JAN - 4 1954

Mr. George V. Bland
Box 724
Custer, South Dakota

Re: Docket No. DMMA-3102 - Beryl
Beecher No. 3
Custer County, South Dakota

Dear Mr. Bland:

It is clear from my letter to you of November 18 and your reply of December 16 that you do not wish at this time to enter into an exploration project contract upon the terms proposed by Defense Minerals Exploration Administration. This agency is not authorized to keep your application "open for an extended period" as suggested by you. In these circumstances, I have no alternative but to deny your request and your application has been withdrawn from the active files and the case closed. This action is taken without prejudice to the merits of the project.

Should you wish at a later date to file a new application we should be glad to give it such consideration as we are able under whatever authority may then be existing. In the meantime we are grateful for your interest in our exploration program, and regret that we were unable to participate with you in the proposed project.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk/JLHofflund/LGHouk:gad
1/4/54
Copy to: Admr. R. File
Docket File
Field Team, Reg. V
Mr. Griffith, 3641A
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk
Mr. Hofflund

DMEA-3102
Beryl
Region V

GEORGE V. AND GEORGE C. BLAND, CUSTER, SOUTH DAKOTA. Beecher No. 3 Lode, Custer County, South Dakota. 8-10-53

Letter to the Field requesting a review of the application, and a field examination, if advisable, and report, and enclosing copies of memoranda from the Bureau of Mines and the Geological Survey. Letter to the Applicant. #253

DMEA-3102
Beryl
Region V

GEORGE V. AND GEORGE C. BLAND, CUSTER, SOUTH DAKOTA. Beecher No. 3 Lode, Custer County, South Dakota. 7-20-53

Letter to the Applicant with respect to the application for application assistance and royalty payments. #241

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

Mr. George V. Bland
Box 724
Custer, South Dakota

Re: Docket No. DMEA-3102 (Beryl)
Beecher No. 3
Custer County, South Dakota

Dear Mr. Bland:

It is clear from my letter to you of November 18 and your reply of December 16 that you do not wish at this time to enter into an exploration project contract upon the terms proposed by Defense Minerals Exploration Administration. This agency is not authorized to keep your application "open for an extended period" as suggested by you. In these circumstances, I have no alternative but to deny your application; and it has accordingly been removed from the active files.

Should you wish at a later date to file a new application we should be glad to give it such consideration as we are able under whatever authority may then be existing. In the meantime we are grateful for your interest in our exploration program, and regret that we were unable to participate with you in the proposed project.

Sincerely yours,

Administrator

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR

140

DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

Rewritten by Hofflund

Houk

Mr. George V. Bland
Box 724
Custer, South Dakota

Re: Docket No. DMEA-3102 (Beryl)
Beecher No. 3
Custer County, South Dakota

Dear Mr. Bland:

It is clear from my letter to you of November 18 and your reply of December 16 that you do not wish at this time to enter into an exploration project contract upon the terms proposed by Defense Minerals Exploration Administration. This agency is not authorized to keep your application "open for an extended period" as suggested by you. In these circumstances, I have no alternative but to deny your application; and it has accordingly been removed from the active files.

Should you wish at a later date to file a new application we should be glad to give it such consideration as we are able under whatever authority may then be existing. In the meantime we are grateful for your interest in our exploration program, and regret that we were unable to participate with you in the proposed project.

Sincerely yours,

Administrator

LGHouk/JLHofflund/emd
12/30/53
Copy to: Docket
Adm. R. File
Field Team, Reg. V (2)
Mr. Griffith, 3641A
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk
Mr. Hofflund
chron.
pending

December 18, 1953

Memorandum

To: Mr. Robert E. Adams

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-3102 - Beryl
Beecher No. 3
Custer County, South Dakota

Re: Closing file on above application

On November 18, 1953, a letter addressed to the applicant, signed by the Administrator, requested additional data.

If the needed data was not received by December 18, 1953, the application is to be removed from the active file and the matter closed.

The docket file is returned herewith.

J. T. Robertson
Nonmetallic Minerals Division

JTRobertson:ag 12/18/53
Copy to: Admr. E. File
Docket File
Field Team, Region V
Mr. Houk

NOV 18 1953

Mr. George V. Bland
Box 724
Custer, South Dakota

Re: Docket No. DMEA-3108 - Beryl
Beecher No. 3
Custer County, South Dakota

Dear Mr. Bland:

Reference is made to our letter of October 6, 1953, stating that your application would not be given favorable consideration unless you are willing to subject the entire production of minerals from the Beecher No. 3 to royalty payments in the event a certification of discovery or development is made. To date we have not had an answer to our letter and we assume that you no longer desire to proceed with the application.

We wish to cooperate with you in the matter of allowing ample time but if the needed data have not been received by December 18, 1953, we will then remove the application from the active file and consider the matter closed.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:gad 11/17/53
Copy to: Admr. R. File
Docket File
Field Team, Region V
Mr. Griffith, 3641A
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

600

OCT - 6 1953

Mr. George V. Bland
Box 724
Custer, South Dakota

Re: Docket No. DMEA-3102 - Beryl
Beecher No. 3
Custer County, South Dakota

Dear Mr. Bland:

Reference is made to your application for exploration assistance on the Beecher No. 3 and the field team examination of the subject property.

The field team reports that you are unwilling to subject all mineral production to royalty payments.

Please refer to our letter of July 20, 1953, in which the following statement was made:

> "The Defense Minerals Exploration Administration now requires repayment of royalties on production from the tract benefited by the program, if a certification of discovery is made. The rationalization being that if the known limits of the deposit are extended by work performed with DMEA assistance, the property as a whole has been benefited and the Government is entitled to repayment from any production from the property even though the ore was known to exist before the DMEA project was inaugurated."

Please advise this office at your earliest convenience if you will subject the entire production of minerals from this property to royalty payments, in the event a certification is made. In the event you are unwilling your application will not be given favorable consideration.

Sincerely yours,

Frank E. Johnson

ACTING Administrator

LGHouk:gad 10/5/53
Copy to: Admr. R. File
Docket File
Field Team, Region V
Mr. Griffith 3641A
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

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

Defense Minerals Administration
RECEIVED
OCT - 2 1953

October 2, 1953

Memorandum

To: L. G. Houk, Chief, Nonmetallics Division, DMEA

From: R. F. Griffith, Rare and Precious Metals Branch

Subject: Field Team Examination Report, Docket No. DMEA-3102, George V. Bland and George C. Bland, Beecher Lode No. 3, Custer County, S. D.

