MME Form 63
Revised 3-62

DSEA-2392
IGC-5352

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

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

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

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

	Quantity	Value
_____		
_____	_____	_____

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

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

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

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

August 17, 1962

Re: SMRA-2302 (Mica)
Mineral Mills, Inc.
Glenwood Mine
Custer County, S. D.
Contract Ida-2302

Mr. A. I. Johnson
Mineral Mills, Inc.
Custer, South Dakota

Dear Mr. Johnson:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE Idm-E NO. 352 DMEA NO. 2392

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [x] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

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

Right Side

- [x] Project summary (final)
- [x] Work Completed analysis (final)

All other material filed in chronological order including the following reports if checked:

- [x] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with transmittal, narrative and maps.

Folders No._____: Maps (Use pocket folder or envelope)

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty material

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
4/23	Alley	800
4/23	Filer	800
4/23	C	220
		600

Memorandum

To: Mr. Donald T. Finch, OME Auditor

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

Subject: Docket No. DMEA-2392 (Strategic Mica)
Mineral Mills, Inc.
Contract No. Idm-R352

Your report of royalty review on the above cited project is acceptable and normal distribution is authorized.

AMAlley/ama
April 23, 1959

Copy to: Docket
Director's Reading File
CA & A Division

43683

APR 23 1959
O.M.E.

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, OME Field Team, Region III, Denver, Colorado, pertaining to Contract 14-8352, Docket No. MMA 2192 (Strategic Mica) dated June 24, 1952, with,

Mineral Mills, Inc.
Custer, South Dakota

for the purpose of determining the amount of royalties due the United States on the sale of Mica produced from the Glassmoor Mine, Custer County, South Dakota, for the period June 24, 1952, through April 17, 1959.

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

My review established the net smelter value of sales of Mica for this period to be $7,092.45. (See Schedule No. 1 attached.) Royalty due the United States Government at the contract rate of 5% is $354.63. The royalty paid and the balance due are as follows:

Total Royalty Due	$354.63
Total Royalty Paid	354.30
Balance of Royalty Due	$ 0.33

April 17, 1959

Donald F. Finch
Donald F. Finch
OME Auditor

MINERAL MILLS, INC.

CONTRACT NO. 14m-1952 DOCKET NO. IMBA 2392

STATUS OF PROJECT, DESCRIPTION OF REVIEW AND REASONS THEREFOR

A Certificate of Discovery or Development was issued October 17, 1952. A Report of Review in lieu of Final Audit Report dated October 3, 1952, indicates accepted costs of $1,154.40, with Government participation on a 90 percent basis being $1,038.96. According to the terms of the contract royalty is payable on any minerals mined or produced from land described in Article 2 for a maximum period of 10 years from the date of the contract. Vis., June 24, 1952.

My review consisted of a tabulation and recomputation of all liquidation settlement sheets on file with the Executive Officer of the Field Team during the period June 24, 1952, through April 17, 1959, reconciliation of royalty receipts with the records of the IBM Finance Office, Denver, Colorado, and a detailed review of all semi-annual examination reports from the examining engineers.

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

(1) Sales of Mica were adequately supported by liquidation settlement sheets.

(2) The examining engineer is of the opinion that all sales of production have been properly accounted for.

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

Schedule No. 1

MINERAL MILLS, INC.

CONTRACT NO. 16m-R352 DOCKET NO. DMRA 2392

SUMMARY OF PRODUCTION SUBJECT TO ROYALTY
FOR THE PERIOD JUNE 24, 1952, THROUGH APRIL 17, 1959

(All sales were to General Services Administration)

Year	Lot No.	Pounds Strategic Mica	Amount	Royalty Due at 5%	Royalty Paid	Balance Royalty Due
1952						
6-26	C-15	2066	$ 619.80	$ 30.99)		
9-3	C-17	1168	350.40	17.52)		
9-8	C-21	1275	382.50	19.13)		
9-19	C-24	1335	400.50	20.02)		
9-24	C-29	1496	448.80	22.44)		
9-29	C-31	1187	356.10	17.80)		
10-13	C-37	2416.5	724.95	36.25)		
12-1	C-65	1589.5	476.85	23.84)		
12-24	C-78	1976	592.80	29.64)		
1953						
1-21	C-90	1833	549.90	27.50)		
2-18	C-104	1174	352.20	17.61)		
3-16	C-112	1776	532.80	26.64)		
4-23	1st Royalty Payment			$289.38	$289.06	$ 0.32
11-16	C-252	1559	467.70	23.39		
1954						
1-31	C-279	2191	657.30	32.87	32.87	
4-5	C-305	1199	379.85	8.99	8.98	.01
	Totals	24,241 lbs.	$7,052.45	$354.63	$354.30	$ 0.33

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name **Mineral Mills Inc.**

Address **Custer, South Dakota**

Glenwood Mine, Custer County, South Dakota

Exploration Contract No. Idm-E 352

Docket No. DMEA 2392

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

8. Comment on any item 2(b) to 6, if answer is No.

Date 4-16-59

Marshall
Mining Engineer

FILE COPY
SURNAME:

Robertson
Hook
Chamberlin
Boyer
Hollenbeck
Dunkel
Hodges
Johnson

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

CERTIFICATE OF THE UNITED STATES OF AMERICA
OF A DISCOVERY OR DEVELOPMENT MADE
AN EXPLORATION PROJECT CONTRACT

To: Mineral Hills, Inc.
Custer, South Dakota

Pursuant to the provisions of Exploration Project Contract No. DMe-[illegible], dated June [illegible], 1951, (Docket No. DMe-2392), hereinafter called the "contract", between you and the United States of America, hereinafter called the "Government", to establish and fix the Government's percentage royalty on production and its lien thereon and on the mineral deposit which is the subject of the exploration project, the Government considers and therefore certifies that a discovery or development has resulted from the work from which commercial production of ore may be made.

The property consists of the Glenwood Lode Mining Claim, recorded in Book 17, page 271 of "Location Certificates", Custer County Records, Custer County, South Dakota.

The Government's estimate of said discovery or development is particularly described and delimited as follows:

Surface stripping exposes pegmatite outcrop 150 feet long by 3-10 feet wide. At the western end for a length of 30 feet there was exposed a mica roll in which occurred books of ruby mica which contained some good-stained and better quality.

Any production of mica or other minerals from the property described will result from the discovery or development here certified and this certification covers the whole of that property and any such production therefrom.

THE UNITED STATES OF AMERICA

By C. O. Michelsen
Administrator

Dated OCT 17 1952

JTuberton:gmd 10/14/52

Copy to: Adm. A. File
Operating Committee
Mr. Hodges, 4604
Field Team, Region V
Mr. Chambers, 2612
Docket File
Mr. Hook
Mr. Thayer, Solid Fuels Mkg.
Finance Officer
Mr. Jens Larsen, DMe
Mr. F. L. Johnson
Mr. Markland

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Mineral Mills, Inc.

Custer

South Dakota

pertaining to Exploration Project Contract No. Idm-E352, Docket No. DMEA-2392, for the period of July 23, 1952, to August 23, 1952.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the Field Team, and a determination of the reasonableness and propriety of the costs.

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

(a) the administrative cost to the Government of an audit would be excessive in relation to value of the contract or the estimated amount of possible disallowances thereunder;
(b) the Monthly Reports were supported by documentary proof of the costs incurred under the contract; and
(c) a major portion ($960.00) of the costs covered bulldozing at hourly rates.

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

Total cost as billed by Contractor		$1,154.40
Exceptions:		
By DMEA Finance Officer	$ 0	
Herewith (schedule attached)	0	0
Total Accepted Cost		$1,154.40

The contract calls for a 90 per cent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of One thousand and thirty-eight Dollars and 96/100

- $1,038.96 -

is considered valid and proper.

Jay [illegible]
Auditor

October 3, 1952

MF-200
(June 1951)
(Revised Feb. 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 14 1952

DOCKET NO. DMEA 232
COMMODITY Mica
Idm-E352

Docket Copy

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

EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this 24th day of June, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Mineral Mills, Inc. (a corporation duly organized and operating under and by virtue of the laws of the State of South Dakota) Custer South Dakota

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of South Dakota County of Custer, described as follows: [3] The property consists of the Glenwood Lode Mining Claim, recorded in Book 17, page 272, of "Location Certificates", and deeded to the Operator by deed filed in Book 18, page 627 of Deeds in the office of the Register of Deeds, Custer, South Dakota. The claim is situated in Sec. 32, T. 3, S., R. 5 E., about 4 miles southeast from Custer, South Dakota.

the Operator represents and undertakes: [4]

(*a*) That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: None

~~(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lease is attached.~~

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] strategic mica in or upon the described land; and shall bring the project to completion within a period of sixty (60) days from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

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

(*b*) The Government's payments [illegible]ll cases will be based on actual, necessary [illegible]s (including contract unit prices) incurred not in excess of any "allowa[illegible] maximum," and not in excess of the fixed percent[illegible] of the total aggregate estimated cost. Costs will be considered to be inc[illegible]red only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) Compliance with requirements.—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 90 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $1,080.00, which is 90 percent of $1,200.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

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

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

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

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

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

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* ____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. O. Mittendorf
Acting Administrator
Defense Minerals Exploration Administration

MINERAL MILLS, INC.
(Operator)

By A. F. Gushurst

I, Arthur I Johnson, certify that I am the [illegible] secretary of the corporation named as Operator herein; that A. F. Gushurst, who signed this contract on behalf of the Operator, was then President of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

Arthur I Johnson

[CORPORATE SEAL]

MINERAL MILLS, INC.
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMRA-2392

EXHIBIT "A"

Description of the Work

By means of a bulldozing operation, to trench along the lateral extension of a zone of mica-bearing pegmatites previously mined on a small scale for ruby mica, as indicated on the map entitled "DMRA-2392, Glenwood Lode Claim, Mineral Mills, Inc., Custer, S. Dak." attached hereto and made a part hereof.

Much of the zone is covered with upwards of 8 feet of top-soil and this overburden will be removed along the strike of the pegmatite at places agreeable to both the Operator and the Government.

The use of rented power-equipment should not exceed 80 hours of actual working time.

Estimated Costs of Project
(*Indicates allowable maximum)

(1) Independent Contracts

None

(2) Labor, Supervision, Consultants

1 Laborer	10 days @ $10.00/day	$100.00	
1 Supervisor	10 days @ $12.00/day	120.00*	$ 220.00

(3) Operating Materials and Supplies

None

(4) Operating Equipment

To be rented

1 Bulldozer (complete with crew, fuel, repairs, etc.) 80 hours @ $12.00/hr.	960.00*

(5) Rehabilitation and Repairs

None

(6) New Buildings, Improvements, Installations

None

(7) **Miscellaneous**

Payroll taxes, Workmen's Compensation and Employers' Liability Insurance	$20.00	
TOTAL ESTIMATED COSTS OF PROJECT		$1,200.00*
Government Participation @ 90%		$1,080.00*

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

MF-103 Should Be Filed With General Technical Data Form MF-100

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

Not To Be Filled in by Applicant

Docket No. DMEA-2392
Metal or Mineral
Date Received 2-26-52
Amount $
Participation (Government %)

Mineral Mills Inc
Custer, S. Dak.

Name and address of applicant

Date Feb. 15, 1952

If you have already filed MF-100, give date filed May 31, 1951, type of assistance requested Loan,

DMA Docket Number (if available) ~~DMA-1760~~

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*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*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

   NOTE: (1) 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 (*c*) 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.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C. FEB 26 AM 10 52

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO–5)?

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

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.

Mineral Mills Inc
(Name of company)

By G. D. Johnson
(Signature of authorized official)

Feb. 15, 1952
(Date)

Secretary
(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.

U. S. GOVERNMENT PRINTING OFFICE 16—64067-2

MF-103
Glenwood Lode
Mineral Mills Inc
Custer, S. Dak.

1. (a) The property is located in Sec. 32, T. 3 S., R 5 E about 4 miles southeast of Custer, S. Dak. The property is a mining claim recorded in Book 17 of Location certificates page 272, office of Register of Deeds, Custer, S. Dak., and Deed filed in Book 18 of Deeds page 627. The property contains approximately 20 acres of mineral land and is known as the Glenwood Mine. The plat accompanying this applications shows the mine workings involved.

(b) The company is the owner of the property involved by deed as noted above.

(c) The legal description would be the same as (a) above.
There are no liens upon the property.

MF-103
Glenwood Mine
Mineral Mills Inc
Custer, S. Dak.

2. (a) We expect to find strategic mica.

(b) The deposit is a pegmatite dike with a well defined mica zone from which the company during the last war and a short while thereafter sold $13,388.01 in mica from an area above a fifty foot level in shaft operations. It is on that basis that the company expects to find substantial amounts of strategic mica from areas to be explored. A plat and section of the mine is submitted as apart of this application. Production is indicated and estimated reserves we hope to discover from exploration work.

MF- 103
Glenwood Mine
Mineral Mills Inc
Custer, S. Dak.

3. (a) It is proposed to explore the property in 3 phases, the results of the previous phase to determine the extent of the next. The company has extended its shaft to the 100 foot level and has started a development drift to explore the mica deposit at that level. It is estimated that 60 feet of drift on that level should prove the existence of the mica deposit at that level and an additional 90 feet would complete the exploration on that level. The project is hence divided into two units for exploration on this level the second step of drifting to the end of the mica zone to be determined by the discovery of mica in the first sixty feet of exploration. The third phase woudl explore the deposit to the 200 and 300 foot levels by a diamond drill hole to each level as indicated in the plan of proposed exploration. Diamond drill hole No. 1 would explore the deposit to the 200 foot level and diamond drill hole No. 2 would explore the deposit to the 300 foot level. It is estimated that the exploration work on the 100 foot level could open up 100 tons of strategic mica which at a basis of $600.00 perton, the proposed figure for purchase in the Custer area, would have a gross value of $60,000.00. The amounts developed by the diamond drilling program would be in addition to this figure.

