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Washington Post 4/3/56 2911

Indictment Refused In Mica Mine Case

The March term of the Montgomery County grand jury refused to indict Salem A. Bader on charges that he defrauded a District man of $7500 in connection with a North Carolina mica mining enterprise, according to States Attorney Alger Y. Barbee.

Bader is president of the Arab-Asian Institute, with offices at 1536 Connecticut ave. nw. The warrent was sworn out in November by John Gager, of 5215 Massachusetts ave. nw.

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Ray Ryan Taylor 9-4280

M.F. Riley 6601 14th St N.W.

Tennessee

70 Acres

Point Pleasant

W. Va 37%

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Mr Pendleton of N.Y.

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March 18, 1954

Downs - Int. 3609 5649 Cm

Martin

DEPARTMENT OF THE INTERIOR

INFORMATION SERVICE

File in Salem Bader

WSM

BUREAU OF LAND MANAGEMENT

C. O. Mittendorf

Room 4624

For Release MARCH 10, 1954

D-O

MANGANESE LAND IN TENNESSEE OFFERED FOR LEASE

Seventy acres of land in Unicoi County, Tennessee located about one mile northeast of Unicoi, are offered by the Bureau of Land Management for manganese leasing at a sale to be conducted on March 24 at 1 p.m., e.s.t.

The land will be offered through sealed bids, at a minimum bonus bid of $1 an acre, to qualified bidders of the highest cash amount as a bonus for the privilege of leasing. Each bidder must submit with his bid one-fifth of the amount bid by him in cash or by certified check or money order made payable to the Treasurer of the United States and file a statement of United States citizenship. The envelopes must be plainly marked that they are not to be opened before the hour and date set and must show that the bid is for manganese lease.

Important terms and conditions of a manganese lease that may be issued as a result of the sale are:

1. A lease period of 10 years.

2. A royalty of five percent; a minimum annual royalty of $100.

3. A rental of $1.00 an acre payable in advance at the beginning of each lease year.

4. Production to commence within 12 months after issuance of the lease.

5. A bond in the sum of $1,000.

Prior to the issuance of a lease, the successful bidder must pay the remainder of his bid and the rental at the rate of $1.00 an acre for the lease year and execute and file lease forms and a satisfactory bond in the amount stated.

All bids must be submitted to the Director, Bureau of Land Management, Washington 25, D. C., on or before 1 p.m., e.s.t., March 24. No bid received after the time specified for receiving bids will be considered. Deposits of other bidders will be returned upon acceptance of the successful bid. The right is reserved to reject any and all bids.

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400

Mr. Salem A. Bader
Mt. Mitchell Hotel
Burnsville, North Carolina

MAY 5 1953

Re: Docket No. DMEA 2911 - Manganese
Salem A. Bader
N. R. Phillips' BLM Lease
No. A-030649
Unicoi County, Tennessee

Dear Mr. Bader:

Your application for aid for an exploration project and other data available to us in Washington concerning the subject area have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information, although noting a small amount of manganese mineralization on your lease, indicates to us that the probability of disclosing minable ore reserves by your proposed program is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your lease to our attention.

Sincerely yours,

C. O. Mittenderf

Administrator

FARutledge/ls
5/1/53

CC: Docket
Field Team, Region 7
Code 400
Adm. Reading File
N. B. Melcher, USBM
M. D. Crittenden, USGS
Operating Committee

Copy to: Docket
Adm. Reading File
Code 400
Operating Committee

May 1, 1953

MEMORANDUM

To: Administrator, DMEA

From: Iron and Ferro-Alloys Division, DMEA

Subject: Denial of exploration project in the amount of $34,400.00
Docket No. DMEA 2911 - Manganese
Salem A. Bader
H. R. Phillips' FLM lease No. A - 030649
Unicoi County, Tennessee

The denial of the subject application by this Division is based on the following information:

(1) The application is poorly prepared and no definite target is given. The applicant stated that there had been four years of prospecting on the lease but no data were given to substantiate this claim.

