DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 2011-X

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EXPLORATION LOAN

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Routing Slip

To:	Int. Minerals	Date	7-10-51
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INT.-DUP. SEC., WASH., D.C. 98868

DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 1811X

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as

_____

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

Routing Slip

To: Mr Lyon Date 7-31

To: Mr. Barr Date 8-1-51

To: Mr Lyon Date 8-9

To: Reports + Records Date 8-13

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

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INT.-DUP. SEC., WASH., D.C. 98868

370 FILE COPY
SURNAME:

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

Barr

Monarch Mines Inc.
109 West College Avenue
Appleton, Wisconsin

APR 1 4 1955

Subject: DMA 1811-X; Mica-Beryl; Exploration for $50,000

Gentlemen:

Your application for aid for an exploration project on a mica and beryl deposit located on Triangle A property, near Custer, South Dakota, and docketed as DMA 1811-X, has been reviewed by this office.

Projects approved by the Defense Minerals Administration must, in its judgment, show definite promise of yielding material of acceptable grade, physical character and specifications, in quantities that will significantly improve the mineral supply position for national defense.

Exploration projects as defined in MO-5, Regulations Governing Government Aid in Defense Exploration Projects, must be confined to work necessary to search for unknown or undeveloped sources of strategic minerals; the work must be confined to a reasonable delineating and sampling of the ore and may not include work prosecuted primarily for mining or preparation for mining.

A very careful study of your proposal revealed the following:

1. The deposit has been rather extensively explored; need for and justification of additional exploration work has not been demonstrated.

2. Presence of strategic grade mica and beryl in significant amounts in the deposit has not been established.

3. Most of the work program proposed is mining or preparation for mining and does not qualify under MO-5.

Under these circumstances, your application for exploration aid to the extent of 90% of $50,000 is denied. Should additional information become available, we would be glad to have you resubmit your proposal for consideration.

Sincerely yours,

Tom Lyon

Tom Lyon, Director
Supply Division

RW/GMcC
cc: Files
Reports and Records Unit
Mr. Lyon
Mr. Barr
Field Team V (2)

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

Q.E.C.

AUG 14 1951

Monarch Mines Inc.
109 West College Avenue
Appleton, Wisconsin

Subject: DMA 1811-X; Mica-Beryl; Exploration for $50,000

Gentlemen:

Your application for aid for an exploration project on a mica and beryl deposit located on Triangle A property, near Custer, South Dakota, and docketed as DMA 1811-X, has been reviewed by this office.

Projects approved by the Defense Minerals Administration must, in its judgment, show definite promise of yielding material of acceptable grade, physical character and specifications, in quantities that will significantly improve the mineral supply position for national defense.

Exploration projects as defined in MO-5, Regulations Governing Government Aid in Defense Exploration Projects, must be confined to work necessary to search for unknown or undeveloped sources of strategic minerals; the work must be confined to a reasonable delineating and sampling of the ore and may not include work prosecuted primarily for mining or preparation for mining.

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3. Most of the work program proposed is mining or preparation for mining and does not qualify under MO-5.

Under these circumstances, your application for exploration aid to the extent of 90% of $50,000 is denied. Should additional information become available, we would be glad to have you resubmit your proposal for consideration.

Sincerely yours,

Tom Lyon

Tom Lyon, Director
Supply Division

RW/GMcC
cc: Files
Reports and Records Unit
Mr. Lyon
Mr. Barr
Field Team V (2)

370
FILE COPY
SURNAME:

Barr

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

August 10, 1951

a. E. C.

Memorandum

To: Reports and Records Unit

From: Chief, Industrial Minerals Branch, DMA

Subject: DMA 1611-X; Mica-Beryl;
Monarch Mines Inc.
Custer City, South Dakota

Denial recommended because:

1. The deposit has been extensively explored; need and justification for additional exploration not shown.

2. Reserve of strategic-grade mica and beryl in significant amounts not demonstrated.

3. Much of work proposed is mining or preparation for mining and does not qualify under MO-5.

We are forwarding the entire docket which includes the following:

1. Memo from J. J. Norton.
2. Review of application.
3. Form MF 103 in duplicate with attachments.

James A. Barr, Sr., Chief

SIGNED 8/14

Approved:

Tom Lyon

Tom Lyon, Director
Supply Division
RW/GMcC
cc: Files
Reports and Records Unit
Mr. Lyon
Mr. Barr
Field Team V (2)

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

August 10, 1951

Memorandum

To: Reports and Records Unit

From: Chief, Industrial Minerals Branch, DMA

Subject: DMA 1811-X; Mica-Beryl;
Monarch Mines Inc.
Custer City, South Dakota

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1. Memo from J. J. Norton.
2. Review of application.
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James A. Barr, Sr., Chief

Approved:

Tom Lyon

Tom Lyon, Director
Supply Division
RW/GMcC
cc: Files
Reports and Records Unit
Mr. Lyon
Mr. Barr
Field Team V (2)

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

August 10, 1951

Memorandum

To: Reports and Records Unit

From: Chief, Industrial Minerals Branch, DMA

Subject: DMA 1811-X; Mica-Beryl;
Monarch Mines Inc.
Custer City, South Dakota

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1. The deposit has been extensively explored; need and justification for additional exploration not shown.

2. Reserve of strategic-grade mica and beryl in significant amounts not demonstrated.

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We are forwarding the entire docket which includes the following:

1. Memo from J. J. Norton.
2. Review of application.
3. Form MF 103 in duplicate with attachments.

James A. Barr, Sr., Chief

Approved:

Tom Lyon, Director
Supply Division

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

Code 210
August 1, 1951

DMA-18117

Memorandum

To: Mr. James A. Barr, Sr.
Chief, Industrial Minerals Branch, DMA

From: Mr. Robert E. Adams
~~Chief, Reports~~ and Records Unit, DMA

Subject: DMA-1811X, Monarch Mines, Inc., Appleton, Wisconsin

~~Mr.~~ Andrew J. Johnson, Executive Vice President, Monarch Mines, Inc., was in contact with this office over long distance telephone today requesting information as to the status of the subject application. Mr. Johnson was referred to this office during your absence. It is suggested that Mr. Johnson be advised by you as to status of this application in response to his telephone request.

Robert E. Adams
Chief, Reports and Records Unit

Mr. Barr: This applicant called for Mr. Markey, when he was at lunch. Applicant stated he would call back — but never did. He called back to report "ready to talk" + the call was cancelled. It was not known how it was referred to

TELEPHONE CONVERSATION

Long Distance

DATE: July 31, 1951 (3:15 p.m.)

PARTICIPANTS: Mr. Andrew J. Johnson, Executive V. P.
Monarch Mines, Inc.
123 East College Avenue
Appleton, Wisconsin

and

Mr. Robert E. Adams
Chief, Records and Reports Unit, DMA
Washington 25, D. C.

SUBJECT: DMA-1811X, Monarch Mines, Inc., Appleton, Wisconsin

Mr. Johnson called Mr. Barr today from Appleton, Wisconsin, and, in Mr. Barr's absence, was referred to Mr. Adams.

Mr. Johnson inquired as to the status of the subject application, which was received in this office on July 9, 1951. Mr. Adams advised Mr. Johnson that the application had been referred to Mr. Barr and was at present under consideration in the Industrial Minerals Branch. Mr. Adams also told Mr. Johnson that he would be advised by DMA as to the status of his application in a confirming letter.

Mr. Johnson stated that there had been an error in his name, which should be Andrew J. Johnson instead of Andrew J. Jackson. Mr. Adams cleared our records on this matter.

Mr. Johnson also advised that their new address was 123 E. College Avenue. Mr. Adams has asked the Files and Records to take care of this change.

READAMS/hb

FILE COPY
SURNAME:

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

Code 210
August 1, 1951

a.e.e.

Memorandum

To: Mr. James A. Barr, Sr.
Chief, Industrial Minerals Branch, DMA

From: Mr. Robert E. Adams
Chief, Reports and Records Unit, DMA

Subject: DMA-1811X, Monarch Mines, Inc., Appleton, Wisconsin

Mr. Andrew J. Johnson, Executive Vice President, Monarch Mines, Inc., was in contact with this office over long distance telephone today requesting information as to the status of the subject application. Mr. Johnson was referred to this office during your absence. It is suggested that Mr. Johnson be advised by you as to status of this application in response to his telephone request.

ROBERT E. ADAMS
mel 8/1

Robert E. Adams
Chief, Reports and Records Unit

READAMS/hb

Copy to: Administrator's Reading File
Reports and Records Unit ✓
DMA File

Code 210
August 1, 1951

Memorandum

To: Mr. James A. Barr, Sr.
Chief, Industrial Minerals Branch, DMA

From: Mr. Robert E. Adams
Chief, Reports and Records Unit, DMA

Subject: DMA-1811X, Monarch Mines, Inc., Appleton, Wisconsin

Mr. Andrew J. Johnson, Executive Vice President, Monarch Mines, Inc., was in contact with this office over long distance telephone today requesting information as to the status of the subject application. Mr. Johnson was referred to this office during your absence. It is suggested that Mr. Johnson be advised by you as to status of this application in response to his telephone request.

ROBERT E. ADAMS

Robert E. Adams
Chief, Reports and Records Unit

READAMS/hb

Copy to: Administrator's Reading File
Reports and Records Unit
DMA File ✓

FILE COPY
Surname:
G-MD-JJN

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

Van Slotine
~~Mr. Norton~~
Norton

July 27, 1951

Memorandum

To: Robert Waskey, Defense Minerals Administration

From: J. J. Norton, U. S. Geological Survey

Subject: DMA-1811X from Monarch Mines Corporation for exploration of Triangle A pegmatite, Custer County, South Dakota.

Application DMA-1811X from Monarch Mines, Inc., for exploration of the Triangle A pegmatite, Custer County, South Dakota, should be denied on the grounds that data acquired in past U. S. Government examinations of this property show that it is not rich enough in beryl and does not contain mica of high enough quality to warrant DMA assistance.

The beryl units in this pegmatite contain only about 0.1 percent beryl. This is too low grade to be worth consideration, even though the beryl-bearing units are large enough to contain about 300 tons of beryl and about 80,000 tons of potash feldspar in 300,000 tons of rock. The encouragement of feldspar mining in order to obtain by-product beryl from such a deposit as this would be unwise because the ratio between the beryl and the feldspar is so unfavorable that the feldspar market would be swamped long before an appreciable quantity of beryl had been obtained. The Black Hills contains many beryl deposits that are better than this one.

The sheet mica produced from this property is non-strategic--that is, none of it, or virtually none of it, is good stained or better. You may, however, wish to invite the applicant to submit samples of his mica to the Defense Minerals Administration for a new determination of whether or not any of it is good stained or better. I have been told that this applicant has a Q-meter, and if his mica tests well on it, you can expect to hear about it.

I have heard unfavorable comments made in the Black Hills about the applicant's business practices.

J. J. Norton

JJNorton:jeh
G-7/27/51
copy to: Director's Reading file, 4212
Branch Reading file, 4208
JJNorton
DMA files

IN REPLY REFER TO:

G-MD-JJN

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

July 27, 1951

Memorandum

To: Robert Waskey, Defense Minerals Administration

From: J. J. Norton, U. S. Geological Survey

Subject: DMA-1811X from Monarch Mines Corporation for exploration of Triangle A pegmatite, Custer County, South Dakota.

Application DMA-1811X from Monarch Mines, Inc., for exploration of the Triangle A pegmatite, Custer County, South Dakota, should be denied on the grounds that data acquired in past U. S. Government examinations of this property show that it is not rich enough in beryl and does not contain mica of high enough quality to warrant DMA assistance.

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The sheet mica produced from this property is non-strategic--that is, none of it, or virtually none of it, is good stained or better. You may, however, wish to invite the applicant to submit samples of his mica to the Defense Minerals Administration for a new determination of whether or not any of it is good stained or better. I have been told that this applicant has a Q-meter, and if his mica tests well on it, you can expect to hear about it.

I have heard unfavorable comments made in the Black Hills about the applicant's business practices.

