IMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

DMEA NO. 4393

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract
√(Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
√Report of Review
√Termination Notice or Agreement
Recision Notice
Assignment of Contract
Contract Amendments (latest on top)
√Contract with all exhibits and annexes
Owner's Consent to Lien
Subordination Agreement
√Leases and assignments of leases
√Application and attachments
(3) √Envelope for maps

Right Side

√Project summary
√Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

√Final Field Team Report (Tab)
√Operator's Final Report
√(2R) Interim Reports
√(2R) Operator's monthly reports and all attachments (latest on top)
√On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order) Interim Summary Reports by W. O. Engineers

Right Side

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

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

Government Copy

Long
Kenyon
Appd. Sen. Off.
Klugescheid
Albaugh
Selfridge
Johnson

TERMINATION AGREEMENT

It is agreed this 6th day of May, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Roland F. Beers, Inc., hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E1013 (Docket No. DMEA-4393), dated September 24, 1956, hereinafter called the "Contract," that:

1. Effective January 31, 1957, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute to allowable costs incurred prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. All rights of the Government provided for in the Contract with respect to percentage royalty and liens for its payment, and all rights as to records and audits set forth in the Contract, and recovery of any overpayment, are preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

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

THE UNITED STATES OF AMERICA

By O. Mitchell Dow
Administrator, Defense Minerals
Exploration Administration

ORIGINAL FILE COPY
DMEA
RECEIVED MAY 17 1957

DATE	INITIALS	CODE

ROLAND F. BEERS, INC.

By Roland F. Beers

Title President

MTEA 4393

DOCKET INDEX

ACTION DOCUMENTS

1. APPLICATION DATE RECEIVED 7/24/56

2. CONTRACT E-1013 DATE 9.24.56

3. TERMINATION AGREEMENT: DATE

   a. Mutual (with/without repayment provision).
   b. Unilateral.
   c. Amendment with automatic termination clause and with/without repayment provision.

4. CERTIFICATION DATE

5. AUDIT REPORT DATE

6. AMENDMENTS - NUMBERS DATE

Klug
Betty

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

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

pertaining to Exploration Project Contract No. Idm-E1013, DMEA No. 4393, for the months of October 1956 to January 1957, inclusive, covering a project for the exploration of copper and zinc on property, known as the New Canton Project located in the Marshall District of Buckingham County, Virginia.

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, verification of work performed by reference to Field Team reports and correspondence, and a determination of the reasonableness and propriety of the costs.

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

(a) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible further disallowances thereunder;
(b) the Monthly Reports were supported by documentary proof of that portion ($7,612.60) of the costs incurred for work performed at unit rates under independent contract; and
(c) the balance ($2,032.36) of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs of work actually performed.

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

Total cost as billed by Contractor		$9,648.11
Exceptions (schedule attached):		
Prior to this review	$ -0-	
Herewith	3.15	3.15
Total Accepted Cost		$9,644.96

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Four thousand eight hundred twenty-two and 48/100 Dollars

$4,822.48

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

E. D. Talbert

April 1, 1957

E. D. Talbert, Auditor

SCHEDULE OF EXCEPTIONS

Idm-F1013 Roland F. Beers, Inc. DMEA-4393

Difference between claimed costs ($211.75) for 35 "assays", at actual costs not in excess of $8.00 an assay, and allowable costs ($208.00) for 26 "samples", at the contractual fixed unit cost of $8.00 a sample..... $3.75

Difference between Field Team disallowance ($6.60) in October 1956 MF-104 for 2 feet of BX drilling @ $3.30 a foot in excess of contract estimate of 60 feet for the item and proper disallowance ($6.00) for 2 feet of AX drilling (the bottoming size) in excess of contract maximum of 1050 feet for Stage I drilling..... -.60

Net Total..... $3.15

Docket RECEIVED
OCT 22 1956

MF-200
(Revised June 1954)

Docket No. DMEA -4393

Commodity Copper-Zinc

Contract No. Idm-E 1013

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this SEP 2 4 1956 day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] ROLAND F. BEERS, INC., a New York corporation,

whose mailing address is P. O. Box 1019
Troy, New York,

hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200), the attached Exhibit "A," Annex I, and one map.

The Operator shall not transfer or assign this contract or any right thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of Virginia, County of Buckingham, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] Lessee (see Annex I) of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of [6] 5 leases, [7] ....recorded in Book --, page --, official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: none.

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

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

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 8, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 8(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of copper and zinc. The work to be performed is described in Exhibit "A." The Operator on or before November 1, 1956 shall commence the work, and on or before April 1, 1957 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall have completed the work on [redacted] E[redacted], except as otherwise provided in Exhibit 'A' with respect to stages of work. (see Article 13)

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

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

(c) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—The estimated total allowable cost of the project, set forth in Exhibit "A," is the sum of $ 10,337.00. The Government shall contribute 50 percent of the allowable costs as they are incurred in a total sum not in excess of $ 5,168.50: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last

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

ARTICLE 6. *Estimated costs.*—(a) *Categories of costs.*—The allowable costs of the work to which the Government shall contribute are limited to those that are direct, reasonable, necessary, and that are estimated in Exhibit "A" by categories as specified in this article. If any category or subcategory is omitted from the estimate of costs, or if the word "none" is annexed to the listing thereof, costs under such category or subcategory are not allowable. Any excess over any estimate which is indicated as the maximum of any category, subcategory, or item, either as to requirement or related cost, and any excess over the estimated total allowable cost of the work, shall not be allowable. Any excess over the estimate of any category, subcategory, or item, either as to requirement or related cost, not indicated as a maximum shall be allowable within the limit of the estimated total allowable cost of the work. To the extent that excesses over maximums other than the estimated total allowable cost of the work may be necessary for the performance of the work, the Operator shall incur such excesses for his own account without contribution by the Government; [redacted] See Article 13.

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

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

CATEGORY (2)—PERSONAL SERVICES.

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

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

Subcategory (c)—Labor.

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

CATEGORY (4)—OPERATING EQUIPMENT.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(c) *Reductions in costs.*—The Operator shall account for and give the Government credit for any incidental benefits, credits, or money received in the ordinary course of business in prosecuting the work (as by salvage or sale of materials or equipment, furnishing of room or board, furnishing of power or services to third persons, rebates or discounts on purchases, etc.), in the same ratio in which the Government contributes to costs; and such amounts shall be treated as a reduction in costs incurred so that they are available for use within the limit of the original estimated total cost. This provision does not apply to receipts from production which are subject to the Government's percentage royalty under the provisions of Article 9. **See Article 13.**

ARTICLE 7. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. If the Government elects to audit said records and accounts relating to the exploration work by certified public accountant, it may do so as a cost of the work to which the Operator shall contribute. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government. If work under this contract is carried on in conjunction with any other operations, or if labor, supervision, services, materials, supplies, equipment, facilities, or other requirements for carrying on the work are also used in connection with other operations, the costs shall be segregated and accounted for on a basis and by methods and accounts that are satisfactory to and approved by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing detailed costs incurred during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

RECEIVED
OCT 22 1956

EXPLORATION PROJECT CONTRACT
ROLAND F. BEERS, INC.
DOCKET NO. DMEA-4393

ANNEX I

The land referred to in Article 2 of the Contract consists of approximately 663.5 acres in the Marshall District in Buckingham County, Virginia, and is comprised of five parcels.

The land is shown within the colored outline on the map entitled "General Reference Map of New Canton Area - DMEA-4393, Fig 1," which is attached hereto.

The various land parcels are identified as follows:

Name of Property Owner	Acreage	Date of Lease
Buckingham Mineral Syndicate (shown as W. Clark and V. Clark on the map)	363	1/25/56
Plummer F. Jones and Lottie Pitts Jones (wife)	114.5	2/3/56
Levitt E. Perkins and Elnora Perkins (wife)	81	2/13/56
F. R. Patteson and N. D. Patteson (wife)	40	2/16/56
Cary C. Shipp and others	65	2/17/56
Total acreage	663.5	

The Jones lease is for a period of two years; the Patteson lease is for a period of three years; and the other three leases are for periods of five years each. Each lease may be extended beyond the fixed period so long as mining operations are performed or maintained.

EXPLORATION PROJECT CONTRACT
ROLAND F. BEERS, INC.
DOCKET NO. DMSA-4393

EXHIBIT "A"

Description of the Work

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

The objective of the work is to investigate the ore potential of the metasedimentary rocks which lie adjacent to a large mass of Columbia granite.

Diamond drilling shall be done with AX size or larger coring bits. All drill holes shall be logged geologically, and all drill core shall be made available to the Government for examination. All significantly mineralized core shall be properly sampled and the samples assayed for copper, zinc, lead, gold, and silver. Assays, geological logs of drill holes, and the proper plan and section maps, showing the progress of the work, shall be furnished to the Government.

The project shall be supervised at all times by competent engineers and geologists.

The location, direction, inclination, and extent of all drilling are subject to the approval of the Government.

All holes shall be reamed and cased or cemented and redrilled as necessary, but the Government will not contribute to the cost of any casing left in drill holes at the option of the Operator.

The work is divided into two stages, set forth below. The Operator shall perform Stage I, and shall perform as much of the Stage II work as the Government approves in advance.

Stage I

Three diamond drill holes shall be drilled, of AX size core or larger, each having an approximate length of 350 feet. The total length of the three holes shall not exceed 1,050 feet, including overburden drilling.

The approximate locations, directions, and inclinations of the holes are shown on the map (Fig. 1).

The Government will contribute to the costs of assaying not more than 15 samples under this stage.

Stage II

Three diamond drill holes shall be drilled, of AX size or larger. The total length of the three holes shall not exceed 1,500 feet, including overburden drilling.

The locations, directions, inclinations, and lengths of the holes shall be subject to the prior approval of the Government.

The Government will contribute to the costs of assaying not more than 20 samples under this stage.

Estimated Costs of the Project

Stage I

Actual Costs

Category (1) Independent Contracts

Overburden drilling to 125-foot depth approximately 375 feet @ $3.00/ft.	$ 1,125.00	
Diamond drilling - AX size core approximately 555 feet @ $3.00/ft.	1,665.00	
Diamond drilling - BX size core approximately 60 feet @ $3.30/ft.	198.00	
Diamond drilling - NX size core approximately 60 feet @ $3.65/ft.	219.00	
10 hours of cementing and redrilling holes @ $7.50/hr.	75.00	
Mobilization of diamond drilling equipment	125.00	
Demobilization of diamond drilling equipment 1/	125.00	$ 3,532.00

Categories (2) through (7)

None

Fixed Unit Costs (See Article 13)

Incidental allowance 2/ for each foot of drilling completed 1,050 feet @ $0.86/ft.	$ 903.00	
15 samples assayed @ $8.00/sample	120.00	$ 1,023.00
Total Estimated Cost of Stage I		$ 4,555.00

Stage II

Actual Costs

Category (1) Independent Contracts

Overburden drilling to 125-foot depth approximately 375 feet @ $3.00/ft.	1,125.00	
Diamond drilling - AX size core approximately 1,005 feet @ $3.00/ft.	3,015.00	
Diamond drilling - BX size core approximately 60 feet @ $3.30/ft.	198.00	
Diamond drilling - NX size core approximately 60 feet @ $3.65/ft.	219.00	
10 hours of cementing and redrilling holes @ $7.50/hr.	75.00	4,632.00

Categories (2) through (7)

None

Fixed Unit Costs (See Article 13)

Incidental allowance 2/ for each foot of drilling completed 1,500 feet @ $0.66/ft.	990.00	
20 samples assayed @ $8.00/sample	160.00	1,150.00
Estimated Total Cost of Stage II		$ 5,782.00

S U M M A R Y

Estimated Total Cost of Stage I	$ 4,535.00	
Estimated Total Cost of Stage II	5,782.00	
Estimated Total Cost of Project		$10,337.00
Government Participation @ 50%		$ 5,168.50

1/ If any work is authorized under Stage II, this amount is transferable to Stage II, and payable when the cost is incurred.

2/ Includes all costs that might otherwise have been allowable costs under Categories (2) through (7), except assaying.

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and related costs incurred.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records, or accounts.

ARTICLE 8. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 7) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value therof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½)

percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

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

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

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

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

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

ARTICLE 10. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon: (1) the Government shall be free of all obligation to contribute to costs not then incurred other than such as may be allowable under the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon: (1) the Government shall be relieved of all obligation to contribute to costs not incurred when the notice was given, other than such as may be allowable by the provisions of the contract as necessary and incidental to winding up, reporting, and accounting; and (2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 10 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 11. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 12. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 13. *Changes and added provisions.*—

(a) That part of the last sentence of Article 3 beginning with the word "either" is deleted and replaced by the words "have completed the work, except as otherwise provided in Exhibit 'A' with respect to stages of work."

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

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

(d) That part of the last sentence in the first paragraph of Article 6(a) commencing after the semicolon is deleted.

(e) In Article 6(c), the reference to Article 9 is changed to Article 8.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mittendorf

Administrator, Defense Minerals Exploration Administration

ROLAND F. BEERS, INC.
(Operator)

By Roland F. Beers

Title President and Treasurer

I, Marion L. Hunziker, certify that I am the Assistant secretary of the corporation named as Operator herein; that Roland F. Beers who signed this contract on behalf of the Operator, was then President and Treasurer 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.

Marion L. Hunziker

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—70617-1

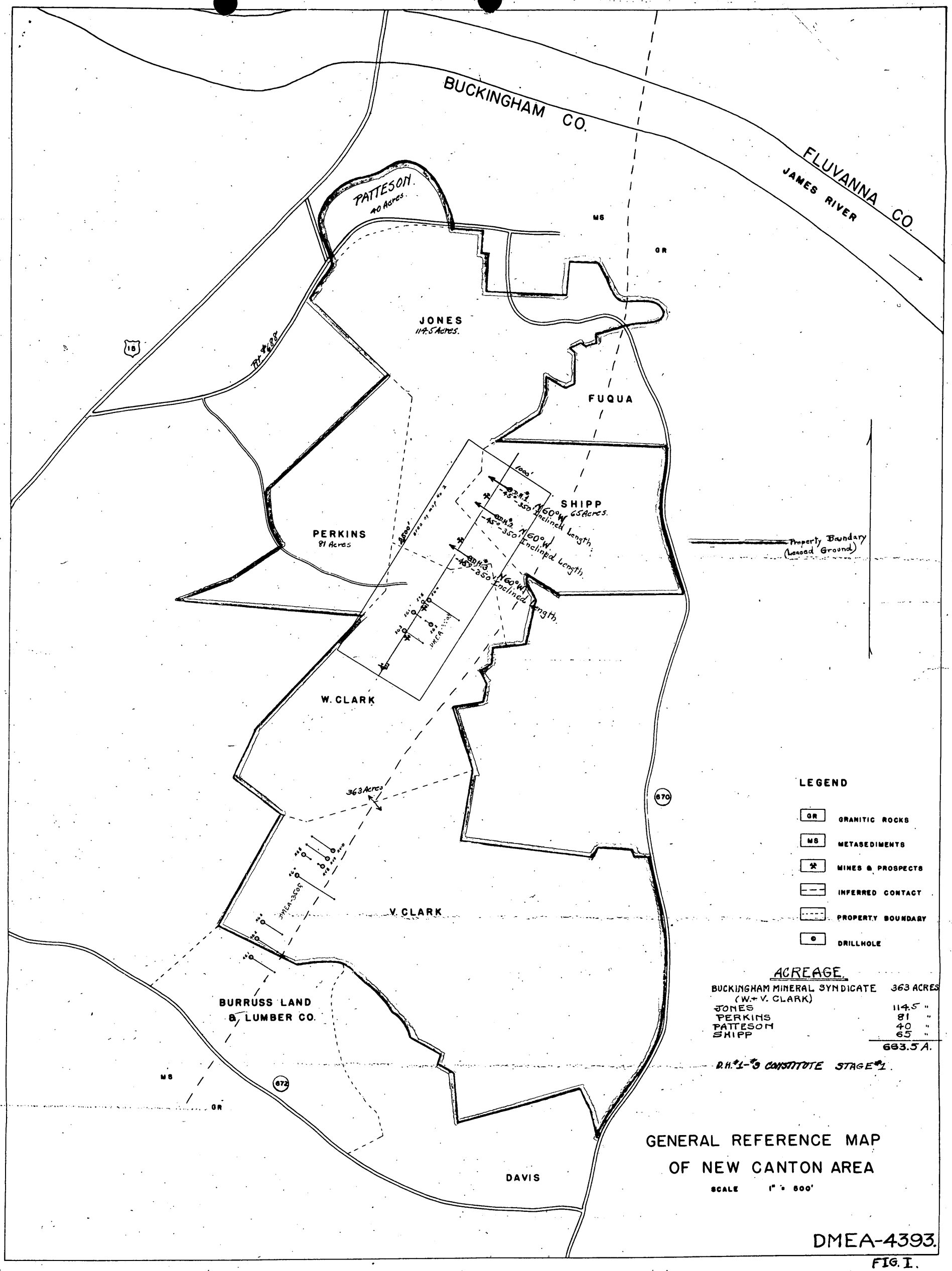

BUCKINGHAM CO.
FLUVANNA CO.
JAMES RIVER
PATTESON
40 Acres
MS
GR
JONES
114.5 Acres.
15
TRF 4.6.8
FUQUA
SHIPP
65 Acres.
PERKINS
81 Acres
Property Boundary
(Leased Ground)
W. CLARK
363 Acres
670
V. CLARK
BURRUSS LAND
& LUMBER CO.
MS
672
GR
DAVIS
LEGEND
GR GRANITIC ROCKS
MS METASEDIMENTS
MINES & PROSPECTS
INFERRED CONTACT
PROPERTY BOUNDARY
DRILLHOLE
ACREAGE.
BUCKINGHAM MINERAL SYNDICATE 363 ACRES
(W.+ V. CLARK)
JONES 114.5 "
PERKINS 81 "
PATTESON 40 "
SHIPP 65 "
683.5 A.
D.H.#1-#9 CONSTITUTE STAGE #1.
GENERAL REFERENCE MAP
OF NEW CANTON AREA
SCALE 1" = 500'
DMEA-4393.

FIG. I.

RECEIVED
AUG - 8 1956

5
V
6
2

MINING LEASE

from

PLUMMER F. JONES AND LOTTIE PITTS JONES HIS WIFE

to

ROLAND F. BEERS, INC., TROY, NEW YORK

Date of Lease February 3, 1956

No. of Acres 114½

Marshall District

County of Buckingham

State of Virginia

Expiration of Definite Term

RECORDER'S DATA

Received for Record ..... 19.....

Recorded ..... 19.....

In Book ..... Page.....

..... Recorder

of .....