This office is in agreement with the recommendations contained in the subject report and recommends that a contract be executed subject to the terms specified therein.

The report has been forwarded to the Chief, Minerals Division, Bureau of Mines, in accord with the attached routing slip.

Signed

R. F. Griffith

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

Defense Minerals Administration
RECEIVED
OCT - 2 1953

October 2, 1953

Memorandum

To: L. G. Monk, Chief, Nonmetallics Division, DMEA

From: R. F. Griffith, Rare and Precious Metals Branch

Subject: Field Team Examination Report, Docket No. DMEA-3102, George V. Bland and George C. Bland, Beecher Lode No. 3, Custer County, S. D.

This office is in agreement with the recommendations contained in the subject report and recommends that a contract be executed subject to the terms specified therein.

The report has been forwarded to the Chief, Minerals Division, Bureau of Mines, in accord with the attached routing slip.

Signed

R. F. Griffith

IN REPLY REFER TO:
G-MD-CNF

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

October 2, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3102 (Beryl)

To: L. G. Houk, Defense Minerals Exploration Administration
From: Donald A. Brobst, U. S. Geological Survey
Applicant: George V. Bland and George C. Bland.
Name of property: Beecher #3 Pegmatite.
Location of property: SW¼ S. 18, T. 4 S., R. 5 E., about 5.5 mi. south of Custer, South Dakota.
Date of field team report: September 23, 1953.
Authorship of field team report: E. O. Binyon, USBM, and J. A. Redden, USGS.
Field team's recommendation: This plan is a revision of the applicants' which called for 1,500 ft. of core drilling.

The new plan:	Core drilling 1,000 ft. of BX hole at $4.90/ft.	$4,900.00
	400 ft. casing, any size, reaming and/or casing at $2.00/ft.	800.00
	Engineering and Engineers Report	100.00
	Total	$5,800.00
	Government's part of the contract at 90%	$5,222.00

Comments:

1. The mine has produced 260 tons of beryl averaging 8% BeO; the beryl-bearing pegmatite averages 5% beryl. The Beecher #3 claim is worthy of exploration.
2. Recommended that paragraph 2 on page 3 of the Field Team Report be approved and made a part of the contract. This concerns the matter of royalty payments.

ACTION SUGGESTED:

Follow field team's recommendation, including comment number 2 above.

Donald A. Brobst

Brobst:jeh
10/2/53
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Brobst G-230

IN REPLY REFER TO:

G-MU-CM

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

October 2, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3102 (Beryl)

To: L. G. Houk, Defense Minerals Exploration Administration
From: Donald A. Brobst, U. S. Geological Survey
Applicant: George V. Bland and George C. Bland.
Name of property: Beecher #3 Pegmatite.
Location of property: SW. S. 18, T. 4 S., R. 5 E., about 5.5 mi. south of Custer, South Dakota.
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Authorship of field team report: E. C. Binyon, USBM, and J. A. Redden, USGS.
Field team's recommendation: This plan is a revision of the applicants' which called for 1,500 ft. of core drilling.

The new plan:

Core drilling 1,000 ft. of BX hole at $4.90/ft.	$4,900.00
400 ft. casing, any size, reaming and/or casing at $2.00/ft.	800.00
Engineering and Engineers Report	100.00
Total	$5,800.00
Government's part of the contract at 90%	$5,222.00

Comments:

1. The mine has produced 260 tons of beryl averaging 8% BeO; the beryl-bearing pegmatite averages 5% beryl. The Beecher #3 claim is worthy of exploration.
2. Recommended that paragraph 2 on page 3 of the Field Team Report be approved and made a part of the contract. This concerns the matter of royalty payments.

ACTION SUGGESTED:

Follow field team's recommendation, including comment number 2 above.

Donald A. Brobst

Brobst:jeh
10/2/53
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Brobst G-230

Wah Resumption

Explore by 1000 feet of Bx diamond drill hole that portion of Beecher #3 lode claim shown on map enclosed Geologic Map Beecher #3 Reynolds Cache County attached hereto and made part hereof.

The direction, attitude and length of each DDH shall be subject to approval of the field team.

Reaming, setting and pulling casing and or cementing as required to reach the target.

Engineering Supervision & report

Costs

1000 feet Bx hole @ 4.90 ft	$ 4900
-400 feet of Reaming, setting & pulling casing and or Cementing @ 2.00 ft	800
Engineering Supervision & Report	$ 100
	$5800

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

Defense Minerals
RECEIVED
OCT - 2 1953

October 2, 1953

Memorandum

To: L. G. Houk, Chief, Nonmetallics Division, DMEA

From: R. F. Griffith, Base and Precious Metals Branch

Subject: Field Team Examination Report, Docket No. DMEA-3102, George V. Bland and George C. Bland, Beecher Lode No. 3, Custer County, S. D.

This office is in agreement with the recommendations contained in the subject report and recommends that a contract be executed subject to the terms specified therein.

The report has been forwarded to the Chief, Minerals Division, Bureau of Mines, in accord with the attached routing slip.

Signed

R. F. Griffith

IN REPLY REFER TO:

G-P-L-S-N.

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

October 2, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMGA-3102 (beryl)

To: L. G. Houk, Defense Minerals Exploration Administration
From: Donald A. Broost, U. S. Geological Survey
Applicant: George V. Bland and George G. Bland.
Name of property: Beecher #3 Pegmatite.
Location of property: SW S. 18, T. 4 S., R. 5 E., about 5.5 mi. south of Custer, South Dakota.
Date of field team report: September 23, 1953.
Authorship of field team report: E. C. Binyon, USBM, and J. A. Redden, USGS.
Field team's recommendation: This plan is a revision of the applicants' which called for 1,500 ft. of core drilling.

The new plan:

Core drilling 1,000 ft. of BX hole at $4.90/ft.	$4,900.00
400 ft. casing, any size, reaming and/or casing at $2.00/ft.	800.00
Engineering and Engineers Report	100.00
Total	$5,800.00
Government's part of the contract at 90%	$5,222.00

Comments:

1. The mine has produced 260 tons of beryl averaging 8% BeO; the beryl-bearing pegmatite averages 5% beryl. The Beecher #3 claim is worthy of exploration.
2. Recommended that paragraph 2 on page 3 of the Field Team Report be approved and made a part of the contract. This concerns the matter of royalty payments.

