached Exhibit "A," Annex I, and Annex II, and two maps. 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 Davidson, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Lessee of [5] See Annex I in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] See Annex I, [7] 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: Interests of lessors

(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

[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."

of the land (lessor, seller, optionor, etc.), are attached, as follows: Surety Company's Performance Bond was furnished to the Government in lieu of Consents to Lien and Subordination Agreements of lessors

(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 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Copper, Lead, and Zinc. The work to be performed is described in Exhibit "A." The Operator on or before June 20, 1959 shall commence the work, and on or before January 20, 1959 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall either have completed the work or shall have incurred allowable costs (see Article 6) in a sum not less than the estimated total allowable cost set forth in Exhibit "A." See Annex II

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) *Independent contracts.*—To the extent that the allowable costs are estimated in Exhibit "A" with express reference to performance by independent contractors on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations), the work may be so performed; but if the reference in Exhibit "A" to any such independent contract requires the Government's approval thereof, payments under such contract will not be allowable costs unless the Government gives its written approval of the contract. Any such independent contract shall refer to some specific and identifiable part of the work, and shall be subject to all of the pertinent terms and conditions of this exploration contract; but the Government shall not be considered a party thereto, and its rights under this contract, including the right to terminate its contributions, shall not be affected thereby. Regardless of the provisions of any such independent contract and regardless of the Government's approval thereof, the Government will participate in payments to the independent contractor only on account of work performed in accordance with the provisions of this exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable.

(c) *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.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $13,000.00 The Government shall contribute 50 percent of the allowable costs as they are incurred in a total sum not in excess of $6,940.00: *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

CATEGORY (6)—NEW BUILDINGS, FIXTURES, AND INSTALLATIONS (EXCLUSIVE OF MINE WORKINGS).—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

CATEGORY (7)—MISCELLANEOUS.—Repairs and maintenance (other than initial) of operating equipment, analytical work, prints and other reproductions, accounting, Operator's share of payroll taxes, liability insurance covering employment, travel, communications, and any other items of requirement or cost that do not fall within any of the first 6 categories.

THE ESTIMATED TOTAL ALLOWABLE COST of the work is a maximum.

(b) *Nonallowable costs.*—The following costs are not allowable for contribution by the Government:

(1) *Costs of the land,* such as rental, depreciation, depletion, or other cost of acquiring, owning, or holding possession;

(2) *Indirect costs,* such as general overhead, corporate management, interest, taxes (other than payroll and sales taxes), insurance (other than liability insurance covering employment), damages to persons, damages to property (other than necessary repairs or replacements of equipment or other property used in the work);

(3) *Previous work* performed or costs incurred before the date of this contract; and

(4) *Deferred payments.*—Any costs incurred by the Operator under any rental-purchase agreement, installment-purchase agreement, or any agreement for the purchase of goods under the provisions of which payment of the full purchase price is deferred more than 90 days from the delivery of the goods; unless the purchase agreement is approved by the Government in writing.

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article ~~9~~. 8 (See Annex II.)

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the 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. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. 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. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved 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 detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and 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.)

voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work or not in excess of the amount of the Government's contribution to the cost of property which is or may become subject to disposal as provided in Article 9(c), whichever is greater. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 7(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. "Costs incurred" mean costs that have been paid or have become due and payable, or that in the opinion of the Government have become an obligation. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; [redacted] See Annex II.

To the extent specified in this article or in Exhibit "A" the following categories, subcategories, and elements thereof are maximums; but if not so specified either here or in Exhibit "A" they are not maximums, and may be exceeded within the limit of the estimated total allowable cost of the work:

CATEGORY (1)—INDEPENDENT CONTRACTS.—Work to be performed under independent contracts (see Article 4(b)). The estimated total amount of this category and the estimated cost of each unit of work for performance under an independent contract are maximums.

CATEGORY (2)—PERSONAL SERVICES.

Subcategory (a)—Supervision.—All elements of this subcategory (number of supervisors, periods of employment, rates of pay, and total) are maximums.

Subcategory (b)—Technical services.—All elements of this subcategory (number of technicians, periods of employment, rates of pay, and total) are maximums.