RECEIVED

AUG - 8 1956

AGREEMENT made and entered into this .....3..... day of February..... A. D., 19 56..

by and between ....Plumner F. Jones and Lottie Pitts Jones his wife.....

.....

of ....Marshall District..... County of ....Buckingham.....

and State of ....Virginia..... of the first part, hereinafter referred to as Lessor, and Roland F. Beers, Inc. of Troy, New York, of the second part, hereinafter referred to as Lessee. WITNESSETH:

1. (**LEASING CLAUSE**) That Lessor, in consideration of the sum of ~~One Dollar Cash~~ Five Hundred Dollars in hand paid the receipt of which is hereby acknowledged, under the covenants, conditions, and agreements herein after contained on the part of Lessee to be paid, kept and performed, does lease, let, and demise exclusively to Lessee, all and every prospecting and mining right and privilege in and upon the lands hereinafter described, together with the privilege of erecting and installing any and all machinery and equipment, necessary or convenient, for the sole purpose of prospecting, mining, processing and marketing of ores and minerals as found on this land alone or co-jointly with neighboring lands.

The following described premises owned by Lessor and situated in ....Marshall District.....

.....Buckingham..... County and State of ....Virginia.....
bounded substantially by the following lands:

NORTH ....Plumner F Jones.....

EAST ....Albert T Fuqua Bear Garden Estate George Bolling.....

SOUTH ....Ida Logan.....

WEST ....J B Clark Levett Perkins Wesley Austin G W Satterfield.....

containing ....One Hundred and Four (104) - 7 - 19½ Cases = (114½) P.E.J. = L.P.S. acres, more or less.

2 (**LESSOR'S COVENANTS**) Lessor warrants and agrees to defend the title to the lands hereinbefore described, and agrees that Lessee at its option may pay and discharge any taxes mortgages or other liens existing, levied or assessed on or against the above described lands, and, in the event that it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax, or other lien, any royalty or rentals accruing hereunder.

3 (**TERM**) This lease shall run for a period of ~~xxxxx~~ two (2) years, and so long thereafter as mining operations are performed or maintained on said leased premises unless terminated sooner as herein provided If Lessee has discovered an ore body on said leased premises at the time of expiration of said term, Lessee may at its option, renew said lease for a similar term of years on the same terms and conditions as herein provided, in which event Lessee shall give Lessor written notice of its intension so to do on or before sixty (60) days prior to the expiration of said term Upon the renewal of said lease, all royalties, advances or otherwise, shall continue to be paid as though said lease had never been terminated.

4 (**MINING RIGHTS**) This lease conveys the surface land rights necessary for prospecting, developing and operating any mine or mines in said land, or operating mills on said land. Lessee shall have right of ingress and egress, and right of way to and from any place where operations are carried on, and the public highway Ores mined from the leased premises may be milled and prepared for market thereon, or on other lands, separately or in connection with other ores, as Lessee may elect Lessee, however, shall use one roadway to and from any mine or mill on said land, and shall keep all gates closed on such part of said premises as are used by it. Lessee agrees that all of its operations on said premises shall be conducted in accordance with good and customary mining practices. Lessee shall have the privilege of raising ores from said land through shafts or inclines on other lands in the area, and the privilege of milling, cleaning or otherwise treating such ores in plants or mills located upon such lands. Lessee shall also have the privilege of raising ores mined from other land through shafts or inclines which Lessee has sunk or driven on the leased premises for the purpose of working same, and of milling, cleaning or otherwise treating such ores in mills or plants located upon the leased premises. The privileges referred to in the last preceding sentence shall survive the termination, by expiration or otherwise, of the lease. For any period after such termination during which Lessee is (a) raising, through a shaft driven on the demised premises ores exclusively from other lands in which Lessor has no interest, or (b) milling, cleaning or otherwise treating on the demised premises, ores exclusively from such other lands, or (c) doing both (a) and (b), Lessee shall pay Lessor five hundred (500) dollars per year. The right to use underground inclines or exploration openings existing in the leased premises at the termination of this lease shall also survive such termination for so long as the use of any of the same may be necessary or convenient for any mining purpose connected with this or any other property.

During the term of this contract all rock waste and jig tailings resulting from the operation of any mines located on said premises may be sold by Lessee, and Lessee shall pay to Lessor fifty (50) per cent of the net sales price It is agreed that either Lessor or Lessee shall have the right to use, without cost, so much of said tailings or waste rock as may be required in connection with mining or milling operations or for use on the leased premises. Lessee's judgment and decision as to all matters pertaining to waste materials shall be final and binding. In case of forfeiture or surrender of this lease, all tailings and waste, not sold, or remaining on the leased premises, if not sold and removed within two (2) years, become the

RECEIVED
AUG - 8 1956

property of the Lessor, and Lessee waives all rights thereto and shall be released and relieved from all further obligations or liabilities hereunder.

Should Lessee erect a mill on the leased premises, it agrees to pay Lessor the reasonable annual value of the portion of the surface of the premises required for such mill site, and the necessary storage facilities for rock and tailings. If such value cannot be agreed upon by the parties, it shall be submitted for arbitration as hereinafter provided. Such mill and storage facilities may be established before arbitration, and payment shall be made promptly after such arbitration is concluded. Upon payment, Lessor shall grant to Lessee, by instrument in writing independent of this lease, the exclusive right, privilege and license to use the mill site and storage facilities for milling, beneficiating, stock piling and storing ores, concentrates, minerals, metals, pertinent in connection with mining or milling, so long as Lessee shall deem necessary.

Anything hereinbefore to the contrary notwithstanding, Lessee shall have the right to remove any of its property used in connection with the exercise of the rights and privileges referred to in the preceding sentences of this paragraph within six (6) months after tendering a release of the same.

5. **(DAMAGES)** Lessee shall cover and case all prospect holes, and shall pay all damage to growing crops or timber. Should any regularly used water supply on the premises be drained by mining operations carried on by Lessee, the Lessee agrees to furnish Lessor with a new water supply equal to the existing water supply before mining operations were carried on.

~~[illegible]~~

~~[illegible]~~

~~[illegible]~~

~~[illegible]~~

~~[illegible]~~

7. **(SUSPENSION OF WORK ON LOW MARKET)** In the event of a drop in the market price of Zinc or Copper as quoted in the Engineering and Mining Journal, to less than twelve (12) cents per pound for Zinc, and forty (40) cents per pound for Copper, the Lessee may suspend all operations until the quoted prices are again equal to at least twelve (12) cents per pound for Zinc and forty (40) cents per pound for Copper, and that during such period this lease shall remain in effect without the payment of a minimum advance royalty. The suspension of such work shall not exceed a period of four (4) years at any one time

8 **(ROYALTIES)** Lessee will pay to Lessor a royalty of five (5) per cent of the market value of such sulfide and metallic concentrates from ores mined and marketed from the leased premises "Concentrates," for the purposes hereof, means the salable Zinc, Lead, Copper, Nickel, Cobalt, Iron, Sulfides Gold, and Silver economically recoverable, as determined above at the mill or concentrating plant where treated. "Market value," for the purposes hereof when used with respect to the sulfide minerals listed above, means the price established f.o.b. cars at the mill by responsible buyers of concentrates of a similar grade and kind produced from ores mined and milled in said district and prevailing at the time the ores are delivered to the mill for treatment.

9. **(ROYALTY PAYMENTS)** Royalty payments shall be made by the Lessee on or before the last day of each calendar month for all ores delivered at the mill during the preceding calendar month. Royalty or other payments under this agreement shall be paid (a) to Lessor at ......New Canton Virginia...... .... or (b) as Lessor may in writing designate.

10. **(RECORDS AND REPORTS)** Lessee agrees to keep an accurate record of all ores mined from the leased premises and of all calculations relative to royalty payments hereunder. Said records may be inspected by Lessor at all reasonable times. Lessee will make available for Lessor's inspection, at all reasonable times during the term of this lease, information as to the location and footage of each hole drilled on said land. At the termination Lessee will furnish a factual record of any holes drilled on the land together with a map showing the location of such holes.

11. **(FORFEITURE)** In case of failure of Lessee to keep and perform the terms and obligations of this lease, Lessor may give thirty (30) days written notice of the breach or violation complained of and if such violation or default is not removed, or as nearly corrected as possible, within said period, this lease shall thereupon terminate, provided, however, that no forfeiture shall be asserted where Lessee claims no breach or violation has occured or that the same has been removed or corrected as nearly as possible within the ninety (90) day period, in which event the same shall be submitted for arbitration in accordance with Paragraph 14 of this lease, provided further that no forfeiture shall be asserted based on cessation or delays in operations hereunder when occasioned by fire, war, riot, civil commotion, strikes, operations of law or interference by the Government or its agencies, acts of nature or other causes.

whether like or unlike those enumerated, beyond the control of Lessee. Upon forfeiture, Lessee shall account for and pay royalties accrued to the date of such termination.

12. **(SURRENDER)** Lessee may at any time surrender this lease by executing and tendering to Lessor a written release thereof, and from and after such tender Lessee shall be released and relieved from all further obligations and liability hereunder, with respect to or in any way connected with the above described premises or the exercise of Lessee's rights hereunder, except to account for and make payments accrued during the life hereof. Tender of such release may be made by delivery of same to Lessor in person, or to his agent, or by recording in the office of the Clerk of the Court of the County in which the leased premises are located, of such release, and paying the recording fee.

13. **(NOTICES)** All notices herein provided to be given in writing shall, unless otherwise provided, be mailed by registered mail to the address following, until some other address is designated in a notice so given.

LESSORS ADDRESS: Lew Canton, Virginia

14. **(ARBITRATION)** In the event the parties hereto can not mutually agree upon any matters arising out of this lease, the same shall be determined by arbitration; the Lessor to select one arbitrator, the Lessee to select one arbitrator, and the two arbitrators so selected to select a third arbitrator. Such submission to arbitration shall be a condition precedent to action by either party hereto, in any court, and it is hereby expressly agreed between the parties hereto that such submission to arbitration may be entered of record in the court of proper jurisdiction. The determination by such arbitration shall be binding and conclusive on the parties hereto and may be entered up as the judgment or decree of such court. Expenses of the arbitration shall be borne by the parties equally.

15. **(ASSIGNABILITY)** This lease shall be binding upon and enure to the benefit of the respective parties hereto, and their personal representatives, successors and assigns.

16. **(ENTIRE CONTRACT)** It is agreed that the entire contract and agreement between Lessor and Lessee is embodied herein, and that no oral warranties, representations or promises have been made or relied upon by Lessor or Lessee supplementing, modifying or as an inducement to this Agreement.

Excepting and reserving the home lots plus 10 acres directly behind the house and 2 and 11/16 acres to the East ~~[illegible]~~ as shown on the Plat at Plummer F Jones house at Lew Canton, Virginia. P.F.J. L.P.J. PFJ LPJ

IN WITNESS WHEREOF, Lessor and Lessee have hereunto set their hands and seals the day and year first above written.

In the presence of:

Thomas L. Freeman
Kenneth Jones

LESSOR

Plummer F. Jones (seal)
Lallie Pitts Jones (seal)
(seal)
(seal)

ROLAND F. BEERS, INC.
By Wallace MacGregor ~~(seal)~~
Authorized Agent

STATE OF Virginia
COUNTY OF Rockingham

I, Kenneth Jones, a Notary Public in and for the State and County aforesaid do hereby certify that Plummer F. Jones and his wife Lallie Pitts Jones personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 3 day of February 1956.

Kenneth Jones
Notary Public

My Commission expires:
Sept 21, 1958

RECEIVED
AUG - 8 1956

5
V
6
3

MINING LEASE

from

LEVITT E PERKINS AND

ELNORA PERKINS HIS WIFE

to

ROLAND F. BEERS, INC., TROY, NEW YORK

Date of Lease FEBRUARY 13, 1956

No. of Acres 81

MARSHALL DISTRICT

County of BUCKINGHAM

State of VIRGINIA

Expiration of Definite Term .....

RECORDER'S DATA

Received for Record ..... 19.....

Recorded ..... 19.....

In Book ..... Page.....

..... Recorder

of .....

AGREEMENT made and entered into this 13 day of FEBRUARY A. D., 19 56,

by and between LEVITT E PERKINS AND ELNORA PERKINS

HIS WIFE

of MARSHALL DISTRICT County of BUCKINGHAM

and State of VIRGINIA of the first part, hereinafter referred to as Lessor, and Roland F Beers, Inc of Troy, New York, of the second part, hereinafter referred to as Lessee WITNESSETH:

1. (**LEASING CLAUSE**) That Lessor, in consideration of the sum of One Dollar Cash in hand paid the receipt of which is hereby acknowledged, under the covenants, conditions, and agreements herein after contained on the part of Lessee to be paid, kept and performed, does lease, let, and demise exclusive ly to Lessee, all and every prospecting and mining right and privilege in and upon the lands hereinafter described, together with the privilege of erecting and installing any and all machinery and equipment necessary or convenient, for the sole purpose of prospecting, mining, processing and marketing of ores and minerals as found on this land alone or co-jointly with neighboring lands.

The following described premises owned by Lessor and situated in MARSHALL DISTRICT BUCKINGHAM County and State of VIRGINIA bounded substantially by the following lands.

NORTH ROBERT HUDGAN

EAST PLUMMER F JONES

SOUTH TERREL FUQUA

WEST JOHN BANKS

containing EIGHTY ONE (81) acres, more or less, reserving, however, three hundred (300) feet from the main buildings now on the premises on which no mine shaft shall be placed by either party except by mutual consent.

2. (**LESSOR'S COVENANTS**) Lessor warrants and agrees to defend the title to the lands herein before described, and agrees that Lessee at its option may pay and discharge any taxes mortgages or other liens existing, levied or assessed on or against the above described lands, and, in the event that it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax, or other lien, any royalty or rentals accruing hereunder.

3. (**TERM**) This lease shall run for a period of five (5) years and so long thereafter as mining operations are performed or maintained on said leased premises unless terminated sooner as herein pro vided If Lessee has discovered an ore body on said leased premises at the time of expiration of said term Lessee may at its option renew said lease for a similar term of years on the same terms and conditions as herein provided, in which event Lessee shall give Lessor written notice of its intension so to do on or before sixty (60) days prior to the expiration of said term Upon the renewal of said lease, all royalties, advances or otherwise shall continue to be paid as though said lease had never been terminated.

4. (**MINING RIGHTS**) This lease conveys the surface land rights necessary for prospecting, developing and operating any mine or mines in said land, or operating mills on said land Lessee shall have right of ingress and egress and right of way to and from any place where operations are carried on, and the public highway Ores mined from the leased premises may be milled and prepared for market thereon, or on other lands, separately or in connection with other ores, as Lessee may elect. Lessee, however, shall use one roadway to and from any mine or mill on said land, and shall keep all gates closed on such part of said premises as are used by it Lessee agrees that all of its operations on said premises shall be conducted in accordance with good and customary mining practices. Lessee shall have the privilege of raising ores from said land through shafts or inclines on other lands in the area, and the privilege of milling, cleaning or otherwise treating such ores in plants or mills located upon such lands Lessee shall also have the privilege of raising ores mined from other land through shafts or inclines which Lessee has sunk or driven on the leased premises for the purpose of working same, and of milling, cleaning or otherwise treating such ores in mills or plants located upon the leased premises. The privileges referred to in the last preceding sentence shall survive the termination, by expiration or otherwise, of the lease. For any period after such termination during which Lessee is (a) raising, through a shaft driven on the demised premises ores exclusively from other lands in which Lessor has no interest, or (b) milling, cleaning or otherwise treating on the demised premises, ores exclusively from such other lands, or (c) doing both (a) and (b), Lessee shall pay Lessor five hundred (500) dollars per year. The right to use underground inclines or exploration openings existing in the leased premises at the termination of this lease shall also survive such termination for so long as the use of any of the same may be necessary or convenient for any mining purpose connected with this or any other property.

During the term of this contract all rock waste and jig tailings resulting from the operation of any mines located on said premises may be sold by Lessee, and Lessee shall pay to Lessor fifty (50) per cent of the net sales price. It is agreed that either Lessor or Lessee shall have the right to use, without cost, so much of said tailings or waste rock as may be required in connection with mining or milling operations or for use on the leased premises. Lessee's judgment and decision as to all matters pertaining to waste materials shall be final and binding. In case of forfeiture or surrender of this lease, all tailings and waste, not sold, or remaining on the leased premises, if not sold and removed within two (2) years, become the

property of the Lessor, and Lessee waives all rights thereto and shall be released and relieved from all further obligations or liabilities hereunder.

Should Lessee erect a mill on the leased premises, it agrees to pay Lessor the reasonable annual value of the portion of the surface of the premises required for such mill site, and the necessary storage facilities for rock and tailings. If such value cannot be agreed upon by the parties, it shall be submitted for arbitration as hereinafter provided. Such mill and storage facilities may be established before arbitration, and payment shall be made promptly after such arbitration is concluded. Upon payment, Lessor shall grant to Lessee, by instrument in writing independent of this lease, the exclusive right, privilege and license to use the mill site and storage facilities for milling, beneficiating, stock piling and storing ores, concentrates, minerals, metals, pertinent in connection with mining or milling, so long as Lessee shall deem necessary.

Anything hereinbefore to the contrary notwithstanding, Lessee shall have the right to remove any of its property used in connection with the exercise of the rights and privileges referred to in the preceding sentences of this paragraph within six (6) months after tendering a release of the same

5. **(DAMAGES)** Lessee shall cover and case all prospect holes, and shall pay all damage to growing crops or timber. Should any regularly used water supply on the premises be drained by mining operations carried on by Lessee, the Lessee agrees to furnish Lessor with a new water supply equal to the existing water supply before mining operations were carried on.

6. **(ADVANCED ROYALTIES AND WORK REQUIREMENTS)** Lessee, except as herein otherwise provided, each year during the life of this agreement beginning 13 FEBRUARY, 19 56, (hereinafter referred to as "work year") shall:

A. Perform mining operations, conducted in good and miner-like manner and in conformity with proper practice, or,

B. Explore by means of bona fide drilling methods, or,

C. Prospect geophysically by means of airborne or ground-operated scientific equipment, and prospect geochemically by means of soil analysis and laboratory experiment, or,

D. Pay the sum of fifty (50) cents per acre per year on or before the expiration of any work year during which Lessee has not performed either A, B, or C, such payment to be considered advance royalty against subsequent royalties provided, if Lessee terminates this lease prior to the expiration of any work year Lessee shall pay Lessor on a pro-rata basis for those months during such work year that this lease was in force and effect. After the first four work years of this lease, the Lessee will pay to the Lessor ten (10) dollars an acre in lieu of required mining work referred to in (A) above during any work year, payable at the end thereof, as advance royalty applicable against subsequent royalties.