R. E. Van Alstine
for J. J. Norton

FILE COPY
SURNAME:

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

July 12, 1951

Mr. Andrew J. Jackson
Executive Vice President
Monarch Mines, Inc.
109 W. College Avenue
Appleton, Wisconsin

Subject: DMA-1811X
Re: Exploration Loan -
Monarch

My dear Mr. Jackson:

Receipt is acknowledged of your application and attachments for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1811X and referred to Mr. James A. Barr, Chief, Industrial Minerals Branch on July 10, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1811X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

L. F. Strobel:jc
cc: Strobel
File
Barr
Lyon

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA 1811 X

Commodity Mica & Beryl

Total Amount $50,000.00

Govt. Participation 90%

1. Name and Address of Applicant Monarch Mines, Inc.
109 W. College Ave., Appleton, Wis.

2. Location of Property
Triangle A property - 6 miles from Custer, Custer County, S.D
Appleton Mine - 13 miles from Custer, Custer County, S.D
Bauts & Fitzgerald mines - 4 miles from Custer, Custer County, S.D

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

If not, application will be rejected.

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

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

a) Good

b) Poor

c) None ✓

d) Don't know—needs field examination

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

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

6. If applicant is a lessee, is a copy of the lease attached? No - owner

Does the lease have sufficient time to run to cover a future

productive period? —

*question numbers are those of MF-103

7. Are subordination agreements necessary? No

a) MF-201? none required

b) MF-202 —

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

a) Available manpower Probably yes

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

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes - use gasoline or diesel engines

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

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* No - but plans to hire experienced operator -

Is a field check needed on this point? Yes -

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

a) Is the project adequately described? No - primarily a development project -

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

b) Is there an adequate map or sketch of the proposed work? No

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? No - is primarily development -

If not, what part of it is? Possibly some of drilling could be classified as exploration but which headings & amount unknown.

Is this part a worthwhile exploration project? ?

d) Are the cost estimates detailed? No

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? No If so, attach a draft.

e) Are the cost estimates reasonable? Only daily costs are estimated

f) Should more information be requested from applicant? Yes - by field team

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes - cost submitted too high for exploration

b) If so, are sufficient data furnished? No If so, attach a draft.

c) Is a field check needed? Yes

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

a) Is it applicable? Yes - apparently planned for production -

b) Sufficient data? No If so, attach a draft.

c) Are rents and charges reasonable? No - too high for exploration

d) Is a field check needed? Yes - revise to exploration work.

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

a) Are there sufficient data? Yes - include processing plant labor

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

c) Is the schedule excessive for the work proposed? Yes

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? Yes - to reduce to needs of exploration project

14. Exhibit E (question 23-c)*

a) Is it applicable? Yes

b) Sufficient data? No

c) Reasonable? No - too high, unless facilities badly unwerked.

d) Field check needed? Yes - to determine actual needs

15. In your judgment, can the proposed work be done in the proposed time? Program not definite enough - states "12 months to get under full production"

(All exploration must be completed within two years)

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

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? This property should be checked for the advisability of an exploration program + the nature of ore deposit. The difference between exploration + preparation should be explained to applicant + the application revised.

Reviewed by: [illegible] 7/17

J J Norton 7/25

Date 7/13/51

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

7/13/51

Docket [illegible] - DMA 1811 X

Section 10 - Exhibit "A"

The project, as described, is essentially aimed at putting the mine in condition, "to insure a profitable operation." Some small part of the extraction of the old dumps could be considered exploration but how much is an uncertain question. The equipment & labor time are definitely tied to production probably feldspar & would need serious curtailment for an exploration program.

The field team should determine whether the property warrants exploration for strategic minerals & just what such a project should contain, also when such work should start & the needs of such a project in equipment & labor. They should also try to determine whether the rehabilitation work is justified for an exploration program alone.

The questions as to revamping the processing plant & laboratory shop must be entirely eliminated from the application.

Section 11 - Exhibit "B"

The expenditure asked for construction of "shelter" is too high for an exploration program & would have to be very much reduced for inclusion in such a program.

Section 12 Exhibit "C"

The equipment listed for purchase & rental from the applicant would have to be greatly reduced for an exploration program. The suggestion that the equipment now on hand be transferred to the Government

(2)
9/13/59

DM17. 1811 X

as the applicants share of the investment is not allowable although that usable in the exploration project could be rented to the project. As listed in the schedule of equipment it is not certain whether this same equipment is not taken into account as item "q" of question 23.

The field team will have to determine what equipment will be needed for exploration + where it is to be obtained. The difference between exploration + development should be explained to the applicant's representative in Custer + the possibilities of a loan application for the production operation discussed with him.

Section 13 Exhibit "D"

The labor force listed includes that for both the mine + the processing shops. It would have to be seriously reduced for an exploration project. This need can only be known after a strict exploration program is planned + must be done by the field team.

Section 14 Exhibit "E"

The sum alloted to repairs of shaft + tracks is to high for an exploration program unless the exploration possibilities are exceptional + the shaft in very bad condition. The needs for this purpose should be determined by the field team

(3) 7/13/51

DMA 1811X

Section 16- Recommendations.

On the basis of the information given in this application it would have to be deemed as it is primarily a program of preparation for production. The exploration phase is not described & can only be determined by an examination by the field team.

The application should therefore be referred to the field team to determine the possible value of our exploration project for strategic minerals & if desirable layout such a project in all its ramifications. The team will have to select the work to be done, the proper location for it, the equipment required & the labor force which will be required & estimate the probable cost. The applicant should be advised of the possibility of securing a development or production loan if the exploration project is not satisfactory to him.

PMQ

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. [illegible]

Commodity [illegible]

Total Amount [illegible]

Govt. Participation [illegible]

1. Name and Address of Applicant [illegible]

2. Location of Property [illegible]

3. Mineral or metal [illegible] Is it listed in Section 9 of MO-5?

If not, application will be rejected.

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

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

a) Good _____

b) Poor _____

c) None ✓

d) Don't know—needs field examination _____

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

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

6. If applicant is a lessee, is a copy of the lease attached? [illegible]

Does the lease have sufficient time to run to cover a future

productive period? _____

*question numbers are those of MF-103

7. Are subordination agreements necessary?_____

a) MF-201?_____

b) MF-202_____

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

a) Available manpower_____

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

c) Accessibility (question 12)*_____

d) Water (question 13)*_____

e) Power (question 13)*_____

Is a field check needed on any of these points?_____

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

_____

Is a field check needed on this point?_____

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

a) Is the project adequately described?_____

If not, are there sufficient data given so that you can describe the project?_____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work?_____

_____

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

If not, what part of it is?_____

_____

_____

_____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed?_____

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data?_____ If so, attach a draft.

e) Are the cost estimates reasonable?_____

f) Should more information be requested from applicant?_____

g) Is a field examination necessary to complete Exhibit A?_____

11. Exhibit B (question 23-d)*

a) Is it applicable?_____

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

c) Is a field check needed?_____

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

a) Is it applicable?_____

b) Sufficient data?_____ If so, attach a draft.

c) Are rents and charges reasonable?_____

d) Is a field check needed?_____

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

a) Are there sufficient data?_____

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

c) Is the schedule excessive for the work proposed?_____

d) Are the proposed wages and salaries reasonable?_____

e) Is a field check needed?_____

14. Exhibit E (question 23-c)*

a) Is it applicable? [illegible]

b) Sufficient data? [illegible]

c) Reasonable? [illegible]

d) Field check needed? [illegible]

15. In your judgment, can the proposed work be done in the proposed time? [illegible]

(All exploration must be completed within two years)

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

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? [illegible]

Reviewed by: [illegible]

J J Norton 7/25

Date [illegible]

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

7/13/50 Doc [illegible] 1811

Section 10 - Exhibit B

The property described is essentially [illegible]

[illegible]

Section 11 - Exhibit B

[illegible]

Section 12 - Exhibit E

[illegible] from the applicant [illegible]

as the exploration zone of the recreational and allowable activities that exists for the exploration project could be limited to the project. Based on the schedule of operations it is not believed that these operations would be carried out as this is a possibility.

The field team will have to determine what operations will be needed for exploration and when it is to be undertaken. The difference between exploration and development should be explained by the applicant especially the location of the possibilities of these exploration in the post-mine operation discussed earlier here.

Section 13 Exhibit "D"

The labs have listed including that in both the mining and the processing steps. It would have to be seriously considered for any exploration project. This area can only be known after a small exploration program as planned to be carried by the field team.

Section 14 Exhibit "E"

The same applies to operations of shafts & trenches as to bags for exploration programs where the exploration possibilities are unknown & the field as very broad possibilities. The needs for this purpose should be determined by the field team.

8
9/3/51

DMM 1511x

5. Field Recommendations.

On the basis of the information given in this application it might have to be viewed as at as primarily a program of prospecting for prospects. The exploration phase is not described & can only be determined by an examination by the field team.

The application should therefore be referred to the field team to determine the possible value of an exploration project for strategic minerals & if reasonable report such a project in detail & recommendations. The team will have to select the work to be done, the proper location & the appropriate expense to the labor force which will be required & estimate the probable cost. The applicant should be advised of the possibility of securing a development or production lease if the exploration project is and satisfactory to him.

RMS

July 12, 1951

Mr. Andrew J. Jackson
Executive Vice President
Monarch Mines, Inc.
109 W. College Avenue
Appleton, Wisconsin

Subject: DMA-1811X
Re: Exploration Loan - Monarch

My dear Mr. Jackson:

Receipt is acknowledged of your application and attachments for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1811X and referred to Mr. James A. Barr, Chief, Industrial Minerals Branch on July 10, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1811X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

L. F. Strobel:jc
cc: Strobel
File
Barr
Lyon

Form MF-203
(April 1951)

U. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

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

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1811 X

Date received 7-9-51

Participation

MONARCH MINES, INC.
109 W. College Ave.,
Appleton, Wisconsin.

Name and address of applicant

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 9 - 1951
LANDON F. STROBEL
Executive Secretary

Date May 25, 1951.

FILL IN THIS BLOCK

Date of application May 25, 1951.

Estimated cost $ 50,000.00

Mineral or metal MICA & BERYL.

Percentage of Government participation Entire.
(see reference to this in letter)

Location of mine Near Custer, So. Dak.

Date of filing MF-100

DMA Docket Number, if available 1811 X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

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

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

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

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

Monarch Mines, Inc.
(Name of company)

By Andrew J. Johnson
(Signature of authorized official)

May 28-1951
(Date)

Executive Vice President
(Title)

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

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

Form MF-103
April 1951

U. S. DEPARTMENT OF THE INTERIOR

Defense Minerals Administration

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

Date of Application: May 24, 1951.

Mineral or Metal: Mica and Beryl.

Location of Mine: Within five miles of Custer, So. Dakota.

Estimated Cost: $ 50,000.00

Percentage of Gov't participation: We desire the entire amount.

- -

THE APPLICANT (Answers to questions, herewith)

1. Corporation. Under Laws of South Dakota.

2. None

3.

C. M. Riley,	Pres. & Director,	35,000	shares
A. J. Johnson,	V. P. do	25,000	do
A. Sindahl	V. P. do	20,000	do
E. Maass	V. P. do	20,000	do
W. J. Konrad, Jr.	Treas. do	25,000	do
G. S. Fish	Secy.	25,000	do

(Also largest Stockholders.)

4. We have been operating for almost four years, more or less. Most of the time spent in preparing for work. A lot of exploration has been done. Several tons of felspar have been mined and sold. Many feet of shafting and tunneling have been made. Mica to some extent has been mined and processed and sold, but the bulk of our money has been used in exploration, locating and getting ready to operate. We have experienced men in Custer, S. D., who are entirely familiar with the production and fabricating of mica.

(a) C. M. Riley, Pres. For years was associated with Montgomery-Ward, and recently took over the Packard Auto Agency for Appleton, Wis., district. Very successful.

A. J. Johnson for years has owned and operated a large, modern, shoe repair shop, building a very nice business.

A. Sindahl is owner of a large Paint Distributing Company.

E. Maass. Retired hotel owner and operator.

W. J. Konrad, Jr., formerly Cashier of the Citizens National Bank of Appleton, Wis., has a fine, successful Insurance & Real Estate Business of over 30 years standing.