Subcategory (c)—Labor.

CATEGORY (3)—OPERATING MATERIALS AND SUPPLIES.—Includes such items as drill bits and steel, explosives, fuel, pipe, power, small tools costing less than $50 each, timber, track.

CATEGORY (4)—OPERATING EQUIPMENT.

Subcategory (a)—Rental.—The number of each object to be rented [6 mine cars, 1 truck], the rate of rental [$100 per month, $5 per hour], and the total of this subcategory are maximums.

Subcategory (b)—Purchases.—The estimated total of this subcategory is a maximum.

Subcategory (c)—Depreciation.—All elements of this subcategory (time periods, rate of depreciation, and subcategory total) are maximums.

CATEGORY (5)—INITIAL REHABILITATION AND REPAIRS.—Estimates under this category include all requirements and related costs, such as labor, materials and supplies, and supervision at a rate not higher than provided for in Category (2), and shall not be duplicated under any other category. The estimated total of this category is a maximum.

Subcategory (a)—Initial rehabilitation and repairs of existing buildings, fixtures, and installations (exclusive of mine workings).—The estimated total of this subcategory is a maximum.

Subcategory (b)—Initial rehabilitation and repairs of operating equipment.—The estimated total of this subcategory is a maximum.

(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 related costs incurred.

(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 8. *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 7) 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 therof 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 9. *Interests in purchased property.*—(a) *Title and ownership.*—All costs under this contract shall be incurred by the Operator in the Operator's own name and for the Operator's own account; but any property acquired to the cost of which the Government contributes shall belong to the Operator and the Government jointly in proportion to their respective contributions, although title thereto shall be taken in the name of the Operator.

(b) *Preservation of property.*—Until the final disposal of any property in which the Government has an interest the Operator shall preserve and protect same for the best interest of the Government, any reasonable and necessary costs thereof to be treated as an allowable cost of the project. After the completion of the work or termination of the Government's obligation to contribute, or when such property is not in use for or needed for the work, the Operator shall neither use it without the written consent of the Government nor without paying a reasonable rental to be fixed by the Government for its interest.

(c) *Disposal of property.*—Upon the completion of the work or termination of the Government's obligation to contribute to costs, or when the property is no longer needed for the work, the Operator shall promptly dispose of salable or salvageable property in which the Government has an interest for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator or the Government at a price at least as high as could be obtained from others, unless the Government in writing waives its interest in any such property. Without advance approval of the sales price by the Government the Operator shall not sell at any price any item of property the cost of which was more than $500, and shall not sell at less than 25 percent of the purchase price any item of property which cost $500 or less. The Government, in lieu of approving the sales price for any such item, may itself purchase the item at the best price which the Operator is able to obtain or himself cares to give. Property remaining upon any termination of the work shall be considered in groups or categories (such as drill steel, or explosives, or pipe, or rails), and if the original cost of the remaining unexpended portion of any such group or category is less than $50, the Government waives its interest therein. If necessary to accomplish the disposal of any item the Operator shall dismantle and sever it from the land, the cost thereof to be treated as a cost of the project.

(d) *Default of the Operator re disposal.*—If within 90 days after the completion of the work or termination of the Government's obligation to contribute to costs, or after the property is no longer needed for the work, or after such further time as the Government may in writing allow, the Operator has failed to sell or otherwise liquidate or dispose of any property in which the Government has an interest, the Government, at any time prior to final settlement under the contract, may pursue one of the following two courses: (1) the Government, by written notice to the Operator, may place upon such property what in its opinion is a fair valuation thereof, not in excess of the cost less 1.66 percent per month from the

date such property was purchased under this contract to the termination of said 90-day period; and such property shall thereupon be considered and accounted for as having been purchased by the Operator at the valuation so fixed by the Government; or (2) the Government may enter and take possession of such property wherever it may be found, and remove and dispose of it for the joint account of the parties.

ARTICLE 10. *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: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) 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.