ACTION SUGGESTED:

Follow field team's recommendation, including comment number 2 above.

Donald A. Broost

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2900 Colfax Avenue South
Minneapolis 8, Minnesota

Defense Minerals Exploration Administration
RECEIVED
SEP 28 1953

September 25, 1953

Memorandum

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

From: Executive Officer, Field Team, Region V

Subject: Docket DMEA-3102, Bland & Bland
Beecher No. 3, Custer, S. Dak.

Reference is made to your transmittal dated August 11, 1953, subject above.

Here are the original and 3 copies of the field team report recommending an exploration contract.

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

Attachments

cc: Dutton
Redden
Binyon
Region V
Files
Day Files

Reviewed by
DMEA OPERATING COMMITTEE
10-2-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DOUGLAS McKAY, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM

REGION V

Beecher No. 3 Pegmatite

Custer County, South Dakota

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

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

September 23, 1953

Reviewed by
DMEA OPERATING COMMITTEE
10-2-53
(date)

DEFENSE MINERALS EXPLORATION ADMINISTRATION
Report of Field Examination

by

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

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

Docket No: 3102

Applicant: George V. Bland and George C. Bland, a partnership Custer, S. Dak.

Commodity: Beryl

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The property known as the Beecher No. 3, is owned by the applicant, a partnership between George V. and George C. Bland of Custer, S. Dak., and comprises one unpatented lode mining claim. The claim, a fraction of full lode mining claim, is in the SW 1/4 section 18, T. 4 S., R. 5 E., B.H.B.M., approximately 5.5 miles south of Custer, Custer County, S. Dak.

Other than the time spent by members of the U.S.G.S. in mapping the pegmatite, approximately 8 hours were spent on the examination and in discussing the application.

The applicant has operated the property since November 1951 and is competent to supervise the exploratory core drilling, as outlined in the report.

As shown on the accompanying map, the pegmatite is at present being mined from one large open cut on three different levels which are centered from three separate entries. The smaller cut just east of the large open cut is not being worked.

A summary of the U.S.G.S. geologic report is given in the section under Geology of this report and a detailed geologic map is included.

An accurate estimate of beryl reserves below the lowest bench in the workings is not feasible at this time.

However, on the basis of past production figures, the beryl bearing portion of the pegmatite is estimated to contain 5 per-cent beryl with a BeO content of about 8 percent and, if the beryl continues in depth it is estimated that between 85 and 90 tons remains in that part of the pegmatite above the floor of the lowest level or above elevation 5465 and to a depth of 25 feet below the level.

Since beginning operations in November 1952 approximately 260 tons of beryl averaging about 8 percent BeO has been mined. Several hundred tons of mica bearing rock has been stock piled and some scrap mica has been recovered but no sales have been made.

In the application it is proposed to explore by core drilling that portion of the pegmatite included on the Beecher No. 3 claim between the North property line and the southern boundry which is at the entrance to the lower open cut.

The application is for 1,500 feet of core drilling, however, it is the opinion of the field team that the part of the pegmatite on the Beecher No. 3 can be explored with three core drill holes with a total footage of between 650 and 700 feet, but 300 to 350 additional feet, or a total of 1000 feet of drilling should be allowed in the event one or two more holes are required to adequately explore the deposit.

At present, owing to a lack of geologic data on the structure and to the fact that the entire western contact of the pegmatite is unexplored an estimate of beryl reserves is, for all practical purposes, impossible. Since there is a possibility that the beryl reserves may total several hundred tons, it is the opinion of the field team that the property warrants exploration.

It is recommended that the application be approved for exploration of the pegmatite on the Beecher No. 3 claim, and that exploration be done by core drilling of 1000 feet of BX size holes at a price of $4.90 per foot, as stated in the bid submitted with the application. The prices for the other items; casing, cementing, and for reaming are equable and are to be included in the contract.

The work shall start within 30 days of the date of the contract and is to be completed within 3 months from the starting date.

The contract shall be on the Short Form, or Unit Cost Basis.

Total maximum amounts allowable under the contract shall be;

Core drilling 1000 feet BX size holes @ $4.90/ft.	-	$4,900.00
400 feet casing, any size, reaming and/or casing $2.00/ft.	-	800.00
Engineering and Engineers Report	-	100.00
Total	-	$5,800.00
Government's part of the contract at 90 percent	-	$5,220.00

It is further recommended that the contract include in the Exhibit "A" a clause to assure an accurate monthly accounting of the sale of any and all minerals and, if possible, require that deductions of royalties be made by the purchaser at the time of sale.

The Bureau member of the field team is of the opinion that if the results of the drilling warrant a certification of discovery then it should be required that repayment of the loan be made from all minerals mined and sold after the date of the signing of the contract and not only after certification. Based on a price of $400.00 per ton for the beryl, repayment of the loan would require deduction of $20.00 per ton for approximately 275 tons of beryl, additional payments from the sale of scrap mica would reduce this only slightly.

Should repayment be deferred until after the time lapse for certification, it is possible that the inferred tonnage of beryl in the pegmatite will have been reduced so that so little beryl remains that the loan can be repaid only in part, or at best, only in a negligible amount, and it may be difficult, if not impossible, to collect royalties after the project is over.

Regardless of the operators reputation and character, which are good, or that the intention at present is to repay the loan in full, past experience indicates that unless an operator plans on applying for further aid on other properties the repayment of royalties is not considered of prime importance, especially after the work under the contract is completed.

NAME AND LOCATION OF THE PROPERTY

The property included in the application is known as the Beecher No. 3.

It is in the SW 1/4 section 18, T. 4 S., R. 5 E., B.H.B.M., 5.5 miles south of Custer, Custer County, S. Dak. Custer the nearest rail point and supply center is also the location of the GSA purchasing depot for beryl, mica and columbite-tantalite.

ACCESSIBILITY

Access to the property from Custer and other communities in the area is by improved partly graveled roads which are maintained by the county and are open practically the year around. A short stretch of road on the property has been graveled and is maintained by the operator.

THE APPLICANT

The application is by a partnership between George V. and George C. Bland, who have operated the property and are capable of assuming the supervision and the financial responsibility of the exploration as outlined.

PROPERTY RIGHTS

The Beecher No. 3 claim, an unpatented lode mining claim, was originally located and is now owned by the applicant. The location is a matter of record in Location Book No. 17, page 439, at the Register of Deeds, Custer, Custer County, S. Dak.