G. S. Fish is an accountant, and has his own organization which he has headed for about 25 years.

The above men are all successful business men, and have carefully applied themselves to the operation and production of Mica.

(b) The supervisor. We have with us Mr. Amos Burnside who has lived in the Custer, S. D., district most of his life. He is thoroughly experienced in mining mica, covering construction of shafts, drifts and tunnels. This man will have charge of our operation. He is a man of good habits and very dependable.

5. Monarch Mines, Inc., purchased the Mica property known as Triangle A. It is owned outright, and there are no liens nor encumbrances against it.

6. There are no liens on our property.

7. Such properties we will lease we have a definite understanding and any information or proof of good standing will be forthcoming promptly.

8. Statement attached.

Question 8

FINANCIAL REPORT

OF

MONARCH MINES INC.

Appleton, Wisconsin.

May 1, 1951.

2b

MONARCH MINES, INC.

109 W. College Ave.

APPLETON, WISCONSIN

BALANCE SHEET

May 1, 1951

ASSETS

Current Assets			
Cash in Banks		566.42	
Accounts Receivable		317.50	883.92
Fixed Assets			
Properties		7 725.00	
Equipment	8 992.96		
Less Reserve for Depreciation	1 243 16	7 749.80	15 474.80
Other Assets			
Meter Deposit		20.00	
Loans to Officers		1 091.28	
Promotional Expense		9 600.00	
Development Expense		40 051.60	50 762.88
			$ 67 121 60

LIABILITIES

Current Liabilities		
Loans Payable to Stockholders	3 595.00	
Accounts Payable	3 718.13	
Accrued Withholding Tax	13.50	
Accrued Social Security Tax	4.14	
Accrued Unemployment Compensation	7.46	7 338.23
Capital Stock Issued		63 320.00
		70 658.23
Less Deficit - Operating Loss		3 536.63
		$ 67 121.60

MONARCH MINES, INC.

109 W. College Ave.

APPLETON, WISCONSIN

STATEMENT OF EXPENDITURES
November 1, 1949, to May 1, 1951.

	Total Expenses	Development Expense	Operating Expense	11-1-49 to 5-1-51
Sales of Fabricated Mica				1 556.55
Expenses:				
Accountants Fees	506.00	406.00	100.00	
Depreciation - Equipment	674.48	233.36	441.12	
Factory Expense	330.11		330.11	
Factory Supplies	64.60		64.60	
Fuel	123.25		123.25	
Insurance	249.42	167.49	81.93	
Legal Expense	50.00	50.00		
Light and Power	43.31		43.31	
Machine Rent	171.68	171.68		
Mica Purchased	223.56		223.56	
Mine Expense	989.34	989.34		
Mine Supplies	500.98	500.98		
Miscellaneous Expense	13.13		13.13	
Office Expense	90.10		90.10	
Pay Roll	5 552.86	3 200.34	2 352.52	
Rent - Factory and Office	1 130.00	180.00	950.00	
Social Security Tax	70.65	32.00	38.65	
Telephone	354.77	177.38	177.39	
Travel Expense	150.00	150.00		
Unemployment Compensation	149.92	86.41	63.51	
	11 438.15	6 344.98	5 093.18	
Operating Expense				5 093.18
Operating Loss for period				3 536.63

Cost of Mining Equipment Sold		4 235.48	
Reserve for Depreciation on above	935.21		
Amount Received	1 313.78	2 248.99	
Capital Loss - To Development Expense			1 986.49
Total Development Expense for period			8 331.47
Development Expense - 11-1-50			31 720.13
Development Expense - 5-1-51			$ 40 051.60

9. The corporation owns over $7,000.00 in mining equipment in extra good condition, with no liens. Will it be satisfactory if we give you a Bill of Sale covering this equipment as our share of the $50,000.00?

10. Quit Claim Deed No. A-12061

DON CARROLL, grantor, of Redwillow County, State of Nebraska, for and in consideration of Two Thousand Five Hundred and no/100ths ($2,500.00) Dollars, conveys and quit claims to MONARCH MINES, INC., the grantee, of Custer, South Dakota P. O., all of my interest in the following described real estate in the County of Custer in the State of South Dakota.

Triangle A Lode Mining Claim situated approximately six miles Southeast of Custer, South Dakota, and more particularly described in the Location Certificate recorded in the office of the Register of Deeds of Custer County, South Dakota, in Book 16 of Location Certificate, Page 274.

Dated this 1st day of July 1947.

(Signed) DON CARROLL

- -

Quit Claim Deed No. A-12044

PETER STARK, grantor, of Custer County, State of South Dakota, for and in consideration of Two Thousand and no/100ths ($2,000.00) Dollars, conveys and quit claims to MONARCH MINES, INC., the grantee, of Custer, South Dakota P. O., all interest in the following described real estate in the County of Custer in the State of South Dakota.

Triangle A Lode Mining Claim, situated approximately six miles Southeast of Custer, South Dakota, and more particularly described in the location Certificate recorded in the office of the Register of Deeds of Custer County, South Dakota, in Book 16 of Location Certificates, Page 274.

Dated this 3rd day of July, 1947.

(Signed) PETER STARK

- -

11. Triangle A. This property has been known by this name for many years.

12. The road from Custer, S. D., to Triangle A property is approximately 6 miles, 3 of which is black top and three gravel. The Appleton Mine is 13 miles from Custer, and the road is concrete. Mine is located 1,000 feet from the road. Bautz and Fitzgerald mines are on good gravel road four miles from Custer.

13. There is plenty of water on our properties for all purposes. We will use diesel and gas engines for power. We have been informed that the South Dakota Power Co. is ready to extend their lines to our property, giving us light and power facilities whenever we desire. We do not know the rates.

14. In the City of Custer, S. D., there is available for our use on a rental basis a four-story factory building.
The fourth floor is used for cleaning and sorting mica as it comes from the mines and is put in bins which empty on the rifting tables on the third floor. The entire third floor is used for rifting, trimming and sorting mica. The second floor is used for fabricating mica. It has four punch presses, four sorting machines and other equipment necessary for the fabricating and packing. The first floor is used for a shipping department and also contains the heating plant. The building is about 30 X 60 feet and was built purposely for a Mica Plant.
At the mine we have a Hoist and Skip complete with cable; 5 ore cars and tracks; about 1800 feet of air pipe; one Thor Jack Hammer and one Thor Drifter and Column. All equipment is in good condition and ready for use. We also have a water pump and some small tools.

15. The Mica and Beryl could readily be shipped from the mines to Custer in which city our plant is located and where the mica can be processed.

16. MICA

(a)
Development work on Triangle A property was started in December, 1946, and discontinued in May, 1948. Sales amounting to over $7,000.00 were made during this time, which amount, together with several thousand dollars more, was used for development work looking for a longer and larger operation; but this work ceased because of lack of funds.
A shaft of 80 feet was improved, and tunnels were extended. There is plenty of water for all purposes as it is necessary to pump water from the shaft to keep it workable. There is a 60-foot tunnel at the 60-foot level, and one of 60 feet at the 80-foot level.
No extensive development work has been done on any of our other properties.

(b)
We are not familiar with neighboring properties. Suffice to say that extensive mica production and fabrication were carried on during the last War, that ran into hundreds of thousands of dollars. If selling price is acceptable there is again a great opportunity for a profitable business. Much mica can also be had from numerous small operators in the vicinity of Custer if a paying market is established.

(c)
The following is an excerpt from the report on our property made by Andrew Karsten, Professor and Head, Department of Chemical Engineering, School of Mines, Rapid City, South Dakota:

> The Triangle A Mica and Feldspar Lode Mining Claim property is producing at present both mica and feldspar. It is being developed for more extensive production. In the opening of the feldspar, 30 tons are produced per day, while the development of the mica vein is producing from 600 to 900 pounds. The mica will reach 1 ton per day in a few weeks.
>
> The mica vein has been proven to be 750 feet long and 200 feet deep. Considerable extension beyond this is possible. The thickness is from 2 feet to 2-1/2 feet as far as developed, and at the lower levels and ends it is widening to 3 feet. The mica content is from 25 to 30%. Scrap mica represents 40%, punch mica 40%, and plate mica 20%. This report assumes 25% mica content, 45% scrap, 40% punch, and 15% plate.
>
> Scrap mica is valued at $40.00 per ton, punch mica at $260.00 per ton, and plate mica at $1.35 to $4.50 per pound.
>
> The vein should contain 6,075 tons of scrap and punch mica, or roughly 3,796 tons of scrap and 3,030 tons of punch, with values respectively of $151,840.00 and $877,240.00, and 2,531,250 pounds of plate mica at $1.35 per pound or $2,417,187.00. This gives a total value of mica as $3,446,267.00. This does not take into consideration the probable mica in the other half of the claim, andif mica should continue to exist beyond the 200 foot level.
>
> All three forms of mica are in evidence on the other three properties. No extensive veins have as yet been uncovered because the development is not sufficiently advanced. The similarity of structure and mineral content of the dykes indicate that considerable bodies of mica may be encountered on the other claims.

- - - - - - - - - - - - - - - - -

17. Our property Triangle A is not now in operation.

18. There has been opened up a very large body of mica on Triangle A property estimated to be in the neighborhood of six thousand tons, according to Mr. Karsten of the South Dakota School of Mines in Rapid City, S. D.

(See drawing of shaft and tunnels, attached.)
~~(Samples of mica accompanies this report.)~~

19. We think that we have covered everything.

20. For Mica and Beryl.

21. We propose to extend the tunnels on Triangle A until a sufficiently large body of mica has been laid open to insure a profitable operation. We estimate it will take 12 months to get under full production.

(See outline attached.)

22. The following is an excerpt from the report on our properties made by Andrew Karsten, Professor and Head, Department of Chemical Engineering, School of Mines, Rapid City, South Dakota:

> The Triangle A Mica and Feldspar Lode Mining Claim property is producing at present both mica and feldspar. It is being developed for more extensive production. In the opening of the feldspar, 30 tons are produced per day, while the development of the mica vein is producing from 600 to 900 pounds. The mica will reach 1 ton per day in a few weeks.
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(See outline attached.)

23.

(a) Mining Costs on Mica per day.

1 Hoist man	1.50	per hr.
2 Sorters	2.00	" "
4 Muckers	4.00	" "
1 Driller	1.50	" "
8 Men total	9.00	" "

Labor - 8 hours at $ 9.00 per hour	72.00
Taxes and Insurance	8.00
Powder, Fuses and Caps	3.00
Gas & Oil	4.00
Administrative Expense	5.00
Miscellaneous Expense	3.00
Repairs & Maint.	3.00
Depreciation - Equipment & Mine	3.00
Total Mining Expense per day	$ 101.00

Fabricating Costs:

1 Foreman	$ 1.50	an hour
2 Sorters @ 1.00	2.00	" "
6 Rifters @ 1.00	6.00	" "
2 Laborers @ 90¢	1.80	" "
	$ 11.30	an hour

(Continued on next page.)