7. **(SUSPENSION OF WORK ON LOW MARKET)** In the event of a drop in the market price of Zinc or Copper as quoted in the Engineering and Mining Journal, to less than twelve (12) cents per pound for Zinc, and forty (40) cents per pound for Copper, the Lessee may suspend all operations until the quoted prices are again equal to at least twelve (12) cents per pound for Zinc, and forty (40) cents per pound for Copper, and that during such period this lease shall remain in effect without the payment of a minimum advance royalty. The suspension of such work shall not exceed a period of four (4) years at any one time.

8 **(ROYALTIES)** Lessee will pay to Lessor a royalty of five (5) per cent of the market value of such sulfide and metallic concentrates from ores mined and marketed from the leased premises "Concentrates," for the purposes hereof, means the salable Zinc, Lead, Copper, Nickel, Cobalt, Iron, Sulfides Gold, and Silver economically recoverable, as determined above at the mill or concentrating plant where treated "Market value," for the purposes hereof when used with respect to the sulfide minerals listed above, means the price established f.o.b. cars at the mill by responsible buyers of concentrates of a similar grade and kind produced from ores mined and milled in said district and prevailing at the time the ores are delivered to the mill for treatment.

9. **(ROYALTY PAYMENTS)** Royalty payments shall be made by the Lessee on or before the last day of each calendar month for all ores delivered at the mill during the preceding calendar month. Royalty or other payments under this agreement shall be paid (a) to Lessor at NEW CANTON VIRGINIA or (b) as Lessor may in writing designate.

10. **(RECORDS AND REPORTS)** Lessee agrees to keep an accurate record of all ores mined from the leased premises and of all calculations relative to royalty payments hereunder. Said records may be inspected by Lessor at all reasonable times. Lessee will make available for Lessor's inspection, at all reasonable times during the term of this lease, information as to the location and footage of each hole drilled on said land At the termination Lessee will furnish a factual record of any holes drilled on the land together with a map showing the location of such holes.

11. **(FORFEITURE)** In case of failure of Lessee to keep and perform the terms and obligations of this lease, Lessor may give thirty (30) days written notice of the breach or violation complained of, and if such violation or default is not removed, or as nearly corrected as possible, within said period, this lease shall thereupon terminate, provided, however, that no forfeiture shall be asserted where Lessee claims no breach or violation has occured or that the same has been removed or corrected as nearly as possible within the ninety (90) day period, in which event the same shall be submitted for arbitration in accordance with Paragraph 14 of this lease, provided further that no forfeiture shall be asserted based on cessation or delays in operations hereunder when occasioned by fire war, riot, civil commotion, strikes, operations of law or interference by the Government or its agencies, acts of nature or other causes,

whether like or unlike those enumerated, beyond the control of Lessee. Upon forfeiture, Lessee shall account for and pay royalties accrued to the date of such termination.

12. (SURRENDER) Lessee may at any time surrender this lease by executing and tendering to Lessor a written release thereof, and from and after such tender Lessee shall be released and relieved from all further obligations and liability hereunder, with respect to or in any way connected with the above described premises or the exercise of Lessee's rights hereunder, except to account for and make payments accrued during the life hereof. Tender of such release may be made by delivery of same to Lessor in person, or to his agent, or by recording in the office of the Clerk of the Court of the County in which the leased premises are located, of such release, and paying the recording fee.

13. (NOTICES) All notices herein provided to be given in writing shall, unless otherwise provided, be mailed by registered mail to the address following, until some other address is designated in a notice so given.

LESSORS ADDRESS: NEW CANTON VIRGINIA

14. (ARBITRATION) In the event the parties hereto can not mutually agree upon any matters arising out of this lease, the same shall be determined by arbitration; the Lessor to select one arbitrator, the Lessee to select one arbitrator, and the two arbitrators so selected to select a third arbitrator. Such submission to arbitration shall be a condition precedent to action by either party hereto, in any court, and it is hereby expressly agreed between the parties hereto that such submission to arbitration may be entered of record in the court of proper jurisdiction. The determination by such arbitration shall be binding and conclusive on the parties hereto and may be entered up as the judgment or decree of such court. Expenses of the arbitration shall be borne by the parties equally.

15. (ASSIGNABILITY) This lease shall be binding upon and enure to the benefit of the respective parties hereto, and their personal representatives, successors and assigns.

16. (ENTIRE CONTRACT) It is agreed that the entire contract and agreement between Lessor and Lessee is embodied herein, and that no oral warranties, representations or promises have been made or relied upon by Lessor or Lessee supplementing, modifying or as an inducement to this Agreement.

IN WITNESS WHEREOF, Lessor and Lessee have hereunto set their hands and seals the day and year first above written.

In the presence of:

Thomas J. Freeman

LESSOR

Leavett E. Perkins (seal)

Elnora Perkins (seal)

(seal)

(seal)

ROLAND F. BEERS, INC.

By Wallace McGregor (seal)
Authorized Agent

STATE OF Virginia

COUNTY OF Buckingham

I, Kenneth L. Jones a Notary Public in and for the State and County aforesaid, do hereby certify that Leavett E. Perkins and his wife Elnora Perkins personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 5 day of March 1956.

Kenneth L. Jones
Notary Public

My Commission expires:
Sept 21, 1958

5
V
6
1

RECEIVED
AUG - 8 1956

Apparently the V & W Clark properties on map (from Field Team)

MINING LEASE

from

BUCKINGHAM MINERAL SYNDICATE INC.

to

ROLAND F. BEERS, INC., TROY, NEW YORK

Date of Lease JANUARY 25, 1955

No. of Acres 363

MARSHALL DISTRICT

County of BUCKINGHAM

State of VIRGINIA

Expiration of Definite Term .....

RECORDER'S DATA

Received for Record ..... 19.....

Recorded ..... 19.....

In Book ..... Page.....

..... Recorder

of .....

AGREEMENT made and entered into this 25 day of JANUARY A. D., 19 56,

by and between DUCKINGHAM MINERAL SYNDICATE INC

RECEIVED

AUG - 8 1956

of NEW CANTON County of BUCKINGHAM

and State of VIRGINIA, of the first part, hereinafter referred to as Lessor, and Roland F. Beers, Inc. of Troy, New York, of the second part, hereinafter referred to as Lessee WITNESSETH:

1. (**LEASING CLAUSE**) That Lessor, in consideration of the sum of One Dollar Cash in hand paid, the receipt of which is hereby acknowledged, under the covenants, conditions, and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, does lease, let, and demise exclusively to Lessee, all and every prospecting and mining right and privilege in and upon the lands hereinafter described, together with the privilege of erecting and installing any and all machinery and equipment, necessary or convenient, for the sole purpose of prospecting, mining, processing and marketing of ores and minerals as found on this land alone or co-jointly with neighboring lands.

The following described premises owned by Lessor and situated in MARSHALL DISTRICT BUCKINGHAM County and State of VIRGINIA ~~bounded substantially by the following lands~~: AS FOUND IN BUCKINGHAM COURT HOUSE IN

NORTH DEED BOOK 47 PAGE 7 CONTAINING 107 ACRES MORE OR LESS

~~EAST~~ DEED BOOK 51 PAGE 240 CONTAINING 228 ACRES MORE OR LESS

~~SOUTH~~ DEED BOOK PAGE CONTAINING 18 ACRES MORE OR LESS

~~WEST~~

containing THREE HUNDRED AND SIXTY THREE (363) acres, more or less, reserving, however, three hundred (300) feet from the main buildings now on the premises, on which no mine shaft shall be placed by either party except by mutual consent.

2 (**LESSOR'S COVENANTS**) Lessor warrants and agrees to defend the title to the lands hereinbefore described, and agrees that Lessee at its option may pay and discharge any taxes mortgages or other liens existing, levied or assessed on or against the above described lands, and in the event that it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax, or other lien, any royalty or rentals accruing hereunder.

3 (**TERM**) This lease shall run for a period of five (5) years, and so long thereafter as mining operations are performed or maintained on said leased premises, unless terminated sooner as herein provided. If Lessee has [illegible] in one body on said leased premises at the time of expiration of said term Lessee may at its option renew said lease for a similar term of years on the same terms and conditions as herein provided, in which event Lessee shall give Lessor written notice of its intention so to do on or before sixty (60) days prior to the expiration of said term. Upon the renewal of said lease all royalties advances or otherwise, shall continue to be paid as though said lease had never been terminated.

4 (**MINING RIGHTS**) This lease conveys the surface land rights necessary for prospecting, developing and operating any mine or mines in said land, or operating mills on said land. Lessee shall have right of ingress and egress, and right of way to and from any place where operations are carried on, and the public highway. Ores mined from the leased premises may be milled and prepared for market thereon, or on other lands separately or in connection with other ores, as Lessee may elect. Lessee, however, shall use one roadway to and from any mine or mill on said land, and shall keep all gates closed on such part of said premises as are used by it. Lessee agrees that all of its operations on said premises shall be conducted in accordance with good and customary mining practices. Lessee shall have the privilege of raising ores from said land through shafts or inclines on other lands in the area, and the privilege of milling, cleaning or otherwise treating such ores in plants or mills located upon such lands. Lessee shall also have the privilege of raising ores mined from other land through shafts or inclines which Lessee has sunk or driven on the leased premises for the purpose of working same, and of milling, cleaning or otherwise treating such ores in mills or plants located upon the leased premises. The privileges referred to in the last preceding sentence shall survive the termination, by expiration or otherwise, of the lease. For any period after such termination during which Lessee is (a) raising, through a shaft driven on the demised premises ores exclusively from other lands in which Lessor has no interest, or (b) milling, cleaning or otherwise treating on the demised premises, ores exclusively from such other lands, or (c) doing both (a) and (b), Lessee shall pay Lessor five hundred (500) dollars per year. The right to use underground inclines or exploration openings existing in the leased premises at the termination of this lease shall also survive such termination for so long as the use of any of the same may be necessary or convenient for any mining purpose connected with this or any other property.

During the term of this contract all rock waste and jig tailings resulting from the operation of any mines located on said premises may be sold by Lessee, and Lessee shall pay to Lessor fifty (50) per cent of the net sales price. It is agreed that either Lessor or Lessee shall have the right to use, without cost, so much of said tailings or waste rock as may be required in connection with mining or milling operations or for use on the leased premises. Lessee's judgment and decision as to all matters pertaining to waste materials shall be final and binding. In case of forfeiture or surrender of this lease, all tailings and waste, not sold, or remaining on the leased premises, if not sold and removed within two (2) years, become the

property of the Lessor, [redacted] Lessee waives all rights thereto and [redacted]all be released and relieved from all further obligations or liabilities hereunder.

Should Lessee erect a mill on the leased premises, it agrees to pay Lessor the reasonable annual value of the portion of the surface of the premises required for such mill site, and the necessary storage facilities for rock and tailings. If such value cannot be agreed upon by the parties, it shall be submitted for arbitration as hereinafter provided. Such mill and storage facilities may be established before arbitration, and payment shall be made promptly after such arbitration is concluded. Upon payment, Lessor shall grant to Lessee, by instrument in writing independent of this lease, the exclusive right, privilege and license to use the mill site and storage facilities for milling, beneficiating, stock piling and storing ores, concentrates, minerals, metals, pertinent in connection with mining or milling, so long as Lessee shall deem necessary.

Anything hereinbefore to the contrary notwithstanding, Lessee shall have the right to remove any of its property used in connection with the exercise of the rights and privileges referred to in the preceding sentences of this paragraph within six (6) months after tendering a release of the same.

5. (DAMAGES) Lessee shall cover and case all prospect holes, and shall pay all damage to growing crops or timber. Should any regularly used water supply on the premises be drained by mining operations carried on by Lessee, the Lessee agrees to furnish Lessor with a new water supply equal to the existing water supply before mining operations were carried on.

6. (ADVANCED ROYALTIES AND WORK REQUIREMENTS) Lessee, except as herein otherwise provided, each year during the life of this agreement beginning 25 JANUARY 19 57, (hereinafter referred to as "work year") shall:

A. Perform mining operations, conducted in good and miner-like manner and in conformity with proper practice, or,

B. Explore by means of bona fide drilling methods, or,

C. Prospect geophysically by means of airborne or ground-operated scientific equipment, and prospect geochemically by means of soil analysis and laboratory experiment, or,

D. Pay the sum of fifty (50) cents per acre per year on or before the expiration of any work year during which Lessee has not performed either A, B, or C, such payment to be considered advance royalty against subsequent royalties provided, if Lessee terminates this lease prior to the expiration of any work year Lessee shall pay Lessor on a pro-rata basis for those months during such work year that this lease was in force and effect. After the first four work years of this lease, the Lessee will pay to the Lessor ten (10) dollars an acre in lieu of required mining work referred to in (A) above during any work year, payable at the end thereof, as advance royalty applicable against subsequent royalties.

(SUSPENSION OF WORK ON LOW MARKET) In the event of a drop in the market price of Zinc or Copper as quoted in the Engineering and Mining Journal, to less than twelve (12) cents per pound for Zinc and forty (40) cents per pound for Copper, the Lessee may suspend all operations until the quoted prices are again equal to at least twelve (12) cents per pound for Zinc and forty (40) cents per pound for Copper and that during such period this lease shall remain in effect without the payment of a minimum advance royalty. The ~~[illegible]~~ suspension of such work shall not exceed a period of four (4) years at any one time.

8. (ROYALTIES) Lessee will pay to Lessor a royalty of five (5) per cent of the market value of such sulfide and metallic concentrates from ores mined and marketed from the leased premises. "Concentrates," for the purposes hereof, means the salable Zinc, Lead, Copper, Nickel, Cobalt, Iron, Sulfides, Gold, and Silver economically recoverable, as determined above at the mill or concentrating plant where treated. "Market value," for the purposes hereof when used with respect to the sulfide minerals listed above, means the price established f.o.b. cars at the mill by responsible buyers of concentrates of a similar grade and kind produced from ores mined and milled in said district and prevailing at the time the ores are delivered to the mill for treatment.

9. (ROYALTY PAYMENTS) Royalty payments shall be made by the Lessee on or before the last day of each calendar month for all ores delivered at the mill during the preceding calendar month. Royalty or other payments under this agreement shall be paid (a) to Lessor at NEW CANTON, VIRGINIA or (b) as Lessor may in writing designate.

10. (RECORDS AND REPORTS) Lessee agrees to keep an accurate record of all ores mined from the leased premises and of all calculations relative to royalty payments hereunder. Said records may be inspected by Lessor at all reasonable times. Lessee will make available for Lessor's inspection, at all reasonable times during the term of this lease, information as to the location and footage of each hole drilled on said land. At the termination Lessee will furnish a factual record of any holes drilled on the land together with a map showing the location of such holes.

11. (FORFEITURE) In case of failure of Lessee to keep and perform the terms and obligations of this lease, Lessor may give thirty (30) days written notice of the breach or violation complained of, and if such violation or default is not removed, or as nearly corrected as possible, within said period, this lease shall thereupon terminate, provided, however, that no forfeiture shall be asserted where Lessee claims no breach or violation has occured or that the same has been removed or corrected as nearly as possible within the ninety (90) day period, in which event the same shall be submitted for arbitration in accordance with Paragraph 14 of this lease, provided further that no forfeiture shall be asserted based on cessation or delays in operations hereunder when occasioned by fire, war, riot, civil commotion, strikes, operations of law or interference by the Government or its agencies, acts of nature or other causes,

whether like or unlike those enumerated, beyond the control of Lessee. Upon forfeiture, Lessee shall account for and pay royalties accrued to the date of such termination.

12. (SURRENDER) Lessee may at any time surrender this lease by executing and tendering to Lessor a written release thereof, and from and after such tender Lessee shall be released and relieved from all further obligations and liability hereunder, with respect to or in any way connected with the above described premises or the exercise of Lessee's rights hereunder, except to account for and make payments accrued during the life hereof. Tender of such release may be made by delivery of same to Lessor in person, or to his agent, or by recording in the office of the Clerk of the Court of the County in which the leased premises are located, of such release, and paying the recording fee.

13. (NOTICES) All notices herein provided to be given in writing shall, unless otherwise provided, be mailed by registered mail to the address following, until some other address is designated in a notice so given.

LESSORS ADDRESS: New Canton, Virginia

14. (ARBITRATION) In the event the parties hereto can not mutually agree upon any matters arising out of this lease, the same shall be determined by arbitration; the Lessor to select one arbitrator, the Lessee to select one arbitrator, and the two arbitrators so selected to select a third arbitrator. Such submission to arbitration shall be a condition precedent to action by either party hereto, in any court, and it is hereby expressly agreed between the parties hereto that such submission to arbitration may be entered of record in the court of proper jurisdiction. The determination by such arbitration shall be binding and conclusive on the parties hereto and may be entered up as the judgment or decree of such court. Expenses of the arbitration shall be borne by the parties equally.

15. (ASSIGNABILITY) This lease shall be binding upon and enure to the benefit of the respective parties hereto, and their personal representatives, successors and assigns.

16. (ENTIRE CONTRACT) It is agreed that the entire contract and agreement between Lessor and Lessee is embodied herein, and that no oral warranties, representations or promises have been made or relied upon by Lessor or Lessee supplementing, modifying or as an inducement to this Agreement.

IN WITNESS WHEREOF, Lessor and Lessee have hereunto set their hands and seals the day and year first above written.

In the presence of:

LESSOR

(seal)

(seal)

(seal)

(seal)

Attest

By (seal)

LESSEE

Roland F. Beers, Inc.

by Authorized Agent

STATE OF

COUNTY OF

a Notary Public in and for the State and County aforesaid, do hereby certify that and his wife personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 25 day of Jan 1956

Notary Public

My Commission expires:

Office Copy

5
V
6
4

MINING LEASE

from

N. D. PATTESON AND

P. D. PATTESON HER HUSBAND

to

ROLAND F. BEERS, INC., TROY, NEW YORK

Date of Lease FEBRUARY 16, 1956

No. of Acres 40

MARSHALL DISTRICT

County of BUCKINGHAM

State of VIRGINIA

Expiration of Definite Term .....

RECORDER'S DATA

Received for Record ..... 19.....

Recorded ..... 19.....

In Book ..... Page.....

..... Recorder

of .....

AGREEMENT made and entered into this 16 day of FEBRUARY, A. D., 19 56

by and between N. D. PATTESON AND P. B. PATTESON HER HUSBAND

of MARSHALL DISTRICT County of BUCKINGHAM

and State of VIRGINIA of the first part, hereinafter referred to as Lessor, and Roland F. Beers, Inc of Troy, New York, of the second part, hereinafter referred to as Lessee. WITNESSETH.