The claim includes only 300 feet on the southern end of the pegmatite. From the discovery shaft, it extends 75 feet to the north where it is bounded by the south end line of the Black Diamond Claim, and to the south it extends 225 feet and is bounded by homestead land. On the west it is also bounded by homestead land. The patented Beecher Lode is 400 feet to the east of the Beecher No. 3.

DESCRIPTION OF THE PROPERTY

As shown on the accompanying map, the mine is worked by the open cut method. At present there are two open cuts, one of which on the hanging wall or east side of the pegmatite is not being worked at present. The other open cut is actually three adjoining and connected cuts which from a long, relatively narrow cut that is worked in three benches at different elevations but with three separate entries.

The lowest entry is at an elevation of 5465 feet (see map) and has a face approximately 11 feet high. The face of the westernmost side of the cut is about 20 feet in height. The middle cut which is an extension on the strike of the lowest cut to the north boundary of the claim, has a face of about 33 feet (in two benches) in height.

Difference in elevation between the floor of the lowest or southernmost open cut and the floor in the westernmost, or of the upper cut, is at present approximately 40 feet.

There are no surface buildings or other surface facilities excepting service roads on the Beecher No. 3 claim.

GEOLOGY

The accompanying geologic map and cross sections of the Beecher No. 3 pegmatite were prepared in November and December 1952, by the Geologic Survey as part of their areal mapping program in the Black Hills, South Dakota. The property was visited on August 21, 1953.

The application covers only the Beecher No. 3 claim which does not include the entire pegmatite. The red line on the accompanying map indicates the approximate limit of the Beecher No. 3 claim. The blue line in the geologic cross sections indicates the approximate location of the present faces.

The following report on the geology of the deposit is a summary of the geology of the deposit and is taken from an unpublished report prepared at the time of the mapping.

The structure of the pegmatite is shown in part by the accompanying geologic sections. Relative few exposed contacts and the irregularity of those do not permit projections of the pegmatite at greater depths with any accuracy. It is believed that the pegmatite is relatively flat-lying. Its shape may be similar to a curved banana- - having the convex side pointing upward and each end plunging gently downward. If the pegmatite is rather flat-lying, it still should extend to a depth of at least 100 feet.

Five zones have been distinguished on the accompanying map. At present, the wall zone and part of the next inner zone are of economic importance since they contain beryl. It is possible that larger lithia-bearing zones may be encountered at depth and that also columbite- tantalite may be present. The exposed spodumene is altered and not saleable. Iron staining of the perthite causes it to be worthless at present and all muscovite is suitable only for scrap.

Beryl occurs along the inner portion of the wall zone and locally extends inward into perthite-rich zones. Based on production figures, the beryl-bearing portion of the pegmatite removed by the applicant between June and December, 1952, contained over 10 percent beryl assaying 8 percent BeO. The pure beryl averages about 12.4 percent BeO according to microscope checks on its indices. This means that the actual percentage of recovered beryl was 7.4 percent of the beryl-bearing portion of the wall zone. The poorer quality of the recovered product is due to a very large percentage of included minerals present in the beryl. It was estimated that the beryl-bearing portions of the pegmatite contain at least 5 percent of 8 percent BeO beryl.

The property is well worthy of exploration on the basis of geological reasons. Very little good information is available on the structure of the pegmatite and it is impossible to infer beryl reserves or other mineral reserves to any great depth. The entire western contact and wall zone of the main pegmatite is unexposed and may be beryl-bearing. There is a reasonable possibility that the beryl reserves of the Beecher No. 3 claim may total several hundred tons.

The amount of drilling necessary for the exploration can be approximated by assuming a 300 feet hole between sections BB' - CC', a 250 foot hole near section DD', a 150 foot hole near section FF', and 300 feet of drilling for possible drilling not forseen in the geologic cross sections. This totals 1,000 feet as compared to 1,500 feet applied for by the applicant. It is believed that 1,000 feet of BX drilling will be adequate to explore the applicant's property. Probably only 650 feet will be utilized.

The question of royalty repayments on all or part of the production must be decided by DMEA. There is an inferred tonnage of beryl of 85 tons to a 25 foot depth below the present workings. The withdrawing of certain production tonnages from royalty repayments was discussed with the applicant who verbally agreed that 85 tons of beryl could be used for the limit of determing royalties. They stated

that the beginning of production on the 85 tons without royalty should commence at the date of the exploration contract, if any is prepared. The applicant apparently does not wish to apply if the royalty repayments apply to all production.

On the basis of geology the property is worthly of exploration and should be approved if an agreement on royalty repayment coverage can be reached.

OPERATOR'S PROPERTY RIGHTS

As outlined under Property Rights and as shown on the map, all of the Beecher No. 3 claim is to be included in the project. The operator has requested in the application that all ore above elevation 5465 be excluded from the application and not subject to royalty payment. However, in a discussion with the field team, the applicant agreed that instead of limiting the royalties to all ore below elevation 5465, royalty payments would be made on all production of beryl in excess of 85 tons - and that a record of the 85 tons, without royalty, would be started with production on the date of the exploration contract.

The applicant has stated that they do not wish to sign an exploration contract under which all minerals - beryl and scrap mica - are subject to royalty payment.

EXPLORATION PROJECT

The part of the pegmatite on the Beecher No. 3 claim can be adequately explored by core drilling of from 3 to 4 holes with an aggregate total depth of 1000 feet.

The holes shall be located and directed as agreed upon by the applicant and field team. It is proposed that one hole be located between section BB' - CC' and drilled to a depth of approximately 300 feet. Two of these holes are to be drilled near sections DD' and FF' and it is estimated that these will be 250 and 150 feet in depth respectively.

It is recommended that a maximum of 1000 feet of BX size holes be allowed for exploration of the pegmatite but that the Government retain the right to stop the drilling before the maximum footage is drilled, when in the opinion of the field team, the deposit has been adequately explored.

Using the bid prices for core drilling, which accompanies the application, and allowing $100.00 for the operators engineering report, the estimated cost of the project is as follows:

Independent contracts:

Core Drilling
Drilling 1,000 feet BX size holes @ $4.90/ft $4,900.00

Cementing, reaming and/or casing 400 feet

Cementing, reaming and/or casing (Cont.)