(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: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) 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 10 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 11. *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 12. *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 13. *Changes and added provisions.*—

See Annex II.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By [illegible]

Administrator, Defense Minerals Exploration Administration

ROLAND F. BEERS, INC. (Operator)

By Helen C Beers

Title Vice President

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

John S. Bakos

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70017-1

35485

EXPLORATION PROJECT CONTRACT
ROLAND P. BEERS, INC.
DOCKET NO. DMRA-4896

ANNEX I

The land referred to in Article 2 of the Contract consists of three contiguous tracts, totaling approximately 597 acres outlined in blue on the map entitled "BE-18-Denton Prospect, Davidson County, North Carolina - Map No. 1," attached and made a part hereof.

The Operator is in possession by virtue of leases, copies of which are in the DMRA file and the descriptions therein are incorporated herein by reference, and the originals of which are recorded in the office of the Register of Deeds of Davidson County, North Carolina, and listed as follows:

1. Lease of 507 acres from Baxter Lineberry Morris and wife, Grace Hill Morris, dated September 13, 1957, recorded in Deed Book 304, at page 183.

2. Lease of 55 acres from W. A. Johnson and wife, Bettie Jo. son, dated September 25, 1957, recorded in Deed Book 304, at page 179.

3. Lease of 35 acres from E. Howell Elliott and wife, Mabel Elliott, dated October 29, 1957, recorded in Deed Book 304, at page 174.

The Government has accepted the attached Performance Bond in lieu of the Consents to Lien and Subordination Agreements of the lessors.

EXPLORATION PROJECT CONTRACT
ROLAND F. BEERS, INC.
DOCKET NO. NMRA-4896

ANNEX II

Article 13. Changes and added provisions--

(a) In Article 3, the words following the reference to Article 18 are deleted, and the following words are substituted: "Shall have completed the work."

(b) In Article 6(a), that part of the last sentence in the first paragraph beginning after the semicolon is deleted.

(c) Categories (2) through (7) of Article 6(a) are deleted.

(d) In addition to the costs of work estimated in Exhibit "A" by categories of actual costs, the costs of work requirements specified in Exhibit "A" as "Fixed Unit Costs" are allowable costs of the project. The Government will contribute to the fixed unit costs as work units are performed. A "Fixed Unit Cost" is an agreed price for each unit of work to be performed regardless of costs incurred by the Operator. Costs set forth in Exhibit "A" include all allowable costs of the work to be performed under the Contract.

(e) In Article 6(c), the words "Article 9" are changed to "Article 8."

EXPLORATION PROJECT CONTRACT
ROLAND F. KERRS, INC.
DOCKET NO. DMRA-4896

EXHIBIT "A"

Description of the Work

The purpose of the project, based upon prior geophysical reconnaissance work, is to explore the metamorphic rocks underlying the anomalies for ores of copper, lead, and zinc by overburden drilling and diamond drilling.

Drill six vertical diamond drill holes to average depths of approximately 500 feet, aggregating not in excess of 3,500 feet. Tentative locations of the holes are shown on the map entitled "Map of Proposed Drill Hole Locations for DMRA-4896 - D-10 Prospect - Map No. 5," attached and made a part hereof.

The actual locations, directions, inclinations, and depths of all holes are subject to prior Government approval. Drill holes shall be spaced at intervals of at least 200 feet.

Drill holes shall be cellared in rock NX size.

All diamond drilling shall be performed with AX size, or larger, coring bits, except when, in the opinion of the Government, it is necessary, the hole may be reduced with NX casing and completed with NX size bits. Drill holes shall be reamed and cased or cemented and redrilled as necessary. No drilling shall be performed at locations which are within 200 feet of the outside boundary of the land.

The Government will not contribute to the cost of drilling any hole which is not completed.

All drill holes shall be logged and all drill cores shall be made available to the Government for examination. All significantly mineralized core, in lengths not to exceed 5 feet, shall be split and one-half thereof shall be properly sampled, and assayed for copper, lead and zinc. The Government will not contribute to the cost of assaying more than 40 samples.

Sludges corresponding to the cores shall be retained (if possible) when drilling is being done in significantly mineralized ground. In the event that the core recovery does not exceed 70 percent, both core and sludge samples shall be taken at intervals not to exceed 5 feet.