The cost of the exploration project

Phase 1-		
Preliminary work- setting equipment & headframe	$308.24	
60 feet of drifting on 100 ft. level	2304.00	
Total phase 1	$2612.24	$2612.24
Phase 11-		
90feet of drifting 100 ft. level @ $38.40/ft		3456.00
Phase 111-		
Diamond drill Hole No. 1		1357.00
Diamond drill hole No. 2		1966.50
Total cost complete project		$9391.74

3. (b) It would require about two weeks to get the project started
Phase 1 would require 1 week for preliminary work
Phase 1 would require 5 weeks for completion of drifting.
Phase 11 would require 7½ weeks to complete
Phase 111 No. 1 drill hole 2 weeks
Phase 111 No. 2 drill hole 3 weeks

MF 103
Glenwood Mine
Mineral Mills Inc
Custer, S. Dak.

4. Plan and section and location of the proposed exploration work.

MF- 103
Glenwood Mine
Mineral Mills Inc
Custer, S. Dak.

5. Compressor building & headframe.

Require repairs :

Labor	$77.08		
Material	65.00		
	$142.08	total cost of repairs	$142.08
Rehabilitation		of shaft- & unwatering -labor	77.08
		Total	$219.16

MF- 103
Glenwood Mine
Mineral Mills Inc
Custer, S. Dak.

6. Additional Facilities to be acquired:

None

MF- 103
Glenwood Mine
Mineral Mills Inc
Custer, S. Dak.

7. List of Operating equipment:

(a) To be rented:

Compressor	@	$10.00 per day
Hoist	@	3.00 per day

(b) None to be purchased.

(c) Furnished by company (estimated value $750.00) Depreciation $20.00 per month.

1- drill column & arm
1- drifter
1- Hoisting buckets
1- mine trunk for bucket
1- sheeve wheel for headframe
1- mine car for surface handling
mine track- steel

MF- 103
Glenwood Mine
Mineral Mills Inc
Custer, ,S. Dak.

8. Schedule of Labor/ - It is proposed to do the work with a two men crew and supervisor.

1- Driller $1.50/ hr base wage
1 Helper 1.35/ hr " "
1 Supervisor $25.00/ day- charge $12.50 per working day

Daily Labor charge:	Basewage	Insurance	Soc. Sec.	Overtime	Total
1- driller	$12.00	.60	.18	1.00	$13.80
1 - helper	10.80	.54	.16	.74	12.24
Supervision					12.50
		Total daily labor cost			$38.54

Labor- Preliminary work phase 1

6 days- 2 men @ $38.54 and supervision	$231.24
Phase 1- 60' drift.	
30 days @ $38.54	$1156.20
Phase 2- 90' drift @ $19.27/ft labor	1734.30
Total labor	$3121.74

Contract Phase 111 Diamond drilling program.

Hole No. 1 approx 230' @ $5.00	$1150.00
Supervision @ 80¢ per ft	184.00
Core boxes @ 10¢ per ft	23.00
total for hole No. 1	$1357.00
Hole No. 2- approx 335' @ $5.00/ft	$1675.00
Supervision @ 80¢/ft	268.00
Core boxes @ 10¢/ft	23.50
tot al for hole No. 2	$1966.50

MF- 103
Glenwood Mine
Mineral Mills Inc
Custer, S. Dak.

9- Items other than labor:

Prelininary work- Phase 1

TRucking equipment	$30.00		
Lumber 700 bd ft.	42.00		
Nails	5.00		
Total	$77.00		

Drifting 60 feet- Phase 1

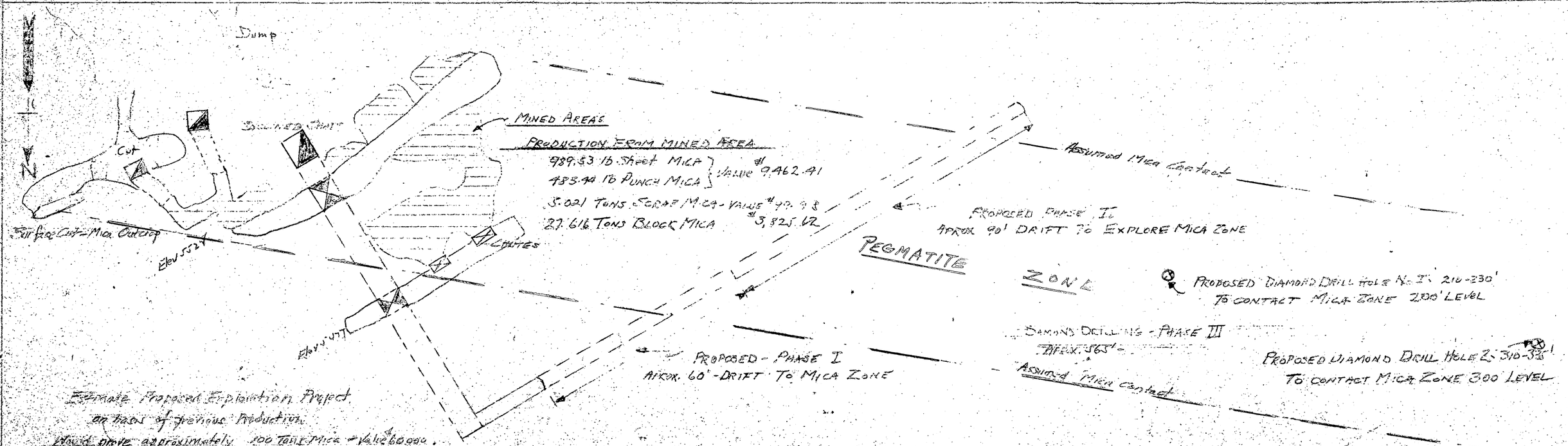
Rental of hoist 30 days @ $3.00/ day	$90.00	
Rental of compressor 30 days @ $10.00/ day	300.00	
500 bits @ 25¢ ea	125.00	
Gasoliene 1200 gal @ 30 ¢	360.00	
oil 20 gal @ $1.25/ gal	25.00	
Powder 600# @ 21¢/lb	126.00	
Caps 250 ¢ 2¢ ea	5.00	
Fuse 2000'	26.80	
Maintenance of equipment $3.00/ day	90.00	
Total	$1147.80	or $19.13/ft.

Drifting 90 feet- phase 11 @ $19.13/ ft. $1721.70

M[illegible] 103
Glenwood Mine
Mineral Mills Inc
Custer, S. Dak.

10. (a) As the entire project will cost $9391.74 we are prepared to invest our ten per cent of the cost or $939.17.

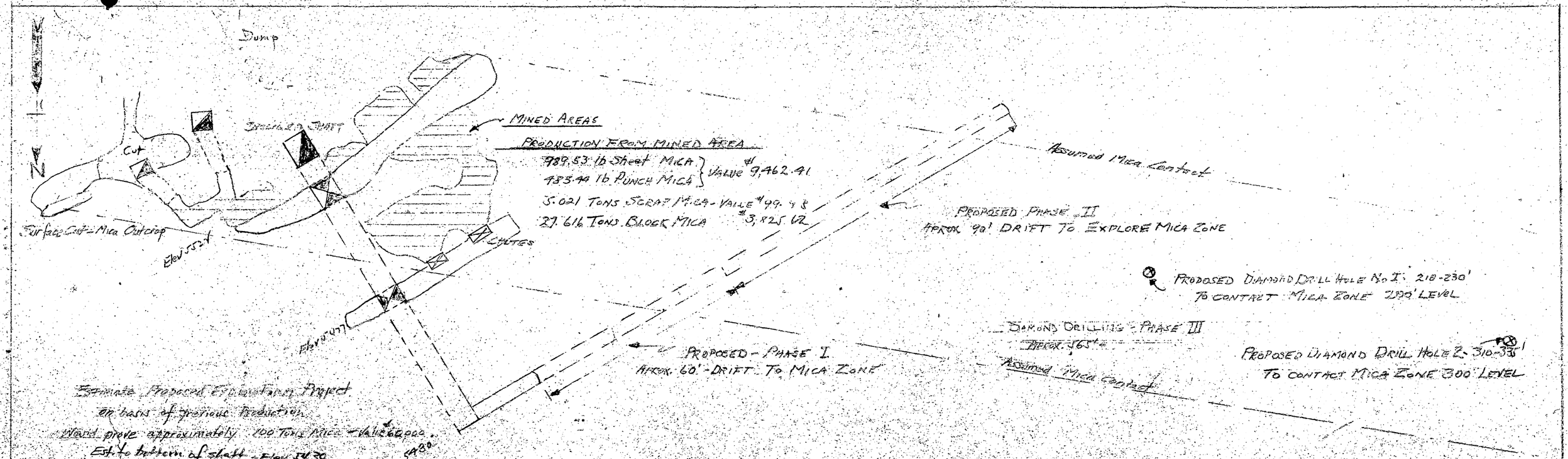
(b) This is sufficient to pay our part of the project in accordance with the regulations on government participation.