@ $2.00/ft.	$ 800.00
Engineering and engineers report	100.00
Total estimated cost	$5,800.00
Governments participation @ 90 percent	$5,220.00

It is further recommended that the project be set up under a Short Form contract with separate unit costs of $4.90 per foot for drilling, and $2.00 per foot for cementing, reaming and/or casing, and $100.00 for the operators final report.

The field team agrees that the property warrants exploration. The exposed portion of the pegmatite has an unusually high beryl content and in order to accurately estimate reserves below present workings additional geologic data is required and the data can be obtained by core drilling.

However, the Bureau member of the field team is of the opinion that some difficulty may be experienced in collecting royalties, particularly after the project is completed.

The operator has a good reputation and apparently his intent at present is to repay the loan at least in part.

Considering that repayment of the loan is not the sole object of DMEA projects, but when there is an ability to repay it is of some importance, and in this instance it is my opinion that some method should be set up whereby repayment of the loan is assured.

It is understood that it is not the function of the field team, or a member, to attempt to establish a policy in regard to repayment of loans and the foregoing is purely a suggestion.

AUG 11 1953

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

Subject: Docket No. DMEA-312 - Beryl
Beecher No. 3
Custer County, South Dakota

Dear Mr. Needham:

Please review the subject application and arrange for a field examination if you deem it advisable.

Your attention is called to the exception code in Item 3a, Application Form RE-103, as submitted by the applicant and the Administrator's letter of July 20, 1953 to the applicant in regard to it.

Copies of memoranda from the Geological Survey and the Bureau of Mines are enclosed for your information.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

Enclosures 4

JTRobertsonidec 8/7/53
Copy to: Admr. A. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, 4-252 GSA Bldg.
Mr. Houk

AUG 11 1953

Mr. George W. Bland
Box 724
Custer, South Dakota

Re: Docket No. DMA-7102 - Beryl
Beecher No. 3
Custer County, South Dakota

Dear Mr. Bland:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. A. B. Needham, Executive Officer, DMA Field Team, Region V, 2908 Golfar Avenue, South Minneapolis 8, Minnesota, for a field examination, should he deem it necessary.

The Regional Office will contact you at an early date, if an examination is to be made. Any assistance that you may give the members of the field team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

Mittendorf:des 8/7/53

Copy to: Mr. A. Bills
Docket File
Operating Committee
Field Team, Region V
Mr. Dietrich, 3526
Mr. Larrabee, 2-232 DMA Bldg.
Mr. Hoar

JUL 20 1953

Mr. George W. Bland
Box 724
Custer, South Dakota

Re: Docket No. [illegible]-3142 - Beryl
Beecher No. 3
Custer County, South Dakota

Dear Mr. Bland:

Reference is made to your application for exploration assistance on the Beecher No. 3 lode, Custer County, South Dakota, and your request for exclusion from royalty payments of all ore mined above 5465 foot elevation.

The Defense Minerals Exploration Administration now requires repayment of royalties on production from the tract benefited by the program, if a certification of discovery is made. The rationalization being that if the known limits of the deposit are extended by work performed with DMEA assistance, the property as a whole has been benefited and the Government is entitled to repayment from any production from the property even though the ore was known to exist before the DMEA project was inaugurated.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:gad 7/16/53

Copy to: Admr. W. File
Docket File
Operating Committee
Field Team, Region V
Mr. Griffiths, 3641A
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

JUL 2 0 1953

[illegible]

[illegible]

[illegible]

Re: Docket No. [illegible] - [illegible]
Leacher No. 3
Custer County, South Dakota

Dear Mr. Bland:

Reference is made to your application for exploration assistance on the Leacher No. 3 Mine, Custer County, South Dakota, and your request for exclusion from royalty payments of all ore mined above 3,000 foot elevation.

The Defense Minerals Exploration Administration now requires repayment of royalties on production from the tract benefited by the program, if a certification of discovery is made. The rationalization being that if the known limits of the deposit are exceeded by work performed with Government assistance, the property owner has been benefited and the Government is entitled to repayment from any profit on the property even though the work was taken to a point before the DMEA project was inaugurated.

Sincerely yours,

C. O. Mittendorf

Administrator

Houk:[illegible] 7/20/53

Copy to: [illegible]
[illegible]
[illegible] Committee
[illegible], Section V
[illegible], DMEA
Mr. Interior, [illegible] Bldg.
Mr. Houk

IN REPLY REFER TO:

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

this reserve figure as a whole, a combined [illegible]
without any reference to the [illegible].

(4) [illegible] No. 3 [illegible], is approximately [illegible] feet south [illegible].

(5) [illegible] is [illegible] the [illegible] is [illegible] by the [illegible] of the [illegible] Branch as a part of its regular [illegible].

[illegible]

[illegible]

Lawt ers:jeh
G-7/7/53
cc: Director's reading 4212
Branch reading 4212
DMEA 3 ✓
files G-232

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 1 6 1953

July 15, 1953

Memorandum

To: L. G. Houk, Chief
Nonmetallics Division, DMEA

From: R. F. Griffith, Rare and Precious Metals Branch

Re: Beryl

Subject: DMEA Docket 5108 - George V. Eland and George C. Eland, Box 724, Custer, S. Dakota

In view of past production of beryl by George Eland from adjoining properties, this office recommends that the application be referred to the field for consideration.