The remaining half of all significantly mineralized core samples, and sludge samples when taken, shall be furnished to the Government upon request.

All assays shall be reported monthly to the Government, together with the logs of the drill holes and proper plan maps and sections showing the progress of the work and the sample locations.

All drilling and sample preparation shall be properly supervised by competent engineers and geologists.

Estimated Cost of the Project

Actual Costs

Category (1) Independent Contracts

NX drilling to collar hole in rock 90 feet @ $3.40/ft.	$306.00
Overburden drilling and rock drilling (not less than AX size core), 3,410 feet @ $2.90/ft.	9,889.00

XX size @ $2.65/ft.

Cementing, reaming, etc. 25 hours @ $7.50/hr.	$188.00	
Delays not attributable to drillers, 20 hours @ $6.50/hr.	130.00	
Mobilization and demobilization of personnel and drilling equipment	200.00	
Surveying drill holes with Maas Compass, 25 hours @ $7.50/hr.	187.00	$11,000.00

The above rates include charges for water supply, changing of locations, and all other charges by the diamond drill contractor.

Neither the cost nor the value of the casing left in drill holes at the option of the Operator will be accepted as a charge to the Contract.

Categories (2) through (7)

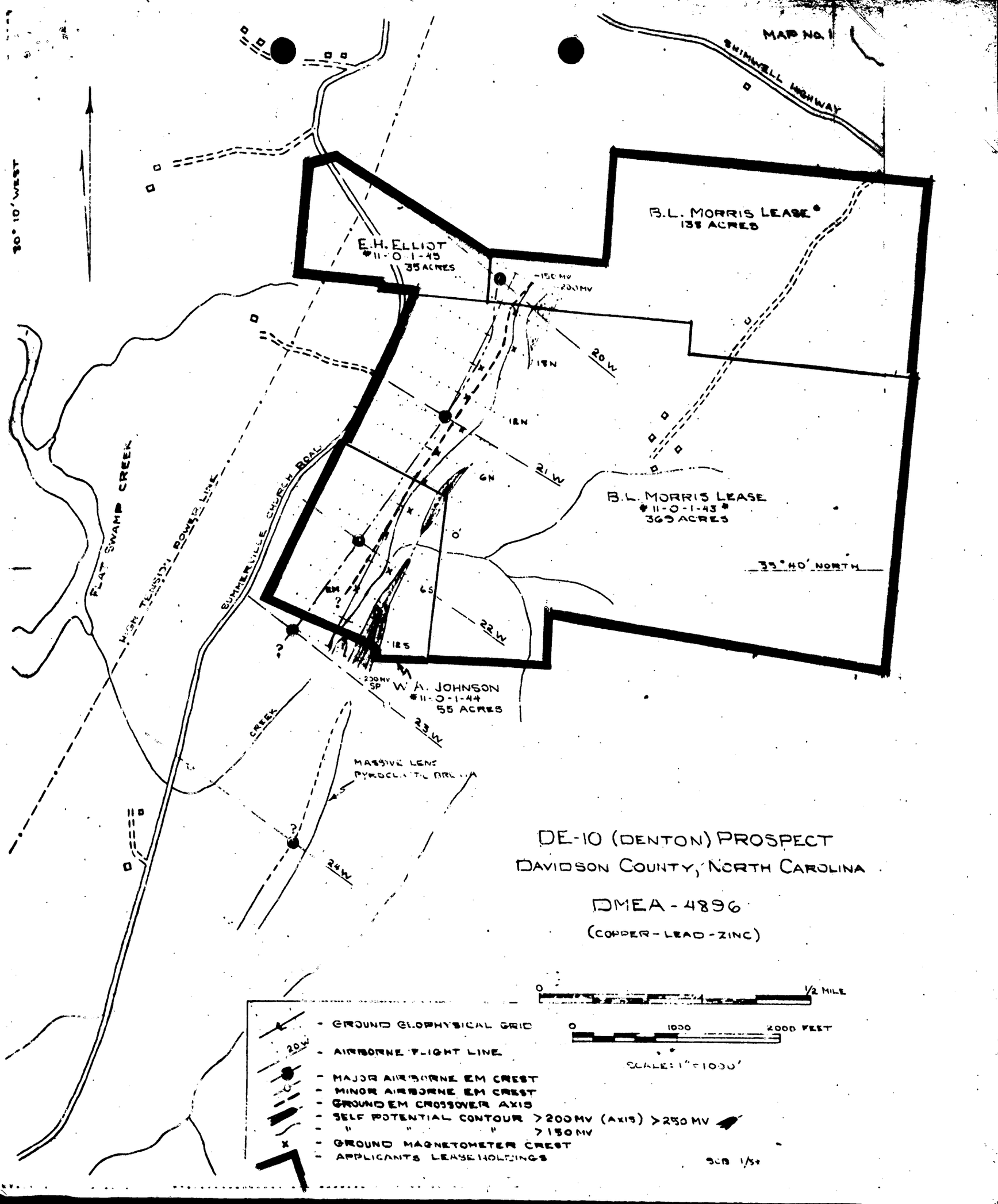
None

Fixed Unit Costs (See Article 13)

Incidental allowance 1/ for each foot of drilling completed, 3,500 feet @ $6.46/ft.	$1,610.00	
Core boxes (wooden), 100 @ $3.00/each	300.00	