(2) A previous application for exploration assistance for iron ore (DMA-1251) was denied in 1951. A sample taken by the Field Team (1950) contained 2.5 percent Mn and 57.4 percent Fe over 5.8 feet. The Field Team concluded that there was insufficient tonnage of iron ore to warrant the investment necessary for economical operation.

(3) No showings of any deposits of manganese that would warrant investigation by the Government were seen by the Field Team. A conflict between the applicant and the holder of the Bureau of Land Management lease is now apparent. The Field Team cannot further examine the property without being guided to the prospects. Apparently Mr. Phillips does not want to do this and Mr. Bader does not know the locations.

(4) The property is underlain by the Unicoi formation consisting principally of quartzites, sandstones, and arkosic conglomerates, with some interbedded shale. There are no known manganese deposits of commercial significance in the Unicoi formation in East Tennessee.

(5) The Field Team recommends denial of the application.

(6) The Commodity Division of the Geological Survey and the Bureau of Mines concur with denial of the subject application.

W. S. Martin

W. S. Martin, Acting Chief

FARutledge/ls

400's copy (denial)

UNITED STATES

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

WSM

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

ON

DMEA-2911, SALEM A. BADER, (Manganese)
Unicoi County, Tennessee

BY

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

Benjamin Gildersleeve, Geologist
U. S. Geological Survey

April 20, 1953

Thru OC 4/27/53

FIELD TEAM EXAMINATION ON
DMEA Docket 2911, Salem A. Bader, (Manganese)
Unicoi County, Tennessee

Applicant: Salem A. Bader, Burnsville, North Carolina

It is the opinion of the Field Team that the chances for a significant discovery are very remote. Therefore, the Field Team recommends the application be denied.

On March 18, 1953, the Field Team made a preliminary examination of the property. They were accompanied by the applicant, Mr. Salem A. Bader, and his associate, Mr. H. R. Phillips.

The property is in Unicoi County, Tennessee, between the headwaters of north Indian Creek and Rock Creek, 4 miles east of Erwin, Tennessee. The property adjoins, on the south, the Tennessee-North Carolina boundary. It consists of 678 acres of the Cherokee National Forest, held under a mineral lease in the name of H. R. Phillips from the Bureau of Land management (BLM-A-030649). Mr. Bader told the Field Team application has been made for a mineral lease on an additional 900 acres.

The Field Team first went to the south boundary of the tract at Beauty Spot Gap. Here Mr. Phillips pointed out distant locations on Rattlesnake Mountain where there were "showings of high-grade manganese." The "prospects" were on the south slope and along the crest of Rattlesnake Mountain. Also, the occurrence of "other prospects" on the north slope of Rattlesnake Mountain were vaguely described by Mr. Phillips.

The applicant was under the impression that approval of his proposed exploration project would mean he could spread out the work over the entire 678 acre-tract. The Field Team explained that he should delimit definite localities, or areas, for exploration.

The Field Team asked to be shown the main manganese propects from which samples had been taken for the analyses accompanying the application. The Field Team was shown:

(1) "The old Garland silver mine" on the south slope of Rattlesnake Mountain, opposite Beauty Spot Gap. This mine had been partially cleaned out by Mr. Phillips. However, the workings are badly caved and slumped, material obscures the "silver ore bed"--if there ever was one. It was reported by Mr. Phillips to be a well-known silver mine, last worked before the Civil War. The only metallic mineral seen in the dump material was a few grains of pyrite. There is no geologic evidence to support the reported occurrence of silver ore from which legendary home made silver dollars came.

(2) "Prospect No. 1"-This pit, now filled with slump material, is the prospect for which J. W. Walker submitted DMA application 1251. Application 1251 was for iron ore. The Field Team report, dated July 17, 1951, recommended denial. No additional work has been done at this prospect. The Field Team is of the opinion that this prospect does not have any possibilities for manganese and still believes, as stated in the report on the examination for DMA-1251, the probability of finding a significant iron ore deposit is very remote. The 90-day option held by Mr. Walker, DMA-1251 has expired.