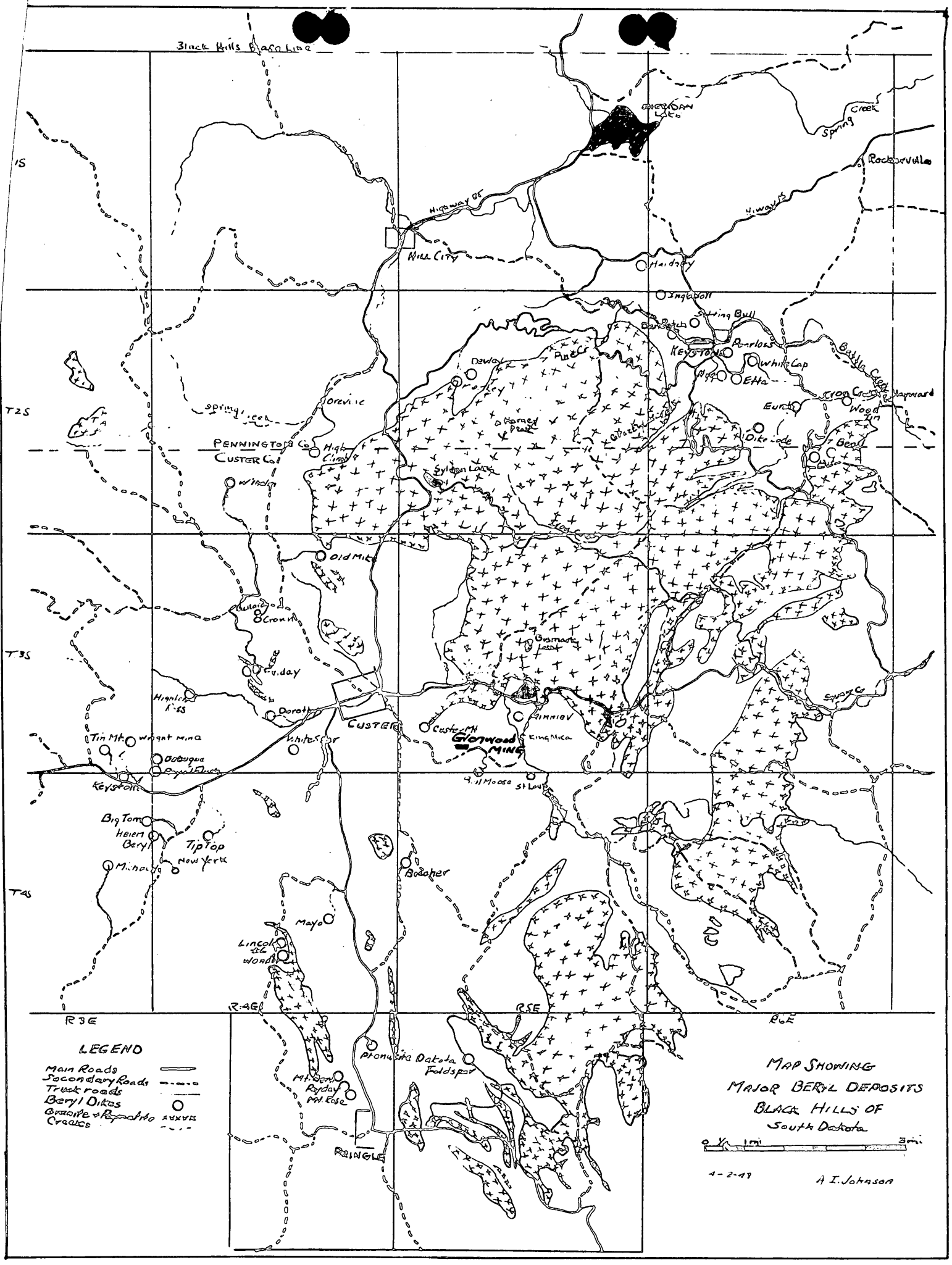
DMEA 2392

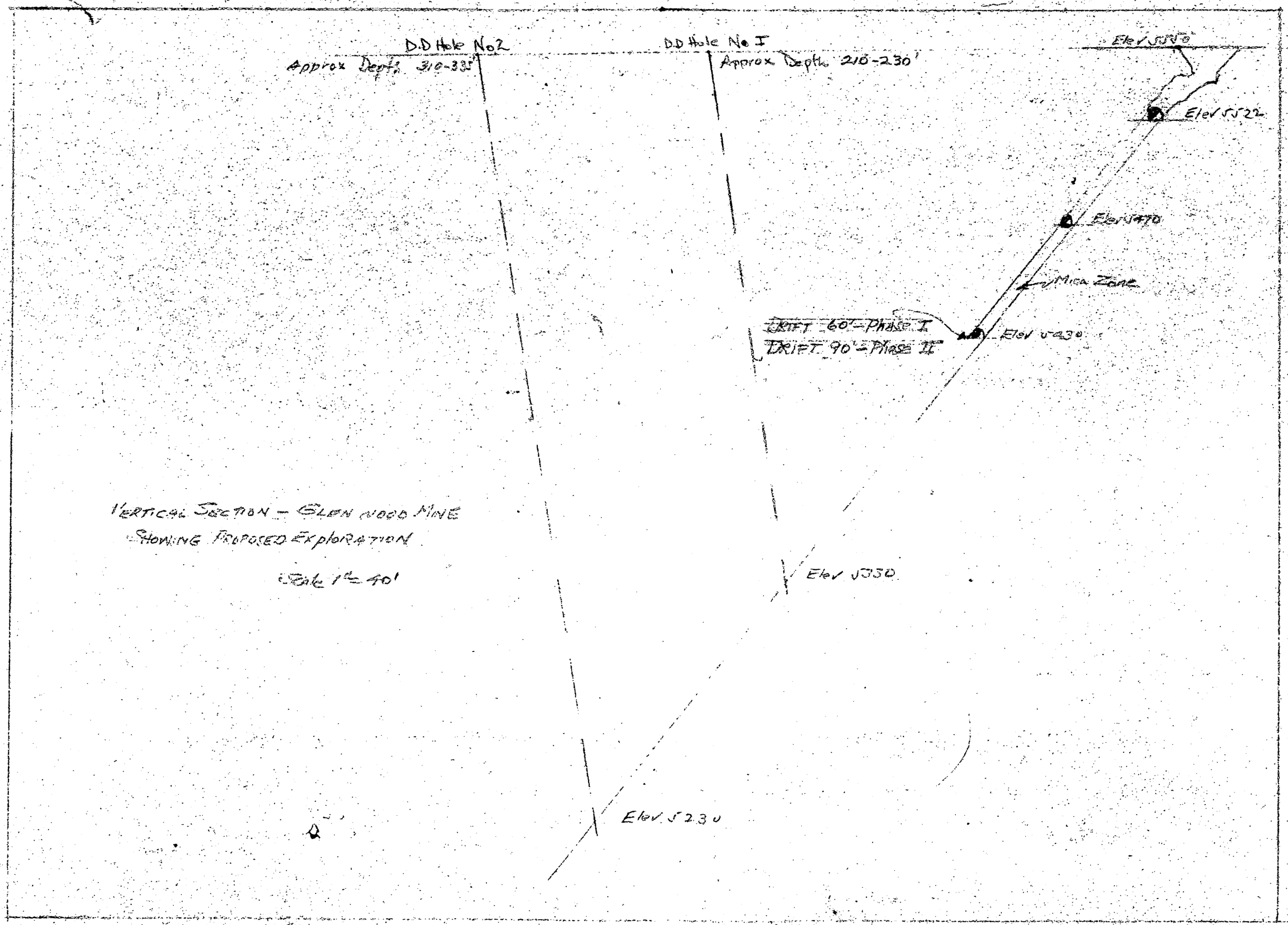
Glenwood Lode Claim

Mineral Mills Inc. Custer County



Glenwood Lode Claim
Mineral Mills Inc. Cutter Cuk
Scale 1"=20'


Black Hills Base Line
Spring Creek
Rockerville
Highway 85
Hill City
Hardtack
Ingersoll
Spring Bull
Keystone
Parlock
White Cap
Etta
Battle Creek
Iron Creek
Hayward
Wood
Eureka
Dike Lode
Bear
Newton
Pine
Pleasant Valley
Horned Peak
Sylvan Lake
Spring Creek
Orevile
Pennington Co
Custer Co
High Climb
Windy
Old Mike
Cronin
Friday
Highland Ross
Dorothy
Custer
Custer Mt
Glenwood Mine
King Mica
Jennie V
Bismarck
Spokane
Tin Mt
Wright Mine
Ouquoa
Royal Flush
Keystone
Big Tom
Helen Beryl
Tip Top
New York
Michigan
Whitestar
Bob Cat
Mayo
Lincoln Wonder
Bill Moose
St Louis
Promising
Dakota Feldspar
Mt Rose
Rayday
Mt Rose
Rapid City
T2S
T3S
T4S
R3E
R4E
R5E
R6E
LEGEND
Main Roads
Secondary Roads
Truck roads
Beryl Dikes
Granite & Pegmatite Cracks
MAP SHOWING
MAJOR BERYL DEPOSITS
BLACK HILLS OF
South Dakota
0 ½ 1 mi 3 mi
4-2-49
A I. Johnson



VERTICAL SECTION - GLEN WOOD MINE
SHOWING PROPOSED EXPLORATION

Scale 1" = 40'

DMEA - 2392
MINERAL MILLS INC.

orm 7
58)

OFFICIAL FILE COPY

Date	Surname	Code
8/22	Murphy	500
	Mr Crowell	500
		800
11/62	Johnson	110
8-22	Fumich	100
		220

AUG 2 2 1962

Mineral Mills, Inc.
c/o Mr. A. I. Johnson, Secretary
Box 113
Keystone, South Dakota

Re: DMRA-2392 (Mica)
Mineral Mills, Inc.
Glenwood Mine
Custer County, South Dakota
Contract Idm-X352

Gentlemen:

By the terms of the subject Exploration Project Contract and the certification of discovery or development, dated October 17, 1952, all minerals mined or produced from June 24, 1952, to June 24, 1962, were subject to the Government's percentage royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no lien or claim against the property subject to the contract or any future production therefrom. We are, therefore, closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the period indicated.

Sincerely yours,

George Fumich, Jr.

Director

(RT)

FMMurphy/gla
8-22-62
cc to: Director's Reading File
Region I (2) w/cy MME Form 63 sgd. by Mr. A.I.Johnson 8/13/62
Contract Division
Docket
Code 500

43683

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

JUL 23 1962

Re: DMEA-2392 (Mica)
Mineral ~~General~~ Mills, Inc.
Glenwood Mine
Custer County, South Dakota
Contract Idm-E352

Mr. A. I. Johnson
Mineral Mills, Inc.
~~Custer~~, South Dakota
New address > Box 113
Keystone, S.D.

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 17 1962

DATE	INITIALS	
8/21		800
8/21		100
8/21		110
	Pressnell	500
	Murphy	500
		220

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

Expiration date June 24, 1962

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

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

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

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

	Quantity	Value

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

Type	Quantity	Estimated Grade	Location
Ore	Tons		
Concentrates	Tons		
Other	Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name A. I. Johnson Title Secretary

Address Keystone, S. Dak. Date Aug 13, 1962

A. I. Johnson
Box 113
Keystone, S. Dak.

4511

[redacted]

[redacted]

Memorandum

To: [redacted]
Division of Field [redacted], GML
Washington 25, D. C.

From: Acting Field Officer, GML, Region III

Subject: Expiration of [redacted] Royalty

This responds to your memorandum of [redacted] 1962 regarding the royalty expiration date [redacted] 1973 Minnesota Mills Belle Eldridge Gold Mines, Inc.

[redacted]

I question the economic advisability of spending the money for a trip to make the final inspection on either or both of these properties. It appears to me that your suggestion of mailing an MME Form 53 to Belle Eldridge Gold Mines, Inc. in lieu of an inspection would be adequate. I was thinking it would suffice in the case of Minnesota Mills, Inc., Min-3952.

If you agree will you please mail the forms.

Hugh M. Connors

Hugh M. Connors

Attachments

Royalty date expired [redacted]

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

DMEA
DEPARTMENT OF THE INTERIOR
SEP 23 1957
REGION III
DENVER, COLORADO

CERTIFIED MAIL

August 16, 1957

Mr. A. I. Johnson
Mineral Mills, Inc.
Custer, South Dakota

Re: Docket DMEA 2392 (Mica), Contract Idm-E-2, Mineral Mills, Inc. (Glenwood Mine), Custer, South Dakota

Dear Mr. Johnson:

An inspection of the property included under the captioned Contract disclosed evidence of recent mining activity. The work consisted of an inclined open cut approximately 135 feet long, 12 feet wide and 18 feet deep at the face.

Please advise us by return mail as to whether or not there was production.

The most recent report of production we have is from sale of 1199 pounds of mica on April 5, 1954, to GSA for $179.85, from which $8.98 in royalties was paid to DMEA. The Government is due royalties on all production made from the land until the amount of $1,038.96 has been repaid, or until June 24, 1962, whichever occurs first.

Very truly yours,

E. N. Harshman

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

Dear Sirs:
We completed further exploration work on the surface as well as on the 100 ft. level but the mica is unmarketable at the depth. Hence no sales have been made.

Yours truly
A. I. Johnson

Roy

WC-2
DMEA/DFC-2
RRF

OFFICIAL FILE COPY O. M. E. RECEIVED FEB 10 1960		
DATE	INITIALS	CODE
2-10	gad	220
2/10	[illegible]	800
2/11	[illegible]	500
		225

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Building 20 - Federal Center
Denver 25, Colorado

February 8, 1960

Mineral Mills, Inc.
Custer
South Dakota

Re: Docket No. DMRA 2392 (Mica)
Contract No. Idm-E352
(Glenwood mine)
Custer County, South Dakota

Gentlemen:

In reference to the "Certification by the United States of America of a Discovery or Development under an exploration Project Contract" and the instructions in the Washington Office letter of transmittal of the Certification on the captioned project, please indicate your answer to the following questions and return one copy of the questionnaire immediately to this office.

Very truly yours,

Original signed by

J. W. Townsend
Executive Officer, OME
Field Team, Region III

1. Has the property been sub-leased or any change made in ownership other than this office has been notified? Yes ___ No___. If yes, please furnish details of the transaction on a separate sheet and include a true or signed copy of any instrument that was executed in conjunction with the matter.

2. Has there been production from the land subordinated under the referenced contract since January 1, 1959? Yes___ No___. If yes, and shipments made, who was the purchaser? _____

3. Is any of the following material stockpiled? Yes___ No___.

(a) Ore, Tons _____ Estimated grade _____
(b) Concentrates, lbs. _____ Estimated grade _____
(c) Low grade ore, tons _____ Estimated grade _____
Place stockpiled _____

Field says Not assumed - see Region Office of Tenth Nat. Monument, Edwards report 2nd page below under Operation report

Signed _____

Title _____ Date _____

No info received for the year ending Jan. 1959

HMC:ltm cc: Chmn. Op. Comm. Roy. Corres. E352 Chron.

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

October 15, 1952

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: Jasper T. Robertson, Nonmetallic Minerals Division

Subject: Review of Docket No. DMEA-2392 - Mica
Contract: Idm-E352 - Dated June 24, 1952
Property: Glenwood Lode Mine
Applicant: Mineral Mills, Inc.
Custer, South Dakota
Correspondent: A. I. Johnson, Secretary
Mineral Mills, Inc.
Custer, South Dakota

2/26/52 Received exploration application, dated 2/15/52
3/14/52 Referred to Field Team, Region V for examination.
5/7/52 Received Field Team Report and recommendation. Report dated April 25, 1952 and by E. O. Binyon, U.S.G.S. Project recommended.
6/24/52 Date of Contract Idm-E352
7/23/52 Project work started.
8/23/52 Project work completed.
9/24/52 Regional office final account of cost of project per letter dated 9/24/52 by A. B. Needham, as follows:

Total estimated amount of contract	$1,200.00
Government's estimated share	1,080.00
Total amount spent	1,154.40
Government's share (90%)	1,038.96
Balance	41.04

9/26/52 Received Field Team's FINAL REPORT recommending certification of project.
9/29/52 Received progress report from A. I. Johnson, Secretary of the Company. Report included narration of work from beginning to completion. This can be considered as operator's final report.
10/17/52 Certification of Discovery approved.
10/20/52 Letter Mittendorf to Larson

Jasper T Robertson

Jasper T. Robertson
Nonmetallic Minerals Division

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 8 1960

DATE	INITIALS	CODE
4-8	gad	VVO
		110
4/26	[illegible]	800
		500

OFFICE OF MINERALS EXPLORATION

REGION III

Statement in Lieu of ~~Interim~~ Annual Report of Certified Project

Reporting Period 1-1-59 through 12-31-59

Docket and Contract Number DMEA 2392, Idm-E352 (Mica)

Operator Mineral Mills, Inc. (Glenwood Mine)
Custer County, So. Dakota

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [X]

Remarks:

A. I. Johnson, Manager, reports as noted above.

Signed H. M. Connors
H. M. Connors

Date 4-4-60

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 9 1959

DATE		
4-9	C	220
"		110
4/10	GEO	800
		600
		225

UNITED STATES
DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration
224 New Customhouse
Denver 2, Colorado

April 6, 1959

Memorandum

To: Chairman, Operating Committee, OME

From: Executive Officer, OME Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1958 through December 31, 1958

DMEA Docket 2392 (Mica)
Contract Idm-E 352
Mineral Mills, Inc.
Custer County, South Dakota

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

J. W. Townsend

Enclosures
HMC/ff

cc: Semiannual Report File Idm-E 352
Harshman
Marshall
Chron.

OME, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	July 1, 1958 through December 31, 1958
Docket and Contract Number	DMEA 2392, Contract Idm-E352 (Mica)
Operator	Mineral Mills, Inc. Custer County, South Dakota

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

1. Property inspected March 25, 1959
2. Mr. B. A. Gira, GSA Purchasing Depot, Custer, South Dakota, reports no purchases from the property during the report period. Mr. Gira informally stated that the black stain of the mica renders it unsuitable for purchase.
3. Personal observation indicated that there had been no activity at the property during the report period.

Signed M H Marshall

M. H. Marshall

Date 4-1-59

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

February 24, 1958

DMEA
RECEIVED FEB 26 1958

DATE	INITIALS	CODE
2/26	C	220
2/27	Com	100
"	Tech	110
2/27	EEF	800
		600

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1957 to December 31, 1957

DMEA Docket 2392 (~~Manganese~~ mica)
Contract Idm-E 352, Mineral Mills, Inc. (Glenwood Pegmatite)
Custer County, S. D.

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

Wel King
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM:jy

cc: Semiannual Report File E 352
Harshman
DMEA,DFC (2)
Chron.

DMEA
DEPARTMENT OF THE INTERIOR

FEB 13 1958
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period July 1 - December 31, 1957
Docket and Contract Number Docket No. 2392, Contract Idm-E352
Operator Mineral Mills, Inc. (Glenwood Pegmatite)
Custer County, S. D.

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

Signed E. O. Binyon
E. O. Binyon

Date 2/10/58

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

EXTRA COPY
DMEA
RECEIVED FEB 26 1958

DATE	INITIALS	CODE

February 24, 1958

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1957 to December 31, 1957

DMEA Docket 2392 (Manganese)
Contract Idm-E 352, Mineral Mills, Inc. (Glenwood Pegmatite)
Custer County, S. D.