40 samples assayed @ $4.00/sample	160.00	$2,070.00

Estimated total cost of the project (rounded to)	$13,080.00
Government's participation @ 50 percent	$6,540.00

1/ Includes all costs that might otherwise have been allowable costs under Categories (1) through (7) of Article 6(a) except as scheduled in Exhibit "A."


MAP NO. 1
SHIMWELL HIGHWAY
30° 10' WEST
B.L. MORRIS LEASE*
135 ACRES
E.H. ELLIOT
#11-0-1-45
35 ACRES
-150 MV
200 MV
20 W
18N
18N
21 W
6N
B.L. MORRIS LEASE
#11-0-1-43*
360 ACRES
35° 40' NORTH
FLAT SWAMP CREEK
HIGH TENSION POWER LINE
SUMMERVILLE CHURCH ROAD
6S
22 W
18S
230 MV
SP
W.A. JOHNSON
#11-0-1-44
55 ACRES
23 W
CREEK
MASSIVE LENS
PYROCLASTIC BRECCIA
24 W
DE-10 (DENTON) PROSPECT
DAVIDSON COUNTY, NORTH CAROLINA
DMEA-4896
(COPPER-LEAD-ZINC)
0
1/2 MILE
0
1000
2000 FEET
SCALE: 1" = 1000'
- GROUND GEOPHYSICAL GRID
20W
- AIRBORNE FLIGHT LINE
- MAJOR AIRBORNE EM CREST
- MINOR AIRBORNE EM CREST
- GROUND EM CROSSOVER AXIS
- SELF POTENTIAL CONTOUR >200 MV (AXIS) >250 MV
- " " " >150 MV
- GROUND MAGNETOMETER CREST
- APPLICANTS LEASEHOLDINGS
SCB 1/57

EXTRA COPY
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RECEIVED JUN 10 1958

DATE	INITIALS	CODE

Code 800

DMEA Form 14

Contract No. Idm-E 1194

Docket No. 4896

Approved contract

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

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

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
May 23, 1958	V	North Carolina	Copper-Lead-Zinc

Name and Address of Operator: Roland F. Beers, Inc.
P. O. Box 1019
Troy, New York