Signed

R. F. Griffith

OFFICIAL BUSINESS

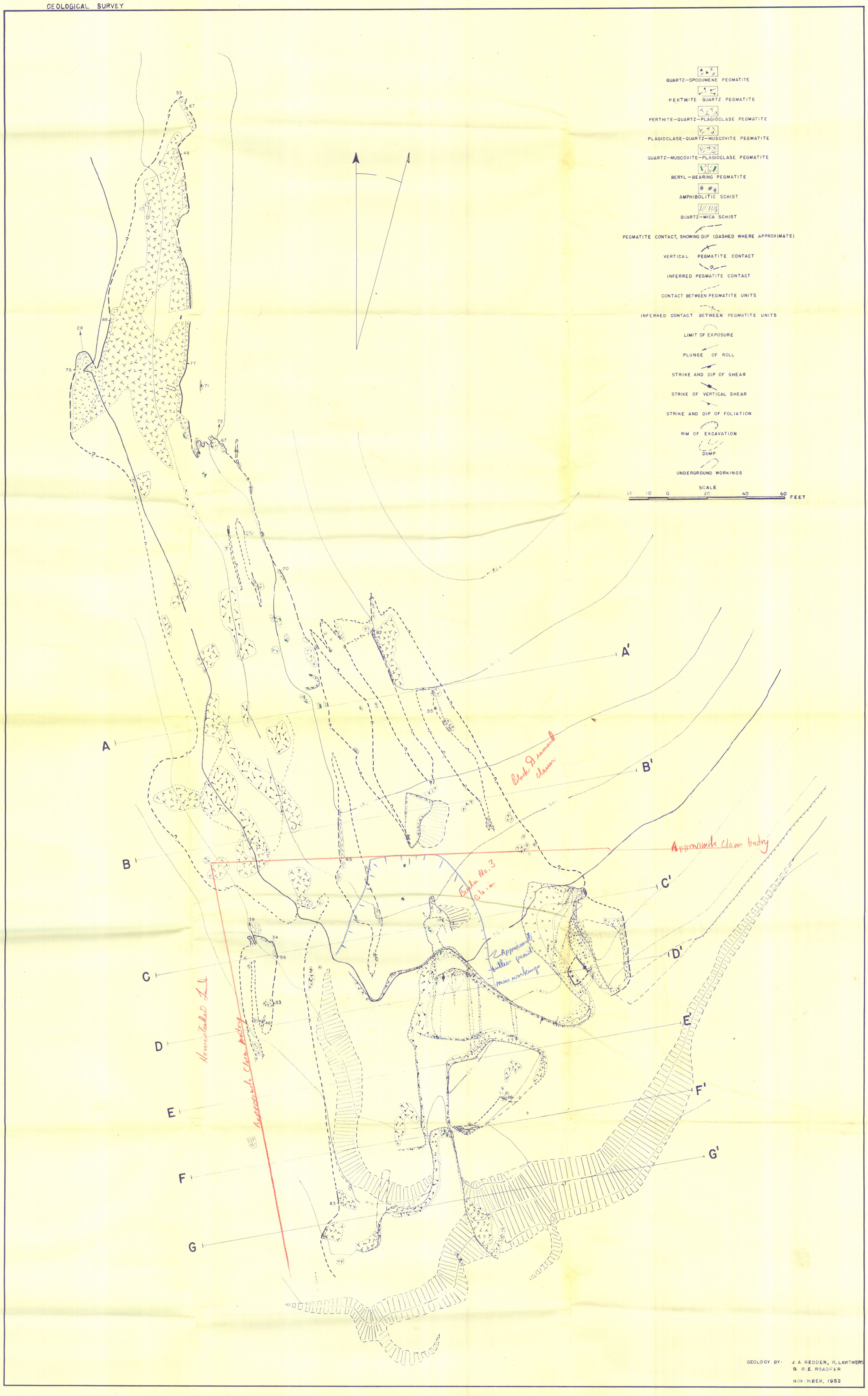
Mr. Frank A. Parsons
General Delivery

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

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300
(PMGC)

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY



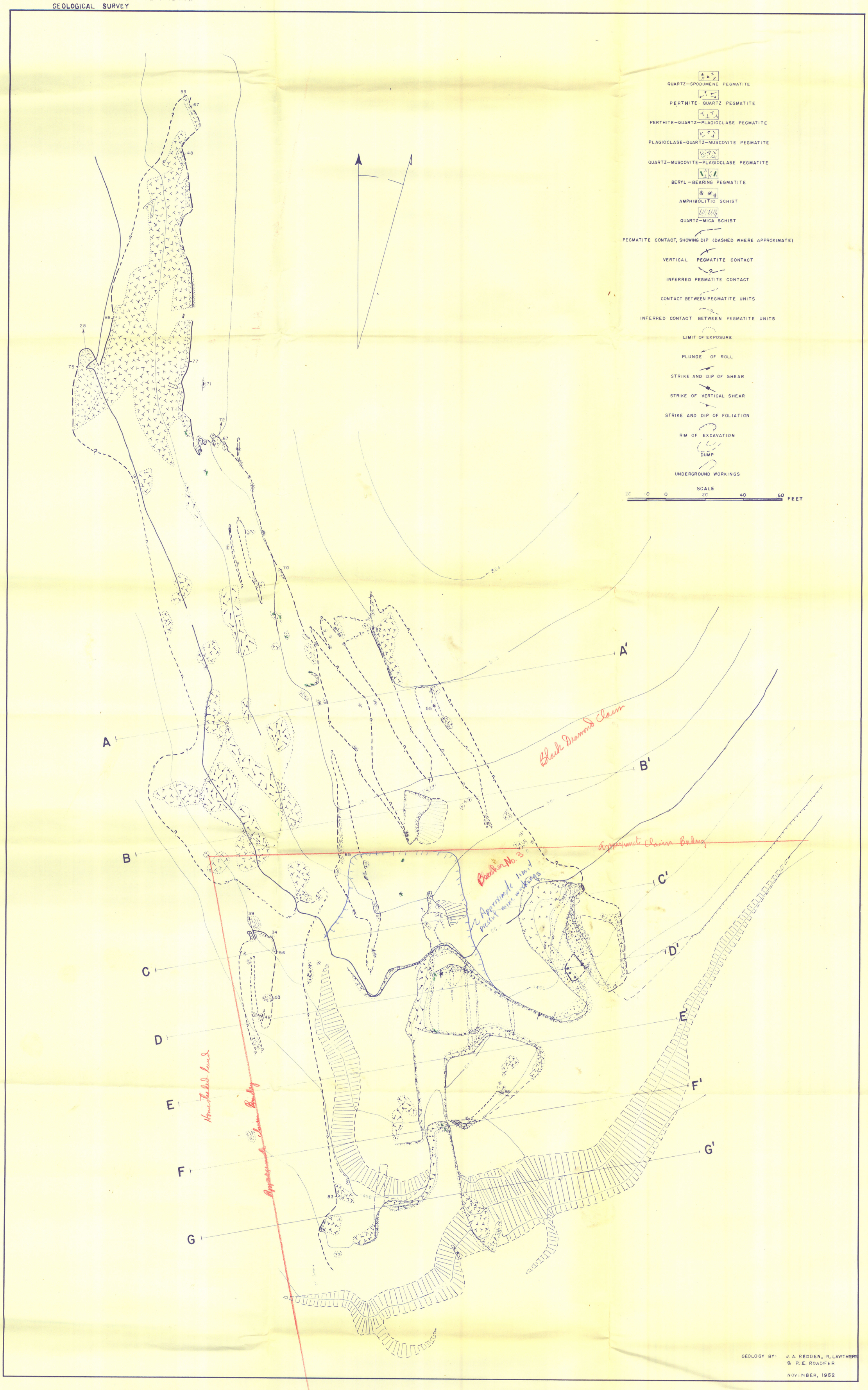
GEOLOGY BY: J. A. REDDEN, R. LAWTHERS & R. E. ROADIFER