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

Original signed by
W. H. KING
Executive Officer, DMEA
Field Team, Region III

Enclosures
HEM:jy

cc: Semiannual Report File E 352
Harshman
DMEA,DFC (2)
Chron.

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period July 1 - December 31, 1957
Docket and Contract Number Docket No. 2392, Contract IDa-6352
Operator Mineral Mills, Inc. (Glenwood Pegmatite)
Custer County, S. D.

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

Signed E. O. Simpson

E. O. Simpson

Date 2/10/58

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
224 New Customhouse
Denver 2, Colorado

DMEA
DEPARTMENT OF THE INTERIOR
SEP 23 1957
REGION III
DENVER, COLORADO

CERTIFIED MAIL

August 16, 1957

Mr. A. I. Johnson
Mineral Mills, Inc.
Custer, South Dakota

Re: Docket DMEA 2392 (Mica), Contract Idm-E352, Mineral Mills, Inc. (Glenwood Mine), Custer, South Dakota

Dear Mr. Johnson:

An inspection of the property included under the captioned Contract disclosed evidence of recent mining activity. The work consisted of an inclined open cut approximately 135 feet long, 12 feet wide and 18 feet deep at the face.

Please advise us by return mail as to whether or not there was production.

The most recent report of production we have is from sale of 1199 pounds of mica on April 5, 1954, to GSA for $179.85, from which $8.98 in royalties was paid to DMEA. The Government is due royalties on all production made from the land until the amount of $1,038.96 has been repaid, or until June 24, 1962, whichever occurs first.

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 25 1957

DATE	INITIALS	CODE
9/26	B	220
9/26	EEJ	800
		225

Very truly yours,

E. N. Harshman

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

Dear Jess.
We completed further exploration work on the surface as well as on the 100 ft. level but the mica is unmarketable at the depth. Hence no sales have been made.

Hoan Trail

WO-2
DMEA/D
Sa

224 New Customhouse
Denver 2, Colorado

8/19 Q 220
8/19 CEJ 800
225

CERTIFIED MAIL

August 16, 1957

Mr. A. I. Johnson
Mineral Mills, Inc.
Custer, South Dakota

Re: Docket DMEA 2392 (Mica), Contract Idm-E352, Mineral Mills, Inc. (Glenwood Mine), Custer, South Dakota

Dear Mr. Johnson:

An inspection of the property included under the captioned Contract disclosed evidence of recent mining activity. The work consisted of an inclined open cut approximately 135 feet long, 12 feet wide and 18 feet deep at the face.

Please advise us by return mail as to whether or not there was production.

The most recent report of production we have is from sale of 1199 pounds of mica on April 5, 1954, to GSA for $179.85, from which $8.98 in royalties was paid to DMEA. The Government is due royalties on all production made from the land until the amount of $1,038.96 has been repaid, or until June 24, 1962, whichever occurs first.

Very truly yours,

Original signed by
E. N. HARSHMAN

E. N. Harshman
Acting Executive Officer
DMEA Field Team, Region III

MHM/vj

cc: Royalty File E352)
S.A.R.F. E352)
Sec. Opr. Comm. (2) w/cy of Binyon's memo dtd 8/15/57
DMEA/DFC (2))
Marshall
Chron.

DMEA
PARTMENT OF THE INTERIOR

REGION III

AUG 15 1957
REGION III
DENVER, COLORADO

Building 20
Denver Federal Center
Denver 2, Colorado
August 15, 1957

Memorandum

To: Executive Officer, DMEA Field Team, Region III

From: E. O. Binyon

Subject: Docket DMEA 2392 (Mica) Contract Idm-E352, Mineral Mills Inc. (Glenwood pegmatite) Custer County, S. D. -- Semi-Annual Inspection

An inspection of the property was made August 5, 1957. It was found that some work had recently been done, the work consisting of an inclined open cut 135 feet in length, 12 feet in width and approximately 18 feet deep at the face. The incline bears S. 68° W. from the center of the shaft.

The operator could not be contacted and no one was at the property at the time it was visited, however, it was learned that the GSA Mica buying depot has no record of any recent Mica shipments from the subject property.

E O Binyon
E. O. Binyon
Mining Engineer

EOB/mw
cc: 9
Idm-E352
chron

OFFICIAL FILE COPY
DMEA
RECEIVED
DATE

DMEA
RECEIVED AUG
DATE
14 Com 100

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado

August 15, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1957 through June 30, 1957
DMEA Docket 2392 (Mica)
Contract Idm-E 352, Mineral Mills, Inc. (Glenwood Mine)
Custer County, South Dakota

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

E. M. Harshman

Acting Executive Officer
DMEA Field Team, Region III

Enclosures
MHM/vj

cc: Semiannual Report File E 352
Harshman
DMEA/DFC
Chron.

DMEA
DEPARTMENT OF THE INTERIOR
AUG 12 1957
REGION III
DENVER, COLORADO

DMEA, REGION III

Statement in Lieu of Semiannual Report

Reporting Period	January 1 - June 30, 1957
Docket and Contract Number	Docket No. 2392, Contract Idm-E352
Operator	Mineral Mills, Inc. Custer, South Dakota Glenwood Mine, Custer County, S. D.

The project has been inactive during the reporting period ☐

Pertinent data relative to the subject contract has remained unchanged since the last report ☒

Remarks:

A small amount of work consisting of an incline driven along the pegmatite - S. 68° W. and 135 feet in length from the center of the shaft. The incline ranges from 8 to 12 feet in width and is approximately 16 feet deep at the face. There was no one at the property and the owner could not be contacted. The GSA has no record of any recent shipments from the property.

Signed E O Binyon

E. O. Binyon

Date 8/5/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
224 New Customhouse
Denver 2, Colorado
June 6, 1957

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1956 through December 31, 1956
DMEA Docket 2392 (Mica)
Contract Idm-E 352, Mineral Mills Incorporated (Glenwood Lode Claim), Custer County, South Dakota

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

E. M. Harshman
~~XXMXXXXXXX~~
Acting Executive Officer, DMEA
Field Team, Region III

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 10 1957

DATE	INITIALS	CODE
6/10	C	220
14	Com	~~220~~ 100

Enclosures

MHM/vj
cc: Semiannual Report File E 352
Konselman (2)
Harshman
Chron.

DMEA, REGION III

STATEMENT IN LIEU OF SEMIANNUAL REPORT

DMEA
DEPARTMENT OF THE INTERIOR
JUN 5 - 1957
REGION III
DENVER, COLORADO

Reporting Period	July 1 - December 31, 1956
Docket and Contract Number	Docket DMEA 2392 Contract Idm-E392
Operator	Mineral Mills Incorporated Custer, Custer County, South Dakota

The project has been inactive during the reporting period [X]

Pertinent data relative to the subject contract has remained unchanged since the last report [ ]

Remarks:

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 10 1957

DATE	INITIALS	CODE

Signed E. O. Binyon
E. O. Binyon

Date 2/6/57

ew

ACTION ON INTERI[illegible]
OR FINAL FIELD TEAM [illegible]PORT
Date 9-24

Referred to:

1. ~~Mr. Millendorf~~
2. ~~Mr. Johnson~~
3. Mr. Chambers
4. ~~Docket Control Mails and Files~~
5. ~~Non-Utility Management~~ Division
6. ~~Docket Control Mails and Files~~

Note comments in report regarding:

1.

2.

3.

4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

Robert E. Adams

RECEIVED
SEP 24 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

224 New Customhouse
Denver 2, Colorado

Date: September 20, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period January 1, 1956 through June 30, 1956
DMEA Docket 2392 (Mica)
Contract Idm-E 352, Mineral Mills, Inc., (Glenwood Mine), Custer County, South Dakota

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office, ~~and~~ Memorandum 29, and Special Notice in Minutes of Operating Committee Meeting No. 692.

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures
MHM/vj
cc: Semiannual Report File E 352
J. F. Shaw (2)
E. N. Harshman
Chron.

DMEA, REGION III

DMEA
DEPARTMENT OF THE INTERIOR
SEP 20 1956
REGION III
DENVER, COLORADO

STATEMENT IN LIEU OF SEMIANNUAL REPORT

RECEIVED
SEP 24 1956

Reporting Period January 1 - June 30, 1956
Docket and Contract Number DMEA 2392, Contract Idm-E352
Operator Mineral Mills Inc., Glenwood Mine

	"X" one
The project has been inactive during the reporting period	☐
Pertinent data relative to the subject contract has remained unchanged since the last report	☒

Remarks:

Inspected June 26, 1956

I take it from this that property is active. If there is no change — then the question arises — "what is the crew doing?"

E O Binyon
Signed E. O. Binyon

Date August 10, 1956

U. S. DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

RECEIVED
APR 27 1956

224 New Customhouse
Denver 2, Colorado

Date: April 24, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Royalty payments, DMEA Docket 2392 (Mica), Contract Idm-E352, Mineral Mills, Inc. - S. Dakota

Period: March, 1956

During the above month the following royalty payments were received for ore or concentrates shipped from the subject property:

Lot No.	Dry Tons	Royalty Due	Royalty Pd.
		(NONE)	

Totals:

Past Due Royalties Collected	None
Total Dry Tons (Ore or Cons.) Shipped to Date	12.1205
Expiration Date of Royalty Repayment	June 24, 1962
Amount of Government Participation	$1,038.96
Total Royalty Payments to Date	$354.30
Percent of Loan Repayment	34.10%

W. M. Traver

W. M. Traver

vj

cc Royalty File E 352 w/Settlement Sheets
Monthly Royalty Payment File
~~T. A. Christensen~~
S. M. Runke
Chron.

Docket Copy
Surname:

Houk
Selfridge
F.B. Swan
Mitchenden

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

APR 13 1956

Mr. W. M. Traver
Executive Officer, DMEA
Field Team, Region III
Bureau of Mines
224 New Customhouse Building
Denver 2, Colorado

Subject: Docket No. DMEA-2392 - Mica
Mineral Mills, Inc.
Glenwood Mine
Custer County, South Dakota
Contract No. Idm-E352

Dear Mr. Traver:

Reference is made to your memorandum of March 9, 1956, to the Chairman, Operating Committee, on the subject of Semi-annual Report of Certified Project for the period July 1, 1955, through December 31, 1955.

In future semiannual reports please have Mr. Binyon follow the format suggested in Memorandum No. 29 to all Field Teams.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GCS)

Approved:

Richard H. Mote (GCS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

LGHouk:gad 4/10/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

RAL

2392

BUREAU OF [redacted]ERIM

[illegible]

Date 3-17

Referred to:

1. ~~Mr. Whitehouse~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. Mon. Metallic Div Division
6. Docket Control Mails and Files

Note comments in report regarding:

1. Note that Reg III
2. Not using our standard format
3.
4.

and take appropriate action.

- - - - - -

Action taken by Division: Letter to Reg.III requesting they follow format of Memo. No. 29 to Field Teams.

ROBERT E. ADAMS

Initials

RECEIVED
MAR 14 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

224 New Customhouse
Denver 2, Colorado

Date: March 9, 1956

Memorandum

To: Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region III

Subject: Semiannual Report of Certified Project for the period July 1, 1955 through December 31, 1955,
DMEA Docket 2392 (Mica)
Contract Idm-E 352 , Mineral Mills Inc.
Glenwood Pegmatite, Custer County, South Dakota

Enclosed are the original and three copies of the subject report prepared in conformance with instructions contained in memorandum of January 6, 1956 from this office. and Memorandum 29.

W. M. Traver
Executive Officer, DMEA
Field Team, Region III

Enclosures
RDB/vj
cc: Semiannual Report File E 352
E. O. Binyon
E. N. Harshman
Chron.

Semi-Annual Report of Certified Projects

RECEIVED
MAR 14 1956

Reporting Period July 1, 1955 - December 31, 1955

Docket and Contract Number Docket DMEA 2392, Contract Idm-E352

Operator Mineral Mills, Inc.

Commodity Mica

Mine Name Glenwood Pegmatite

County and State Custer County, S. Dak.

DMEA
Date Rec'd.
FEB 29 1956
BUREAU OF MINES
Denver, Colorado

Date of Contract June 24, 1952

Date of Certification October 17, 1952

Expiration Date of Royalty Payments June 24, 1962

Date of Examination for this Report January 6, 1956

Total Amount of Contract $1,200.00

Total Expenditures under Contract $1,154.40

Amount of Government Participation at 90 % $1,038.96

Royalty Payments this Period None

Previous Royalty Payments $354.30

Total Royalty Payments to Date $354.30

% Loan Repayment Completed 34.10 percent

Amount of Royalty Due None

Royalty Remarks

Original Estimate of Reserves
(from Final Engr.-Geol. Report): 40 tons recoverable mica (hand cobbed)

Increase of Reserves by work performed subsequent to expiration or termination of contract: None

Revised Estimate of Reserves: _____

Production this Period (Ore or Concentrates) None

Amount of Previous Production (since date of contract) 12.1205 short tons ($7,092.45 value)

Total DMEA Production to date 12.1205 short tons

% of Revised Reserves Mined

Production Remarks:

Note: On Uranium projects check with AEC to assure that our records are in agreement with theirs.

Other Remarks: Work done following completion of DMEA contract consisted of shaft repair and removal of muck to bottom level. A small "dog hole" was shot out of the east side of the shaft at approximately 30 feet below the collar. None of the work resulted in discovery of strategic mica.

Signed E O Bruyon (Engineer)

Semi-Annual Report of Certified Project

January 1, 1955 to June 30, 1955

Docket: DMEA 2392, Contract Idm-E352

Commodity: Mica

Operator: Mineral Mills, Inc.

Mine: Glenwood Pegmatite

County and state: Custer County, S. Dak.