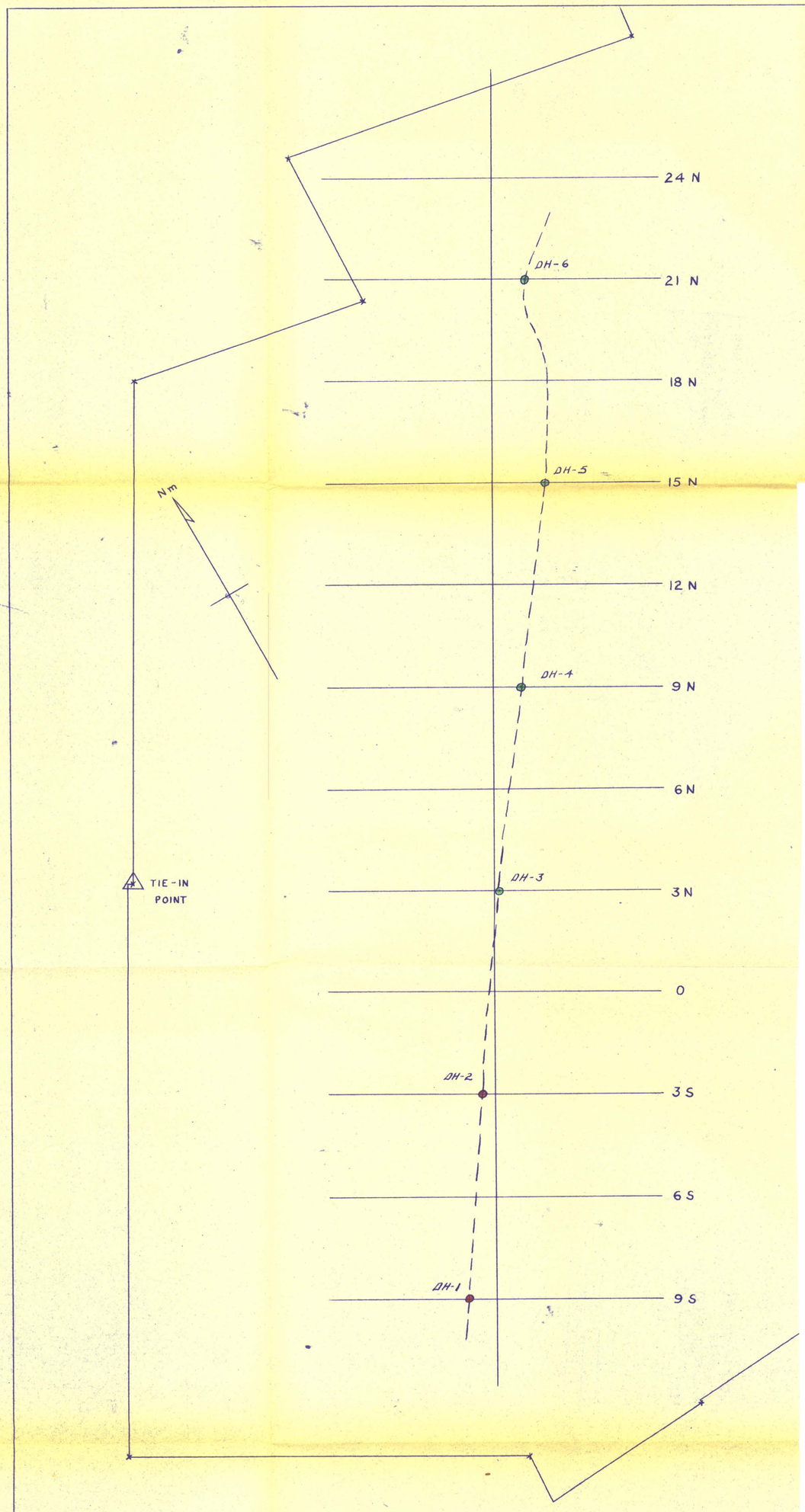
	Reserve	Obligation
Prior Amount	0	0
Increase	6,540.00	0
Decrease	0	0
Revised Amount	6,540.00	0

Remarks:

(Name)
Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date delivered to Bureau of Mines, Washington 5/26/58

22845



ROLAND F. BEERS, INC.