23. (Continued)

Fabricating Costs (Continued)

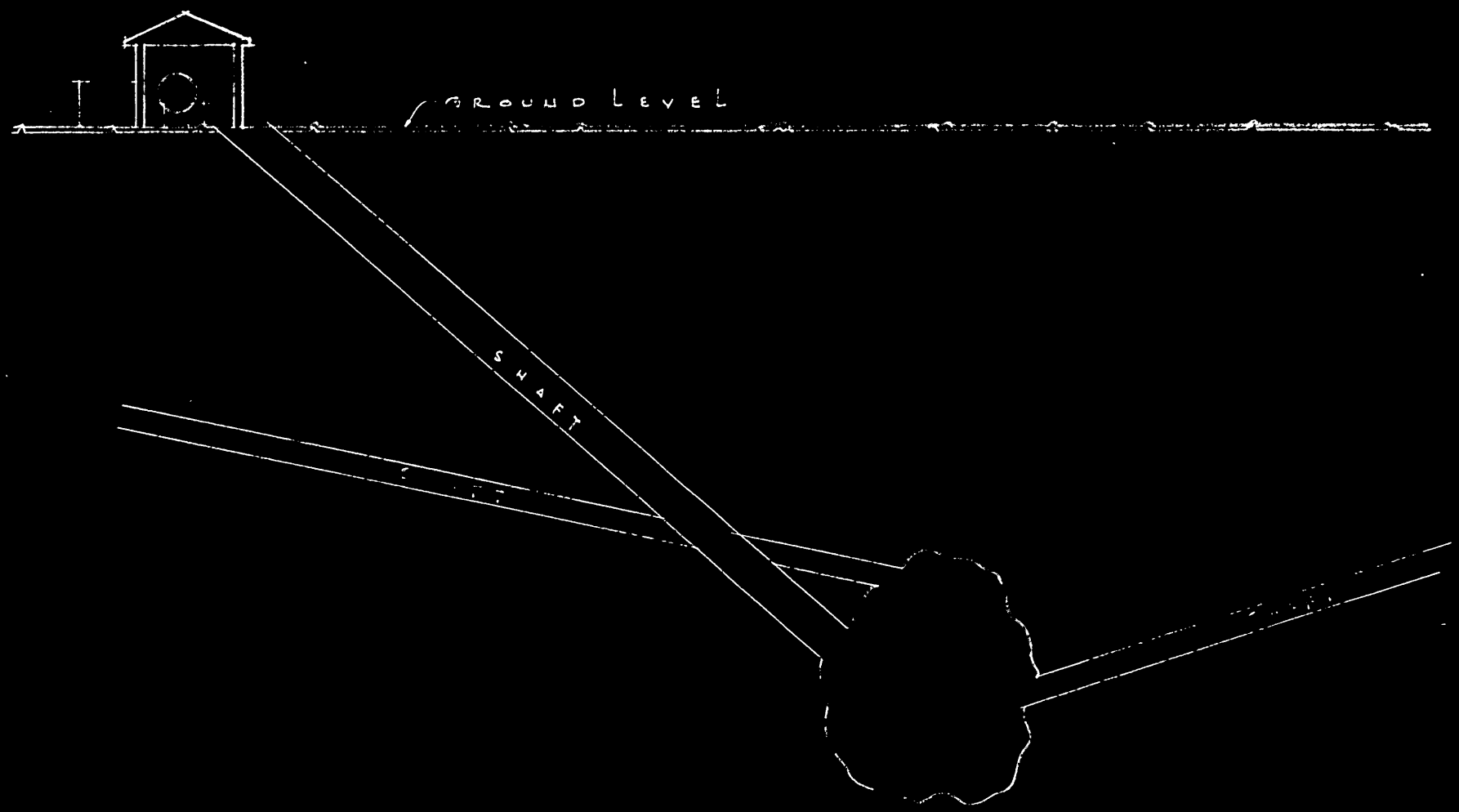
Labor 8 hrs. @ $11.30 per hour	$ 90.40
Taxes and Insurance	9.00
Rent of Building in Custer	7.00
Light and Power	1.00
Fuel	1.00
Administration Expense	10.00
Supplies	5.00
Miscellaneous Expense	3.00
Office Expense	2.00
Repairs and Maintenance	3.00
Depreciation	2.00
Cost Per Day Fabricating	$ 133.40
Total Cost per day Mining & Fabricating	234.40

23. (b) None

(c)	Repairs to Shaft and Tracks	$ 1,500.00
(d)	Construct Shelter	3,000.00
(e)	One 1½ ton Pick up Truck	1,800.00
	2 Air Compressors	6,000.00
	1 Used Dump Truck	1,200.00
	2 Jack Hammers	800.00
	1 - 1000 watt Light Plant	1,000.00
	2 Water Pumps	500.00
	1 Hoist with Skip and Cable	1,500.00
	Air Hose and Couplings	50.00
	Total	$ 17,350.00

(f) None
(g) Value $ 7,749.80
(h) Difficult to Estimate
(i) Very limited.

24. Balance of $32,650.00 to make it $50,000.00 to be used in exploration, extension and discovery. We would like 12 months in which to get under full production.



TRIANGLE A MINE - MICA & BERYL

• MONARCH • MINES, INC. •

CUSTER, S. D.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

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

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1811 X

Date received 7-9-51

Participation

MONARCH MINES, INC.
109 W. College Ave.,
Appleton, Wisconsin.

Name and address of applicant

Date May 25, 1951.

FILL IN THIS BLOCK

Date of application May 25, 1951.

Estimated cost $ 50,000.00

Mineral or metal MICA & BERYL.

Percentage of Government participation Entire.
(See reference to this in letter)

Location of mine Near Custer, So. Dak.

Date of filing MF-100

DMA Docket Number, if available 1811 X

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 9 1951
Executive Secretary

INSTRUCTIONS

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*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
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16—64067-1

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*11. State the present and former names of the property, if any.
*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.
*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.
*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.
15. State in detail how the ore could be shipped and how and where milled.
*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.
*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.
19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?
21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.
24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

Monarch Mines, Inc.
(Name of company)

By Andrew J. Thuson
(Signature of authorized official)

May 28-1951.
(Date)

Executive Vice President
(Title)

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

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

Form MF-103
April 1951

U. S. DEPARTMENT OF THE INTERIOR

Defense Minerals Administration

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

Date of Application: May 24, 1951.

Mineral or Metal: Mica and Beryl.

Location of Mine: Within five miles of Custer, So. Dakota.

Estimated Cost: $ 50,000.00

Percentage of Gov't participation: We desire the entire amount.

- -

THE APPLICANT (Answers to questions, herewith)

1. Corporation. Under Laws of South Dakota.

2. None

3.

G. M. Riley, Pres. & Director,	35,000	shares
A. J. Johnson, V. P. do	25,000	do
A. Sindahl V. P. do	20,000	do
E. Maass V. P. do	20,000	do
W. J. Konrad, Jr. Treas. do	25,000	do
G. S. Fish Secy.	25,000	do

(Also largest Stockholders.)

4. We have been operating for almost four years, more or less. Most of the time spent in preparing for work. A lot of exploration has been done. Several tons of felspar have been mined and sold. Many feet of shafting and tunneling have been made. Mica to some extent has been mined and processed and sold, but the bulk of our money has been used in exploration, locating and getting ready to operate. We have experienced men in Custer, S. D., who are entirely familiar with the production and fabricating of mica.

(a) G. M. Riley, Pres. For years was associated with Montgomery-Ward, and recently took over the Packard Auto Agency for Appleton, Wis., district. Very successful.

A. J. Johnson for years has owned and operated a large, modern, shoe repair shop, building a very nice business.

A. Sindahl is owner of a large Paint Distributing Company.

E. Maass. Retired hotel owner and operator.

W. J. Konrad, Jr., formerly Cashier of the Citizens National Bank of Appleton, Wis., has a fine, successful Insurance & Real Estate Business of over 30 years standing.

G. S. Fish is an accountant, and has his own organization which he has headed for about 25 years.

The above men are all successful business men, and have carefully applied themselves to the operation and production of Mica.

(b) The supervisor. We have with us Mr. Amos Burnside who has lived in the Custer, S. D., district most of his life. He is thoroughly experienced in mining mica, covering construction of shafts, drifts and tunnels. This man will have charge of our operation. He is a man of good habits and very dependable.

5. Monarch Mines, Inc., purchased the Mica property known as Triangle A. It is owned outright, and there are no liens nor encumbrances against it.

6. There are no liens on our property.

7. Such properties we will lease we have a definite understanding and any information or proof of good standing will be forthcoming promptly.

8. Statement attached.

Question 8

FINANCIAL REPORT

OF

MONARCH MINES INC.

Appleton, Wisconsin.

May 1, 1951.

2b

MONARCH MINES, INC.

109 W. College Ave.

APPLETON, WISCONSIN

BALANCE SHEET

May 1, 1951

ASSETS

Current Assets			
Cash in Banks		566.42	
Accounts Receivable		317.50	883.92
Fixed Assets			
Properties		7 725.00	
Equipment	8 992.96		
Less Reserve for Depreciation	1 243 16	7 749.80	15 474.80
Other Assets			
Meter Deposit		20.00	
Loans to Officers		1 091.28	
Promotional Expense		9 600.00	
Development Expense		40 051.60	50 762.88
			$ 67 121 60

LIABILITIES

Current Liabilities		
Loans Payable to Stockholders	3 595.00	
Accounts Payable	3 718.13	
Accrued Withholding Tax	13.50	
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Accrued Unemployment Compensation	7.46	7 338.23
Capital Stock Issued		63 320.00
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Less Deficit - Operating Loss		3 536.63
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2C

MONARCH MINES, INC.

109 W. College Ave.

APPIETON, WISCONSIN

STATEMENT OF EXPENDITURES
November 1, 1949, to May 1, 1951.

	Total Expenses	Development Expense	Operating Expense	11-1-49 to 5-1-51
Sales of Fabricated Mica				1 556.55
Expenses:				
Accountants Fees	506.00	406.00	100.00	
Depreciation - Equipment	674.48	233.36	441.12	
Factory Expense	330.11		330.11	
Factory Supplies	64.60		64.60	
Fuel	123.25		123.25	
Insurance	249.42	167.49	81.93	
Legal Expense	50.00	50.00		
Light and Power	43.31		43.31	
Machine Rent	171.68	171.68		
Mica Purchased	223.56		223.56	
Mine Expense	989.34	989.34		
Mine Supplies	500.98	500.98		
Miscellaneous Expense	13.13		13.13	
Office Expense	90.10		90.10	
Pay Roll	5 552.86	3 200.34	2 352.52	
Rent - Factory and Office	1 130.00	180.00	950.00	
Social Security Tax	70.65	32.00	38.65	
Telephone	354.77	177.38	177.39	
Travel Expense	150.00	150.00		
Unemployment Compensation	149.92	86.41	63.51	
	11 438.16	6 344.98	5 093.18	
Operating Expense				5 093.18
Operating Loss for period				3 536.63

Cost of Mining Equipment Sold		4 235.48	
Reserve for Depreciation on above	935.21		
Amount Received	1 313.78	2 248.99	
Capital Loss - To Development Expense			1 986.49
Total Development Expense for period			8 331.47
Development Expense - 11-1-50			31 720.13
Development Expense - 5-1-51			$ 40 051.60

9. The corporation owns over $7,000.00 in mining equipment in extra good condition, with no liens. Will it be satisfactory if we give you a Bill of Sale covering this equipment as our share of the $50,000.00?

10. Quit Claim Deed No. A-12061

DON CARROLL, grantor, of Redwillow County, State of Nebraska, for and in consideration of Two Thousand Five Hundred and no/100ths ($2,500.00) Dollars, conveys and quit claims to MONARCH MINES, INC., the grantee, of Custer, South Dakota P. O., all of my interest in the following described real estate in the County of Custer in the State of South Dakota.

Triangle A Lode Mining Claim situated approximately six miles Southeast of Custer, South Dakota, and more particularly described in the Location Certificate recorded in the office of the Register of Deeds of Custer County, South Dakota, in Book 16 of Location Certificate, Page 274.

Dated this 1st day of July 1947.

(Signed) DON CARROLL

- -

Quit Claim Deed No. A-12044

PETER STARK, grantor, of Custer County, State of South Dakota, for and in consideration of Two Thousand and no/100ths ($2,000.00) Dollars, conveys and quit claims to MONARCH MINES, INC., the grantee, of Custer, South Dakota P. O., all interest in the following described real estate in the County of Custer in the State of South Dakota.

Triangle A Lode Mining Claim, situated approximately six miles Southeast of Custer, South Dakota, and more particularly described in the location Certificate recorded in the office of the Register of Deeds of Custer County, South Dakota, in Book 16 of Location Certificates, Page 274.

Dated this 3rd day of July, 1947.

(Signed) PETER STARK

- -

11. Triangle A. This property has been known by this name for many years.

12. The road from Custer, S. D., to Triangle A property is approximately 6 miles, 3 of which is black top and three gravel. The Appleton Mine is 13 miles from Custer, and the road is concrete. Mine is located 1,000 feet from the road. Bautz and Fitzgerald mines are on good gravel road four miles from Custer.