1. (LEASING CLAUSE) That Lessor, in consideration of the sum of One Dollar Cash in hand paid, the receipt of which is hereby acknowledged, under the covenants, conditions, and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, does lease, let, and demise exclusively to Lessee, all and every prospecting and mining right and privilege in and upon the lands hereinafter described, together with the privilege of erecting and installing any and all machinery and equipment, necessary or convenient, for the sole purpose of prospecting, mining, processing and marketing of ores and minerals as found on this land alone or co-jointly with neighboring lands.

The following described premises owned by Lessor and situated in MARSHALL DISTRICT BUCKINGHAM County and State of VIRGINIA bounded substantially by the following lands:

NORTH JAMES RIVER

EAST W. D. CLARK AND OLD RIVER ROAD

SOUTH NEW CANTON ROAD

WEST ROUTE 15

containing FOURTY (40) acres, more or less, reserving, however, three hundred (300) feet from the main buildings now on the premises, on which no mine shaft shall be placed by either party except by mutual consent.

T.J.F. N. D. P.

2 (LESSOR'S COVENANTS) Lessor warrants and agrees to defend the title to the lands hereinbefore described, and agrees that Lessee at its option may pay and discharge any taxes, mortgages or other liens existing, levied or assessed on or against the above described lands, and, in the event that it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax, or other lien, any royalty or rentals accruing hereunder.

T.J.F. N. D. P.

3 (TERM) This lease shall run for a period of ~~five (5)~~ THREE (3) years, and so long thereafter as mining operations are performed or maintained on said leased premises unless terminated sooner as herein provided. If Lessee has discovered an ore body on said leased premises at the time of expiration of said term, Lessee may at its option, renew said lease for a similar term of years on the same terms and conditions as herein provided, in which event Lessee shall give Lessor written notice of its intension so to do on or before sixty (60) days prior to the expiration of said term. Upon the renewal of said lease, all royalties, advances or otherwise, shall continue to be paid as though said lease had never been terminated.

4 (MINING RIGHTS) This lease conveys the surface land rights necessary for prospecting, developing and operating any mine or mines in said land, or operating mills on said land. Lessee shall have right of ingress and egress, and right of way to and from any place where operations are carried on, and the public highway. Ores mined from the leased premises may be milled and prepared for market thereon, or on other lands, separately or in connection with other ores, as Lessee may elect. Lessee, however, shall use one roadway to and from any mine or mill on said land, and shall keep all gates closed on such part of said premises as are used by it. Lessee agrees that all of its operations on said premises shall be conducted in accordance with good and customary mining practices. Lessee shall have the privilege of raising ores from said land through shafts or inclines on other lands in the area, and the privilege of milling, cleaning or otherwise treating such ores in plants or mills located upon such lands. Lessee shall also have the privilege of raising ores mined from other land through shafts or inclines which Lessee has sunk or driven on the leased premises for the purpose of working same, and of milling, cleaning or otherwise treating such ores in mills or plants located upon the leased premises. The privileges referred to in the last preceding sentence shall survive the termination, by expiration or otherwise, of the lease. For any period after such termination during which Lessee is (a) raising, through a shaft driven on the demised premises ores exclusively from other lands in which Lessor has no interest, or (b) milling, cleaning or otherwise treating on the demised premises, ores exclusively from such other lands, or (c) doing both (a) and (b), Lessee shall pay Lessor five hundred (500) dollars per year. The right to use underground inclines or exploration openings existing in the leased premises at the termination of this lease shall also survive such termination for so long as the use of any of the same may be necessary or convenient for any mining purpose connected with this or any other property.

During the term of this contract all rock waste and jig tailings resulting from the operation of any mines located on said premises may be sold by Lessee, and Lessee shall pay to Lessor fifty (50) per cent of the net sales price. It is agreed that either Lessor or Lessee shall have the right to use, without cost, so much of said tailings or waste rock as may be required in connection with mining or milling operations or for use on the leased premises. Lessee's judgment and decision as to all matters pertaining to waste materials shall be final and binding. In case of forfeiture or surrender of this lease, all tailings and waste, not sold, or remaining on the leased premises, if not sold and removed within two (2) years, become the

property of the Lessor, and Lessee waives all rights thereto and shall be released and relieved from all further obligations or liabilities hereunder.

Should Lessee erect a mill on the leased premises, it agrees to pay Lessor the reasonable annual value of the portion of the surface of the premises required for such mill site, and the necessary storage facilities for rock and tailings. If such value cannot be agreed upon by the parties, it shall be submitted for arbitration as hereinafter provided. Such mill and storage facilities may be established before arbitration, and payment shall be made promptly after such arbitration is concluded. Upon payment, Lessor shall grant to Lessee, by instrument in writing independent of this lease, the exclusive right, privilege and license to use the mill site and storage facilities for milling, beneficiating, stock piling and storing ores, concentrates, minerals, metals, pertinent in connection with mining or milling, so long as Lessee shall deem necessary

Anything hereinbefore to the contrary notwithstanding, Lessee shall have the right to remove any of its property used in connection with the exercise of the rights and privileges referred to in the preceding sentences of this paragraph within six (6) months after tendering a release of the same

5 (**DAMAGES**) Lessee shall cover and case all prospect holes, and shall pay all damage to growing crops or timber. Should any regularly used water supply on the premises be drained by mining operations carried on by Lessee, the Lessee agrees to furnish Lessor with a new water supply equal to the existing water supply before mining operations were carried on.

6 (**ADVANCED ROYALTIES AND WORK REQUIREMENTS**) Lessee, except as herein otherwise provided, each year during the life of this agreement beginning ....16....FEBRUARY..... 19.56, (hereinafter referred to as "work year") shall:

A Perform mining operations, conducted in good and miner-like manner and in conformity with proper practice, or,

B Explore by means of bona fide drilling methods, or,

C Prospect geophysically by means of airborne or ground-operated scientific equipment, and prospect geochemically by means of ~~soil analysis~~ and laboratory experiment, or,

D. Pay the sum of ~~fifty (50) cents~~ ONE DOLLAR (100) per acre per year T.S.F. on or before the expiration of any work year during which Lessee has not performed either A, B, or C such payment to be considered advance royalty against subsequent royalties provided, if Lessee terminates this lease prior to the expiration of any work year Lessee shall pay Lessor on a pro-rata basis for those months during such work year that this lease was in force and effect. After the first four work years of this lease, the Lessee will pay to the Lessor ten (10) dollars an acre in lieu of required mining work referred to in (A) above during any work year, payable at the end thereof as advance royalty applicable against subsequent royalties.

7 (**SUSPENSION OF WORK ON LOW MARKET**) In the event of a drop in the market price of Zinc or Copper as quoted in the Engineering and Mining Journal, to less than twelve (12) cents per pound for Zinc and forty (40) cents per pound for Copper, the Lessee may suspend all operations until the quoted prices are again equal to at least twelve (12) cents per pound for Zinc and forty (40) cents per pound for Copper and that during such period this lease shall remain in effect without the payment of a minimum advance royalty The suspension of such work shall not exceed a period of four (4) years at any one time.

8 (**ROYALTIES**) Lessee will pay to Lessor a royalty of five (5) per cent of the market value of such sulfide and metallic concentrates from ores mined and marketed from the leased premises "Concentrates," for the purposes hereot, means the salable Zinc, Lead, Copper, Nickel, Cobalt, Iron, Sulfides Gold, and Silver economically recoverable, as determined above at the mill or concentrating plant where treated "Market value" for the purposes hereof when used with respect to the sulfide minerals listed above, means the price established f o b cars at the mill by responsible buyers of concentrates of a similar grade and kind produced from ores mined and milled in said district and prevailing at the time the ores are delivered to the mill for treatment

9 (**ROYALTY PAYMENTS**) Royalty payments shall be made by the Lessee on or before the last day of each calendar month for all ores delivered at the mill during the preceding calendar month. Royalty or other payments under this agreement shall be paid (a) to Lessor at ..NEW CANTON..... ..... VIRGINIA ..... or (b) as Lessor may in writing designate.

10 (**RECORDS AND REPORTS**) Lessee agrees to keep an accurate record of all ores mined from the leased premises and of all calculations relative to royalty payments hereunder. Said records may be inspected by Lessor at all reasonable times. Lessee will make available for Lessor's inspection, at all reasonable times during the term of this lease, information as to the location and footage of each hole drilled on said land At the termination Lessee will furnish a factual record of any holes drilled on the land together with a map showing the location of such holes

11 (**FORFEITURE**) In case of failure of Lessee to keep and perform the terms and obligations of this lease, Lessor may give thirty (30) days written notice of the breach or violation complained of, and if such violation or default is not removed, or as nearly corrected as possible, within said period, this lease shall thereupon terminate, provided, however, that no forfeiture shall be asserted where Lessee claims no breach or violation has occured or that the same has been removed or corrected as nearly as possible within the ninety (90) day period, in which event the same shall be submitted for arbitration in accordance with Paragraph 14 of this lease, provided further that no forfeiture shall be asserted based on cessation or delays in operations hereunder when occasioned by fire, war, riot, civil commotion, strikes, operations of law or interference by the Government or its agencies, acts of nature or other causes,

whether like or unlike those enumerated, beyond the control of Lessee. Upon forfeiture, Lessee shall account for and pay royalties accrued to the date of such termination.

12. (SURRENDER) Lessee may at any time surrender this lease by executing and tendering to Lessor a written release thereof, and from and after such tender Lessee shall be released and relieved from all further obligations and liability hereunder, with respect to or in any way connected with the above described premises or the exercise of Lessee's rights hereunder, except to account for and make payments accrued during the life hereof. Tender of such release may be made by delivery of same to Lessor in person, or to his agent, or by recording in the office of the Clerk of the Court of the County in which the leased premises are located, of such release, and paying the recording fee.

13. (NOTICES) All notices herein provided to be given in writing shall, unless otherwise provided, be mailed by registered mail to the address following, until some other address is designated in a notice so given.

LESSORS ADDRESS: NEW CANTON VIRGINIA

14. (ARBITRATION) In the event the parties hereto can not mutually agree upon any matters arising out of this lease, the same shall be determined by arbitration; the Lessor to select one arbitrator, the Lessee to select one arbitrator, and the two arbitrators so selected to select a third arbitrator. Such submission to arbitration shall be a condition precedent to action by either party hereto, in any court, and it is hereby expressly agreed between the parties hereto that such submission to arbitration may be entered of record in the court of proper jurisdiction. The determination by such arbitration shall be binding and conclusive on the parties hereto and may be entered up as the judgment or decree of such court. Expenses of the arbitration shall be borne by the parties equally.

15. (ASSIGNABILITY) This lease shall be binding upon and enure to the benefit of the respective parties hereto, and their personal representatives, successors and assigns.

16. (ENTIRE CONTRACT) It is agreed that the entire contract and agreement between Lessor and Lessee is embodied herein, and that no oral warranties, representations or promises have been made or relied upon by Lessor or Lessee supplementing, modifying or as an inducement to this Agreement.

IN WITNESS WHEREOF, Lessor and Lessee have hereunto set their hands and seals the day and year first above written.

In the presence of:

LESSOR

Thomas J. Freeman — N. D. Patterson (seal)

Caroline P. de Saussure — R. B. Patterson (seal)

(seal)

(seal)

By (seal)

STATE OF Virginia

COUNTY OF Buckingham

I, Kenneth L. Jones, a Notary Public in and for the State and County aforesaid, do hereby certify that R. B. Patterson and his wife N. D. Patterson personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 5 day of March 1956

My Commission expires: Sept 21, 1958

Kenneth L. Jones
Notary Public

RECEIVED
AUG - 8 1956

5
V
6
4

Incomplete No First Page

MINING LEASE

from

N. D. PATTESON AND

P. D. PATTESON HER HUSBAND

to

WILLIAM F. DEERS, INC., TROY, NEW YORK

Date of Lease FEBRUARY 16, 1956

No. of Acres 40

MARSHALL DISTRICT

County of BUCKINGHAM

State of VIRGINIA

Expiration of Definite Term .....

RECORDER'S DATA

Received for Record ..... 19.....

Recorded ..... 19.....

In Book ..... Page.....

..... Recorder

of .....

property of the Lessor, and Lessee waives all rights thereto and shall be released and relieved from all further obligations or liabilities hereunder.

Should Lessee erect a mill on the leased premises, it agrees to pay Lessor the reasonable annual value of the portion of the surface of the premises required for such mill site, and the necessary storage facilities for rock and tailings. If such value cannot be agreed upon by the parties, it shall be submitted for arbitration as hereinafter provided. Such mill and storage facilities may be established before arbitration, and payment shall be made promptly after such arbitration is concluded. Upon payment, Lessor shall grant to Lessee, by instrument in writing independent of this lease, the exclusive right, privilege and license to use the mill site and storage facilities for milling, beneficiating, stock piling and storing ores, concentrates, minerals, metals, pertinent in connection with mining or milling, so long as Lessee shall deem necessary.

Anything hereinbefore to the contrary notwithstanding, Lessee shall have the right to remove any of its property used in connection with the exercise of the rights and privileges referred to in the preceding sentences of this paragraph within six (6) months after tendering a release of the same.

5. (DAMAGES) Lessee shall cover and case all prospect holes, and shall pay all damage to growing crops or timber. Should any regularly used water supply on the premises be drained by mining operations carried on by Lessee, the Lessee agrees to furnish Lessor with a new water supply equal to the existing water supply before mining operations were carried on.

6. (ADVANCED ROYALTIES AND WORK REQUIREMENTS) Lessee, except as herein otherwise provided, each year during the life of this agreement beginning ....16....FEBRUARY....., 19.56, (hereinafter referred to as "work year") shall:

A. Perform mining operations, conducted in good and miner-like manner and in conformity with proper practice, or,

B. Explore by means of bona fide drilling methods, or,

C. Prospect geophysically by means of airborne or ground-operated scientific equipment, and prospect geochemically by means of ~~soil analysis~~ and laboratory experiment, or,

D. Pay the sum of ~~fifty (50) cents~~ One Dollar (1.00) per acre per year T.S.F. on or before the expiration of any work year during which Lessee has not performed either A. B. or C. such payment to be considered advance royalty against subsequent royalties provided, if Lessee terminates this lease prior to the expiration of any work year Lessee shall pay Lessor on a pro-rata basis for those months during such work year that this lease was in force and effect. After the first four work years of this lease, the Lessee will pay to the Lessor ten (10) dollars an acre in lieu of required mining work referred to in (A) above during any work year, payable at the end thereof, as advance royalty applicable against subsequent royalties.

7. (SUSPENSION OF WORK ON LOW MARKET) In the event of a drop in the market price of Zinc or Copper as quoted in the Engineering and Mining Journal, to less than twelve (12) cents per pound for Zinc and forty (40) cents per pound for Copper the Lessee may suspend all operations until the quoted prices are again equal to at least twelve (12) cents per pound for Zinc and forty (40) cents per pound for Copper and that during such period this lease shall remain in effect without the payment of a minimum advance royalty. The suspension of such work shall not exceed a period of four (4) years at any one time.

8. (ROYALTIES) Lessee will pay to Lessor a royalty of five (5) per cent of the market value of such sulfide and metallic concentrates from ores mined and marketed from the leased premises. "Concentrates," for the purposes hereof, means the salable Zinc, Lead, Copper, Nickel, Cobalt, Iron, Sulfides, Gold, and Silver economically recoverable, as determined above at the mill or concentrating plant where treated. "Market value," for the purposes hereof when used with respect to the sulfide minerals listed above, means the price established f.o.b. cars at the mill by responsible buyers of concentrates of a similar grade and kind produced from ores mined and milled in said district and prevailing at the time the ores are delivered to the mill for treatment.

9. (ROYALTY PAYMENTS) Royalty payments shall be made by the Lessee on or before the last day of each calendar month for all ores delivered at the mill during the preceding calendar month. Royalty or other payments under this agreement shall be paid (a) to Lessor at ...NEW CANTON..... ...VIRGINIA..... or (b) as Lessor may in writing designate.

10. (RECORDS AND REPORTS) Lessee agrees to keep an accurate record of all ores mined from the leased premises and of all calculations relative to royalty payments hereunder. Said records may be inspected by Lessor at all reasonable times. Lessee will make available for Lessor's inspection, at all reasonable times during the term of this lease, information as to the location and footage of each hole drilled on said land. At the termination Lessee will furnish a factual record of any holes drilled on the land together with a map showing the location of such holes.

11. (FORFEITURE) In case of failure of Lessee to keep and perform the terms and obligations of this lease, Lessor may give thirty (30) days written notice of the breach or violation complained of, and if such violation or default is not removed, or as nearly corrected as possible, within said period, this lease shall thereupon terminate, provided, however, that no forfeiture shall be asserted where Lessee claims no breach or violation has occured or that the same has been removed or corrected as nearly as possible within the ninety (90) day period, in which event the same shall be submitted for arbitration in accordance with Paragraph 14 of this lease, provided further that no forfeiture shall be asserted based on cessation or delays in operations hereunder when occasioned by fire, war, riot, civil commotion, strikes, operations of law or interference by the Government or its agencies, acts of nature or other causes,

property of the Lessor, and Lessee waives all rights thereto and shall be released and relieved from all further obligations or liabilities hereunder.

Should Lessee erect a mill on the leased premises, it agrees to pay Lessor the reasonable annual value of the portion of the surface of the premises required for such mill site, and the necessary storage facilities for rock and tailings. If such value cannot be agreed upon by the parties, it shall be submitted for arbitration as hereinafter provided. Such mill and storage facilities may be established before arbitration, and payment shall be made promptly after such arbitration is concluded. Upon payment, Lessor shall grant to Lessee, by instrument in writing independent of this lease, the exclusive right, privilege and license to use the mill site and storage facilities for milling, beneficiating, stock piling and storing ores, concentrates, minerals, metals, pertinent in connection with mining or milling, so long as Lessee shall deem necessary.

Anything hereinbefore to the contrary notwithstanding, Lessee shall have the right to remove any of its property used in connection with the exercise of the rights and privileges referred to in the preceding sentences of this paragraph within six (6) months after tendering a release of the same.

5. (DAMAGES) Lessee shall cover and case all prospect holes, and shall pay all damage to growing crops or timber. Should any regularly used water supply on the premises be drained by mining operations carried on by Lessee, the Lessee agrees to furnish Lessor with a new water supply equal to the existing water supply before mining operations were carried on.