DMEA -4896 DE-10 PROSPECT

Davidson County, North Carolina

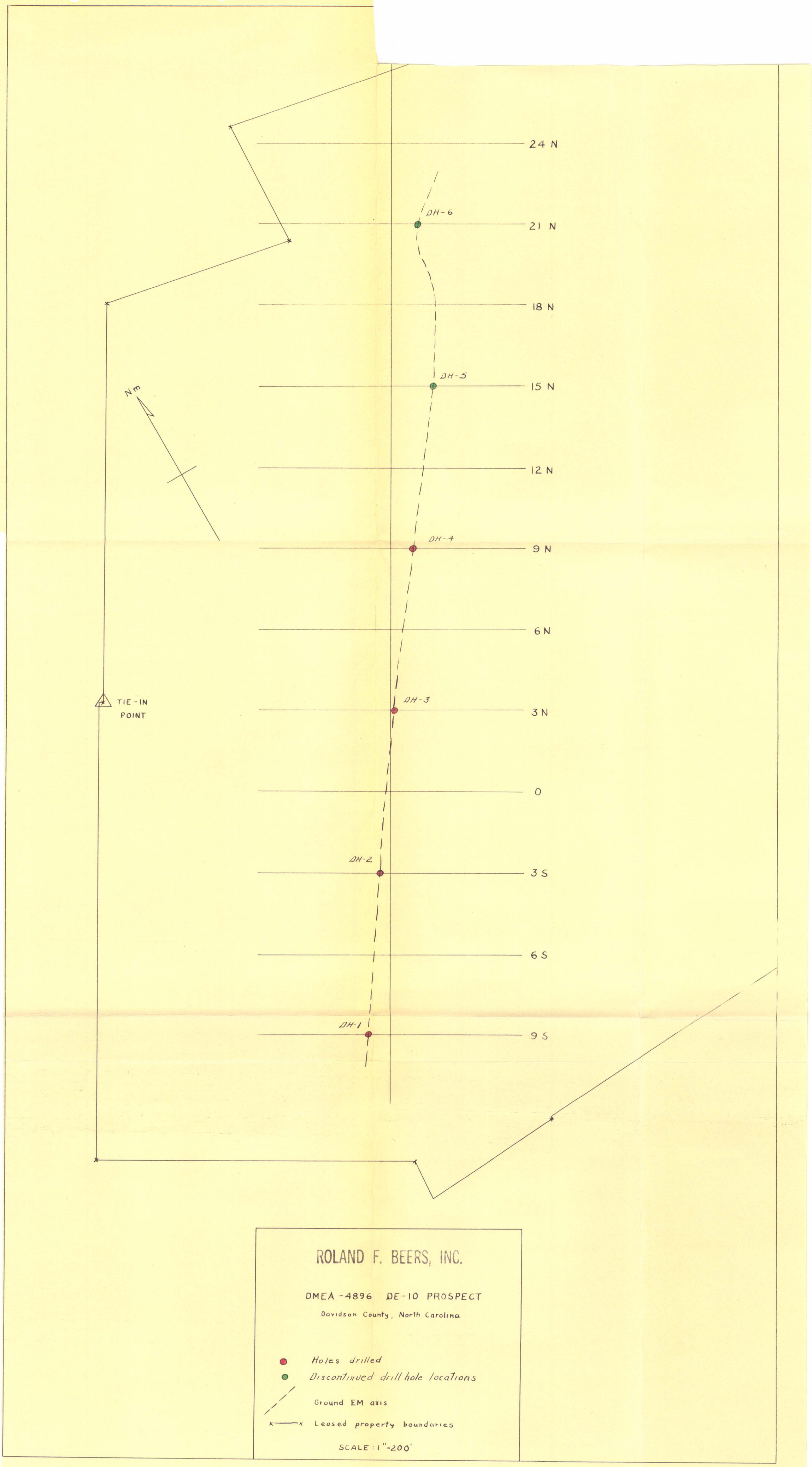
Holes drilled

Holes to be drilled

Ground EM axis

Leased property boundaries

SCALE : 1"=200'


24 N
21 N
18 N
15 N
12 N
9 N
6 N
3 N
0
3 S
6 S
9 S
DH-6
DH-5
DH-4
DH-3
DH-2
DH-1
Nm
TIE-IN
POINT
ROLAND F. BEERS, INC.
DMEA-4896 DE-10 PROSPECT
Davidson County, North Carolina
Holes drilled
Discontinued drill hole locations
Ground EM axis
Leased property boundaries
SCALE: 1"=200'