13. There is plenty of water on our properties for all purposes. We will use diesel and gas engines for power. We have been informed that the South Dakota Power Co. is ready to extend their lines to our property, giving us light and power facilities whenever we desire. We do not know the rates.

14. In the City of Custer, S. D., there is available for our use on a rental basis a four-story factory building.
The fourth floor is used for cleaning and sorting mica as it comes from the mines and is put in bins which empty on the rifting tables on the third floor. The entire third floor is used for rifting, trimming and sorting mica. The second floor is used for fabricating mica. It has four punch presses, four sorting machines and other equipment necessary for the fabricating and packing. The first floor is used for a shipping department and also contains the heating plant. The building is about 30 X 60 feet and was built purposely for a Mica Plant.
At the mine we have a Hoist and Skip complete with cable; 5 ore cars and tracks; about 1800 feet of air pipe; one Thor Jack Hammer and one Thor Drifter and Column. All equipment is in good condition and ready for use. We also have a water pump and some small tools.

19. We think that we have covered everything.

20. For Mica and Beryl.

21. We propose to extend the tunnels on Triangle A until a sufficiently large body of mica has been laid open to insure a profitable operation. We estimate it will take 12 months to get under full production.

(See outline attached.)

22. The following is an excerpt from the report on our properties made by Andrew Karsten, Professor and Head, Department of Chemical Engineering, School of Mines, Rapid City, South Dakota:

> The Triangle A Mica and Feldspar Lode Mining Claim property is producing at present both mica and feldspar. It is being developed for more extensive production. In the opening of the feldspar, 30 tons are produced per day, while the development of the mica vein is producing from 600 to 900 pounds. The mica will reach 1 ton per day in a few weeks.
>
> The mica vein has been proven to be 750 feet long and 200 feet deep. Considerable extension beyond this is possible. The thickness is from 2 feet to 2-1/2 feet as far as developed, and at the lower levels and ends it is widening to 3 feet. The mica content is from 25 to 30%. Scrap mica represents 40%, punch mica 40%, and plate mica 20%. This report assumes 25% mica content, 45% scrap, 40% punch, and 15% plate.
>
> Scrap mica is valued at $40.00 per ton, punch mica at $260.00 per ton, and plate mica at $1.35 to $4.50 per pound.
>
> The vein should contain 6,075 tons of scrap and punch mica, or roughly 3,796 tons of scrap and 3,030 tons of punch, with values respectively of $151,840.00 and $877,240.00, and 2,531,250 pounds of plate mica at $1.35 per pound or $2,417,187.00. This gives a total value of mica as $3,446,267.00. This does not take into consideration the probable mica in the other half of the claim, and if mica should continue to exist beyond the 200 foot level.

(See outline attached.)

23.

(a) Mining Costs on Mica per day.

1 Hoist man	1.50	per hr.
2 Sorters	2.00	" "
4 Muckers	4.00	" "
1 Driller	1.50	" "
8 Men total	9.00	" "

Labor - 8 hours at $ 9.00 per hour	72.00
Taxes and Insurance	8.00
Powder, Fuses and Caps	3.00
Gas & Oil	4.00
Administrative Expense	5.00
Miscellaneous Expense	3.00
Repairs & Maint.	3.00
Depreciation - Equipment & Mine	3.00
Total Mining Expense per day	$ 101.00

Fabricating Costs:

1 Foreman	$ 1.50	an hour
2 Sorters @ 1.00	2.00	" "
6 Rifters @ 1.00	6.00	" "
2 Laborers @ 90¢	1.80	" "
	$ 11.30	an hour

(Continued on next page.)

23. (Continued)

Fabricating Costs (Continued)

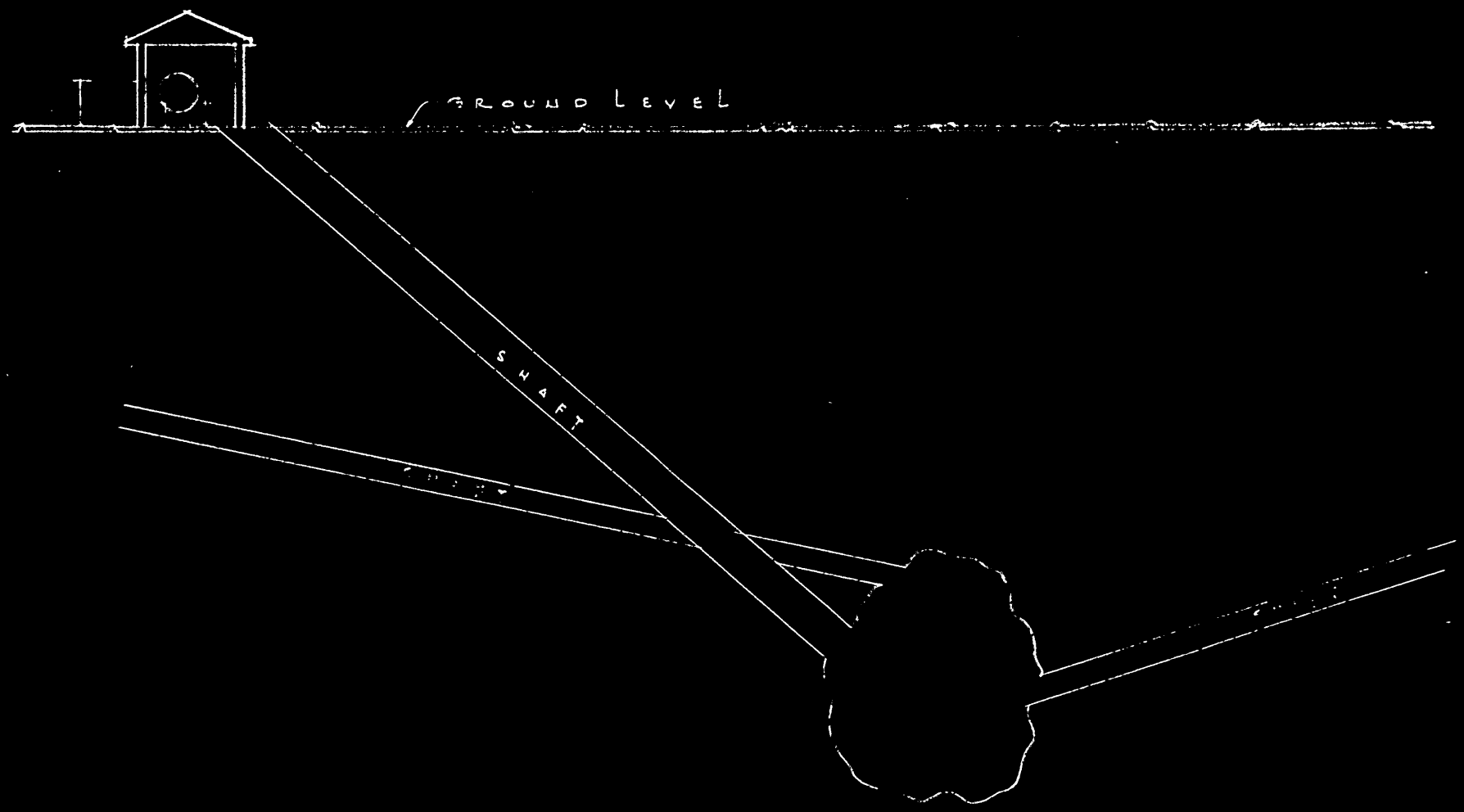
Labor 8 hrs. @ $11.30 per hour	$ 90.40
Taxes and Insurance	9.00
Rent of Building in Custer	7.00
Light and Power	1.00
Fuel	1.00
Administration Expense	10.00
Supplies	5.00
Miscellaneous Expense	3.00
Office Expense	2.00
Repairs and Maintenance	3.00
Depreciation	2.00
Cost Per Day Fabricating	$ 133.40
Total Cost per day Mining & Fabricating	234.40

23. (b) None

(c)	Repairs to Shaft and Tracks	$ 1,500.00
(d)	Construct Shelter	3,000.00
(e)	One 1½ ton Pick up Truck	1,800.00
	2 Air Compressors	6,000.00
	1 Used Dump Truck	1,200.00
	2 Jack Hammers	800.00
	1 - 1000 watt Light Plant	1,000.00
	2 Water Pumps	500.00
	1 Hoist with Skip and Cable	1,500.00
	Air Hose and Couplings	50.00
	Total	$ 17,350.00

(f) None
(g) Value $ 7,749.80
(h) Difficult to Estimate
(i) Very limited.

24. Balance of $32,650.00 to make it $50,000.00 to be used in exploration, extension and discovery. We would like 12 months in which to get under full production.



TRIANGLE A MINE - MICA & BERYL

• MONARCH • MINES, INC. •

CUSTER, S. D.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

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

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1811 X

Date received 7-9-51

Participation

MONARCH MINES, INC.
109 W. College Ave.,
Appleton, Wisconsin.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 9 - 1951
LANDON F. STROBEL
Executive Secretary

Name and address of applicant

Date May 25, 1951.

FILL IN THIS BLOCK

Date of application May 25, 1951.

Estimated cost $ 50,000.00

Mineral or metal MICA & BERYL.

Percentage of Government participation Entire.
(see reference to this in letter)

Location of mine Near Custer, So. Dak.

Date of filing MF-100

DMA Docket Number, if available 1811 X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

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

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

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    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
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    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

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    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
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    (*a*) Describe the ore or mineral deposits briefly.
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THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
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24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

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

Monarch Mines, Inc.
(Name of company)

By Andrew J. Johnson
(Signature of authorized official)

May 28-1951
(Date)

Executive Vice President
(Title)

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April 1951

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Defense Minerals Administration

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Estimated Cost: $ 50,000.00

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THE APPLICANT (Answers to questions, herewith)

1. Corporation. Under laws of South Dakota.

2. None

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Factory Expense	330.11		330.11	
Factory Supplies	64.60		64.60	
Fuel	123.25		123.25	
Insurance	249.42	167.49	81.93	
Legal Expense	50.00	50.00		
Light and Power	43.31		43.31	
Machine Rent	171.68	171.68		
Mica Purchased	223.56		223.56	
Mine Expense	989.34	989.34		
Mine Supplies	500.98	500.98		
Miscellaneous Expense	13.13		13.13	
Office Expense	90.10		90.10	
Pay Roll	5 552.86	3 200.34	2 352.52	
Rent - Factory and Office	1 130.00	180.00	950.00	
Social Security Tax	70.65	32.00	38.65	
Telephone	354.77	177.38	177.39	
Travel Expense	150.00	150.00		
Unemployment Compensation	149.92	86.41	63.51	
	11 438.18	6 344.98	5 093.18	

Operating Expense			5 093.18
Operating Loss for period			3 536.63
Cost of Mining Equipment Sold		4 235.48	
Reserve for Depreciation on above	935.21		
Amount Received	1 313.78	2 248.99	
Capital Loss - To Development Expense			1 986.49
Total Development Expense for period			8 331.47
Development Expense - 11-1-50			31 720.13
Development Expense - 5-1-51			$ 40 051.60

9. The corporation owns over $7,000.00 in mining equipment in extra good condition, with no liens. Will it be satisfactory if we give you a Bill of Sale covering this equipment as our share of the $50,000.00?

10. Quit Claim Deed No. A-12061

DON CARROLL, grantor, of Redwillow County, State of Nebraska, for and in consideration of Two Thousand Five Hundred and no/100ths ($2,500.00) Dollars, conveys and quit claims to MONARCH MINES, INC., the grantee, of Custer, South Dakota P. O., all of my interest in the following described real estate in the County of Custer in the State of South Dakota.

Triangle A Lode Mining Claim situated approximately six miles Southeast of Custer, South Dakota, and more particularly described in the Location Certificate recorded in the office of the Register of Deeds of Custer County, South Dakota, in Book 16 of Location Certificate, Page 274.

Dated this 1st day of July 1947.

(Signed) DON CARROLL

- -

Quit Claim Deed No. A-12044

PETER STARK, grantor, of Custer County, State of South Dakota, for and in consideration of Two Thousand and no/100ths ($2,000.00) Dollars, conveys and quit claims to MONARCH MINES, INC., the grantee, of Custer, South Dakota P. O., all interest in the following described real estate in the County of Custer in the State of South Dakota.