So much time was taken up with getting to, and examining, the two localities described above it was not possible to see other prospect on the property.

An appointment was made with the applicant, Mr. Bader, to complete the examination on April 15, 1953. On April 8 the Field Team received a letter from Mr. H. R. Phillips saying it would not be necessary to further examine the property. He was advised the re-examination would be made as scheduled with the applicant. (See attached correspondence).

On April 15 the Field Team met Mr. Bader at Erwin, Tennessee. Mr. Bader had received a letter from Mr. Phillips, dated April 13, saying there was no need to proceed further with the application, that he could not guide the Field Team to the prospects, but would meet Mr. Bader and the Field Team in Erwin on April 15. Mr. Phillips did not keep this appointment. The situation boils down to:

1. The application is in the name of Salem A. Bader.
2. Salem A. Bader has a contract with H. R. Phillips allowing him to prospect and develop the property under terms of a mineral lease held by H. R. Phillips from Bureau of Land Management.
3. H. R. Phillips collected the samples from Prospect No. 2 and Prospect No. 5, analyses of which were submitted by Salem A. Bader in his application to DMA.
4. Salem A. Bader has not seen Prospect 2 and 5, and does not know their locations.
5. The Field Team cannot further examine the property without being guided to the prospects. Apparently, Mr. Phillips does not want to do this, and Mr. Bader does not know the locations.

The property is underlain by the Unicoi formation, of lower Cambrian age, consisting principally of quartizites, sandstones, and arkosic conglomerates, with some interbedded shale. There are no known manganese deposits of commercial significance in the Unicoi formation in East Tennessee. The only production in Unicoi County has come from residual deposits in a belt of Shady dolomite, about 4 miles northeast of the tract in question.

The Field Team believes further examination is not warranted, and recommends the application be denied.

Dated: April 20, 1953

Benjamin Gildersleeve, USGS

Wm. A. Beck, USBM

an

ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

C O P Y

April 8, 1953

Mr. H. R. Phillips

Green Mountain, North Carolina

Dear Mr. Phillips;

Reference is made to your letter of April 6 in which you stated that it would not be necessary to make the examination near Erwin on the Simon Bader application. We have already made an appointment to meet Mr. Bader at the Bus Station at Erwin on Wednesday, April 15 at 9:00 a.m. Unless we hear otherwise from Mr. Bader, we will be there at that time.

We would appreciate it if you could be present also.

Very truly yours,

Wm. A. Beck

WAB/mg.
cc:
Laurence
Lynch
Files.

Copied by xm.
4 copies with Field
Examination report to
Washington.

ROOM 13, POST OFFICE BL...
KNOXVILLE 2, TENN.

C O P Y

Green Mountain, N. C.
4/6/53

Dear Mr. Beck

I am writing you in reguard to your trip to look at the manganese prospects in the Unaka Mtn. near Erwin, tenn.

Mr. Bader tells me yesterday that you was supposed to come to Erwin next wed or Thursday 8th or 9th to go over the prospects.

I wish to inform you that this will not be necessary to make the trip at that time for reasons I will not state by letter. However, I hope to see you the next time you are in this vacinity and give you my reasons for not going ahead with Mr. Bader at this time.

So please let me know when you will be in Burnsville or Spruce Pine and I will meet you and explain everything to you. I do not know of any other way to do this and give the full details. So you may put Bader of by some excuse untill I am able to sit down and tell you the whole story. Please advise

s/ H. E. Phillips

Copied SIC
Sm.
Beck
Laurence
4-Washington with
Field Exam. Report.

COPY

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DMEA
ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 1, 1953

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA Field Team, Region 7

Subject: DMEA-2911, Salem A. Bader (Manganese, etc.)