6. (ADVANCED ROYALTIES AND WORK REQUIREMENTS) Lessee, except as herein otherwise provided, each year during the life of this agreement beginning ....16....FEBRUARY....., 19.56. (hereinafter referred to as "work year") shall:

A. Perform mining operations, conducted in good and miner-like manner and in conformity with proper practice, or,

B. Explore by means of bona fide drilling methods, or,

C. Prospect geophysically by means of airborne or ground-operated scientific equipment, and prospect geochemically by means of soil analysis and laboratory experiment, or,

D Pay the sum of ~~fifty (50) cents~~ ONE DOLLAR (1.00) T.S.F. per acre per year on or before the expiration of any work year during which Lessee has not performed either A. B. or C. such payment to be considered advance royalty against subsequent royalties provided, if Lessee terminates this lease prior to the expiration of any work year Lessee shall pay Lessor on a pro-rata basis for those months during such work year that this lease was in force and effect After the first four work years of this lease, the Lessee will pay to the Lessor ten (10) dollars an acre in lieu of required mining work referred to in (A) above during any work year, payable at the end thereof, as advance royalty applicable against subsequent royalties.

7. (SUSPENSION OF WORK ON LOW MARKET) In the event of a drop in the market price of Zinc or Copper as quoted in the Engineering and Mining Journal, to less than twelve (12) cents per pound for Zinc and forty (40) cents per pound for Copper the Lessee may suspend all operations until the quoted prices are again equal to at least twelve (12) cents per pound for Zinc and forty (40) cents per pound for Copper and that during such period this lease shall remain in effect without the payment of a minimum advance royalty. The suspension of such work shall not exceed a period of four (4) years at any one time.

8 (ROYALTIES) Lessee will pay to Lessor a royalty of five (5) per cent of the market value of such sulfide and metallic concentrates from ores mined and marketed from the leased premises. "Concentrates," for the purposes hereof, means the salable Zinc, Lead, Copper, Nickel, Cobalt, Iron, Sulfides, Gold, and Silver economically recoverable, as determined above at the mill or concentrating plant where treated. "Market value," for the purposes hereof when used with respect to the sulfide minerals listed above, means the price established f.o.b. cars at the mill by responsible buyers of concentrates of a similar grade and kind produced from ores mined and milled in said district and prevailing at the time the ores are delivered to the mill for treatment.

9. (ROYALTY PAYMENTS) Royalty payments shall be made by the Lessee on or before the last day of each calendar month for all ores delivered at the mill during the preceding calendar month. Royalty or other payments under this agreement shall be paid (a) to Lessor at ...NEW CANTON..... ...VIRGINIA..... or (b) as Lessor may in writing designate.

10. (RECORDS AND REPORTS) Lessee agrees to keep an accurate record of all ores mined from the leased premises and of all calculations relative to royalty payments hereunder. Said records may be inspected by Lessor at all reasonable times. Lessee will make available for Lessor's inspection, at all reasonable times during the term of this lease, information as to the location and footage of each hole drilled on said land. At the termination Lessee will furnish a factual record of any holes drilled on the land together with a map showing the location of such holes.

11. (FORFEITURE) In case of failure of Lessee to keep and perform the terms and obligations of this lease, Lessor may give thirty (30) days written notice of the breach or violation complained of, and if such violation or default is not removed, or as nearly corrected as possible, within said period, this lease shall thereupon terminate, provided, however, that no forfeiture shall be asserted where Lessee claims no breach or violation has occured or that the same has been removed or corrected as nearly as possible within the ninety (90) day period, in which event the same shall be submitted for arbitration in accordance with Paragraph 14 of this lease, provided further that no forfeiture shall be asserted based on cessation or delays in operations hereunder when occasioned by fire, war, riot, civil commotion, strikes, operations of law or interference by the Government or its agencies, acts of nature or other causes,

whether like or unlike those enumerated, beyond the control of Lessee. Upon forfeiture, Lessee shall account for and pay royalties accrued to the date of such termination.

12. (SURRENDER) Lessee may at any time surrender this lease by executing and tendering to Lessor a written release thereof, and from and after such tender Lessee shall be released and relieved from all further obligations and liability hereunder, with respect to or in any way connected with the above described premises or the exercise of Lessee's rights hereunder, except to account for and make payments accrued during the life hereof. Tender of such release may be made by delivery of same to Lessor in person, or to his agent, or by recording in the office of the Clerk of the Court of the County in which the leased premises are located, of such release, and paying the recording fee.

13. (NOTICES) All notices herein provided to be given in writing shall, unless otherwise provided, be mailed by registered mail to the address following, until some other address is designated in a notice so given.

LESSORS ADDRESS: NEW CANTON VIRGINIA

14. (ARBITRATION) In the event the parties hereto can not mutually agree upon any matters arising out of this lease, the same shall be determined by arbitration; the Lessor to select one arbitrator, the Lessee to select one arbitrator, and the two arbitrators so selected to select a third arbitrator. Such submission to arbitration shall be a condition precedent to action by either party hereto, in any court, and it is hereby expressly agreed between the parties hereto that such submission to arbitration may be entered of record in the court of proper jurisdiction. The determination by such arbitration shall be binding and conclusive on the parties hereto and may be entered up as the judgment or decree of such court. Expenses of the arbitration shall be borne by the parties equally.

15. (ASSIGNABILITY) This lease shall be binding upon and enure to the benefit of the respective parties hereto, and their personal representatives, successors and assigns.

16. (ENTIRE CONTRACT) It is agreed that the entire contract and agreement between Lessor and Lessee is embodied herein, and that no oral warranties, representations or promises have been made or relied upon by Lessor or Lessee supplementing, modifying or as an inducement to this Agreement.

IN WITNESS WHEREOF, Lessor and Lessee have hereunto set their hands and seals the day and year first above written

In the presence of:

LESSOR

N. D. Patterson (seal)

R. B. Patterson (seal)

(seal)

(seal)

LESSEE

Roland F. Beers, Inc.

By Wallace Mac Gregor (seal)
Authorized Agent

STATE OF Virginia

COUNTY OF Bath

I, Kenneth L. Jones, a Notary Public in and for the State and County aforesaid, do hereby certify that R. B. Patterson and his wife N. D. Patterson personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 5 day of March 1956

My Commission expires: Sept 21, 1958

Kenneth L. Jones
Notary Public

RECEIVED
AUG - 8 1956

5
V
6
5

MINING LEASE

from

Cary C. Shipp and Jean W. Shipp, his wife;
James A. Shipp and Joanna S. Shipp, his wife;
Fred K. Shipp, a single man

to

ROLAND F. BEERS, INC., TROY, NEW YORK

Date of Lease February 17, 1956

No. of Acres 65

Marshall Magisterial District

County of Buckingham

State of Virginia

Expiration of Definite Term

RECORDER'S DATA

Received for Record 19....

Recorded 19.....

In Book ..... Page.....

..... Recorder

of .....

AGREEMENT made and entered into this 17th day of February A. D. 19 56

by and between Cary C. Shipp and Joan W. Shipp, his wife; James A. Shipp and Joanna S. Shipp, his wife; Fred K. Shipp, a single man

of Marshall Magisterial District County of Buckingham

and State of Virginia of the first part, hereinafter referred to as Lessor, and Roland F Beers, Inc. of Troy, New York, of the second part, hereinafter referred to as Lessee

WITNESSETH

1. (LEASING CLAUSE) That Lessor in consideration of the sum of One Dollar Cash in hand paid the receipt of which is hereby acknowledged, under the covenants conditions, and agreements herein after contained on the part of Lessee to be paid, kept and performed, does lease let and demise exclusively to Lessee all and every prospecting and mining rights and privilege in and upon the lands hereinafter described, together with the privilege of erecting and installing any and all machinery and equipment necessary or convenient, for the sole purpose of prospecting, mining, processing and marketing of ores and minerals as found on this land alone or conjointly with neighboring lands.

The following described premises owned by Lessor and situated in Marshall District Buckingham County and State of Virginia bounded substantially by the following lands

NORTH Torrell Fuqua

EAST Buschmann Estate

SOUTH George Bolling

WEST Plummer F. Jones

containing Sixty-five (65) acres, more or less, reserving, however, three hundred (300) feet from the main buildings now on the premises, on which no mine shaft shall be placed by either party except by mutual consent.

2. (LESSOR'S COVENANTS) Lessor warrants and agrees to defend the title to the lands herein-before described and agrees that Lessee at its option may pay and discharge any taxes mortgages or other liens existing, levied or assessed on or against the above described lands and in the event that it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reim-burse itself by applying to the discharge of any such mortgage tax or other lien or any royalties or rentals accruing hereunder.

3. (TERM) This lease shall run for a period of five (5) years and so long thereafter as mining operations are performed or maintained on said leased premises unless terminated sooner as herein pro-vided. If Lessee has discovered an ore body on said leased premises at the time of expiration of said term Lessee may at its option, renew said lease for a similar term of years on the same terms and conditions as herein provided, in which event Lessee shall give Lessor written notice of its intension so to do on or before sixty (60) days prior to the expiration of said term. Upon the renewal of said lease, all royalties, advances or otherwise, shall continue to be paid as though said lease had never been terminated.

4. (MINING RIGHTS) This lease conveys the surface and rights necessary for prospecting, de-veloping and operating any mine or mines in said land or operating mills on said land. Lessee shall have right of ingress and egress, and right of way to and from any place where operations are carried on and the public highway. Ores mined from the leased premises may be milled and prepared for market there-on, or on other lands, separately or in connection with other ores, as Lessee may elect. Lessee, however, shall use one roadway to and from any mine or mill on said land and shall keep all gates closed on such part of said premises as are used by it. Lessee agrees that all of its operations on said premises shall be conducted in accordance with good and customary mining practices. Lessee shall have the privilege of raising ores from said land through shafts or inclines on the lands in the area, and the privilege of mill-ing, cleaning or otherwise treating such ores in plants or mills located upon such lands. Lessee shall also have the privilege of raising ores mined from other lands through shafts or inclines which Lessee has sunk or driven on the leased premises for the purpose of working same, and of milling, cleaning or other-wise treating such ores in mills or plants located upon the leased premises. The privileges granted in the last preceding sentence shall survive the termination by expiration or otherwise, of the lease for any period after such termination during which Lessee is raising, through a shaft driven on the demised premises ores exclusively from other lands in which Lessor has no interest, or is milling, cleaning or otherwise treating on the demised premises, ores exclusively from such other lands or is doing both (a) and (b), Lessee shall pay Lessor five hundred (500) dollars per year. The right to use underground inclines or exploration openings existing in the leased premises at the termination of this lease shall also survive such termination for so long as the use of any of the same may be necessary or convenient for any mining purpose connected with this or any other property.

During the term of this contract all rock waste and jig tailings resulting from the operation of any mines located on said premises may be sold by Lessee, and Lessee shall pay to Lessor fifty (50) per cent of the net sales price. It is agreed that either Lessor or Lessee shall have the right to use, without cost, so much of said tailings or waste rock as may be required in connection with mining or milling operations or for use on the leased premises. Lessee's judgment and decision as to all matters pertaining to waste mater-ials shall be final and binding. In case of forfeiture or surrender of this lease, all tailings and waste, not sold, or remaining on the leased premises, if not sold and removed within two (2) years, become the

property of the Lessor, and Lessee waives all rights thereto and shall be released and relieved from all further obligations or liabilities hereunder.

Should Lessee erect a mill on the leased premises, it agrees to pay Lessor the reasonable annual value of the portion of the surface of the premises required for such mill site, and the necessary storage facilities for rock and tailings. If such value cannot be agreed upon by the parties, it shall be submitted for arbitration as hereinafter provided. Such mill and storage facilities may be established before arbitration, and payment shall be made promptly after such arbitration is concluded. Upon payment, Lessor shall grant to Lessee, by instrument in writing independent of this lease, the exclusive right, privilege and license to use the mill site and storage facilities for milling, beneficiating, stock piling and storing ores, concentrates, minerals, metals, pertinent in connection with mining or milling, so long as Lessee shall deem necessary

Anything hereinbefore to the contrary notwithstanding, Lessee shall have the right to remove any of its property used in connection with the exercise of the rights and privileges referred to in the preceding sentences of this paragraph within six (6) months after tendering a release of the same

5. (DAMAGES) Lessee shall cover and cave prospect holes, and shall pay all damage to growing crops or timber Should any regularly used water supply on the premises be drained by mining operations carried on by Lessee, the Lessee agrees to furnish Lessor with a new water supply equal to the existing water supply before mining operations were carried on

6. (ADVANCED ROYALTIES AND WORK REQUIREMENTS) Lessee, except as herein otherwise provided, each year during the life of this agreement beginning February 17 19 56 (hereinafter referred to as "work year") shall

A. Perform mining operations conducted in good and miner-like manner and in conformity with proper practice, or

B. Explore by means of bona fide drilling methods, or,

C. Prospect geophysically by means of surface or ground-operated scientific equipment, and prospect geochemically by means of soil analysis and laboratory experiment, or,

D. Pay the sum of fifty (50) cents per acre per year on or before the expiration of any work year during which Lessee has not performed either A B or C such payment to be considered advance royalty against subsequent royalties provided, if Lessee terminates this lease prior to the expiration of any work year Lessee shall pay Lessor on a pro-rata basis for those months during such work year that this lease was in force and effect. After the first four work years of this lease, the Lessee will pay to the Lessor ten (10) dollars an acre in lieu of required mining work referred to in A above during any work year, payable at the end thereof, as advance royalty applicable against subsequent royalties

7. (SUSPENSION OF WORK ON LOW MARKET) In the event of a drop in the market price of Zinc or Copper as quoted in the Engineering and Mining Journal, to less than twelve (12) cents per pound for Zinc, and forty (40) cents per pound for Copper the Lessee may suspend all operations until the quoted prices are again equal to at least twelve (12) cents per pound for Zinc and forty (40) cents per pound for Copper, and that during such period this lease shall remain in effect without the payment of a minimum advance royalty The suspension of such work shall not exceed a period of four (4) years at any one time.

8. (ROYALTIES) Lessee will pay to Lessor a royalty of five (5) per cent of the market value of such sulfide and metallic concentrates from ores mined and marketed from the leased premises "Concentrates," for the purposes hereof, means the salable Zinc, Lead, Copper, Nickel, Cobalt, Iron, Sulfides Gold, and Silver economically recoverable as determined above at the mill or concentrating plant where treated. "Market value," for the purposes hereof when used with respect to the sulfide minerals listed above, means the price established f o b cars at the mill by responsible buyers of concentrates of a similar grade and kind produced from ores mined and milled in said district and prevailing at the time the ores are delivered to the mill for treatment

9. (ROYALTY PAYMENTS) Royalty payments shall be made by the Lessee on or before the last day of each calendar month for all ores delivered at the mill during the preceding calendar month Royalty or other payments under this agreement shall be paid (a) to Lessor at New Canton, Virginia & Fairfax, Virginia, or (b) as Lessor may in writing designate

10. (RECORDS AND REPORTS) Lessee agrees to keep an accurate record of all ores mined from the leased premises and of all calculations relative to royalty payments hereunder said record may be inspected by Lessor at all reasonable times. Lessee will make available for Lessor's inspection, at all reasonable times during the term of this lease information as to the location and footage of each hole drilled on said land. At the termination Lessee will furnish a factual record of any holes drilled on the land together with a map showing the location of such holes.

11. (FORFEITURE) In case of failure of Lessee to keep and perform the terms and obligations of this lease, Lessor may give thirty (30) days written notice of the breach or violation complained of and if such violation or default is not removed, or as nearly corrected as possible, within said period, this lease shall thereupon terminate, provided, however, that no forfeiture shall be asserted where Lessee claims no breach or violation has occured or that the same has been removed or corrected as nearly as possible within the ninety (90) day period, in which event the same shall be submitted for arbitration in accordance with Paragraph 14 of this lease, provided further that no forfeiture shall be asserted based on cessation or delays in operations hereunder when occasioned by fire, war, riot, civil commotion, strikes, operations of law or interference by the Government or its agencies, acts of nature or other causes,

whether like or unlike those enumerated, beyond the control of Lessee. Upon forfeiture, Lessee shall account for and pay royalties accrued to the date of such termination.

12. (SURRENDER) Lessee may at any time surrender this lease by executing and tendering to Lessor a written release thereof, and from and after such tender Lessee shall be released and relieved from all further obligations and liability hereunder, with respect to or in any way connected with the above described premises or the exercise of Lessee's rights hereunder, except to account for and make payments accrued during the life hereof. Tender of such release may be made by delivery of same to Lessor in person, or to his agent, or by recording in the office of the Clerk of the Court of the County in which the leased premises are located, of such release, and paying the recording fee.

13. (NOTICES) All notices herein provided to be given in writing shall, unless otherwise provided, be mailed by registered mail to the address following, until some other address is designated in a notice to Lessee.

LESSORS ADDRESS Mt Centen, Virginia & Fairfax, Virginia

14. (ARBITRATION) In the event the parties hereto can not mutually agree upon any matters arising out of this lease, the same shall be determined by arbitration; the Lessor to select one arbitrator, the Lessee to select one arbitrator, and the two arbitrators so selected to select a third arbitrator. Such submission to arbitration shall be a condition precedent to action by either party hereto, in any court, and it is hereby expressly agreed between the parties hereto that such submission to arbitration may be entered of record in the court of proper jurisdiction. The determination by such arbitration shall be binding and conclusive on the parties hereto and may be entered upon the judgment or decree of such court. Expenses of the arbitration shall be borne by the parties equally.

15. (ASSIGNABILITY) This lease shall be binding upon and enure to the benefit of the respective parties hereto, and their personal representatives, successors and assigns.

16. (ENTIRE CONTRACT) It is agreed that the entire contract and agreement between Lessor and Lessee is embodied herein, and that no oral warranties, representations or promises have been made or relied upon by Lessor or Lessee supplementing, modifying or as an inducement to this Agreement.

In the event lessor wishes to sell the above described land and has a bona fide buyer who does not want oil & gas purchase to be subject to this agreement, lessee will surrender this lease upon receipt of proper notice, provided, however, that lessee has not at the time of such notice, discovered or is mining on or already on said land.

IN WITNESS WHEREOF Lessor and Lessee have hereunto set their hands and seals the day and year first above written

In the presence of:

LESSOR

County of Fairfax,
State of Virginia, to-wit:
I, Helen H. Sagendorf, a Notary Public in and for said County and State do hereby certify that this day personally appeared before me JAMES A. SHIPP, and JOANNA S. SHIPP, his wife, and acknowledged the due execution of the foregoing instrument. My commission expires March 23, 1957.
Given under my hand and seal this 15th day of May, 1956.

Notary Public as aforesaid

(seal)
(seal)
(seal)
(seal)
(seal)

STATE OF

COUNTY OF

I, a Notary Public in and for the State and County aforesaid, do hereby certify that and his wife personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 17 day of May, 19

My Commission expires:

Notary Public

RECEIVED
AUG - 8 1956

Not Included in application.