Triangle A Lode Mining Claim, situated approximately six miles Southeast of Custer, South Dakota, and more particularly described in the location Certificate recorded in the office of the Register of Deeds of Custer County, South Dakota, in Book 16 of Location Certificates, Page 274.

Dated this 3rd day of July, 1947.

(Signed) PETER STARK

- -

11. Triangle A. This property has been known by this name for many years.

12. The road from Custer, S. D., to Triangle A property is approximately 6 miles, 3 of which is black top and three gravel. The Appleton Mine is 13 miles from Custer, and the road is concrete. Mine is located 1,000 feet from the road. Bautz and Fitzgerald mines are on good gravel road four miles from Custer.

13. There is plenty of water on our properties for all purposes. We will use diesel and gas engines for power. We have been informed that the South Dakota Power Co. is ready to extend their lines to our property, giving us light and power facilities whenever we desire. We do not know the rates.

14. In the City of Custer, S. D., there is available for our use on a rental basis a four-story factory building.
The fourth floor is used for cleaning and sorting mica as it comes from the mines and is put in bins which empty on the rifting tables on the third floor. The entire third floor is used for rifting, trimming and sorting mica. The second floor is used for fabricating mica. It has four punch presses, four sorting machines and other equipment necessary for the fabricating and packing. The first floor is used for a shipping department and also contains the heating plant. The building is about 30 X 60 feet and was built purposely for a Mica Plant.
At the mine we have a Hoist and Skip complete with cable; 5 ore cars and tracks; about 1800 feet of air pipe; one Thor Jack Hammer and one Thor Drifter and Column. All equipment is in good condition and ready for use. We also have a water pump and some small tools.

15. The Mica and Beryl could readily be shipped from the mines to Custer in which city our plant is located and where the mica can be processed.

16. **MICA**

(a)
Development work on Triangle A property was started in December, 1946, and discontinued in May, 1948. Sales amounting to over $7,000.00 were made during this time, which amount, together with several thousand dollars more, was used for development work looking for a longer and larger operation; but this work ceased because of lack of funds.
A shaft of 80 feet was improved, and tunnels were extended. There is plenty of water for all purposes as it is necessary to pump water from the shaft to keep it workable. There is a 60-foot tunnel at the 60-foot level, and one of 60 feet at the 80-foot level.
No extensive development work has been done on any of our other properties.

(b)
We are not familiar with neighboring properties. Suffice to say that extensive mica production and fabrication were carried on during the last War, that ran into hundreds of thousands of dollars. If selling price is acceptable there is again a great opportunity for a profitable business. Much mica can also be had from numerous small operators in the vicinity of Custer if a paying market is established.

(c)
The following is an excerpt from the report on our property made by Andrew Karsten, Professor and Head, Department of Chemical Engineering, School of Mines, Rapid City, South Dakota:

> The Triangle A Mica and Feldspar Lode Mining Claim property is producing at present both mica and feldspar. It is being developed for more extensive production. In the opening of the feldspar, 30 tons are produced per day, while the development of the mica vein is producing from 600 to 900 pounds. The mica will reach 1 ton per day in a few weeks.
>
> The mica vein has been proven to be 750 feet long and 200 feet deep. Considerable extension beyond this is possible. The thickness is from 2 feet to 2-1/2 feet as far as developed, and at the lower levels and ends it is widening to 3 feet. The mica content is from 25 to 30%. Scrap mica represents 40%, punch mica 40%, and plate mica 20%. This report assumes 25% mica content, 45% scrap, 40% punch, and 15% plate.
>
> Scrap mica is valued at $40.00 per ton, punch mica at $260.00 per ton, and plate mica at $1.35 to $4.50 per pound.
>
> The vein should contain 6,075 tons of scrap and punch mica, or roughly 3,796 tons of scrap and 3,030 tons of punch, with values respectively of $151,840.00 and $877,240.00, and 2,531,250 pounds of plate mica at $1.35 per pound or $2,417,187.00. This gives a total value of mica as $3,446,267.00. This does not take into consideration the probable mica in the other half of the claim, andif mica should continue to exist beyond the 200 foot level.
>
> All three forms of mica are in evidence on the other three properties. No extensive veins have as yet been uncovered because the development is not sufficiently advanced. The similarity of structure and mineral content of the dykes indicate that considerable bodies of mica may be encountered on the other claims.

- - - - - - - - - - - - - - - - -

17. Our property Triangle A is not now in operation.

18. There has been opened up a very large body of mica on Triangle A property estimated to be in the neighborhood of six thousand tons, according to Mr. Karsten of the South Dakota School of Mines in Rapid City, S. D.

(See drawing of shaft and tunnels, attached.)
(~~Sample of mica accompanies this report.~~)

19. We think that we have covered everything.

20. For Mica and Beryl.

21. We propose to extend the tunnels on Triangle A until a sufficiently large body of mica has been laid open to insure a profitable operation. We estimate it will take 12 months to get under full production.

(See outline attached.)

22. The following is an excerpt from the report on our properties made by Andrew Karsten, Professor and Head, Department of Chemical Engineering, School of Mines, Rapid City, South Dakota:

> The Triangle A Mica and Feldspar Lode Mining Claim property is producing at present both mica and feldspar. It is being developed for more extensive production. In the opening of the feldspar, 30 tons are produced per day, while the development of the mica vein is producing from 600 to 900 pounds. The mica will reach 1 ton per day in a few weeks.
>
> The mica vein has been proven to be 750 feet long and 200 feet deep. Considerable extension beyond this is possible. The thickness is from 2 feet to 2-1/2 feet as far as developed, and at the lower levels and ends it is widening to 3 feet. The mica content is from 25 to 30%. Scrap mica represents 40%, punch mica 40%, and plate mica 20%. This report assumes 25% mica content, 45% scrap, 40% punch, and 15% plate.
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> Scrap mica is valued at $40.00 per ton, punch mica at $260.00 per ton, and plate mica at $1.35 to $4.50 per pound.
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(See outline attached.)

23.

(a) Mining Costs on Mica per day.

1 Hoist man	1.50	per hr.
2 Sorters	2.00	" "
4 Muckers	4.00	" "
1 Driller	1.50	" "
8 Men total	9.00	" "

Labor - 8 hours at $ 9.00 per hour	72.00
Taxes and Insurance	8.00
Powder, Fuses and Caps	3.00
Gas & Oil	4.00
Administrative Expense	5.00
Miscellaneous Expense	3.00
Repairs & Maint.	3.00
Depreciation - Equipment & Mine	3.00
Total Mining Expense per day	$ 101.00

Fabricating Costs:

1 Foreman	$ 1.50	an hour
2 Sorters @ 1.00	2.00	" "
6 Rifters @ 1.00	6.00	" "
2 Laborers @ 90¢	1.80	" "
	$ 11.30	an hour

(Continued on next page.)

23. (Continued)

Fabricating Costs (Continued)

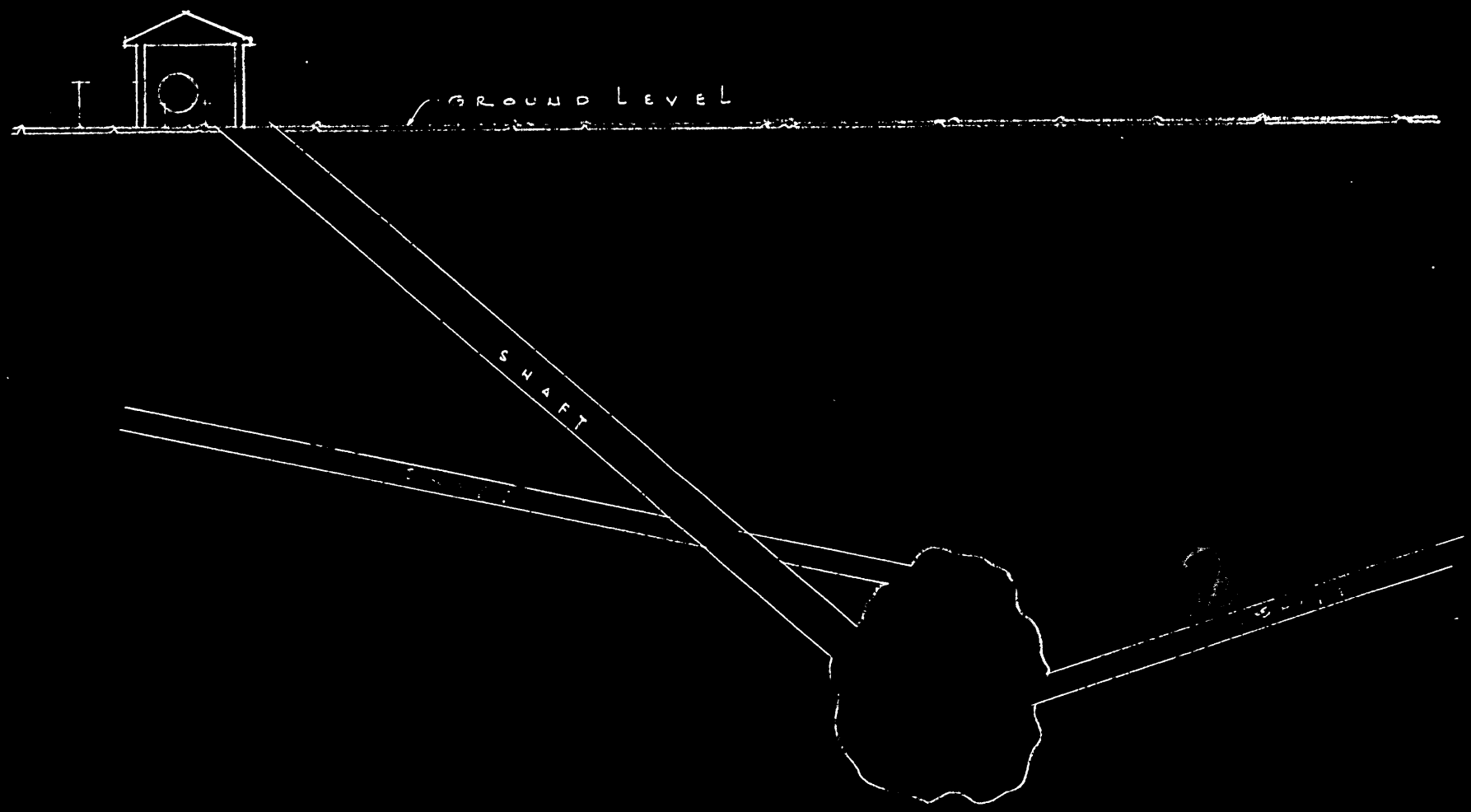
Labor 8 hrs. @ $11.30 per hour	$ 90.40
Taxes and Insurance	9.00
Rent of Building in Custer	7.00
Light and Power	1.00
Fuel	1.00
Administration Expense	10.00
Supplies	5.00
Miscellaneous Expense	3.00
Office Expense	2.00
Repairs and Maintenance	3.00
Depreciation	2.00
Cost Per Day Fabricating	$ 133.40
Total Cost per day Mining & Fabricating	234.40

23. (b) None

(c)	Repairs to Shaft and Tracks	$ 1,500.00
(d)	Construct Shelter	3,000.00
(e)	One 1½ ton Pick up Truck	1,800.00
	2 Air Compressors	6,000.00
	1 Used Dump Truck	1,200.00
	2 Jack Hammers	800.00
	1 - 1000 watt Light Plant	1,000.00
	2 Water Pumps	500.00
	1 Hoist with Skip and Cable	1,500.00
	Air Hose and Couplings	50.00
	Total	$ 17,350.00

(f) None
(g) Value $ 7,749.80
(h) Difficult to Estimate
(i) Very limited.

24. Balance of $32,650.00 to make it $50,000.00 to be used in exploration, extension and discovery. We would like 12 months in which to get under full production.



TRIANGLE A MINE - MICA & BERYL

• MONARCH • MINES, INC. •

CUSTER, S. D.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

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

DO NOT FILL IN THIS BLOCK

Docket No. DMA 1811 X

Date received 7-9-51

Participation

MONARCH MINES, INC.
109 W. College Ave.,
Appleton, Wisconsin.