A partial examination of this property was made by Mr. Beck and Mr. Gildersleeve on March 18. As the applicant claimed to have additional data, as well as some new trenches which could not be visited on that date, a re-examination is planned, when the applicant sends additional information and advises that he is ready to revisit property.

This is the same lease as DMA-1251 (J. W. Walker) which was examined in July 1951, and denied, as an iron ore project. The chance of commercial manganese ore here is remote, but to give the applicant all benefit of doubt, we will re-examine and report to you soon afterwards.

Signed: Robert A. Laurence

Robert A. Laurence

Copy retained 400

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MAR 19 1953

Air Mail

Mr. Robert A. Laurence, Executive Officer
DME Field Team, Region VII
Room 13, Post Office Building
Knoxville 2, Tennessee

Re: Docket No. DMEA 2911 - Manganese
Salem A. Bader
BLM Lease No. A - 030649
Unicoi County, Tennessee

Dear Mr. Laurence:

Enclosed are two copies of a memorandum by Gilbert L. DeHuff, Jr., U. S. Bureau of Mines, on the subject application to complete your file docket.

Sincerely yours,

SIGNED

W. S. Martin, Acting Chief
Iron and Ferro-Alloys Division

cc: Docket
Field Team, Region 7
Admn. Read. File
W. B. Melcher, USBM
M. D. Crittenden, USGS

Enclosures

Code 400

F. Rutledge/hhb
3/18/53

400

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 17 1953

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

March 13, 1953

Memorandum

To: W. S. Martin, Acting Chief, Iron & Ferro-Alloy Br., DMEA

From: Gilbert L. DeHuff, Jr., Commodity Specialist

Subject: DMEA 2911 - Manganese Salem A. Bader
(H. R. Phillips Property)
Unicoi County, Tennessee

Application is made for aid to explore a property in Unicoi County, Tenn., by core drilling, bulldozing, and open-cut excavation. Total cost is estimated by the applicant to be $34,400, including building and road construction and repair, equipment and supervision.

Two reports of analyses submitted by the applicant show manganese contents of 38.8 percent and 46.52 percent, identified only as Prospect No. 2 and Prospect No. 5. No shipments have been made from the property.

A Bureau of Mines engineer made an examination in September 1950 at which time he found several prospect shafts, pits, and a trench. A sample cut at right angles to the dip at the most prominent exposure analyzed 2.5 percent Mn and 57.4 percent Fe over 6.8 feet. He described the deposit as "hematite, psilomelane and pyrolusite, concentrated on impervious quartzite," dipping 51 degrees and having a leached, siliceous capping for a hanging wall. Considerable float was found on the adjoining slopes. His only reference to manganese in his conclusion was the remark that the sample ran considerably lower in manganese and higher in iron than expected. He doubted that there was sufficient tonnage of iron ore to warrant the investment necessary for economical operation, but concluded " should the need for iron become extremely critical, the property should be re-examined by several short holes to test the probable extent before any extensive exploration is undertaken".

It is to be noted that the Bureau's engineer reported the iron mineral to be hematite, whereas the applicant has named the minerals for which he wishes to explore as manganese, silver, copper, magnetic iron ore, and aluminum, with particular emphasis on manganese.

While our engineer's findings with respect to manganese were very discouraging, exposures were limited at the time of his visit, and it is possible that later work may have disclosed better showings from which applicant's samples may have been taken. For this reason, and because of the remote possibilities for an iron ore deposit, it is believed advisable that this application be referred to the Field Team for their consideration.

Gilbert L. DeHuff, Jr.

Mr. Salem A. Bader
Mt. Mitchell Hotel
Burnsville, North Carolina

MAR 11 1953

Re: Docket No. DMEA 2911 -
Manganese
Salem A. Bader
BLM Lease No. A-030649
Unicoi County, Tennessee

Dear Mr. Bader:

Your application for assistance in exploring manganese occurrences on land in the Cherokee National Forest, Tennessee, held under a mineral lease from the Bureau of Land Management, has been reviewed by the Iron and Ferro-Alloys Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

Should a field examination be made of the property, any assistance that you can render the examining engineers will be appreciated.