MINING LEASE

from

A. T. Fugua and R. W. Fugua

to

ROLAND F. DEEDS, INC., IRVT, NEW YORK

Date of Lease .....

No. of Acres 100

County of BUCKINGHAM

State of VIRGINIA

Expiration of Definite Term .....

RECORDER'S DATA

Received for Record ..... 19.....

Recorded ..... 19.....

In Book ..... Page.....

..... Recorder

of .....

AGREEMENT made and entered into this 20 day of July, A. D., 19 56,

by and between A. T. Fugua and R. D. Fugua

of New Canton, County of Buckingham

and State of Virginia of the first part, hereinafter referred to as Lessor and Roland E. Rees, Inc. of Troy, New York, the second part, hereinafter referred to as Lessee WITNESSETH:

1. (LEASING CLAUSE) That Lessor in consideration of the sum of two hundred dollars ($200.00) Cash in hand paid the receipt of which is hereby acknowledged, under the covenants, conditions and agreements hereinafter contained on the part of Lessee to be paid, kept and performed does lease let, and demise exclusively to Lessee, all and every prospecting and mining right and privilege in and upon the lands hereinafter described, together with the privilege of erecting and installing any and all machinery and equipment necessary or convenient for the sole purpose of prospecting, mining, processing and marketing of ores and minerals as found on this land alone or co-jointly with neighboring lands.

A.T.F.

The following described premises owned by Lessor and situated in BUCKINGHAM County and State of VIRGINIA bounded substantially by the following lands:

NORTH [illegible]

EAST [illegible]

SOUTH [illegible]

WEST [illegible]

containing [illegible] acres, more or less, reserving however three hundred [illegible] feet from the [illegible] now on the premises on which no mine shaft sha[illegible] the [illegible] by mutual consent.

2. (LESSOR'S COVENANTS) Lessor warrants and agrees to defend the title to the land hereinbefore [illegible] liens, mortgages or other liens [illegible] and in the event that [illegible] exercises such [illegible] it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax, or other lien, any royalty or rentals accruing hereunder.

3. (TERM) This lease shall run for a period of five (5) years, and so long thereafter as mining operations are performed or maintained on said leased premises unless terminated sooner as herein provided. If Lessee has discovered an ore body on said leased premises at the time [illegible] said term Lessee may, at its option, renew said lease for a similar term of years on the same [illegible] and conditions as herein provided, in which event Lessee shall give Lessor written notice of its intension so to do on or before sixty (60) days prior to the expiration of said term. Upon the renewal of said lease, all royalties advances or otherwise, shall continue to be paid as though said lease had never been terminated.

4. (MINING RIGHTS) This lease conveys the surface land rights necessary for prospecting, developing and operating any mine or mines in said land, or operating mills on said land. Lessee shall have right of ingress and egress, and right of way to and from any place where operations are carried on, and the public highway. Ores mined from the leased premises may be milled and prepared for market thereon or on other lands, separately or in connection with other ores, as Lessee may elect. Lessee however shall use one roadway to and from any mine or mill on said land, and shall keep all gates closed on such part of said premises as are used by it. Lessee agrees that all of its operations on said premises shall be conducted in accordance with good and customary mining practices. Lessee shall have the privilege of raising ores from said land through shafts or inclines on other lands in the area and the privilege of milling, cleaning or otherwise treating such ores in plants or mills located [illegible] such lands. Lessee shall also have the privilege of raising ores mined from other [illegible] through shafts [illegible] which Lessee has sunk or driven on the leased premises for the purpose of working same, and of milling, cleaning or otherwise treating such ores [illegible] located on the [illegible] The [illegible] eges referred to in the last preceding sentence shall survive the termination, by expiration or otherwise, of the lease. For any period after such termination during which Lessee is (a) raising through a shaft driven on the demised premises ores exclusively from other lands in which Lessor has no interest, or (b) milling, cleaning or otherwise treating on the demised premises, ores exclusively from such other lands, or (c) doing both (a) and (b), Lessee shall pay Lessor five hundred (500) dollars per year. The right to use underground inclines or exploration openings existing in the leased premises at the termination of this lease shall also survive such termination for so long as the use of any of the same may be necessary or convenient for any mining purpose connected with this or any other property.

During the term of this contract all rock waste and jig tailings resulting from the operation of any mines located on said premises may be sold by Lessee, and Lessee shall pay to Lessor fifty (50) per cent of the net sales price. It is agreed that either Lessor or Lessee shall have the right to use, without cost, so much of said tailings or waste rock as may be required in connection with mining or milling operations or for use on the leased premises. Lessee's judgment and decision as to all matters pertaining to waste materials shall be final and binding. In case of forfeiture or surrender of this lease, all tailings and waste, not sold, or remaining on the leased premises, if not sold and removed within two (2) years, become the

property of the Lessor, and Lessee waives all rights thereto and shall be released and relieved from all further obligations or liabilities hereunder

Should Lessee erect a mill on the leased premises, it agrees to pay Lessor the reasonable annual value of the portion of the surface of the premises required for such mill site, and the necessary storage facilities for rock and tailings. If such value cannot be agreed upon by the parties it shall be submitted for arbitration as hereinafter provided Such mill and storage facilities may be established before arbitration, and payment shall be made promptly after such arbitration is concluded. Upon payment Lessor shall grant to Lessee by instrument in writing independent of this lease, the exclusive right, privilege and license to [illegible] for milling beneficiating stock piling and storing ores concentrates minerals, metals, pertinent in connection with mining or milling, so long as Lessee shall deem necessary.

Anything hereinbefore to the contrary notwithstanding Lessee shall have the right to remove any of its property used in connection with the exercise of the rights and privileges referred to in the preceding sentences of this paragraph within six (6) months after tendering a release of the same

5 (DAMAGES) Lessee shall cover and [illegible] all prospect holes, and shall pay all damage to growing crops or timber Should any regularly used water supply on the premises be drained by mining operations carried on by Lessee, the Lessee agrees to furnish Lessor with a new water supply equal to the existing water supply before mining operations were carried on.

[illegible]

A.J.F.

[illegible]

SUSPENSION OF WORK ON LOW MARKET [illegible] drop in the market price of [illegible] Copper as quoted in the Engineering and Mining Journal to less than twelve (12) cents per pound [illegible] operations until the [illegible] equal [illegible] and forty (40) cents per [illegible] Copper and that during such period this lease shall remain in effect without the payment of a minimum advance royalty The suspension of such work shall not exceed a period of four (4) years at any one time

8 (ROYALTIES) Lessee will pay to Lessor a royalty of five (5) per cent of the market value of such sulfide and metallic concentrates from ores mined and marketed from the leased premises "Concentrates" for the purposes hereof, means the salable Zinc, Lead, Copper, Nickel, Cobalt, Iron, Sulfides Gold, and Silver economically recoverable, as determined above at the mill or concentrating plant where treated "Market value" for the purposes hereof when used with respect to the sulfide minerals listed above means the price established f.o.b cars at the mill by responsible buyers of concentrates of a similar grade and kind produced from ores mined and milled in said district and prevailing at the time the ores are delivered to the mill for treatment

9 (ROYALTY PAYMENTS) Royalty payments shall be made by the Lessee on or before the last day of each calendar month for all ores delivered at the mill during the preceding calendar month Royalty or other payments under this agreement shall be paid (a) to Lessor at Alexandria, Va. [illegible] designate

10 (RECORDS AND REPORTS) Lessee agrees to keep an accurate record of all ores mined from the leased premises and of all calculations relative to royalty payments hereunder Said records may be inspected by Lessor at all reasonable times Lessee will make available for Lessor's inspection, at all reasonable times during the term of this lease, information as to the location and footage of each hole drilled on said land At the termination Lessee will furnish a factual record of any holes drilled on the land together with a map showing the location of such holes.

11 (FORFEITURE) In case of failure of Lessee to keep and perform the terms and obligations of this lease Lessor may give thirty (30) days written notice of the breach or violation complained of, and if such violation or default is not removed, or as nearly corrected as possible, within said period, this lease shall thereupon terminate, provided, however, that no forfeiture shall be asserted where Lessee claims no breach or violation has occured or that the same has been removed or corrected as nearly as possible within the ninety (90) day period in which event the same shall be submitted for arbitration in accordance with Paragraph 14 of this lease, provided further that no forfeiture shall be asserted based on cessation or delays in operations hereunder when occasioned by fire, war, riot, civil commotion, strikes, operations of law or interference by the Government or its agencies, acts of nature or other causes,

whether like or unlike those enumerated, beyond the control of Lessee. Upon forfeiture, Lessee shall account for and pay royalties accrued to the date of such termination.

12. (SURRENDER) Lessee may at any time surrender this lease by executing and tendering to Lessor a written release thereof, and from and after such tender Lessee shall be released and relieved from all further obligations and liability hereunder, with respect to or in any way connected with the above described premises or the exercise of Lessee's rights hereunder, except to account for and make payments accrued during the life hereof. Tender of such release may be made by delivery of same to Lessor in person, or to his agent, or by recording in the office of the Clerk of the Court of the County in which the leased premises are located, of such release and paying the recording fee

13 (NOTICES) All notices herein provided to be given in writing shall, unless otherwise prescribed, be mailed by registered mail to the address following, until some other address is designated in a notice so given.

LESSORS ADDRESS New Castle, Va

14. (ARBITRATION) In the event the parties hereto can not mutually agree upon any matters arising out of this lease, the same shall be determined by arbitration; the Lessor to select one arbitrator, the Lessee to select one arbitrator, and the two arbitrators so selected to select a third arbitrator Such submission to arbitration shall be a condition precedent to action by either party hereto, in any court, and it is hereby expressly agreed between the parties hereto that such submission to arbitration may be entered of record in the court of proper jurisdiction. The determination by such arbitration shall be binding and conclusive on the parties hereto and may be entered up as the judgment or decree of such court. Expenses of the arbitration shall be borne by the parties equally.

15. (ASSIGNABILITY) This lease shall be binding upon and enure to the benefit of the respective parties hereto and their personal representatives, successors and assigns.

16 (ENTIRE CONTRACT) It is agreed that the entire contract and agreement between Lessor and Lessee is embodied herein, and that no oral warranties, representations or promises have been made or relied upon by Lessor or Lessee supplementing, modifying or as an inducement to this Agreement.

In the event that, after the period of one (1) year, the Lessee shall fail to drill the above described land and has a bona fide reason (as Lessee may deem proper) to be subject to this agreement, then the rental and lease and rights of both shall, upon the Lessee's notice of such notice discovered or in which an operator on said land.

IN WITNESS WHEREOF, Lessor and Lessee have hereunto set their hands and seals the day and year first above written

In the presence of

LESSOR

A T Fugua (seal)

Lucille S. Fugua (seal)

R W Fugua Jr (seal)

Frank P. Fugua (seal)

By D A Clement (seal)

LESSEE

Roland F. Beore Inc

By Authorized Agent

STATE OF Virginia

COUNTY OF Buchanan

I, Kenneth L. Jones, a Notary Public in and for the State and County aforesaid, do hereby certify that A. T. Fugua and his wife Lucille S. Fugua personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 20 day of July 1956

Kenneth L. Jones Jr
Notary Public

My Commission expires:
Sept 21, 1958

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
JUL 24 1956

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. 4393
Metal or Mineral Copper-Zinc
Date Received 7-24-56
Estimated Cost $15,695.00
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: Roland F. Beers, Inc.
P.O. Box 1019
Troy, New York

(*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. Corporation, State of New York

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

(*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

See Attachment B.

(*b*) State any mine name by which the property is known. See Attachment B.

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise Lessee

(*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. See Attachment B.

(*e*) If you own the land, describe any liens or encumbrances on it Not applicable.

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. Not applicable.

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. See Attachment C.

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades. "

(*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. See Attachment C.

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

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power. See Attachment C.

5. *The exploration project.*—(a) State the mineral or minerals for which you wish to explore Chalcopyrite, sphalerite, and galena.

(*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. See Attachment D.

(*c*) The work will start within 30 days and be completed within 12 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. See Attachment D.

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.). See Attachment E.

(*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. See Attachment E.

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

(*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. See Attachment E.

(*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. See Attachment E.

(*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. Att. E.

(*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. See Attachment E.

(*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)?

(*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 July 23, 1956.

Roland F. Beers Inc.
(Applicant)

By Roland F. Beers, Pres

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

ATTACHMENT A

ROLAND F. BEERS, INC.
P.O. Box 1019
Troy, New York

RECEIVED
JUL 24 1956

1. (b) Roland F. Beers, President and Treasurer
465 Pinewoods Avenue, Troy, New York
Helen C. Beers, Vice President
465 Pinewoods Avenue, Troy, New York
Frank A. McNamee, Jr., Secretary
75 State Street, Albany, New York

(c) Members of Syndicate

Basic Refractories, Inc., 845 Hanna Bldg., Cleveland, Ohio
Voctor Bator, 30 E. 72nd St., New York
Roland F. Beers, 465 Pinewoods Avenue, Troy, New York
Eugene F. Connally, 471 Second Avenue, Troy, New York
James R. Dunn, 840 Whitney Drive, Schenectady, New York
C. Emory Lochner, 75 State Street, Albany, New York
Shepard W. Lowman, P.O. Box 876, Troy, New York
W. W. MacGregor, 98 First Street, Troy, New York
Baldwin Maull, P.O. Box 2006, Buffalo, New York
John N. Schiff, 52 William Street, New York, New York
South Texas Development Co., 100 State Street, Albany, N. Y.
John Stevenson, 60 Wall Street, New York, New York
Wytex Oil Corporation, 100 State Street, Albany, New York

ATTACHMENT B

ROLAND F. BEERS, INC.
P.O. Box 1019
Troy, New York

3. (a) Verifax copies of Mining Leases are attached, which cover approximately 663½ acres in the New Canton, Virginia, area.

Lease 5V62 - Plummer F. and Lottie Pitts Jones.
5V65 - Cary C. and Jean W. Shipp et al.
5V61 - Buckingham Mineral Syndicate, Inc.
5V64 - N. D. and P.B. Patteson
5V63 - Levitt E. and Elnora Perkins

(b) Margaret Mine - Shipp Property
McKenna Mine - Jones Property
Johnson Mine - Buckingham Mineral Syndicate property

(d) See attached lease copies.

These leases were requested from Beers supplied Lease Applications for Gov. Hanes 8/2/56

ATTACHMENT C

ROLAND F. BEERS, INC.
P.O. Box 1019
Troy, New York

4. (b) Available figures on past production are cited in 4 (a). Present quantity and quality of reserves are unknown.

(c) Sulfide mineralization in the New Canton area occurs in a series of metasedimentary rocks, which lie adjacent to a large granitic-granodioritic mass (Pl. 2). This metasedimentary series consists of chlorite-garnet, quartz-mica schist, quartzite, hornblende schist, and magnetite schist. These rocks are cut, in at least place, by a small diabase dike. Vein quartz, in typical form, is notably absent.

The metallic mineralization is expressed by accumulations of complex base-metal sulfides, consisting of pyrite, pyrrhotite, sphalerite, chalcopyrite, galena, and associated secondary products. These minerals occur in intimate association, both in disseminated and massive zones. The zones of metallic minerals, insofar as is known, lie parallel to the schistosity of the host rocks. Drilling throughout the New Canton-Dillwyn mineralized district shows this to be a general condition. Further, lithology and local structures were of major consequence in localizing ore deposition. Detailed drilling of several significant zones in this area has revealed that most are related to local folding, and that nearly all are characterized by a sharp northeastward plunge (45° - 55°).

Reasons for exploration: The New Canton area is part of a mineralized district containing abundant sulfide shows. At New Canton, there are surface indications of sulfides over a trend of more than one mile. The position and extent of this trend coincide with a conducting zone delineated by airborne electromagnetic equipment. Any mineralized zone of this lateral extent is significant.

Further, self potential, ground electromagnetic, magnetometer, and geochemical surveys reveal that, along the trend, there are several local areas of probable high-sulfide concentrations, Notable among these is the northern end of the survey area (see Pls. 2, 3, and 4).

The sulfide minerals themselves have several desirable attributes in addition to their metal content.

ATTACHMENT C

ROLAND F. BEERS, INC.
P.O. Box 1019
Troy, New York

RECEIVED
JUL 24 1956

4. (c) - continued -
These include: (1) the massive nature of some intersections, (2) physical relations (grain size and distribution), and (3) near-surface position.

The New Canton zone is one of the longest in the district, and apparently one of the most significant. It is believed that this zone has not been adequately tested, especially the northern end. The excellent geophysical-geological correlation for this sector of the trend should be noted. The history of the district suggests the strong possibility that the known surface shows may represent the upward extensions of steeply dipping and plunging orebodies.

Geophysical and surface geological data emphasize the conclusion that this local area has an excellent statistical chance of containing an orebody.

(d) Proposed mining area is delineated on attached Plates 2, 3, and 4.

Access roads: There are two all-weather access roads from the properties to U. S. Highway 15 (approximately one mile the the west). U. S. Highway 60 is 16 miles to the south of New Canton.

Distances to shipping, supply, and residence points from the New Canton area:

Bremo Bluff	1 mile
Arvonia	2 miles
Dillwyn	15 miles
Farmville	34 miles
Charlottesville	39 miles
Richmond	64 miles

ATTACHMENT C

ROLAND F. BEERS, INC.
P.O. Box 1019
Troy, New York

4. (a) The zone of mineralization in the New Canton area has been exposed by a series of mine workings which extend in a nearly straight line for a distance of over one mile. As actual mining took place over 50 years ago the shafts, tunnels, drifts, and adits have, for the most part, become inaccessible for examination purposes.

The area was worked for iron and copper and prospected for pyrite in the 19th century.

About 1888, a 78 foot shaft was sunk at the site of the Johnson mine (Plate 3) and 780 tons of ore averaging 8 per cent copper was shipped. The property was then leased to and operated by the Johnson Mining Company for about two years, during which time $4,000.00 is said to have been realized from the copper in the ore. At present, the Johnson shaft is filled with debris to a point about 25 feet below the land surface.

The McKenna mine was first operated by J. P. McKenna in 1895. In 1906, the Virginia Copper Co. began development of the property and sank a 53 foot shaft which is now filled with water. No production figures are available.

An 80 foot shaft was sunk at the Margaret mine in 1910 in search for a pyrite deposit that could be profitably worked. The upper 20 feet of this shaft are open for inspection.

It is reported that the Mathieson Chemical Company core drilled four or five holes in the vicinity of the McKenna mine during the World War II period. This drilling apparently represents a search for pyrite deposits.

Virginia Mining Corporation, Montreal, Canada, conducted geophysical surveys and core drilling operations on the southern end of the New Canton trend in 1954.