Name and address of applicant

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 9 - 1951
LANDON F. STROBEL
Executive Secretary

Date May 25, 1951.

FILL IN THIS BLOCK

Date of application May 25, 1951.

Estimated cost $ 50,000.00

Mineral or metal MICA & BERYL.

Percentage of Government participation Entire.
(See reference to this on letter)

Location of mine Near Custer, So. Dak.

Date of filing MF-100

DMA Docket Number, if available 1811 X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

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

*11. State the present and former names of the property, if any.
*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.
*13. State source and quantity of water available for operations and its sufficiency at all seasons.
    State amount of power to be used, rate per hour or other cost, and source.
*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.
15. State in detail how the ore could be shipped and how and where milled.
*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.
*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.
19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?
21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.
22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.
24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

Monarch Mines Inc
(Name of company)

By Andrew J Johnson
(Signature of authorized official)

May 28-1951
(Date)

Executive Vice President
(Title)

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

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

Form MF-103
April 1951

U. S. DEPARTMENT OF THE INTERIOR

Defense Minerals Administration

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

Date of Application: May 24, 1951.

Mineral or Metal: Mica and Beryl.

Location of Mine: Within five miles of Custer, So. Dakota.

Estimated Cost: $ 50,000.00

Percentage of Gov't participation: We desire the entire amount.

- -

THE APPLICANT (Answers to questions, herewith)

1. Corporation. Under Laws of South Dakota.

2. None

3.

C. M. Riley,	Pres. &	Director,	35,000 shares
A. J. Johnson,	V. P.	do	25,000 do
A. Sindahl	V. P.	do	20,000 do
E. Maass	V. P.	do	20,000 do
W. J. Konrad, Jr.	Treas.	do	25,000 do
G. S. Fish	Secy.		25,000 do

(Also largest Stockholders.)

4. We have been operating for almost four years, more or less. Most of the time spent in preparing for work. A lot of exploration has been done. Several tons of felspar have been mined and sold. Many feet of shafting and tunneling have been made. Mica to some extent has been mined and processed and sold, but the bulk of our money has been used in exploration, locating and getting ready to operate. We have experienced men in Custer, S. D., who are entirely familiar with the production and fabricating of mica.

(a) C. M. Riley, Pres. For years was associated with Montgomery-Ward, and recently took over the Packard Auto Agency for Appleton, Wis., district. Very successful.

A. J. Johnson for years has owned and operated a large, modern, shoe repair shop, building a very nice business.

A. Sindahl is owner of a large Paint Distributing Company.

E. Maass. Retired hotel owner and operator.

W. J. Konrad, Jr., formerly Cashier of the Citizens National Bank of Appleton, Wis., has a fine, successful Insurance & Real Estate Business of over 30 years standing.

G. S. Fish is an accountant and has his own organization which he has headed for about 25 years.

The above men are all successful business men, and have carefully applied themselves to the operation and production of Mica.

(b) The supervisor. We have with us Mr. Amos Burnside who has lived in the Custer, S. D., district most of his life. He is thoroughly experienced in mining mica, covering construction of shafts, drifts and tunnels. This man will have charge of our operation. He is a man of good habits and very dependable.

5. Monarch Mines, Inc., purchased the Mica property known as Triangle A. It is owned outright, and there are no liens nor encumbrances against it.

6. There are no liens on our property.

7. Such properties we will lease we have a definite understanding and any information or proof of good standing will be forthcoming promptly.

8. Statement attached.

Question 8

FINANCIAL REPORT

OF

MONARCH MINES INC.

Appleton, Wisconsin.

May 1, 1951.

MONARCH MINES, INC.

109 W. College Ave.

APPLETON, WISCONSIN

- - - - - - - - - - - - -

BALANCE SHEET

May 1, 1951

- - - - - - - - - - - - -

ASSETS

Current Assets			
Cash in Banks		566.42	
Accounts Receivable		317.50	883.92
Fixed Assets			
Properties		7 725.00	
Equipment	8 992.96		
Less Reserve for Depreciation	1 243 16	7 749.80	15 474.80
Other Assets			
Meter Deposit		20.00	
Loans to Officers		1 091.28	
Promotional Expense		9 600.00	
Development Expense		40 051.60	50 762.88
			$ 67 121 60

LIABILITIES

Current Liabilities		
Loans Payable to Stockholders	3 595.00	
Accounts Payable	3 718.13	
Accrued Withholding Tax	13.50	
Accrued Social Security Tax	4.14	
Accrued Unemployment Compensation	7.46	7 338.23
Capital Stock Issued		63 320.00
		70 658.23
Less Deficit - Operating Loss		3 536.63
		$ 67 121.60

2c

MONARCH MINES, INC.

109 W. College Ave.

APPLETON, WISCONSIN

STATEMENT OF EXPENDITURES
November 1, 1949, to May 1, 1951.

	Total Expenses	Development Expense	Operating Expense	11-1-49 to 5-1-51
Sales of Fabricated Mica				1 556.55
Expenses:				
Accountants Fees	506.00	406.00	100.00	
Depreciation - Equipment	674.48	233.36	441.12	
Factory Expense	330.11		330.11	
Factory Supplies	64.60		64.60	
Fuel	123.25		123.25	
Insurance	249.42	167.49	81.93	
Legal Expense	50.00	50.00		
Light and Power	43.31		43.31	
Machine Rent	171.68	171.68		
Mica Purchased	223.56		223.56	
Mine Expense	989.34	989.34		
Mine Supplies	500.98	500.98		
Miscellaneous Expense	13.13		13.13	
Office Expense	90.10		90.10	
Pay Roll	5 552.86	3 200.34	2 352.52	
Rent - Factory and Office	1 130.00	180.00	950.00	
Social Security Tax	70.65	32.00	38.65	
Telephone	354.77	177.38	177.39	
Travel Expense	150.00	150.00		
Unemployment Compensation	149.92	86.41	63.51	
	11 438.16	6 344.98	5 093.18	
Operating Expense				5 093.18
Operating Loss for period				3 536.63

Cost of Mining Equipment Sold		4 235.48	
Reserve for Depreciation on above	935.21		
Amount Received	1 313.78	2 248.99	
Capital Loss - To Development Expense			1 986.49
Total Development Expense for period			8 331.47
Development Expense - 11-1-50			31 720.13
Development Expense - 5-1-51			$ 40 051.60

9. The corporation owns over $7,000.00 in mining equipment in extra good condition, with no liens. Will it be satisfactory if we give you a Bill of Sale covering this equipment as our share of the $50,000.00?

10. Quit Claim Deed No. A-12061

DON CARROLL, grantor, of Redwillow County, State of Nebraska, for and in consideration of Two Thousand Five Hundred and no/100ths ($2,500.00) Dollars, conveys and quit claims to MONARCH MINES, INC., the grantee, of Custer, South Dakota P. O., all of my interest in the following described real estate in the County of Custer in the State of South Dakota.

Triangle A Lode Mining Claim situated approximately six miles Southeast of Custer, South Dakota, and more particularly described in the Location Certificate recorded in the office of the Register of Deeds of Custer County, South Dakota, in Book 16 of Location Certificate, Page 274.

Dated this 1st day of July 1947.

(Signed) DON CARROLL

- -

Quit Claim Deed No. A-12044

PETER STARK, grantor, of Custer County, State of South Dakota, for and in consideration of Two Thousand and no/100ths ($2,000.00) Dollars, conveys and quit claims to MONARCH MINES, INC., the grantee, of Custer, South Dakota P. O., all interest in the following described real estate in the County of Custer in the State of South Dakota.

Triangle A Lode Mining Claim, situated approximately six miles Southeast of Custer, South Dakota, and more particularly described in the location Certificate recorded in the office of the Register of Deeds of Custer County, South Dakota, in Book 16 of Location Certificates, Page 274.

Dated this 3rd day of July, 1947.

(Signed) PETER STARK

- -

11. Triangle A. This property has been known by this name for many years.

12. The road from Custer, S. D., to Triangle A property is approximately 6 miles, 3 of which is black top and three gravel. The Appleton Mine is 13 miles from Custer, and the road is concrete. Mine is located 1,000 feet from the road. Bautz and Fitzgerald mines are on good gravel road four miles from Custer.

13. There is plenty of water on our properties for all purposes. We will use diesel and gas engines for power. We have been informed that the South Dakota Power Co. is ready to extend their lines to our property, giving us light and power facilities whenever we desire. We do not know the rates.

14. In the City of Custer, S. D., there is available for our use on a rental basis a four-story factory building.
The fourth floor is used for cleaning and sorting mica as it comes from the mines and is put in bins which empty on the rifting tables on the third floor. The entire third floor is used for rifting, trimming and sorting mica. The second floor is used for fabricating mica. It has four punch presses, four sorting machines and other equipment necessary for the fabricating and packing. The first floor is used for a shipping department and also contains the heating plant. The building is about 30 X 60 feet and was built purposely for a Mica Plant.
At the mine we have a Hoist and Skip complete with cable; 5 ore cars and tracks; about 1800 feet of air pipe; one Thor Jack Hammer and one Thor Drifter and Column. All equipment is in good condition and ready for use. We also have a water pump and some small tools.

15. The Mica and Beryl could readily be shipped from the mines to Custer in which city our plant is located and where the mica can be processed.

16. MICA

(a)
Development work on Triangle A property was started in December, 1946, and discontinued in May, 1948. Sales amounting to over $7,000.00 were made during this time, which amount, together with several thousand dollars more, was used for development work looking for a longer and larger operation; but this work ceased because of lack of funds.
A shaft of 80 feet was improved, and tunnels were extended. There is plenty of water for all purposes as it is necessary to pump water from the shaft to keep it workable. There is a 60-foot tunnel at the 60-foot level, and one of 60 feet at the 80-foot level.
No extensive development work has been done on any of our other properties.

(b)
We are not familiar with neighboring properties. Suffice to say that extensive mica production and fabrication were carried on during the last War, that ran into hundreds of thousands of dollars. If selling price is acceptable there is again a great opportunity for a profitable business. Much mica can also be had from numerous small operators in the vicinity of Custer if a paying market is established.

(c)
The following is an excerpt from the report on our property made by Andrew Karsten, Professor and Head, Department of Chemical Engineering, School of Mines, Rapid City, South Dakota:

> The Triangle A Mica and Feldspar Lode Mining Claim property is producing at present both mica and feldspar. It is being developed for more extensive production. In the opening of the feldspar, 30 tons are produced per day, while the development of the mica vein is producing from 600 to 900 pounds. The mica will reach 1 ton per day in a few weeks.
>
> The mica vein has been proven to be 750 feet long and 200 feet deep. Considerable extension beyond this is possible. The thickness is from 2 feet to 2-1/2 feet as far as developed, and at the lower levels and ends it is widening to 3 feet. The mica content is from 25 to 30%. Scrap mica represents 40%, punch mica 40%, and plate mica 20%. This report assumes 25% mica content, 45% scrap, 40% punch, and 15% plate.
>
> Scrap mica is valued at $40.00 per ton, punch mica at $260.00 per ton, and plate mica at $1.35 to $4.50 per pound.
>
> The vein should contain 6,075 tons of scrap and punch mica, or roughly 3,796 tons of scrap and 3,030 tons of punch, with values respectively of $151,840.00 and $877,240.00, and 2,531,250 pounds of plate mica at $1.35 per pound or $2,417,187.00. This gives a total value of mica as $3,446,267.00. This does not take into consideration the probable mica in the other half of the claim, andif mica should continue to exist beyond the 200 foot level.
>
> All three forms of mica are in evidence on the other three properties. No extensive veins have as yet been uncovered because the development is not sufficiently advanced. The similarity of structure and mineral content of the dykes indicate that considerable bodies of mica may be encountered on the other claims.

- - - - - - - - - - - - - - - - -

17. Our property Triangle A is not now in operation.

18. There has been opened up a very large body of mica on Triangle A property estimated to be in the neighborhood of six thousand tons, according to Mr. Karsten of the South Dakota School of Mines in Rapid City, S. D.