Sincerely yours,

C. O. Mittenzwei

Administrator

CC: DOCKET
FIELD TEAM, REG. VII
CODE 400
ADMN. READ. FILE
N. B. MELCHER, USBM
M. D. CRITTENDEN, USGS

FARutledge/ls
3/6/53

Mr. Robert A. Laurence, Executive Officer
DMEA Field Team, Region VII
Room 13, Post Office Building
Knoxville 2, Tennessee

MAR 1 1 1953

Re: Docket No. DMEA 2911 - Manganese
Salem A. Bader
BLM Lease No. A - 030649
Unicoi County, Tennessee

Dear Mr. Laurence:

Reference is made to the subject application for exploration assistance which is being referred to your office for review and a field examination if an examination is warranted.

The application was poorly prepared and does not contain much of the essential information needed to evaluate the merits of the requested exploration project. If a contract is recommended by the Field Team, this information will be required.

Data available in Washington indicate the area covered by the subject application is southeast of the known manganese-bearing formations. A memorandum from M. D. Crittenden, U. S. Geological Survey, has been prepared and is enclosed for your information. The assays referred to in Mr. Crittenden's memorandum were received in our office and copies are enclosed in case they were not attached to your copy of the application.

Sincerely yours,

Reviewed by
OPERATING COMMITTEE
3-11-53
(date)

George G. Selfridge

Chairman, Operating Committee

Enclosures

Approved:

J. N. Hedges

Member, Bureau of Mines

D. M. Lemmon

Member, Geological Survey

CC: DOCKET
FIELD TEAM, REG. VII
CODE 400
OPERATING COMMITTEE
ADMN. READ. FILE
N. B. MELCHER, USBM
M. D. CRITTENDEN, USGS

FARutledge/ls
3/6/53

COPY

PENNIMAN & BROWNE, INC.
341 ST. PAUL PLACE
BALTIMORE 2, MARYLAND

September 18, 1952

REPORT OF ANALYSIS

No. 521477

Sample of Manganese Ores

From Salem A. Bader

Marked As below

MARKED	Prospect #2	Prospect # 5
Manganese (Mn)	38.8%	46.52%
Silica (SiO_2)	11.14	1.13
Phosphorus (P)	0.120	0.060
Sulfur (S)	0.040	0.012
Copper (Cu)	0.002	0.001
Lead (Pb)	absent	absent
Zinc (Zn)	.001	.001

PENNIMAN & BROWNE, INC.

Analysts

COPY

PENNIMAN & BROWNE, INC.
341 ST. PAUL PLACE
BALTIMORE 2, MARYLAND

October 30, 1952

REPORT OF ANALYSIS

No. 521477-a

Sample of Manganese Ores

From Salem A. Bader

Marked As below

MARKED	Iron as Fe
Prospect #2	6.62%
Prospect #5	1.34"

PENNIMAN & BROWNE, INC.

Analysts

IN REPLY REFER TO:

G-MD-CF

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

March 4, 1953

Memorandum

To: W. S. Martin

From: M. D. Crittenden

Subject: DMEA-2911 (Manganese)
Salem A. Bader

The applicant proposes to do 2,800 feet of core drilling and an unspecified amount of surface trenching for a total cost of $34,400, on a 678-acre tract in Unicoi County, Tennessee. The mineral values reported include silver, copper, magnetite, aluminum, and manganese. No assays are given, though the application says "assays enclosed".

The tract in question adjoins the Tennessee-North Carolina boundary between the headwaters of N. Indian Creek and Rock Creek, and is just off the edge of Plate 7, Bulletin 52, Tennessee Division of Geology, 1944. This plate and the geologic map, plate 1, indicate that the tract in question is about 4 miles southeast of the belt of rock (shady dolomite) that has yielded the only production in that county. No manganese was reported on the crest of Unaka mountain in 1944, nor are the rocks in that area known to contain commercial deposits elsewhere.