Date of certification: June 24, 1952

Date of examination for this report: May 31, 1955

Total contract amount: $1,200.00

Total expended: $1,154.40

Government participation: $1,038.96 (90%)

Expiration date of royalty payments: June 24, 1962

Production to date: 12.1206 short tons mica

Production this period: None

Royalty due for period: None

Royalty paid to date: $354.30

Royalty due on production to date: None

Certification dated October 17, 1952

Docket Copy
Surname:
Houk
Chairman
Selfridge
Norman
Mittendorf

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

MAY 26 1955

Mr. W. M. Traver
Executive Officer, DMEA
Field Team, Region III
Bureau of Mines
224 New Customhouse Bldg.
Denver 2, Colorado

Subject: Docket No. DMEA-2392 - Mica
Mineral Mills, Inc.
Glenwood Mine
Custer, South Dakota
Contract No. Idm-E352

Dear Mr. Traver:

Reference is made to a memorandum of August 11, 1954, from Mr. A. B. Needham to Mr. L. A. Hill on the subject docket.

Please supply this office with two copies of the sales subvoucher 211 on sale of 1,199 pounds of mica from the subject property to the General Services Administration, Mica Purchase Depot at Custer, South Dakota. If these records have not been transferred to Denver please have Mr. Needham send you the necessary copies and supply this office with two copies.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

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

Thor H. Kiilsgaard (THK)
Member, Geological Survey

LGHouk:gad 5/24/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.h.

Minneapolis 8, Minnesota
January 6, 1955

Memorandum

To: Operating Committee
From: Exec. Off., Field Team, Reg. V.

Subject: Semi-Annual report on certified projects

Following is the status of certified projects in former Region V, as of 12/31/54

2392 352 Mineral Mills, Inc. Glenwood $8.98 - in payment of royalty on sale of 1,199 lbs. mica. Payment up to date.
Period 7/1/54 to 12/31/54

Intermittent operation.

Needham

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

August 11, 1954

Memorandum

To: L. A. Hill, Special Assistant to the Regional Director, Region V

From: Executive Officer, Field Team, Region V

Subject: Docket 2392, Contract E-352, Mineral Mills, Inc. - Glenwood

Here is check No. 2817, dated June 30, 1954, from Mineral Mills, Inc., in the amount of $8.98 as repayment on the loan pertinent to the subject docket.

The amount is for the sale of 1,199 pounds of mica (approximately 0.6 ton), valued at $179.85 to the General Services Administration Mica Purchase Depot, Custer, South Dakota. Copy of sales subvoucher 211 is attached.

A. B. NEEDHAM

Attachments

cc DMEA, Washington
Dutton
Binyon
Redden

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

August 3, 1954

Mr. A. I. Johnson
Mineral Mills, Inc.
Keystone, South Dakota

2392

Dear Mr. Johnson:

Reference is made to your DMEA contract Idm E-352 for exploration of the Glenwood Pegmatite, which project was completed and certified on October 20, 1952 that a discovery and/or development was made, thereby requiring repayment of the exploration loan out of a percentage of the proceeds from production.

We have been advised that shipment of 0.6 ton of mica was made in 1954, but thus far we have not received a check to cover the royalty payment on that production.

We would appreciate your check to cover this royalty payment and also the certified documents we returned on July 6, 1954, and which were to accompany the check dated June 30, 1954, in the amount of $8.98.

Very truly yours,

A. B. NEEDHAM
Executive Officer
Field Team
Region V

cc Operating Committee (2)
Dutton
Binyon
Redden

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

JUL 8 1954

July 6, 1954

DMEA 2392

Mr. A. I. Johnson
Mineral Mills, Inc.
Custer, South Dakota

Dear Mr. Johnson:

This will acknowledge receipt of your check No. 2317 in the amount of $8.98, together with your letter of June 20, 1954, stating that the check is in payment of a sale of 1199 pounds of mica, totaling $179.85.

It is necessary we have a certified copy of the settlement or sale sheet. We will hold the check here until you send us the certified copy of the sale or settlement sheet, and will then send the transaction in for processing.

Very truly yours,

A. B. NORMAN
Executive Officer
Field Team
Region V

cc Dutton
Binyon
Redden
DMEA, Washington

Minneapolis 8, Minnesota
July 2, 1954

Memorandum

To: Operating Committee
From: Exec. Off., Field Team, Region V

Subject: Semi-Annual Report on Certified Projects

Following is the status of certified projects in Region V as of June 30, 1954:

2392	352	Mineral Mills Glenwood	3,750 pounds mica valued at $1,125.00 sold. Royalty payments $56.26. Production - royalties 1/1 to 6/30/54.

Ownership same. No royalty paid on .6 ton, value $359.70. Royalty due $18.29.

Needham

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 20 1953

August 18, 1953

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, Field Team, Region V

Subject: Semi-annual report on certified projects in Region V

The following is the status of certified projects in Region V:

Docket	Contract	Operator	Status
1560	42	Dodgeville-Weigle	No production made
1227	50	Vinegar Hill - Hancock	Paid in full
1199	126	L. W. Collingwood	Payments being made
1561	167	Dodgeville - Powell	No production made
1315	178	J. C. Miller	Payments being made
1236	221	Campbell & Ventling	No production made
2392	352	Mineral Mills - Glenwood	Payments being made
2706	438	Collingwood - Mc Dermand	No production made

During the 6-month period ending June 30, 1953, the following production and royalty payments apply:

Docket	Contract	
1199	126	"91.74 tons feldspar valued at $504.57 Royalty $7.57. 9th and 10th payments"
1315	178	39,880 tons lead valued at $3,476.54 Royalty $173.83 (1st payment)
2392	352	"19,292 tons mica valued at $5,787.69 Royalty $289.06 (1st payment)"

A. B. Needham
Executive Officer, Field Team
Region V

cc: C. E. Dutton
W. A. Grosh
E. O. Binyon
J. A. Redden
W. A. Broughton
Region V
Files
DF

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

April 6, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
APR 8 1953

Bed

Mr. A. I. Johnson
Mineral Mills, Inc.
Custer, South Dakota

Dear Mr. Johnson:

We have been advised that Mineral Mills, Inc., operators of the Glenwood Pegmatite, has sold under the "B" mica program a total of approximately 8 tons of mica to the G.S.A. depot in Custer, S. Dak. We understand that of this total 6.26 tons have been paid for by G.S.A. This production is from the Glenwood dyke on which D.M.E.A. contract Idm E-352 was conducted and which resulted in a discovery, the notice of which was transmitted to you from the Washington office on October 20, 1952.

In the October 20, 1952 letter, you were advised about royalty payments on production and to contact this office when any change was made and if no production ensued contact us every six months.

Although production data notices were not transmitted to this office, we understand our field representatives requested you on three or four occasions to make royalty payments via a check payable to the Treasurer of the United States for the amount due under the terms of the contract. In each instance, our field representatives were advised you would take care of the matter, but thus far no payments have been made.

We would appreciate your check payable to the Treasurer of the United States in the amount covered by the sales made to date, and regularly when subsequent sales from Glenwood production are made; otherwise appropriate action under the terms of the contract will be necessary.

Very truly yours,

A. B. Needham
Executive Officer, Field Team
Region V

cc - DMEA, Washington, D. C.

FILE COPY
SURNAME:

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

600 MAR 23 1953

Houk
Selfridge
Hyman

Mr. A. B. Needham
Executive Officer, DMEA
Field Team, Region V
2906 Calfax Avenue, South
Minneapolis 8, Minnesota

Subject: Docket No. DMEA-2392 - Mica
Mineral Mills, Inc.
Glenwood Mine
Custer, South Dakota
Contract No. Idm-2352

J.C. 3/23/53

Dear Mr. Needham:

Reference is made to the Certification of Discovery dated October 17, 1952, on the subject contract.

The Custer Purchase Depot duplicate warranty, acceptance and invoices on file at Bureau of Mines in Washington show the Mineral Mills, Inc., sold 12,533 pounds of hand-cobbed mica as of January 20, 1953. This office has no record of royalty payments.

It is suggested that you write the applicant pointing out his obligations under the contract by reciting the transmittal letter that accompanied the Certification of Discovery, and request payment of all royalties due.

Further action on DMEA-2877 (Old Mike Mine) will be held in abeyance until information on this matter is received from you. Please let us hear from you at your earliest convenience.

Sincerely yours,

George C. Selfridge

(JB)

Chairman, Operating Committee

Approved:

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

A. R. Kinkel, Jr. (JB)
Member, Geological Survey

Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Houk

LGHouk:gad 3/19/53

Reviewed by
DMEA OPERATING COMMITTEE
3-20-53
(date)

FILE COPY
SURNAME:

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

OCT 20 1952

Robertson
Houk
Chambers
Butzin
Hollund
Thayer
Hedges
Johnson

Mr. A. I. Johnson, Secretary
Mineral Mills, Inc.
Custer, South Dakota

Subject: Docket No. DMEA-2392
Glenwood Lode Mine
Custer, South Dakota
Contract No. Idm-K352

Dear Mr. Johnson:

Transmitted herewith is a Certification of Discovery or Development under Contract No. Idm-K352 on the Glenwood Lode Claim.

By the terms of the Exploration Project Contract and of the Certification all mica and other minerals produced from the aforesaid mine from the date of the Exploration Project Contract No. Idm-K352, is subject to the Government's percentage royalty as set forth in the Exploration Project Contract until the sum of $1,038.96 is paid or until June 24, 1962 whichever occurs first.

Checks for reimbursing the Government for advances under the above cited contract should be made payable to "The Treasurer of the United States", and transmitted to Mr. A. B. Needham, Executive Officer, DMEA Field Team, Region V, 2908 Colfax Avenue, South, Minneapolis 8, Minnesota.

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

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

JTRobertson:gad 10/15/52
Copy to: Docket File
Adm. R. File
Operating Committee
Mr. F. E. Johnson
Mr. Hedges, 4604
Enclosure
Mr. Thayer, 5216 GSA Bldg.
Field Team, Region V
Mr. Chambers, 2612
~~Miss Terry~~ Mr. Houk

Sincerely yours,

C. O. Mittendorf

Administrator

FILE COPY
SURNAME:

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

OCT 20 1952

Robertson
Houk
Chamberlin
Brown
Hoffmann
Rhubell
Hedges
Johnson
Johnson

Mr. Jess Larson, Administrator
Defense Materials Procurement Agency
General Services Administration
Building
Washington 25, D. C.

Subject: Docket No. DMEA-2392
Glenwood Lode Mine
Mineral Mills, Inc.
Custer, South Dakota
Contract No. Idm-X352

Dear Mr. Larson:

Enclosed you will find a copy of a "Certification of Discovery or Development" and a copy of the Field Team's Final Report on the above-referred property.

The project contract was signed June 24, 1952. The Government participated to the extent of 90% in a project estimated to cost $1,200. On completion of the contract, the Government's contribution amounted to $1,038.96, leaving $41.04 unspent.

The project was a surface stripping operation to uncover a pegmatite outcrop. Some 2,121 cubic yards of overburden were moved uncovering a pegmatite 180 feet long and 5-10 feet wide. At the west end, for a length of about 20 feet, there was uncovered a distinct mica roll containing ruby mica in books of good-stained and better quality. The result of the exploration was satisfactory and the operations have started to produce mica for sale to the Mica Depot in Custer, South Dakota.

Further details and particulars may be found in the Field Team's Report transmitted herewith.

Sincerely yours,

C. O. Mittendorf (fw) cc 10-20
Administrator

Enclosures

JTRobertson:gad 10/15/52
Copy to: Adm. R. File
Docket File
Operating Committee
Mr. F. E. Johnson
Mr. Hedges, 4604
Mr. Thayer, 5216 GSA Bldg.
Field Team, Region V
Mr. Chambers, 2612
Mr. Houk
Mr. Murkland, 6020
Finance Officer

IN REPLY REFER TO:

G-MD-CNM

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

October 3, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 3 1952

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2392 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: R. E. Van Alstine, U. S. Geological Survey
Applicant: Mineral Mills, Inc.
Name of property: Glenwood lode mining claim.
Location of property: SW$\frac{1}{4}$, sec. 32, T. 3 S., R. 5 E., Custer County, South Dakota.
Date of field team report: September 24, 1952.
Authorship of field team report: E. O. Binyon and J. A. Redden.
Field team's recommendation:

Certification of a discovery should be made, and repayment should be made from any production coming from the pegmatite deposit on the Glenwood lode claim.

Comments:

It is believed by the field team that the mica-rich roll discovered may have as large a reserve as was present in a similar roll in the old mine workings. This quantity was 12 tons of cobbed mica that might qualify under the Government buying program, valued at approximately $7,000, as stated in the field team's report of April 25, 1952 (p. 2). According to the local GSA mica inspector, the mica is suitable for Government purchase.

ACTION SUGGESTED:

Follow field team's recommendation.

R. E. Van Alstine

R. E. Van Alstine

This should suffice for operations final report. Attached to Progress Report of August 1952 Received Sept 29 1952 JR

Narrative - DMEA 2392- Glenwood Mine
Mineral Mills Inc.- Custer, S. Dak.
Exploration project for strategic Mica.

Operations were started July 23rd on the stripping operations and the work was completed August 23rd. Dozing operations were completed August 23rd but hand excavation, to determine if the mica vein continued West to the last trench, was undertaken and this work was completed August 23rd. The last outcrop of the vein to the west hence was not projected to this excavation as this work did not indicate that the vein extended to that point. The mica pegmatite was exposed for a length of 180 feet and strategic mica of the ruby muscovite variety was exposed west of the shaft along the full exposure of the vein in that direction. Smaller quantities of this mica were indicated in the vein to the East of the shaft and future work will be required to fully determine the nature of this section. The results of the exploration project were very satisfactory and operations have started to produce mica for sale to the Mica depot in Custer.

Underground development work or diamond drilling would be necessary to determine the amount of mica blocked out as only a surface exposure of the mica vein was completed in this project.

A surface plot of the excavation work is included with this narrative. The overburden varied from four feet to 13 feet. The continuation of the mica veins previously worked was not found as an extension but directly to the west as anticipated but to the south west.

A. I. Johnson

A. I. Johnson - Supervisor.

Operations Final Rpt.

Continued since operations final report. JR

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1952

September 26, 1952

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D.C.

From: Executive Officer, Field Team, Region V

Subject: Operator's Monthly Report and Voucher for August 1952
Docket DMEA-2392, Contract Idm-E352
Mineral Mills, Inc.