NOVEMBER, 1952

GEOLOGIC MAP, BEECHER NO. 3 PEGMATITE, CUSTER COUNTY, SOUTH DAKOTA

DMEA-3102

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

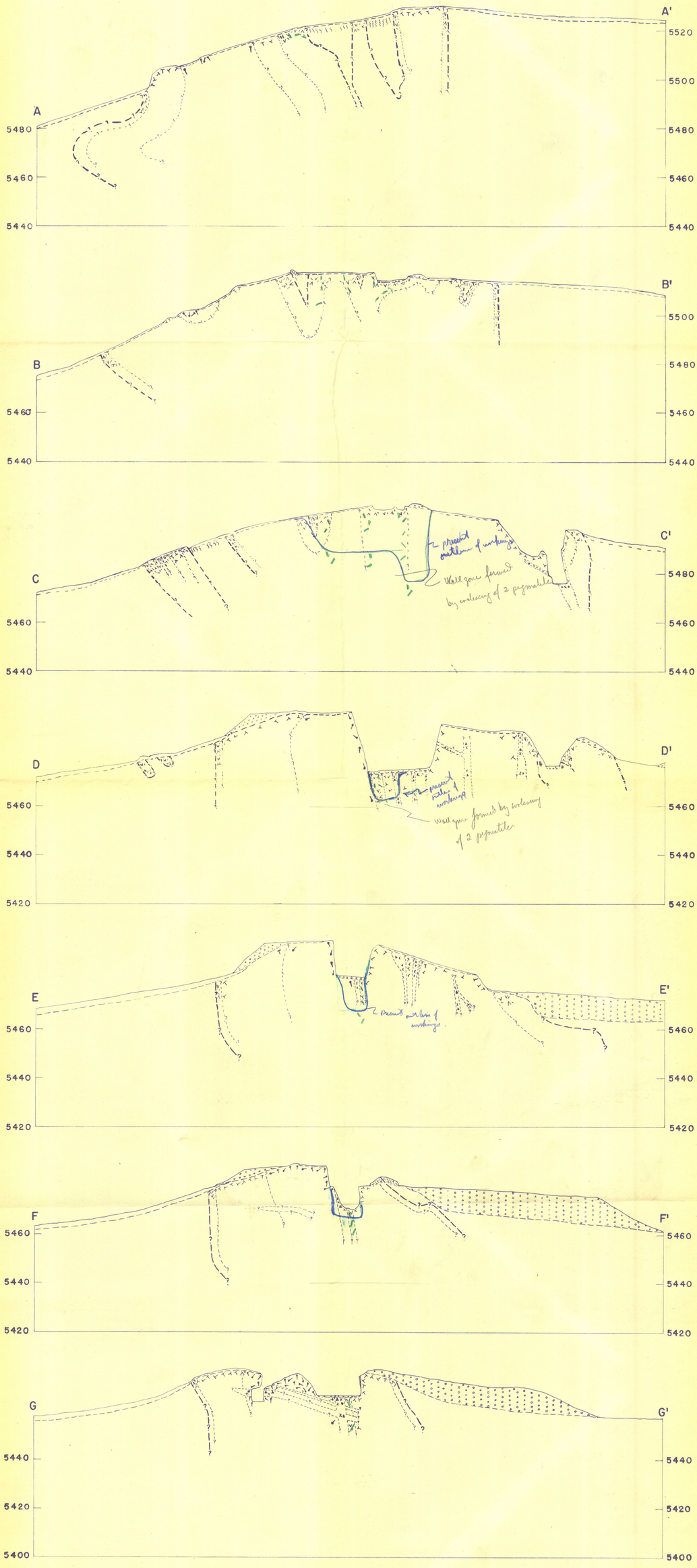


GEOLOGY BY: J. A. REDDEN, R. LAWTHERS & R. E. ROADIFER

NOVEMBER, 1952

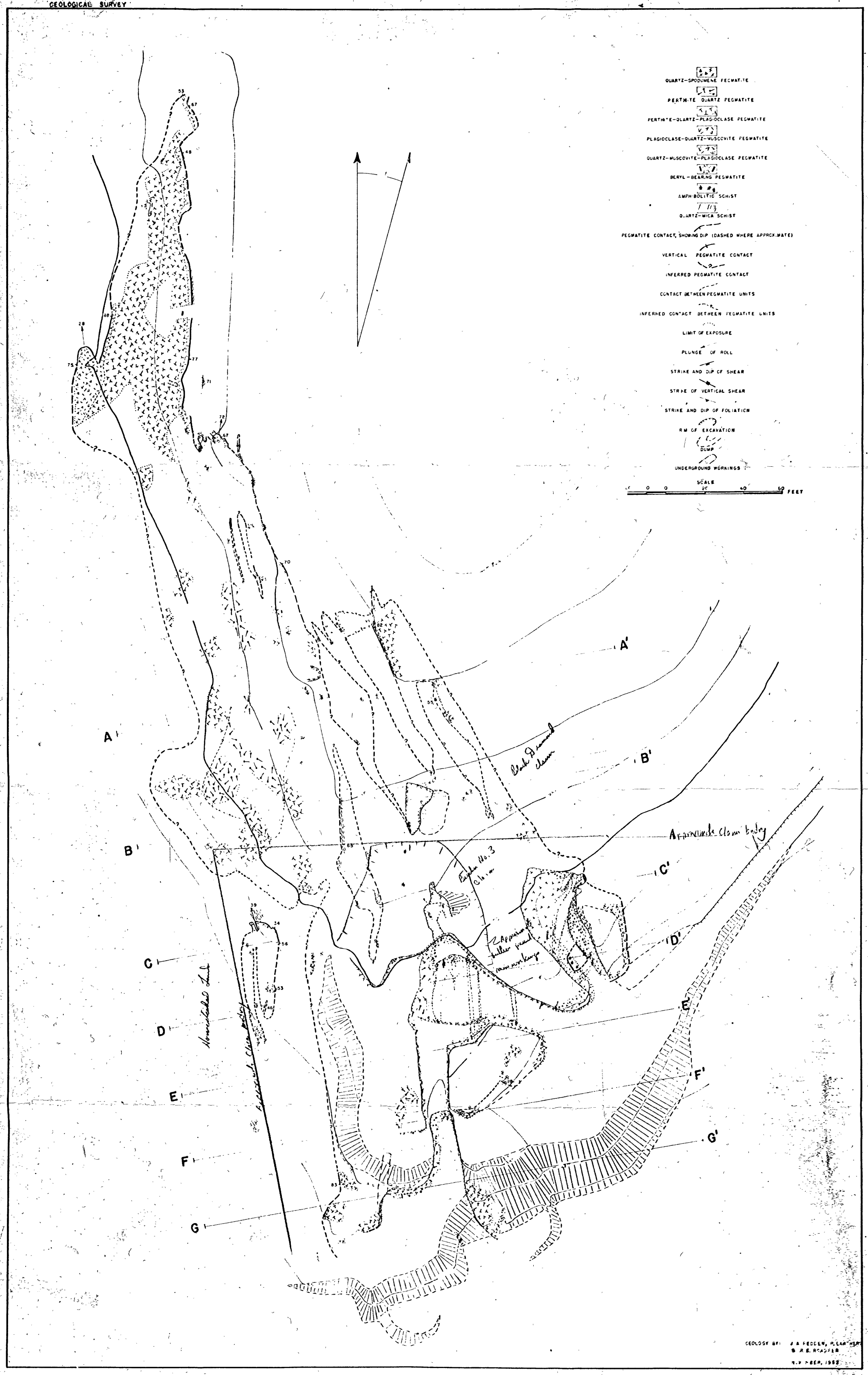
GEOLOGIC MAP, BEECHER NO. 3 PEGMATITE, CUSTER COUNTY, SOUTH DAKOTA