Although the Geological Survey does not have specific knowledge of deposits on the tract in question, the geological environment is known, and the chances for a significant discovery can only be characterized as poor.

M. D. Crittenden

Copy retained (40)

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

402

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 26 1953

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. dmea/2911
Metal or Mineral
Date Received 2-26-53
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Salem A. Bader

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Cherokee National Forest located in Unicoi County. Refer to Dept. of the Interior, Bureau of Land Management,- lease No. BLM -A - 030649 in the name of H.R.Phillips.

(*b*) State any mine name by which the property is known. none at present.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Purchaser under contract and operati on party.

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it Land is government,- owned.

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. None.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power. All available.

5. *The exploration project.*—(*a*) [redacted]e the mineral or minerals for which you wis[redacted] explore Manganese, silver, copper, magnetic iron ore aluminum.

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc. Map enclosed showing prospective exploration points.

(*c*) The work will start within 10 days and be completed within 3 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel.

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of 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.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—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 the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? Yes.

(*b*) How do you propose to furnish your share of the costs?

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated Feb. 12th., 1953

Salem A. Bader
(Applicant)

By Salem A. Bader

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—66551-1

Supplement to Application for Aid in an Exploration Project.
Application made dated Feb.12th.

3.(d) Copy of lease and contract enclosed.

4. There has been 4 years of prospecting this property and testing and examinations and assays made. Costing many thousands of dollars by holder of the lease and by applicant for aid in exploration project. Fair existing roads make accessibility to property possible,- for examination only.

4 (c) Map enclosed marked to show roughly where exploration points will be made and the various minerals sought. Chief reason to explore is after all prospecting and other preliminary work and expense has been made, it is imperative that we know the approximate volume of ores and potential reserves.
Assays enclosed.

4(d) Existing roads at present may be used for examination only. Shipping points would be Erwin, Tenn. which is 4 miles or Unicoi, Tenn, which is 5 miles. Residence points same as shipping points.

5(d) The experience of applicant consists of four years of mining and applicant will utilize the mining engineers supplied by companies who will participate in the ultimate production of the ores.

6. Estimate of costs enclosed in itemized form.

6(a) Contract for core drilling is to be let to expert drilling company, and costs appear on attached estimate. Contract for bulldozing is to be let also and costs appear on estimate of costs attached.

6 (b)(c)(d)(e)(f)(g) covered in estimate of costs attached.

Cost of Operation on propsed Exploration Project on
Cherokee National Forest, Mineral Government Lease
issued to H.R.Phillips No. BLM-A- 030649

1.	2800 Ft. Core Drlling at $6.00 per ft. Total (Contract to be sublet to Core Drilling Co.)	$ 16800.00
2.	300 hours Bulldozing property at $10 per hr.	3000.00
3.	300 hours Bulldozing Operatior at $2 per hr.	600.00
4.	100 hours Building and repairing existing roads by bulldozing and labor. at $10 per hr.	1000.00
5.	100 Bulldozing Operator . at $2 per hr.	200.00
6.	100 feet 5x6 1/2 feet hand tunnel and labor at $12 per ft.	1200.00
7.	100 feet open cut excavation at $12 ~~an hour~~ ft. and labor	1200.00
8.	50 feet open cut excavation and labor at $10 per hr.	500.00
9.	200 hours Compressor 105 Ingersoll at $6 per hr. with operator.	1200.00
10.	One low water bridge, new. at	1000.00
11.	One low water bridge, to be repaired	600.00
12.	One 3/4 ton pick up truck,- new.	2000.00
13.	6 common laborers at 100 hours each - 600 hours at $1 per hour	600.00
14.	50 cases of dynamite at $11.50 per case	575.00
15.	2000 electric exploders at $13.50 per hundred.	675.00
16.	Two rough buildings at $500 each	1000.00
17.	90 days supervision. at $25 per day	2250.00
		34400.00