Here is the subject report, which is the first and final one, as processed for payment, for your files.

A. B. Needham
Executive Officer
Field Team, Region V

Attachment

ABNeedham:dg
cc Dutton
Region V
files
df

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

September 24, 1952

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-2392, Contract Idm-E352
Mineral Mills, Inc. (Glenwood)

Here are the original and three copies of the Field Team final engineering and geological report on the subject docket, which recommends certification of discovery.

Only one voucher was submitted and the operator's first and final report was attached to it. The voucher is in process of being paid.

Final accounting of the project is as follows:

Total amount of contract	$1,200.00
Government's share	1,080.00
Total amount spent	1,154.40
Government's share of expense	1,038.96
Balance available for general program	41.04

A. B. Needham
dg

A. B. Needham
Executive Officer
Field Team, Region V

Attachments

ABNeedham:dg
cc Dutton
Mullen
Redden
Region V
files
df

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

GLENWOOD PEGMATITE

DMEA Docket 2392, Contract Idm E-352

E. O. Binyon, Mining Engineer
U. S. Bureau of Mines

J. A. Redden, Geologist
U. S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
10/1/52
(date)

Final Field Team Rept.

Final Report on Glenwood Pegmatite, Mineral Mills, Inc., DMEA Docket 2392, Contract Idm E-352, Mica (strategic)

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The Glenwood pegmatite is located in the SW$\frac{1}{4}$ sec. 32, T. 3 S., R. 5 E., Custer County, S. Dak. Exploration was by trenching with bulldozer. Five trenches were cut; one which extended 90 feet on both sides of the shaft was along the strike of the deposit, three cut across the deposit at or near the northeast end, and the other, normal to the strike, was near the southwest end. The trenches are located as shown on the accompanying map. Work was started July 23 and completed August 23, 1952.

As a considerable quantity of strategic mica had previously been mined from an area along a roll in the deposit, the exploration was undertaken in the belief that other mica-rich rolls or irregularities with mica of strategic grade and in quantity might be discovered.

The results of the exploration were favorable, a roll with a good grade of mica being exposed about 20 feet southwest of the shaft. (See map).

It is recommended that the exploration be certified as successful and that repayment shall be made from any production coming from the pegmatite deposit on the Glenwood Lode claim.

Obviously, the feasibility of economic production is dependent on the amount of strategic mica that can be mined from the mica-rich roll or rolls that have been exposed. The length of the exposure and grade of mica that occurs along the roll indicates that with proper management the operation can be economically feasible.

DESCRIPTION OF THE WORK

A total of 2,121 cubic yards was excavated by bulldozer from five trenches located as shown. From the trench cut along the strike of the pegmatite approximately 1,730 cubic yards was removed; the remaining 391 cubic yards was excavated from the crosscutting trenches near the northeast and southwest ends of the deposit.

GEOLOGY

Since neither end of the pegmatite had been exposed in previous mining operations, the applicant attempted to uncover the pegmatite along the strike. The approximate northeastern end of the pegmatite was found at about 92 feet N. 65° E. from the shaft. (See U. S. Geological Survey maps). The pegmatite nearly pinches out at this point and is composed entirely of tourmaline.

The southwest end of the pegmatite was not uncovered, possibly because the applicant failed to trench completely to bedrock on the westernmost trench. Also, the overburden was excessively deep, exceeding 12 feet in places. A mica-rich roll in the pegmatite was uncovered for about 20 feet southwest of the westernmost pit in the old mine workings. The surface exposure of this is very similar to the surface exposure of the main mica-rich roll which crops out east of the shaft. It is believed that this roll plunges gently to the west, similar to the other mica-rich roll, and that a substantial tonnage of sheet-bearing mica will be recovered. Considerable crude mica was exposed by the trenching along this roll.

Much of the mica is stained, but the books are large and some good-stained and better quality mica are present. The local GSA mica inspector has examined the mica and expressed an opinion that it is

suitable for Government purchase. The field team believes that some upgrading will be necessary, but it almost a certainty that production will result.

No reserve estimates are possible on the discovery, other than that the new mica-rich roll may have as large a reserve as was present in the mica-rich roll in the old mine workings.

EXPENDITURES

A total of $1,200 was approved under the contract. The total cost of the project was $1,154.40, of which the government's share, 90 percent, is $1,038.96. A balance of $41.04 remains unexpended of the government's share ($1,080) approved for the project.

The project was carried out in an efficient manner and was under competent supervision.

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

COPY

September 26, 1952

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, Field Team, Region V

Subject: Operator's Monthly Report and Voucher for August 1952
Docket DMEA-2392, Contract Idm-E352
Mineral Mills, Inc.

Here is the subject report, which is the first and final one, as processed for payment, for your files.

/s/ A. B. Needham
A. B. Needham
Executive Officer
Field Team, Region V

Attachment

ABNeedham:dg
cc Dutton
Region V
files
df

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Aug 1952 Docket No. DMEA 2598 Contract No. 3-358
Operator's Name Minor 1 Mills Inc Minerals Mica
Address Custer, S. Dak.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	Cu.Yds	$1154.40	121	$1154.40	121	54.40		
Test Pits								
Roads and Trails								
Total Distributed Costs		$1154.40		$1154.40				Total Costs Authorized by Contract
Operating Equipment Purchased		—		—				
Initial Rehabilitation and Repairs		—		—				
New Buildings, Improvements, etc.		—		—				
Total Costs		$1154.40		$1154.40				

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

Remarks:

Date Sept. 1 Operator Minerol Mills Inc

Per A. J. Johnson Title Secretary

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

(Instructions on reverse)

(For Government use only)

RECEIVED SEP 1952 BUREAU OF MINES REGIONAL OFFICE MINING DIVISION

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1952 Docket No. DMEA 2392 Contract No. Idm E-552
Operator's Name Mineral Mills, Inc. Minerals Mica
Address Custer, South Dakota
Contract Amount, $ 1,200.00 Government Participation: 90 % Amount, $ 1,080.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	74.40	—	74.40	74.40	—	74.40
Supervision	120.00	—	120.00	120.00	—	120.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental Bulldozer	960.00	—	960.00	960.00	—	960.00
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,154.40	—	1,154.40	1,154.40	—	1,154.40

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

Date Sept. 1, 1952 *Payee Mineral Mills, Inc.

Per [signature] Title Secretary

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

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

(Instructions on reverse)

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

90%

$ 1038.96

Signature L. A. Hill
(Authorized Certifying Officer)

Date SEP 24 1952 Vou. No: 71
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idn E-352 in accordance with the terms of the contract.

Signature D. D. Mullen Title Supervising Engineer Date Sept. 13, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature R. B. Needham Title Ex Officer Date 9/22/52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

C
O
P
Y

Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

August 29, 1952

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D.C.

From: Executive Officer, Field Team, Region V

Subject: Completed exploration projects

For your information, the following projects have been completed as to field work. Operator's final engineering and geological reports and the Government's final report have not been received on them; therefore, final official notice on termination and balance of funds available have not been made to you.

Docket	Contract	Operator	Date completed
812a	E99	Black Hills Keystone	8/3/52
1145	E11	Dodgeville - Jones	5/17/52
1227	E50	Vinegar Hill - Hancock	5/1/52
1315	E178	J. E. & L. M. Miller	8/20/52
1560	E42	Dodgeville - Weigle	3/31/52
1562	E168	Dodgeville - Pearson	6/3/52
1985	E171	Star Mining Co.	8/29/52
2078	E263	L. D. Pitts	8/29/52
2392	E352	Mineral Mills - Glenwood	7/16/52

As operator's reports, Government reports, and audit reports are made available to us, we will complete the projects officially and transmit notice with balance of funds available to you.

This serves only to keep you abreast of field activities.

/s/ A. B. Needham
Executive Officer
Field Team, Region V

ABNeedham:dg

cc Dutton
Mullen
Redden
Grosh
Broughton
Region V
Files, df

BL

FILE COPY
SURNAME:

200

Adams
F. Johnson

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

JUL 18 1952

Mr. A. B. Needham
Executive Officer
Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Dear Mr. Needham:

There is transmitted herewith the Finance Office's copy of contract Idm-E352, Docket No. DMEA 2392, on the Mineral Mills, Inc.

Ordinarily this copy of the contract would be transmitted by the Bureau of Mines Fiscal Office, however, in accordance with a new circular being prepared, the Finance Officer's copy will be distributed by the Executive Officer at the time a copy is retained for his files, and a copy forwarded to the operator.

The DMEA circular covering this change will be issued shortly.

Sincerely yours,

7-18-52

(signed) FRANK E. JOHNSON

Frank E. Johnson
Acting Administrator
Defense Minerals Exploration
Administration

Enclosure
7-17-52
READams/meb
cc to: Adm.Reading File
Mails & Files Br.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

July 11, 1952

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-2392, Contract Idm-E352
Mineral Mills, Inc., Custer, S. Dak.

Here are the original and three copies of the subject contract signed by the operator.

One copy was retained by the operator and one copy by this office.

You indicated in your transmittal that a copy would be sent directly to this Regional fiscal section, therefore, we did not transmit a copy to them.

Walter E. Lewis
Walter E. Lewis
For A. B. Needham, Executive Officer
Field Team, Region V

Attachments

WELewis:dg
cc Dutton
Mullen
Redden
Hill
Region V
files
df

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 14 1952

gdS 7-15-52
7-16-52

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON

June 23, 1952

Memorandum

To: Executive Officer, Region VII

From: DMEA Operating Committee

It will be necessary to insert in the contract in the space provided under Article 3 the number of days from the date of the contract in which work shall commence.

FILE COPY
SURNAME:

Robertson
Houk

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

JUN 24 1952

Mr. A. B. Needham
Executive Officer, DMEA
Field Team, Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Subject: Docket No. DMEA-2392 - Mica
Mineral Mills, Inc.
Glenwood Lode Mining Claim
Custer County, South Dakota

Dear Mr. Needham:

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

If the contract meets with your approval, present it to the Operator for his approval and signature. If any provisions are unsatisfactory to the Operator, return all copies to this office along with suggested changes for consideration.

After signing of the contract, one copy is to be given to the Operator, one copy retained for your files, and the remaining copies, including the original, are to be returned to this office as soon as possible.

A copy of the contract required by the Regional Finance Office will be forwarded directly by the Washington Finance Section.

Sincerely yours,

(signed) FRANK E. JOHNSON (HB)

ce 6-24-52

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

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

T. P. Thayer (HB)
Member, Geological Survey

JTRobertson:gad 6/19/52
Copy to: Admin. Reading File
Operating Committee (2)
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Docket File
Mr. Houk

Enclosures 6

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C. 140

June 20, 1952

Memorandum

To: Acting Administrator

Through: L. G. Houk

From: Chief Counsel

Subject: Mineral Mills, Inc. - Docket No. DMEA-2392

There is attached in satisfactory legal form for execution a contract covering the subject project. However, there should be attached to each copy of the contract a copy of the map designated "DMEA-2392, Glenwood Lode Claim, Mineral Mills, Inc., Custer, S. Dak."

J. L. Hofflund
Chief Counsel

Attachment

140

FILE COPY
SURNAME:

AEKane

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

June 18, 1952

Memorandum

To: Acting Administrator

Through: L. G. Houk

From: Chief Counsel

Subject: Mineral Mills, Inc. - Docket No. DMEA-2392

There is attached in satisfactory legal form for execution a contract covering the subject contract, provided there are attached to the contract copies of the maps designated "DMEA-2392, Glenwood Lode Claim, Mineral Mills, Inc., Custer, S. Dak.," and "Vertical Section - Glenwood Mine - Showing Proposed Exploration."

J. L. Hofflund
Chief Counsel

N.S
R+R

Attachments

AEKane/ema/bjl

Copy to: Mails & Files
J. L. Hofflund
A. E. Kane
L. G. Houk
Chron.

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

May 28, 1952

Memorandum

To: Chief Counsel

From: J. T. Robertson, Nonmetallic Minerals Division, DMEA

Subject: Docket No. DMEA-2392 - Mica
Glenwood Lode Mine
Custer, South Dakota
Re: Information for Contract

Please find herewith our draft of material for preparation of a contract for the subject mine. The mine consists of a single lode claim.

Only a small amount of surface stripping is recommended. The precise location of the work to be done is to be left to the discretion of the Field Team and consequently no "spotting" of the work is attempted at this time and no map is made a part of the contract.

An earlier contemplated program involving drifting and diamond drilling was discarded, and the present program is that submitted by the last Supplementary Field Report recommending a simple stripping operation at a cost of $1000.00 and concurred in by the Operator. We have added $200 to permit some hand-labor trenching and one more day of bulldozing, thus bring the maximum total cost to $1200.00 for the project.

Jasper T Robertson

J. T. Robertson
Nonmetallic Minerals Division
Defense Minerals Exploration
Administration

Attachment

RECEIVED
MAY 28 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. D[illegible]A 2392

COMMODITY Mica

DRAFT

DMEA 2392 "Glenwood Lode Claim" Mineral Mills Inc. Custer S. Dak.

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

EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this .... day of ...., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Mineral Mills, Inc. (a corporation ~~[illegible]~~ (X)
Custer
South Dakota

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of South Dakota, County of Custer, described as follows: [3] The property consists of ~~one mining location known as~~ the Glenwood Lode Mining Claim, recorded in Book 17, page 272, of Location Certificates, in the office of the Register of Deeds, Custer, South Dakota. The claim is situated in Sec. 32, T. 3, S., R. 5 E., about 4 miles southeast from Custer, South Dakota. ~~[illegible]~~ and deeded to the operator by deed filed in Book 18 pg. 627 of Deeds

the Operator represents and undertakes: [4]

(*a*) That the Operator is the owner, in possession and entitled to possession, and that the property is not subject ~~only~~ to ~~the following~~ any claims, liens, or encumbrances ~~as to each of which the subordination agreement of the holder is attached.~~

~~There are no liens upon the property.~~

~~(b) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.~~

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] strategic mica

in or upon the described land; and shall bring the project to completion within a period of sixty (60) days from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related initial allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

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

(*b*) The Government's payments in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) Compliance with requirements.—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay ninety (90) percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $1,080.00, which is ninety (90) percent of $1,200.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

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

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

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

(*b*) As here used, "net smelter returns," "net concentrator returns," and "other net amounts realized from the sale or other disposition," mean gross revenue from sales; or if not sold, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income-tax determination.