Beginning in February, 1956, Roland F. Beers, Inc. initiated detailed exploratory work on the central and northern parts of the New Canton trend. Surveys made on these properties under this program include: airborne electromagnetic, ground electromagnetic, self potential, magnetometer, and geochemical. Results of these geophysical and geochemical surveys are depicted on Plates 3 and 4.

ATTACHMENT C

ROLAND F. BEERS, INC.
P.O. Box 1019
Troy, New York

4. (e) Manpower: Inquiries indicate a surplus of manpower in the New Canton area. Buckingham County is predominantly a farming county and many of its inhabitants have been forced to migrate to more industrialized sections for employment. The per capita income of the county was reported to have been 40% less than the State average in 1955.

Materials and Supplies: Building supplies can be obtained locally. Engineering supplies are sold in Farmville, Charlottesville, and Richmond.

Water: Phelps Creek traverses the entire property from south to north. Its confluence with the James River is about one-half mile north of the proposed drilling area. The rate of flow of Phleps Creek is more than sufficient to support the proposed drilling and any other exploratory work.

Power: The Bremo Bluff Power Plant is about one mile northeast of the area. Three-phase electricity is available from a power line 300 yards east of the mineralized zone.

ATTACHMENT D

RECEIVED
JUL 24 1956

ROLAND F. BEERS, INC.
P. O. Box 1019
Troy, New York

5. (b) Proposed exploratory work is divided into two stages. Stage I consists of a minimum of three diamond drill holes. The drill holes are designed to test geophysical highs in areas of known sulfide accumulations. These three drill holes, located on Plates 3 and 4, will be drilled at an angle of 45° from the horizontal to a total inclined depth of 350 feet, from southeast to northwest. They are designed to intersect the mineralized zone at a point below oxidation. The precise location of the drill holes was based on geophysical data, surface geology, and strike and dip of schistosity.

Dependent upon data drawn from the first three holes, and assuming some reasonable measure of success, three additional drill holes aggregating approximately 1500 feet are recommended (Stage II). These holes will be located to test the depth and extent of any significant zone encountered. The precise location and attitude of the Stage II drill holes will be based on data derived from Stage I drilling.

(d) This exploration program, although localized, will have access to the entire technical staff and facilities of Roland F. Beers, Inc. Robert S. Young and Vernon R. Geyer are geologists-in-charge of the New Canton project. Dr. Roland F. Beers is in charge of geophysical operations and interpretation of data derived therefrom. Geochemical data were supplied by the Troy laboratory of Roland F. Beers, Inc. The self potential survey, magnetometer survey, soil sample collection, as well as local geological interpretations, were accomplished by V. R. Geyer. The final interpretation of anomalies was a staff function, drawing as needed from the experience of all technical personnel and consultants.

ATTACHMENT E

ROLAND F. BEERS, INC.
P. O. Box 1019
Troy, New York

6. Stage I

(a) An independent contract will be let for the entirety of the proposed drilling. The total cost of the initial drilling program (3 holes) will approximate $3,595.00 based on costs shown on the attached bids (see E. J. Longyear). 1200'

(b) Technical services:

1 Staff geologist, 4 months @ $500.00 /month.....	$2000.00	?
1 Draftsman, 1 man-month @ $300.00 / month.....	300.00	out
1 Stenographer, 1 month @ $200.00 / month.....	200.00	out

Labor:

1 man-month labor @ $200.00.....	200.00
Total	$2700.00

(c) Operating materials and supplies..... None

(d) Operating equipment. To be contracted, see Independent contracts, Item (a).

(e) Rehabilitation and repairs..... None

(f) New buildings, improvements, installations.
One core shed, designed to accommodate a library of 2,500 feet of NX, BX, and AX core, core-splitter, and to serve as field headquarters. Such a building, 16x18 feet and constructed of unfinished lumber, stands on the W. Clark property and is for rent..... $ 200.00 ?

(g) Miscellaneous.

(i)	Office and drafting supplies in maintaining records, preparation of reports and maps.....	$ 50.00
(ii)	Workmen's Compensation and Employer's liability insurance on payroll, est. at 15% of $2700.00.....	$ 405.00 ?
(iii)	Transportation. Staff geologist, automobile @ $0.08/mile.....	$ 350.00 ?
(iv)	Subsistence, staff geologist.....	$ 100.00 out
(v)	Communications, telephone and telegraph.....	$ 50.00 out
	Total	$ 955.00

ATTACHMENT E

ROLAND F. BEERS, INC.
P. O. Box 1019
Troy, New York

RECEIVED
JUL 24 1956

6. (h) Contingencies..... None

Recapitulation (Stage I)

Independent contracts	$3595.00
Consultants fees, salaries, wages	2700.00
New buildings, improvements	200.00
Miscellaneous	955.00
Total	$7450.00

ATTACHMENT E

ROLAND F. BEERS, INC.
P.O. Box 1019
Troy, New York

6. Stage II

(a) An independent contract will be let for the entirety of the proposed drilling. The total cost of the drilling program (3 holes) will approximate $4,590.00 based on costs shown on the attached bids (see E. J. Longyear).

(b) Technical services:

1 Staff geologist, 4 months @ $500.00 /month.....	$2000.00
1 Draftsman, 1 man-month @ $300.00 /month.....	300.00 out
1 Stenographer, 1 month @ $200.00 /month.....	200.00 out

Labor:

1 man-month labor @ $200.00.....	200.00 ?
Total	$2700.00

(c) Operating materials and supplies..... None

(d) Operating equipment. To be contracted, see Independent contracts, Item (a).

(e) Rehabilitation and repairs..... None

(f) New buildings, improvements, installations..... None

(g) Miscellaneous.

(i)	Office and drafting supplies in maintaining records, preparation of reports and maps.....	$50.00
(ii)	Workmen's Compensation and Employer's Liability insurance on payroll, est. at 15% of $2700.00.....	$405.00 ?
(iii)	Transportation. Staff geologist, automobile @ $0.08/mile.....	$350.00 ?
(iv)	Subsistence, staff geologist.....	$100.00 ×
(v)	Communications, telephone and telegraph.....	$50.00 +
	Total	$955.00

ATTACHMENT E

ROLAND F. BEERS, INC.
P. O. Box 1019
Troy, New York

6. (h) Contingencies..... None

Recapitulation (Stage II)

Independent contracts.....	$4590.00
Consultants fees, salaries, wages.....	2700.00
Miscellaneous.....	955.00
Total	$8245.00

Stage I Cost	$ 7,450.00
Stage II Cost.	8,245.00
	$15,695.00

CLASS OF SERVICE
This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION
TELEGRAM

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS
DL = Day Letter
NL = Night Letter
LT = International Letter Telegram

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

1956 JUL 20 PM 8 15

RA67

R RUA477 37 NL COLLECT=ROANOKE VIR 20=

RECEIVED JUL 24 1956

ROBERT S YOUNG= 72¢

CARE ROLAND S BEERS INC RM 300 VALLEYVIEW BLDG

CHARLOTTESVILLE VIR=

QUOTE ON CORE DRILLING NEAR NEW CANTON VA AT 4.10 PER LINEAL FEET WHICH INCLUDES WOODEN CORE BOXES MOVING EQUIPMENT TO AND FROM JOB SITE AS PER YOUR TELEPHONE CONVERSATION AS TO DEPTH AND WATER LOCATION=(

CUNNINGHAM CORE DRILLING GROUTING CORP=

Jerlock Mundt

No. 3-446

By a 1140a

950A-
W/C 950A

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

RECD JUL 16 1956

E. J. LONGYEAR COMPANY
General Offices, Foshay Tower
Minneapolis 2, Minnesota, U. S. A.
TELEPHONE: FEDERAL 2-2447 • CABLE LONGCO

July 11, 1956

Roland F. Beers, Inc.
Valley View Building
Charlottsville, Virginia

RECEIVED
JUL 24 1956

Attention: Dr. R. S. Young

Proposed Diamond Drilling Program
Near Buckingham, Virginia

Gentlemen:

1. In response to your recent telephone conversation with our Mr. Blair, we are pleased to submit below a proposal for your contemplated exploration program in the vicinity of Buckingham, Virginia.

2. We understand that the terrain of the drilling site is gently rolling, and that you will make the drill sites accessible to a truck-mounted drill; that the work now contemplated will consist of three holes, averaging approximately 350 feet in depth; that the holes are to be drilled at angles of from forty-five degrees from horizontal to vertical; that the minimum footage now contemplated is 1000 feet, but that if results are favorable there may be considerable additional drilling; that the overburden will be from 20 to 100 feet deep and consist mainly of clay; that the country rock is mica schist with mineralization in quartz or quartzitic granular stringers; that AX cores approximately 1-3/16" in diameter will be acceptable; that water will be available from a small stream at a distance of approximately 700 feet.

3. For this work we propose to furnish one truck-mounted Longyear angle diamond core drill of suitable capacity, together with the necessary equipment for performing the contemplated work, and crews to operate the drill on the basis of one or two eight hour shifts, six days per week.

4. We will carry public liability insurance covering personal injury and property damage, and Workmen's Compensation insurance, and also, all-risk insurance on the drilling equipment protecting against loss by theft, fire, flood, land-slides and other similar hazards.

We will also assume and pay any and all Old Age Benefit, Unemployment and Social Security taxes and contributions imposed by federal or state authorities.

Certificates showing the coverage referred to will be furnished upon request.

5. Based on the conditions as outlined above, we quote as follows:

a) Mobilization and demobilization.....$250.00 Lump Sum

b) Overburden Drilling -
0 to 125 feet in depth.....$ 3.00 per foot

c) Diamond Drilling -

Top of Ledge to 500 feet in depth -

NX-size, recovering core approximately 2-1/8" in diameter.....$ 3.65 per foot

BX-size, recovering core approximately 1-5/8" in diameter.....$ 3.30 per foot

AX-size, recovering core approximately 1-3/16" in diameter.....$ 3.00 per foot

d) Cementing operations, including time spent in placing cement, waiting for cement to set and drilling out cement, with cement furnished by us.....$ 7.50 per hour

e) Surveying drill holes.....$ 7.50 per hour

f) Delays for your convenience.....$ 6.50 per hour

g) Wooden core boxes holding 36 feet of AX core.....$ 3.00 each

6. Drill cores will be turned over to your representative at the drill site in core boxes provided by the Longyear Company as specified above.

7. Statements will be rendered as promptly as possible after the first of each month and payment is to be made within thirty days from date of receipt for all work done during the previous calendar month.

8. We very much appreciate the opportunity of considering this drilling and, if awarded the contract, would be prepared to start the work within approximately ten days from receipt of notice to proceed.

Very truly yours,

E. J. LONGYEAR COMPANY

V. N. Burnhart
Operations Manager

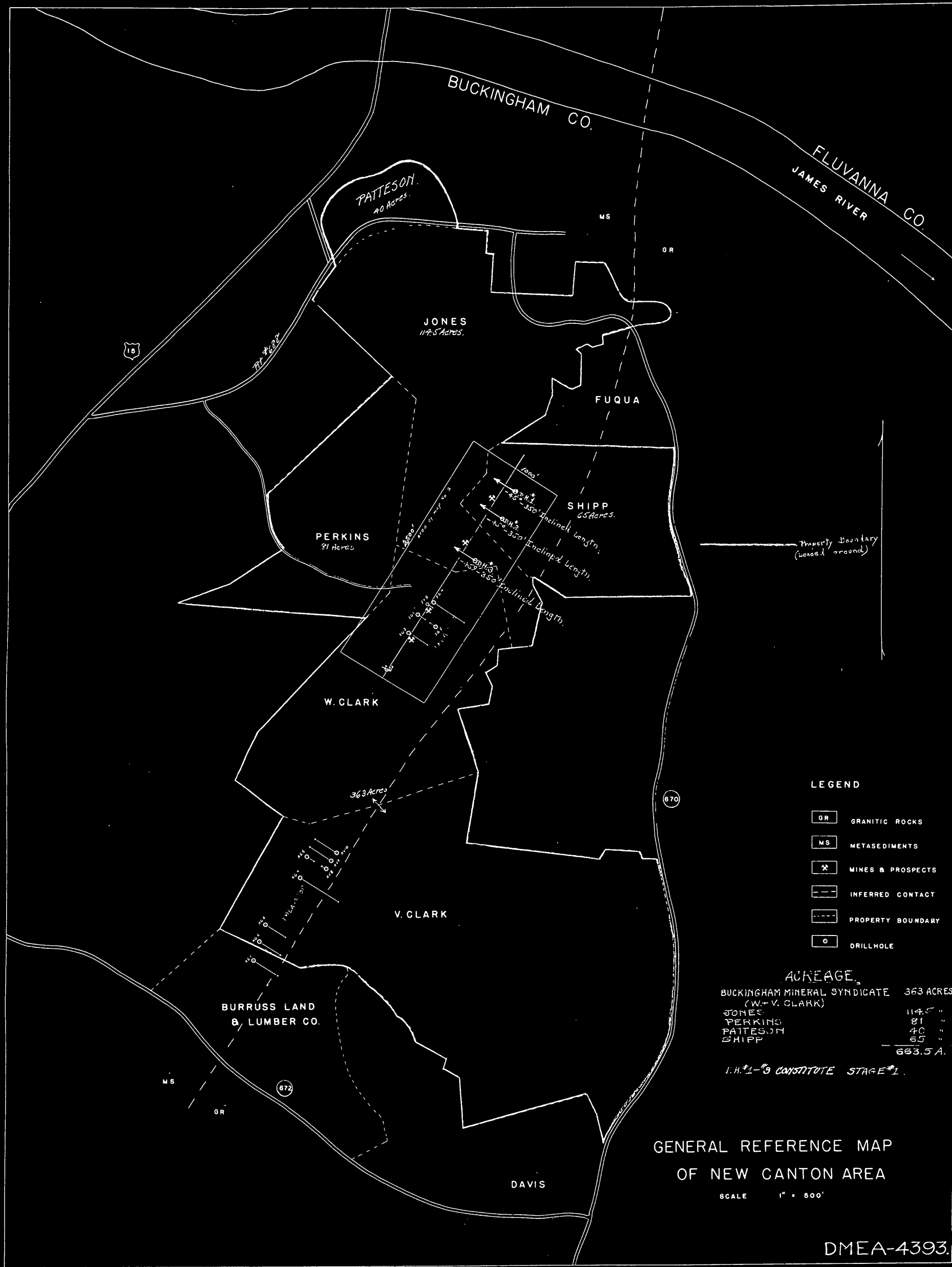
JCCB:bal

ACCEPTED:

ROLAND F. BEERS, INC.

By: _____

Date: _____


BUCKINGHAM CO.
FLUVANNA CO.
JAMES RIVER
PATTESON.
40 Acres.
MS
GR
JONES
114.5 Acres.
Trk #638
15
FUQUA
SHIPP
65 Acres.
1000'
D.H.#1
45°-350' Inclined Length.
D.H.#2
40°-350' Inclined Length.
D.H.#3
45°-350' Inclined Length.
Area of Map No. 1
3500'
PERKINS
81 Acres
Property Boundary
(Leased ground)
W. CLARK
363 Acres
670
V. CLARK
BURRUSS LAND
& LUMBER CO.
672
DAVIS
LEGEND
GR GRANITIC ROCKS
MS METASEDIMENTS
MINES & PROSPECTS
INFERRED CONTACT
PROPERTY BOUNDARY
DRILLHOLE
ACREAGE.
BUCKINGHAM MINERAL SYNDICATE 363 ACRES
(W.+ V. CLARK)
JONES 114.5 "
PERKINS 81 "
PATTESON 40 "
SHIPP 65 "
663.5 A.
D.H.#1-#3 CONSTITUTE STAGE #1.
GENERAL REFERENCE MAP
OF NEW CANTON AREA
SCALE 1" = 500'
DMEA-4393.

INDEX MAPS SHOWING NEW CANTON AREA

RECEIVED
JUL 24 1956

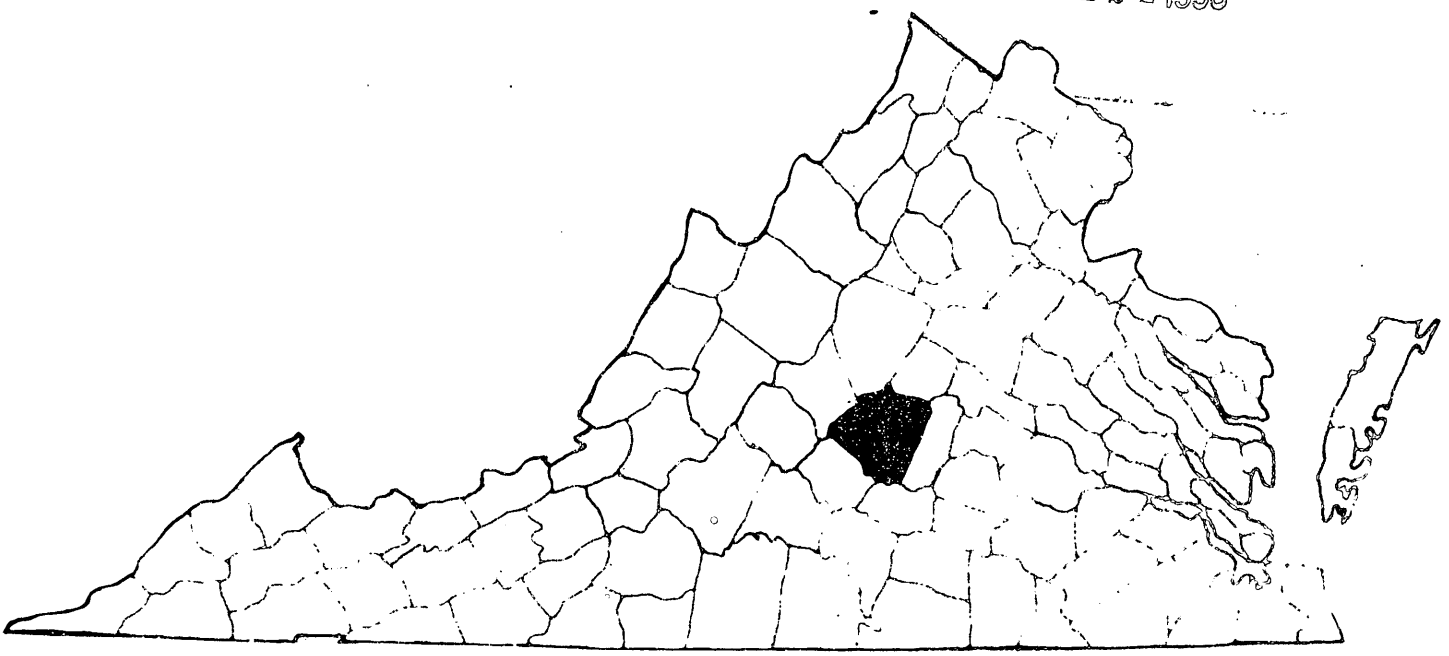


Plate I

DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 4393

DO NOT DETACH THIS SLIP

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

This document has been recorded as

Exploration Project

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

Routing Slip Cys to USGS, BM, REG.V

To:	500	Date	7/24/56
To:	Operating Comm.	Date	7/26/56
To:	Mr Johnson	Date	7/30/56
To:	Com	Date	7-30-56
To:	500	Date	7/31/56
To:	Legal	Date	9/12/56
To:	Bus. Contracts	Date	9/13/56
To:	Op. Comm.	Date	9/19/56
To:	F.E. Johnson	Date	9-19-56
To:	Oper. Com.	Date	9-24-56
To:	F.E. Johnson	Date	9-24-56
To:	Com	Date	9-24-56
To:	M+T	Date	9-24-56
To:	Op. Comm.	Date	10/22/56
To:	Admin.	Date	10-22-56

DO NOT DETACH

CONTROLLED DOCUMENT

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code

PROJECT SUMMARY REPORT

By: J. W. Alt July 2, 1958

1. Docket No. DMEA-4393 (Copper-Zinc)
Contract No. Idm-E1013
Property: New Canton Area
Buckingham County, Virginia

Operator: Roland F. Beers, Incorporated
P. O. Box 1019
Troy, New York

Operator's Property Rights: Lessee of mineral rights
Mining Lease - Plummer F. Jones and Lottie Pitts Jones- dated February 3, 1956
Mining Lease - Levitt E. Perkins and Elnora Perkins - dated February 13, 1956
Mining Lease - Buckingham Mineral Syndicate, Inc. - Dated January 25, 1956
Mining Lease - N. D. Patteson and P. B. Patteson - dated February 16, 1956
Mining Lease - Cary C. Shipp and others - dated February 17, 1956

2. Contract dated September 24, 1956. To complete April 1, 1957.

Work Authorized

The purpose of the project is to explore for ores of copper and zinc by overburden drilling and diamond drilling, based upon prior geological and geochemical reconnaissance work.