(See drawing of shaft and tunnels, attached.)
~~(Sample of mica accompanies this report.)~~

19. We think that we have covered everything.

20. For Mica and Beryl.

21. We propose to extend the tunnels on Triangle A until a sufficiently large body of mica has been laid open to insure a profitable operation. We estimate it will take 12 months to get under full production.

(See outline attached.)

22. The following is an excerpt from the report on our properties made by Andrew Karsten, Professor and Head, Department of Chemical Engineering, School of Mines, Rapid City, South Dakota:

> The Triangle A Mica and Feldspar Lode Mining Claim property is producing at present both mica and feldspar. It is being developed for more extensive production. In the opening of the feldspar, 30 tons are produced per day, while the development of the mica vein is producing from 600 to 900 pounds. The mica will reach 1 ton per day in a few weeks.
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> The mica vein has been proven to be 750 feet long and 200 feet deep. Considerable extension beyond this is possible. The thickness is from 2 feet to 2-1/2 feet as far as developed, and at the lower levels and ends it is widening to 3 feet. The mica content is from 25 to 30%. Scrap mica represents 40%, punch mica 40%, and plate mica 20%. This report assumes 25% mica content, 45% scrap, 40% punch, and 15% plate.
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(See outline attached.)

23.

(a) Mining Costs on Mica per day.

1 Hoist man	1.50	per hr.
2 Sorters	2.00	" "
4 Muckers	4.00	" "
1 Driller	1.50	" "
8 Men total	9.00	" "

Labor - 8 hours at $ 9.00 per hour	72.00
Taxes and Insurance	8.00
Powder, Fuses and Caps	3.00
Gas & Oil	4.00
Administrative Expense	5.00
Miscellaneous Expense	3.00
Repairs & Maint.	3.00
Depreciation - Equipment & Mine	3.00
Total Mining Expense per day	$ 101.00

Fabricating Costs:

1 Foreman	$ 1.50	an hour
2 Sorters @ 1.00	2.00	" "
6 Rifters @ 1.00	6.00	" "
2 Laborers @ 90¢	1.80	" "
	$ 11.30	an hour

(Continued on next page.)

23. (Continued)

Fabricating Costs (Continued)

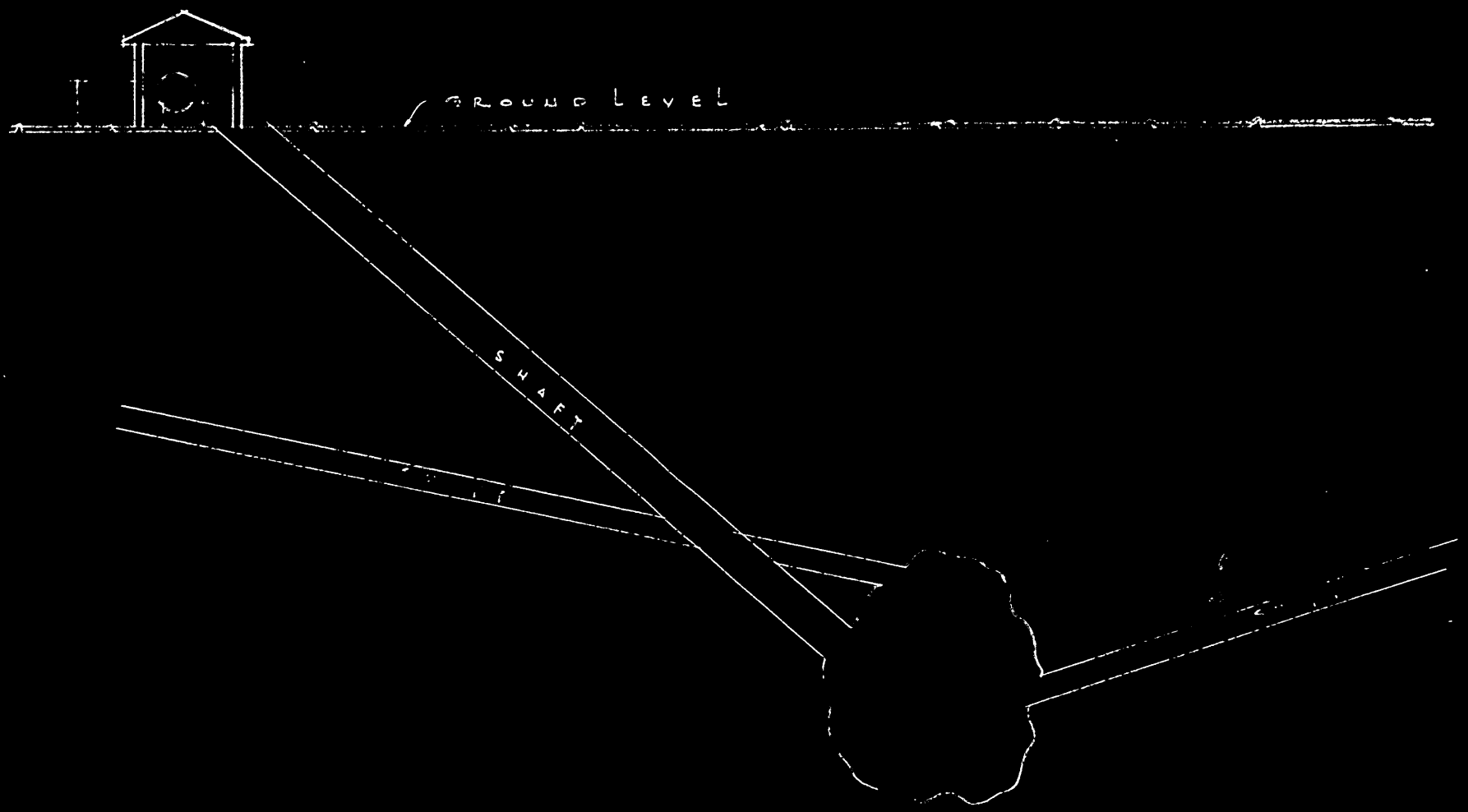
Labor 8 hrs. @ $11.30 per hour	$ 90.40
Taxes and Insurance	9.00
Rent of Building in Custer	7.00
Light and Power	1.00
Fuel	1.00
Administration Expense	10.00
Supplies	5.00
Miscellaneous Expense	3.00
Office Expense	2.00
Repairs and Maintenance	3.00
Depreciation	2.00
Cost Per Day Fabricating	$ 133.40
Total Cost per day Mining & Fabricating	234.40

23. (b) None

(c)	Repairs to Shaft and Tracks	$ 1,500.00
(d)	Construct Shelter	3,000.00
(e)	One 1½ ton Pick up Truck	1,800.00
	2 Air Compressors	6,000.00
	1 Used Dump Truck	1,200.00
	2 Jack Hammers	800.00
	1 - 1000 watt Light Plant	1,000.00
	2 Water Pumps	500.00
	1 Hoist with Skip and Cable	1,500.00
	Air Hose and Couplings	50.00
	Total	$ 17,350.00

(f) None
(g) Value $ 7,749.80
(h) Difficult to Estimate
(i) Very limited.

24. Balance of $32,650.00 to make it $50,000.00 to be used in exploration, extension and discovery. We would like 12 months in which to get under full production.



TRIANGLE A MINE - MICA & BERYL

• MONARCH MINES, INC. •

CUSTER, S. D.

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA 1811 X

Commodity Mica & Beryl

Total Amount $50,000.00

Govt. Participation 90%

1. Name and Address of Applicant Monarch Mines, Inc.
109 W. College Ave., Appleton, Wis.

2. Location of Property
Triangle A property - 6 miles from Custer, Custer County, S.D
Appleton Mine - 13 miles from Custer, Custer County, S.D
Bauty & Fitzgerald mines - 4 miles from Custer, Custer County, S.D

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

If not, application will be rejected.

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

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

a) Good

b) Poor

c) None ✓

d) Don't know—needs field examination

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

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

6. If applicant is a lessee, is a copy of the lease attached? No - owner

Does the lease have sufficient time to run to cover a future

productive period? —

*question numbers are those of MF-103

7. Are subordination agreements necessary? No

a) MF-201? none required

b) MF-202 —

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

a) Available manpower Probably yes

b) Equipment and supplies A modified schedule - Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes - use gasoline or diesel engines

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

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* No - but plans to hire experienced operator -

Is a field check needed on this point? Yes -

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

a) Is the project adequately described? No - primarily a development project

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

b) Is there an adequate map or sketch of the proposed work? No

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? No - is primarily development

If not, what part of it is? Possibly some of drifting could be classified as exploration but which headings & amount unknown.

Is this part a worthwhile exploration project? ?

d) Are the cost estimates detailed? No

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? No If so, attach a draft.

e) Are the cost estimates reasonable? Only daily costs are estimated

f) Should more information be requested from applicant? Yes - by field team

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? Yes - cost submitted too high for exploration

b) If so, are sufficient data furnished? No If so, attach a draft.

c) Is a field check needed? Yes

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

a) Is it applicable? Yes - apparently planned for production

b) Sufficient data? No If so, attach a draft.

c) Are rents and charges reasonable? No - too high for exploration

d) Is a field check needed? Yes - revise to exploration needs

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

a) Are there sufficient data? Yes - include processing plant labor

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

c) Is the schedule excessive for the work proposed? Yes

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? Yes - to reduce to needs of exploration project

14. Exhibit E (question 23-c)*

a) Is it applicable? Yes

b) Sufficient data? No.

c) Reasonable? No - too high, unless facilities badly wrecked.

d) Field check needed? Yes - to determine actual needs

15. In your judgment, can the proposed work be done in the proposed time? Program not definite enough - states "12 months to get under full production"

(All exploration must be completed within two years)

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

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? This property should be checked for the advisability of an exploration program + the nature of ore selected. The difference between exploration + preparation should be explained to applicant + the application revised.

Reviewed by: [illegible] By [illegible]
J J Norton 7/25/51

Date 7/13/51

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

7/13/51

Doc[illegible] No-DMA 1811X

Section 10- Exhibit "A"

The project, as described, is essentially aimed at putting the mine in condition, "to insure a profitable operation." Some small part of the extention of the old drifts could be considered exploration but how much is an uncertain question. The equipment + labor force are definitely tied to production probably feldspar + would need serious curtailment for an exploration program.

The field team should determine whether the property warrants exploration for strategic minerals & just what such a project should entail, also where such work should start + the needs of such a project in equipment + labor. They should also try to determine whether the rehabilitation work is justified for an exploration program alone.

The questions as to revamping the processing plant + fabricating shop must be entirely eliminated from the application.

Section 11- Exhibit "B"

The expenditure asked for construction of "shelter" is too high for an exploration program + would have to be very much reduced for inclusion in such a program

Section 12. Exhibit "C"

The equipment listed for purchase & rental from the applicant would have to be greatly reduced for an exploration program. The suggestion that the equipment now on hand be transferred to the Government

as the applicants share of the investment is not allowable although that usable in the exploration project could be rented to the project. As listed in the schedule of equipment it is not certain whether this same equipment is not taken into account as item "g" of question 23.

The field team will have to determine what equipment will be needed for exploration + where it is to be obtained. The difference between exploration + development should be explained to the applicants representative in Custer + the possibilities of a loan application for the production operation discussed with him.

Section 13 Exhibit "D"

The labor force listed includes that for both the mine + the processing shops. It would have to be seriously reduced for an exploration project. This need can only be known after a strict exploration program is planned + must be done by the field team.

Section 14 Exhibit "E"

The sum alloted to repairs of shaft + tracks is to high for an exploration program unless the exploration possibilities are exceptional + the shaft in very bad condition. The needs for this purpose should be determined by the field team

8-
7/13/51

DMA 1811X

Section 16- Recommendations.

On the basis of the information given in this application it would have to be deemed as it is primarily a program of preparation for production. The exploration phase is not described & can only be determined by an examination by the field team.

The application should therefore be referred to the field team to determine the possible value of an exploration project for strategic purposes & if desirable lay out such a project in all its ramifications. The team will have to select the work to be done, the proper location for it, the equipment required & the labor force which will be required & estimate the probable cost. The applicant should be advised of the possibility of securing a development or production loan if the exploration project is not satisfactory to him.

OMQ