(*c*) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(*d*) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

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

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* _____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Mineral Mills, Inc.
(Operator)

By _____

By _____

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

_____

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

Docket No. DMEA-2392 - Mica
Glenwood Lode
Custer County, South Dakota

Exhibit A

Description of the Work

~~It is proposed to uncover,~~ By means of a bulldozing operation, the lateral extension of a zone of mica-bearing pegmatites previously mined on a small scale for ruby mica, as indicated

To French along

Much of the zone is covered with upwards of 8 feet of top-soil and this overburden will be removed along the strike of the pegmatite at places agreeable to both the Operator and the Government.

The use of rented power-equipment ~~shall~~ should not exceed 80 hours of actual working time. ~~The entire project is to be completed within sixty days from date of contract.~~

In the maps entitled DMEA 2392 Glenwood Lode Claim, Mineral Mills Inc., Custer, S. Dak." attached hereto & made a part hereof.

and Vertical Section - Glenwood Mine Showing Proposed Exploration."

Docket No. DMEA-2393 - Mica
Glenwood Lode
Custer County, South Dakota

EXHIBIT "A"

Estimated Costs of Project

(Items followed by an asterisk are allowable maximums)

1. Independent Contracts

None

2. Labor and Supervision

1 - Laborer	10 days @ $10.00/da.	$100.	
1 - Supervisor	10 days @ 12.00/da.	120.	$ 220.

3. Operating Material and Supplies

None

4. Operating Equipment

To be rented:

1 - Bulldozer (complete with crew, fuel, repairs, etc.) 80 hours @ $12.00/hr.. 960*

5. Rehabilitation and Repairs

None

6. New Buildings and Improvements

None

? 7. Miscellaneous Expense ~~10 days @ $2.00/da.~~ Payroll tax, Workmen's Comp. & Employee Health Insurance 20.

TOTAL ESTIMATED COSTS OF PROJECT - - - - - - - - - - - - - - $1,200*

Government's participation @ 90% - - - - - - - - - - - - - - - $1,080*

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

May 23, 1952

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: W. F. Dietrich, Chief
Ceramic and Fertilizer Materials Branch

Subject: DMEA-2392, Mineral Mills, Inc. - Proposed exploration on Glenwood Lode, Custer, South Dakota.

I concur in the field team's recommendation for exploration by trenching along the strike of the deposit at an estimated cost of $1,000. The proposed procedure appears to be the most effective method of exploring.

W. F. Dietrich

IN REPLY REFER TO:

G-MD-JJN

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

May 13, 1952

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2392 (Mica).

To: Non-Metallic Minerals Division, DMEA.
From: J. J. Norton, U. S. Geological Survey.
Applicant: Mineral Mills.
Name of property: Glenwood.
Location of property: Custer, South Dakota.
Field team's recommendation:

Bulldozer Trenches costing $1,000.

Comments: None.

ACTION SUGGESTED:
Follow field team's recommendations.

J. J. Norton

JJNorton:hhp
G-5/13/52
cc: Director's Reading file, 4212
Branch Reading file, 4212
DMEA
JJNorton, G-230, GSA Bldg., USGS
extra

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 7 1952

May 5, 1952

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-2392, Mineral Mills, Inc. - Proposed exploration on Glenwood Lode, Custer, South Dakota

Reference is made to your letter of March 14, 1942, suggesting a report for a possible exploration project on the subject docket.

Here are the original and three copies of the recommendation by the field team for trenching the deposit which, according to the field team and concurred in by the operator, seems to be the only feasible operation under the circumstances of the deposit. These are outlined in the report.

We have retained the copy of form MF-103 submitted with your letter of March 14.

A. B. Needham
Executive Officer
Field Team, Region V

Attachments 4

ABNeedham:dt

cc Dutton
Mullen
Region V
files
df

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

SUPPLEMENTARY REPORT OF EXAMINATION BY FIELD TEAM REGION V

DMEA-2392

Glenwood Lode, Custer District

Custer County, South Dakota

E. O. Binyon, Mining Engineer
U. S. Bureau of Mines

J. A. Redden, Geologist
U. S. Geological Survey

April 25, 1952

Reviewed by
DMEA OPERATING COMMITTEE
5-12-52
(date) (NB)

On-site Exam. Rpt.

DEFENSE MINERALS EXPLORATION ADMINISTRATION
Report of Field Examination

by

E. O. Binyon, Mining Engineer
U. S. Bureau of Mines

J. A. Redden, Geologist
U. S. Geological Survey

Docket No.: DMEA 2392
Property: Glenwood Lode
Applicant: Minerals Mills, Inc.
Commodity: Strategic Mica

Recommendations

The exploratory project, as outlined under Exhibit A of the application, is amended to eliminate Phases I, II, and III and to substitute exploration by trenching with a bulldozer along the strike of the deposit, as outlined herein.

Proposed Exploration

Exploration of the Glenwood pegmatite as outlined in the application, DMEA-2392, is not warranted. Although the proposed exploration is geologically sound, it is believed that it should not be undertaken because of the excessive cost of rehabilitation and the necessity for additional geological information before proceeding with a program as extensive as proposed.

The original estimate of cost of rehabilitation is much too low. Apparently, the cost of timbering the shaft and other underground workings has not been taken into account. As estimated by the field team, a minimum of $3,000 would be required to timber the shaft. This, with the cost of the proposed exploration, would bring the total cost to between $6,000 and $7,000.

Past production from the main mica shoot and other workings is approximately 12 tons of cobbed mica which might qualify under the government buying program. The value of this mica would be approximately $7,000, which obviously is not sufficient to warrant the proposed exploration.

Inasmuch as the western end of the pegmatite is not exposed in the surface workings, and there is some question whether the eastern end is also exposed, it is believed that a limited amount of trenching by bulldozer is warranted. The unusually heavy cover of talus and soil, up to 8 feet thick, completely masks the outcrop along the strike of the pegmatite. A limited knowledge of the mica-rich pegmatites along the trend of this pegmatite indicates that the pegmatite probably continues along strike and that there is a reasonable possibility that another mica shoot along a roll in the pegmatite structure comparable to that mined in the past may be exposed.

Total production from this mica-rich shoot, between the 5,522- and 5,477-foot levels and the 5,422-foot level and the surface (see map accompanying the application), was approximately 34 tons of crude mica. Records show that from 430 tons of rock mined from the shoot, 10.7 tons of crude mica was recovered. Of this, 4.6 percent (984.4 pounds) was sold as full trimmed sheet and 22.0 percent was untrimmed punch.

It is proposed that $1,000 be allowed for trenching. The trenching would be parallel to the strike of the pegmatite, excepting for possible cross trenches at considerable distance from the present workings. Should the trenching expose both ends of the pegmatite at an early stage in the exploration without exposing any mica shoots, the project can be terminated without utilizing the allotted money.

Production Glenwood Mines
1945
483.44 # punch mica } ... $9,462.41
989.56 # sheet ... 99.98
5.021 Tons scrap ... 3835.62
27.616 Tons block mica ... $13,388.01
Roberts

Exhibit "A"

Estimated cost of the trenching:

Rental - 1 bulldozer, 72 hrs. (9 days) @ $12.00/hr.	$ 864.00
Supervision and engineering	100.00
Miscellaneous supplies	36.00
Total	$ 1,000.00

This proposed exploration has been discussed with the applicant, who is in favor of the outlined proposal.

IN REPLY REFER TO:

G-MD-JJN

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

September 20, 1951

Memorandum

To: Robert Waskey, Defense Minerals Administration

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

Subject: Application DMA-1760 from Mineral Mills, Inc., for a $5,000 loan to develop the Glenwood mica mine, Custer County, South Dakota.

Mineral Mills, Inc., DMA-1760, has requested a $5,000 loan to develop the Glenwood mica mine, Custer County, South Dakota. Records that the Geological Survey obtained from the Colonial Mica Corporation during World War II showed that the sheet mica from this property contained only about 15 percent good stained and better quality mica. The remainder was too heavily air-stained to be classed as strategic. You probably can verify these statements by referring to the Colonial Mica Company records. Under these circumstances, you will probably wish to deny this application.

The Glenwood mine is in a very good small deposit that contains several mica shoots, one of which is rather large and quite rich. If any further mining is done in this deposit, the first step should be to drive the drift on the lower level in a southwesterly direction and raise to the main mica-bearing shoot.

The Geological Survey has a report and a map on this deposit that we will be glad to send to you if you wish to consider this application further.

J. J. Norton

IN REPLY REFER TO:

G-MD-JJN

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

September 20, 1951

Memorandum

To: Robert Waskey, Defense Minerals Administration

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

Subject: Application DMA-1760 from Mineral Mills, Inc., for a $5,000 loan to develop the Glenwood mica mine, Custer County, South Dakota.

Mineral Mills, Inc., DMA-1760, has requested a $5,000 loan to develop the Glenwood mica mine, Custer County, South Dakota. Records that the Geological Survey obtained from the Colonial Mica Corporation during World War II showed that the sheet mica from this property contained only about 15 percent good stained and better quality mica. The remainder was too heavily air-stained to be classed as strategic. You probably can verify these statements by referring to the Colonial Mica Company records. Under these circumstances, you will probably wish to deny this application.

The Glenwood mine is in a very good small deposit that contains several mica shoots, one of which is rather large and quite rich. If any further mining is done in this deposit, the first step should be to drive the drift on the lower level in a southwesterly direction and raise to the main mica-bearing shoot.

The Geological Survey has a report and a map on this deposit that we will be glad to send to you if you wish to consider this application further.

J. J. Norton

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION V

DMA-1760

Glenwood Lode, Custer District

Custer County, South Dakota

Glen Walker, Mining Engineer
U. S. Bureau of Mines

J. A. Redden, Geologist
U. S. Geological Survey

October 24, 1951

DEFENSE MINERALS ADMINISTRATION
Report of Field Examination

by

Glen Walker, Mining Engineer
U. S. Bureau of Mines

J. A. Redden, Geologist
U. S. Geological Survey

Docket No.: DMA 1760
Property: Glenwood Lode
Applicant: Mineral Mills, Inc.
Commodity: Startegic Mica

Conclusions and Recommendations

The underground examination indicates that the mined portion of the deposit was quite high-grade in strategic mica. The examination also shows that the sheet mica content has become practically nil in depth, an almost predictable characteristic of this type of pegmatite. An exploration, rather than a development, program is indicated. It is suggested that the initial phase of exploration be confined to surface excavations, with the view of discovering rolls in the deposit. The reasons for this suggestion are: the concentration previously mined was confined to a roll or undulation in the deposit and the cost ($1500) of equipping and rehabilitating the old shaft could be more advantageously used for trenching. If the work outlined by the applicant can be interpreted as exploration, the sinking can not be sanctioned until the lateral possibilities have been reasonably exhausted.

It is recommended that, on the basis of a development project, the application be denied as there is no measurable reserve of strategic mica.

Geologic Report

An examination of the Glenwood pegmatite was made to determine reserves of mica. The Geologic Survey mapped the Glenwood pegmatite during World War II, and a copy of that map is enclosed. The two shallow inclined shafts and part of the workings on the 30-foot level are caved at present, but all of the other underground workings shown on the 1945 map are open for inspection. Apparently, there has been no additional workings other than those shown on the Geologic Survey map.

The pegmatite is a thin, sill-like body that strikes N. 65° E. and dips about 50° NW. Its average thickness is about 5 feet and its length is at least 120 feet. Three zones were distinguished in the pegmatite: a wall zone of quartz-albite-muscovite pegmatite, a discontinuous intermediate zone of cleavelandite pegmatite, and a discontinuous quartz core.

The mica-rich pegmatite lies in a 1-foot to 2-foot thick unit along the hanging wall and footwall contacts of the pegmatite. The mica-bearing units are discontinuous, but in general, the hanging wall mica unit is richer than the footwall unit. The mica-rich portions of the wall zone contain over 10 percent muscovite, in books ranging from 1/2 inch to 18 inches in diameter. The richest mica-bearing pegmatite occurs along a roll in the hanging wall contact that is exposed on the 30-foot level. This mica shoot apparently pitches about 15° S. 70° to 80° W. along the roll in the hanging wall contact.

Reserves and recommendations

The reserves of mica cannot be determined or a reasonable estimate made at the present time. Considerable overburden covers the pegmatite outcrop to the southwest, and the extension of the pegmatite in that direction is uncertain. In addition, it is not known whether or not the richest mica shoot continues with depth. It is known from an examination of the bottom level in the mine that the mica-bearing units are thin and low-grade along its entire length.

The largest reserves of mica are in a rich mica shoot along a roll in the hanging wall contact. This is shown on the map cross-section above the 30-foot level. Poor ground conditions prohibit the recovery of any of this mica above the present workings, and the main inclined shaft would have to be timbered off from the old workings.

The development of mica reserves will be dependent on the extension of the pegmatite to the southwest and the discovery of the rich mica shoot at depth. At present the pegmatite's dimensions and grade of the mica are so poorly known that it is impossible to estimate whether or not reserves could be adequate to warrant the proposed development. The development loan application should be denied on the basis of lack of knowledge of sufficient probable reserves.

It is believed that certain exploration work should be completed in order to test extension of the pegmatite to the southwest and possible extension of the richest mica shoot at depth. The extension of the lower drift to the southwest, followed by a raise to the predicted position of the mica shoot, would probably be the most feasible method of exploration.

It is recommended that the development application be denied on the basis of lack of indications of sufficient probable reserves. The applicant should be notified that an exploration project might obtain sufficient information to warrant a development loan.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Rapid City Field Office
School of Mines Campus
Rapid City, South Dakota

March 26, 1952

Mr. Frank E. Johnson, Chairman
Operating Committee
Defense Minerals Exploration Administration
Washington 25, D. C.

Re: Docket DMEA-2392, Mica
Glenwood Mine, Custer, S. Dak.