United States Department of the Interior
Geological Survey



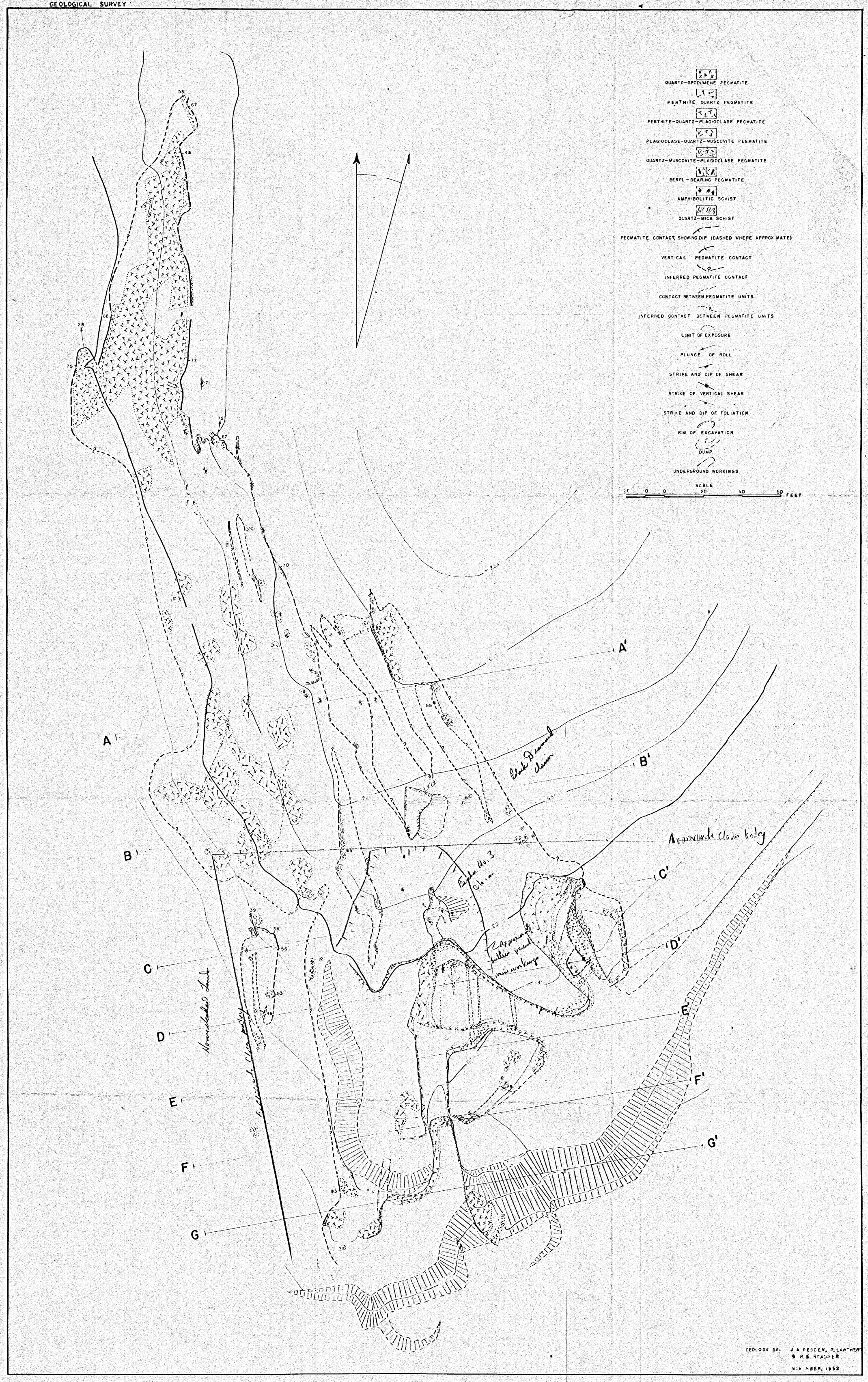
GEOLOGIC SECTIONS, BEECHER NUMBER THREE PEGMATITE
CUSTER COUNTY, SOUTH DAKOTA

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY



GEOLOGIC MAP, BEECHER NO. 3 PEGMATITE, CUSTER COUNTY, SOUTH DAKOTA

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY



GEOLOGIC MAP, BEECHER NO. 3 PEGMATITE, CUSTER COUNTY, SOUTH DAKOTA

DK21-3102