Dear Mr. Johnson:

Under separate cover we are sending to you specimens of mica taken from a large book found at the Glenwood mica mine. Also included are several specimens of trimmed mica collected from the same property from production during World War II. It is included for purposes of comparison.

The book was taken about 30 feet below the surface in one of the old stopes. The lowest level was not accessible.

The sample was removed and roughly cobbed by J. A. Redden, U. S. Geological Survey, and E. O. Binyon and D. H. Mullen, Bureau of Mines, and in accordance with the suggestion of J. J. Norton.

Very truly yours,

D. H. Mullen

D. H. Mullen
Supervising Engineer

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 1 - 1952

FILE COPY
SURNAME:

Chapman
Houk

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

MAR 14 1952

Mr. A. B. Needham
Executive Officer, DMEA
Field Team, Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Subject: Docket No. DMEA-2392 - Mica
Glenwood Mine
Custer, South Dakota

Dear Mr. Needham:

Enclosed please find memoranda from Mr. W. F. Dietrich, Bureau of Mines, and Mr. J. J. Norton, Geological Survey, in reference to the Glenwood Mine.

We believe this property warrants assistance in exploration. The Field Team report advises exploration but does not outline a program for the work. Hence, we are referring it back to the Field Team for a definite exploration program.

We are also enclosing notes on possible set up of exploration program.

Sincerely yours,

(signed) FRANK E. JOHNSON
(C&B)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

F.E.J.
3-14-52

Enclosures 3

Approved:
C. H. Johnson
For Bureau of Mines

T. P. Thayer
For Geological Survey

TLChapman:gad 3/13/52
Copy to: Admin. Reading File
Operating Committee
Mr. Dietrich, 3526
Mr. Norton, G-232, GSA Bldg.
Docket File
Mr. Houk

DMEA-2392, Glenwood Mine, Custer, South Dakota

Project should be set up in two or three stages.

Stage I or Stages I and II. Trenching, and/or diamond drilling.

Stage III. Underground work dependent upon results from Stage I or Stages I and II. This work can be carried on from present inclined shaft or from new discoveries from trenching and drilling.

DMMA-2392, Glenwood Mine, Custer, South Dakota

Project should be set up in two or three stages.

Stage I or Stages I and II. Trenching, and/or diamond drilling.

Stage III. Underground work dependent upon results from Stage I or Stages I and II. This work can be carried on from present inclined shaft or from new discoveries from trenching and drilling.

March 12, 1952

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: W. F. Dietrich, Chief
Ceramic and Fertilizer Materials Branch

Subject: DMEA-2392: Glenwood Mine, Custer, South Dakota

According to War Mineral Examination PEP-45-10, March 7, 1945 by Paul E. Personen, the deposit consists of a pegmatite dike about 8 feet thick, with mica on both the hanging wall and footwall. At that time there was an inclined shaft about 40 feet deep and two abandoned shafts nearby. In the inclined shaft, the mica, while plentiful, was weathered and air-stained down to about 20 feet from the surface. Below that, mica occurred in quantity in books up to 6 x 10 inches along the hangingwall. The books were very hard, clear, and of ruby mica. Mr. Personen reported that there are possible extensions both laterally and at depth and concluded that the deposit is a good prospect of condenser and electrical quality ruby mica and that in comparison with other known deposits, the surface indications were very encouraging.

A field team investigation is recommended.

W. F. DIETRICH

WFDietrich/em

Copy to: Minerals Division
Ceramic & Fert. Mat. Br.
L. A. Houk
F I L E S

IN REPLY REFER TO:

G-MD-JJN

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

March 4, 1952

Memorandum

REVIEW OF APPLICATION DMEA-2392 (mica).

To: L. G. Houk, Non-Metallic Minerals Division, DMEA.

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

Subject: Mineral Mills, Inc., application DMEA-2392 for aid in exploring the Glenwood mine for pegmatite minerals.

Location of property: Custer County, South Dakota.

History of previous application: Application DMA-1760 for a $5,000 loan to develop this property was processed by DMA and DMPA last year. A copy of my memorandum concerning that application is enclosed. Note that I called attention to the heavy air stain of the mica from this property, and suggested that the past record is such that an exploration loan is not warranted because probably only 15 percent of the sheet mica was good-stained or better, in contrast to the 20 per cent figure that has been discussed in DMPA programming. The memorandum also mentions that we have a report and map of this deposit.

DMA decided to send the application to the field. A copy of the field team report is enclosed. It recommends denial of the development loan because known reserves are insufficient, but suggests that an exploration project be considered. I have been told that the development loan application was denied by DMPA in a letter dated January 3, 1952.

RECOMMENDATION: REFER TO FIELD TEAM.

Reasons for recommendation: Inasmuch as the field men recommended exploration, this application should be referred to them for evaluation of the proposed program.

Additional comments: The question of whether or not the Glenwood mica is of high enough quality should be considered carefully. The field team should acquire all possible data from the applicant and other sources on the quality of mica produced from this deposit in World War II. If it is possible for the applicant to obtain a sample of the mica, he should be asked to do so. The sample should be submitted to DMEA, which can send it to RPS for qualifying.

Mr. H. O. De Beck of the U. S. Bureau of Mines, Norris, Tennessee, can probably supply data on the quality of the Glenwood mica.

Data on the quality of the Glenwood mica should also be obtainable from the Colonial Mica Corporation files.

J. J. Norton

JJNorton:jeh
G-3/4/52

copy to: Director's Reading file 4212, GS Bldg.
Branch " " "
DMEA files
Norton, G-230 GS Bldg.

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

March 12, 1952

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: W. F. Dietrich, Chief
Ceramic and Fertilizer Materials Branch

Subject: DMEA-2392: Glenwood Mine, Custer, South Dakota

According to War Mineral Examination PEP-45-10, March 7, 1945 by Paul E. Personen, the deposit consists of a pegmatite dike about 8 feet thick, with mica on both the hanging wall and footwall. At that time there was an inclined shaft about 40 feet deep and two abandoned shafts nearby. In the inclined shaft, the mica, while plentiful, was weathered and air-stained down to about 20 feet from the surface. Below that, mica occurred in quantity in books up to 6 x 10 inches along the hangingwall. The books were very hard, clear, and of ruby mica. Mr. Personen reported that there are possible extensions both laterally and at depth and concluded that the deposit is a good prospect of condenser and electrical quality ruby mica and that in comparison with other known deposits, the surface indications were very encouraging.

A field team investigation is recommended.

W. F. Dietrich

W. F. DIETRICH

IN REPLY REFER TO:

G-MD-JJN

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

March 4, 1952

Memorandum

REVIEW OF APPLICATION DMEA-2392 (mica).

To: L. G. Houk, Non-Metallic Minerals Division, DMEA.

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

Subject: Mineral Mills, Inc., application DMEA-2392 for aid in exploring the Glenwood mine for pegmatite minerals.

Location of property: Custer County, South Dakota.

History of previous application: Application DMA-1760 for a $5,000 loan to develop this property was processed by DMA and DMPA last year. A copy of my memorandum concerning that application is enclosed. Note that I called attention to the heavy air stain of the mica from this property, and suggested that the past record is such that an exploration loan is not warranted because probably only 15 percent of the sheet mica was good-stained or better, in contrast to the 20 per cent figure that has been discussed in DMPA programming. The memorandum also mentions that we have a report and map of this deposit.

DMA decided to send the application to the field. A copy of the field team report is enclosed. It recommends denial of the development loan because known reserves are insufficient, but suggests that an exploration project be considered. I have been told that the development loan application was denied by DMPA in a letter dated January 3, 1952.

RECOMMENDATION: REFER TO FIELD TEAM.

Reasons for recommendation: Inasmuch as the field men recommended exploration, this application should be referred to them for evaluation of the proposed program.

EXPLORATION

Subject: DMEA-2392
Re: Exploration Loan
Glenwood Mine
February 26, 1952

Mr. A. I. Johnson, Secretary
Mineral Mills Inc.
Custer, South Dakota

My dear Mr. Johnson:

This will acknowledge receipt of your application dated February 15, 1952 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2392 and referred to the Non-Metallic Division.

Kindly refer to DMEA-2392 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Acting Administrative Officer

7862

DMEA-2392

DEFENSE MINERALS
ADMINISTRATION
WASHINGTON, D.C.

MINERAL MILLS, INC.
CUSTER, SOUTH DAKOTA

Feb. 15, 1952.

FEB 26 3 56 AM '52

Defense Minerals Exploration Administration,
Department of the Interior,
Washington 25, D. C.

Dear Sirs:

We had previously applied for a development loan on our Glenwood Mine to develop the property as a mica producer. During a six weeks period previous to the closing down of the government mica purchasing agency, Colonial Mica Corp, we got into production with the property and during a period of some six months of production sold some$13,388.01 worth of mica. Our application was turned down due to our not having sufficient reserves in sight to warrant the loan. We had a letter from Mr James A Barr, Sr., Chief of the Insustrial Minerals Branch, to that effect- suggesting that perhaps preliminary exploration should be confined to a search for lateral extension of the previously mined mica shoot, perhaps with emphasis on surface excavation. We have done considerable work on the surface as assessment work during the past few years and this work indicates the fact that the mica deposit evidently comes to a surface at a point some 25 feet from the farthest cut shown on the east of the shaft workings. We have extended out shaft another 50 feet in depth and have some 20 feet of drift to the west toward the mica shoot already completed. We feel that an exploration project would be in order to complete the extension of this drift to the mica zone and then if the mica zone were discovered to extend to this depth to complete the opening up of the shoot for its entire length on this level. If this work proved the existence of the deposit it would be our thought that a couple of diamond drill holes would then prove its further continuation in depth. We have based our application on these premises and would appreciate your consideration of this exploration project. We also had had the matter under consideration by the Defense Materials Procurement Agency and in a letter from Mr Tom Lyon, Director Domestic Expansion Division, he stated that they were not in a position to offer assistance towards financing exploration projects and had suggested the Defense Minerals Exploration Agency as the logical agency to handle this matter.

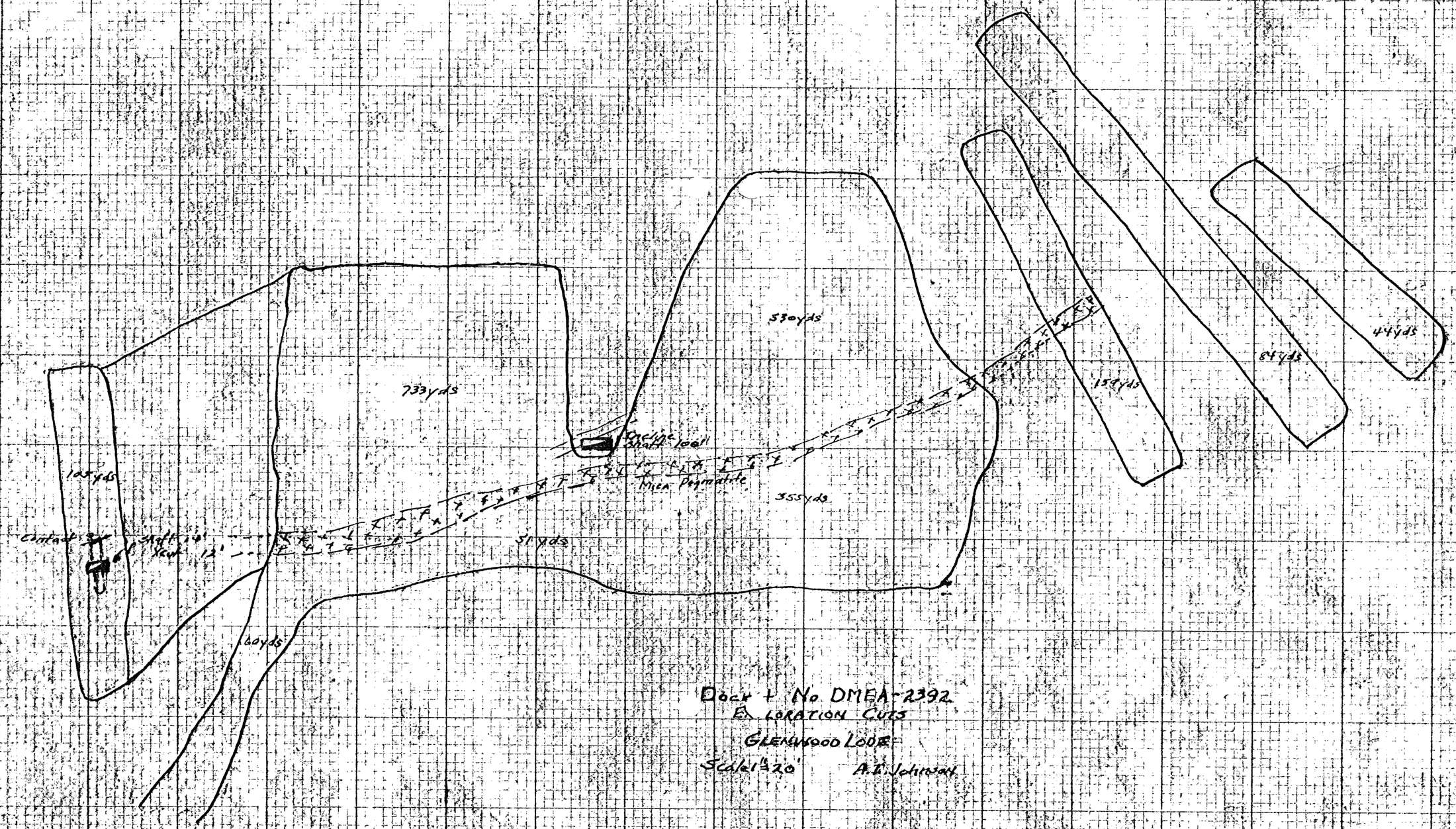
In view of the governments intention to put in a buying depot into Custe r S. Dak. to purchase the grade of mica we would produce from this property, we feel that the project as we have outlined it is a logical one.

Very truly yours,

Mineral Mills Inc

A. I. Johnson Secretary

A. I. Johnson



Dock + No. DMEA-2392
Exploration Cuts
Glenwood Lode
Scale 1"=20'
A.T. Johnson