8623

STAGE I

Drill three diamond drill holes, each having an approximate length of 350 feet. Total drilling not to exceed 1,050 feet, including overburden drilling.

STAGE II

Drill three diamond drill holes. The total length shall not exceed 1,500 feet, including overburden drilling.

Estimated Costs of the Project

STAGE I

Actual Costs

Category (1) Independent Contracts

Overburden and diamond drilling, 1,050 feet, cementing and redrilling, mobilization and demobilization of diamond drilling equipment		$3,532.00

Fixed Unit Costs

Incidental allowance for each foot of drilling completed, 1,050 feet @ $0.86/ft.	$ 903.00	
15 samples assayed @ $8/sample	120.00	1,023.00
Total Estimated Cost of Stage I		$4,555.00

STAGE II

Actual Costs

Category (1) Independent Contracts

Overburden and diamond drilling, 1,500 feet, cementing and redrilling	$4,632.00

Fixed Unit Costs

Incidental allowance for each foot of drilling completed	$ 990.00	
20 samples assayed @ $8/sample	160.00	$1,150.00
Estimated Total Cost of Stage II		$5,782.00
Estimated Total Cost of Project		$10,337.00
Government Participation @ 50%		$ 5,168.50

Amendments

None

Work Completed

Under Stage I, 1,050 feet of drilling was completed and 15 samples were taken for analysis.
Under Stage II, 1,396 feet of drilling was completed and 20 samples were taken for analysis.

Total Cost of Project $9,648.11

Work was started on September 29, 1956 and was stopped on December 27, 1956 by mutual agreement.
Termination agreement effective January 31, 1957.

3. Report of Review dated April 1, 1957.

Total cost as billed by contractor	$9,648.11
Exceptions	3.15
Total Accepted Cost	$9,644.96
Government Participation @ 50%	$4,822.48

Operator's final report dated February 7, 1957.
Field Team final report not dated - received May 1, 1957.

4. Certification date: No Certification of Discovery or Development was made as the work of the project was unsuccessful in discovering ore.

5. Comments

Actual drilling was conducted by the sub-contractor in a spirit of indifference. Acceptable drilling equipment and core recovery was only procured after the engineer vigorously protested to the sub-contractor's representative.

The principal rock types penetrated by the diamond drilling are chlorite schist, chlorite-hornblende schist, chlorite-garnet-magnetite schist, chlorite-biotite-garnet schist, quartz-sericite schist, and diabase. The schists are all locally silicified.

Exploration drilling under the terms of the contract established the presence of a mineralized zone that is at least 1,300 feet long and has an average thickness of about 20 feet. The mineralized rock is of low grade, and there seems to be a slight chance that the rock will be mined within ten years. A Certification of Discovery covering the project is accordingly not recommended.

The Operator is considering some additional drilling on the property for his own account. While the past DMEA drilling on wide spaced centers has not definately disproven the existence of minable ore on the property, enough drilling has been done to make unlikely the possibility that a large minable ore deposit does exist on the site. As a result further expenditures on the property by DMEA are not recommended.

J. W. Alt

J. W. Alt

JWAlt/ss 6/12/58
Copy to: Docket
Chron.

DMEA Form 17
Feb. 58

DEFENSE MINERALS EXPLORATION ADMINISTRATION

WORK COMPLETED ANALYSIS

After final audit or review report is received, prepare original only and file in official docket

Operator: Roland F. Beers, Inc.		Actual Cost	x
State: Virginia		Agreed Unit Cost *	x
Final Report of Audit		Commodity	Docket No. DMEA-4393
Final Report of Review	x	Copper-Zinc	Contract No. Idm-E1013

Operation	Authorized by Contract and Amendments		Completed		Net cost after sale of Government Property
	Units	Cost	Units	Cost	
D.D. Overburden Drilling ~~Drifting & Crosscutting~~	750' @ $3.00/ft.	$ 2,250.00	157'	$ 471.00	$
Diamond drilling AX size ~~Raising~~	1,560' @ $3.00/ft.	4,680.00	2,209'	6,627.60	
Diamond drilling BX size ~~Shafts~~	120' @ $3.30/ft.	396.00	80'	264.00	
Diamond drilling NX size ~~Winzes~~	120' @ $3.65/ft.	438.00			
Incidental allowance per foot drilled	* 1,050' @ $0.86/ft.	903.00	1,050'	903.00	
~~Drilling~~ (Specify) ~~*~~ 1,500' @ $0.66/ft.		990.00	1,396'	921.36	
Mobilization & Demobilization ~~Surface Excavation~~		250.00		250.00	
Cementing & redrilling-20hrs @ $7.50/hr. ~~Underground Excavation~~		150.00			
Total Drilling ~~Roads and Trails~~	2,550'	$10,057.00	2,446'	9,436.96	
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify) 35 samples @ $8.00 each *		280.00	26	208.00	
Totals		$10,337.00		9,644.96	* $9,644.96

Treated as actual cost since there were no eq. unit drill on this contr.

* Net cost total must agree with final report of audit or review.

Prepared by W. P. Klugescheid/er Date 4/1/58

31398

Stage I

Actual costs

Overburden drilling to 125' depth. approx. 375' @ 3.00	✓	1,125.00
D.D. approx 555' @ 3.00 (AX)	✓	1,665.00
D.D. approx 60' @ 3.30 (BX)	✓	198.00
D.D. approx 60' @ 3.65 (NX)	✓	219.00
10 hrs. cement + redrilling @ 7.50	✓	75.00
Mobilization of Equip.	✓	125.00
Demobilization of Equip.	✓	125.00
Fixed Unit Costs		
Incidental allowance per foot drilled 1,050' @ $0.86	✓	903.00
15 Samples assayed @ 8.00	✓	120.00
Total Stage I		4,555.00

Stage II.

Actual Costs.

Overburden drilling to 125' depth approx. 375' @ 3.00	✓	1,125.00
D.D. (AX) approx. 1,005' @ 3.00	✓	3,015.00
D.D. (BX) approx. 60' @ 3.30	✓	198.00
D.D. (NX) approx. 60' @ 3.65	✓	219.00
10 hrs cement + redrill @ 7.50	✓	75.00

Fixed Unit Costs.

Incidentals allowance per foot drilled 1,500' @ 0.66	✓	990.00
20 samples assayed @ 8.00	✓	160.00

Total Stage II	5,782.00
Total Project	10,337.00

Spent, 1956 ~~October Nov. Dec. Jan.~~

Overburden Drilling	@ 3.00	60' ~~Stage I~~	180.00 ✓
" " "	" 3.00	97' ~~Stage II~~	291.00 ✓
BX drilling to	@ 3.30 (BX)	60' ~~Stage I~~	198.00 ✓
" " " " " "		14' ~~Stage II~~	~~46.20~~
		20'	66.00 ✓
AX drilling	@ 3.00	930' ~~Stage I~~	2,790.00 ✓
" " " "		~~616'~~ 1,279' ~~Stage II~~	~~1,848.00~~ 3,837.00 ✓
Mobilization			125.00 ✓
Incidental allowance			
@ 0.86		1,050' ~~Stage I~~	903.00 ✓
		~~1,396'~~ 654' ~~Stage II~~	~~451.04~~ 921.36 ✓
Demobilization of Equipment			125.00 ✓
Assays.	@ $8.00	— ~~35~~ 26	~~211.75~~ 208.00 ~~56.00~~ ✓

~~4196.00~~
~~6593.84~~
9,644.96
Chas. Audit.

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

WASHINGTON 25, D.C.

ORIGINAL FILE COPY
DMEA
RECEIVED JAN 22 1958

DATE		
1/22	gs	220
1/22	aha	800 -
1/22	wklng	500

January 20, 1958

Mr. John E. Lukens
Hartford Accident & Indemnity Co.
Hartford 15, Connecticut

Dear Mr. Lukens:

This is to advise you that DMEA Docket No.-4393, Idm-E1013, (copper-Zinc) New Canton Area, Buckingham County, Virginia, Roland Bears, was terminated January 31, 1957.

V. J. Lynch, Acting
Executive Officer, DMEA
Region V

ZM.
cc
Lynch

Opr. Com-2

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 14 1957

DATE	INITIALS	CODE
5/14	C	220
5/14	URK	500

May 13, 1957

Re: DMEA 4393 Idm-E1013
Roland F. Beers, Inc.,
New Canton District
Buckingham Co., Virginia
Copper-lead-zinc

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team Final Report

The contract was awarded in September 1956 and drilling was stopped Dec. 27, 1956. Drilling under the contract amounted to 2,446 feet and the operator drilled 127 feet. The total cost of the work was $10,028.36.

The work gave additional information on a copper bearing zone at least 1,300 feet long and about 20 feet wide. The copper zone was encountered in all of the holes, but significant massive intersections were found in only three holes. The deepest intersection of the zone is a depth of 480 feet.

The examiners estimate the indicated and inferred reserves as:

	Tons	Cu%	Pb%	Zn%	Oz.Ag
Indicated	21,237	0.529	0.159	0.198	0.757
Interred	775,475	0.529	0.145	0.080	0.72

Certification was not recommended.

N. E. Nelson

N. E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 2501 P.O. BLDG.
KNOXVILLE 2, TENN.

WASHINGTON 25, D.C.

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 17 1957

DATE	INITIALS	CODE
5-17	C	220
5/17	WRK	500

May 15, 1957

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region V

Subject: Signed Termination Agreement - Idm-E1013, DMEA-4393, Roland F. Beers, Inc. Buckingham County, Virginia (copper-zinc) New Canton Area.

Attached is the original and two copies of the subject termination agreement signed by Roland F. Beers, President of Roland F. Beers Incorporated.

The usual distribution of the other copies has been made by this office.

V. J. Lynch

V. J. Lynch

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

April 29, 1957

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 1 1957

DATE	INITIALS	CODE
5/1	C	220
		130
5/1		118
5/1		228
		500

Memorandum

To: Operating Committee, DMEA, Washington, D. C.

From: Field Team, DMEA, Region V, Knoxville, Tennessee

Subject: Field Team Final Report, DMEA-4393 (Copper-Zinc)
Roland F. Beers, Inc., Troy, New York
New Canton area, Buckingham County, Virginia
Contract No. Idm-E1013

Enclosed are the original and three copies of the final report on the subject exploration project.

The body of mineralized rock found by this exploration is not of present economic size and grade, and it is doubtful if it would be a mineable body within the 10-year period. Therefore, we do not recommend certification.

Robert A. Laurence
Robert A. Laurence
Executive Officer

W. A. Beck
W. A. Beck for V. J. Lynch
Member, Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
5-3-57
(date)

Enclosures 4

FIELD TEAM FINAL REPORT

Field Team Final Report on Terminated Contract

by

W. P. Williams and H. L. Burmeister 1/

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 1 1957

DATE	INITIALS	CODE
		13028

DMEA Docket No. 4393 (copper, zinc)
Contract Idm-E 1013
Operator: Roland F. Beers, Inc.,
Troy, New York

-- Name and Location of Property --

The property concerned in this contract has no name and consists of seven separately owned, but contiguous parcels of land totaling 763 acres. The parcels are designated as P. Jones, L. E. Perkins, W. Clark, V. Clark, C. Shipp, N. Patteson and T. Fuqua.

These properties are located in the New Canton area of Buckingham County, Virginia, just south of the James River. The exploration area is reached from U.S. Route 15 and State Route 688 by a farm road as indicated in Figure 1. The area drilled is approximately one-half mile south of the New Canton Post Office.

--Summary--

The Operator, R. F. Beers, Inc., P.O. Box 1019, Troy, New York, has completed a diamond core drilling project under the provisions of DMEA 4393, Contract Idm-E 1013. The work was done by subcontract under the direct supervision of R. S. Young, geologist and

1/ W. P. Williams, geologist, U.S. Geological Survey.
H. L. Burmeister, engineer, U.S. Bureau of Mines.

Reviewed by
DMEA OPERATING COMMITTEE
5-3-57
(date)

regional manager, and V. R. Geyer, geologist, for the Operator. The Operator's regional office and present headquarters for Messrs. Young and Geyer is at 1111 Rose Hill Drive, Charlottesville, Virginia.

A total of 2,446 feet of diamond core drilling was completed in two stages under this Contract. This exploration work did not result in the discovery of rock of high enough grade or in sufficient quantity to make mining economically feasible in the forseeable future. As a consequence the issuance of a Certification of Discovery or Development by the Government is not recommended.

-- Conclusions and Recommendations --

Exploration drilling under DMEA Contract Idm-E 1013 established the presence of a mineralized zone that is at least 1,300 feet long and has an average thickness of about 20 feet. The mineralized rock is of low grade, and there seems to be slight chance that the rock will be mined within ten years. A Certification of Discovery covering the project is accordingly not recommended.

The Operator is considering some additional drilling on the property for his own account. While the past DMEA drilling on wide spaced centers has not definitely disproven the existence of minable ore on the property, enough drilling has been done to make quite unlikely the possibility that a large minable ore deposit does exist on the site. As a result further expenditures on the property by DMEA are not recommended.

-- Description of Work Completed --

Work was started on this project September 29, 1956 and stopped on December 27, 1956 by mutual agreement. Core drill exploration was done in two stages. A total of 1,050 feet were drilled in 3 holes under contract terms in Stage I and a total of 1,396 feet in 4 holes in Stage II. Total footage for the entire contract was 2,446 feet, leaving 104 feet of the allowable maximum undrilled.

Core Footage Paid for Under Contract

	Stage I			Stage II			
Hole Number	1	2	3	4	5	6	8
Overburden	18	8	34	20	4	48	25
BX	32	12	16	8	6	4	2
AX	283	347	300	180	565	151	383
Totals	333	367	350	208	575	203	410

Actual Length of All Holes

Hole Number	1	1 A	2	3	4	5	6	7	8
Length	350	379	382	371	208	575	203	45	410

Hole No. 1 was deepened from 333 feet to 350 feet, hole No. 2 from 367 feet to 382 feet and hole No. 3 from 350 feet to 371 feet, all at Operator's expense. This was done because the Operator stopped these holes when they were in mineralization and moved the rig off the locations. He was required to move the drill back and complete the holes at his own expense. Hole No. 1 A, located 10 feet from hole No. 1 was

drilled at the sub-contractor's cost because he failed to produce core in hole No. 1. Hole No. 7 was drilled to a depth of 45 feet at the Operator's cost to satisfy an idea of his own regarding ore possibilities.

-- Geology --

A description of the general geologic features of the property and vicinity is given in the Report of Field Examination and in the Operator's DMEA application and Final Report. In summary, the target of the exploration drilling was a heavily pyritized and mineralized zone of chlorite-hornblende-garnet schist located near the contact between metasedimentary schists and granite and granodiorite of Cambrian (?) age. The mineralized zone extends through three old shafts which are now flooded and partially caved. For drill hole locations see Figure 2. Drill hole sections are found in the Operator's Final Report.

In addition to the mineralized material in the old shafts, the Operator's interest in the property was heightened by the fact that geophysical work, for the Operator's own account, showed prominent anomalies along a line extending through the old shafts. The geophysical work included airborne and ground electromagnetics, self potential, magnetometer, and geochemical soil sampling. All methods showed anomalies along the trend indicated by the shafts.

The principal rock types penetrated by the diamond drilling are chlorite schist, chlorite-hornblende schist, chlorite-garnet-magnetite schist, chlorite-biotite-garnet schist, quartz-sericite schist, and diabase. The schists are all locally silicified.

All of the holes drilled with DMEA participation were collared east of the potential ore zone, and the holes were inclined to the westward at angles of 45° and 60° down from horizontal. As the holes penetrated the schist series chlorite schist and chlorite-hornblende schist were generally found along the east wall of the mineralized xone and chlorite-biotite-garnet schist along the west wall. The other schist types occupy intermediate positions, but seemingly without strong, regular order. Much of the schist series is invaded and replaced by grayish white, very fine grained quartz. Diabase dikes, probably of Triassic age, ranging in thickness from a few inches to 126 feet were penetrated in four of the holes.

Ore minerals found by the drilling were chalcopyrite, sphalerite, galena, gold, and silver. Chalcopyrite, both disseminated and massive, associated with pyrite and pyrrhotite is most abundant. Galena and sphalerite may be found in the core only in very small amounts as very fine grained local disseminations. Gold and silver could not be detected megascopically or with hand lens.

The sulphide minerals are found in far greater amounts in the chlorite-hornblende, and chlorite-garnet types of schist. Concentration of sulphides was heaver where silicification of the schist was more advanced. Sulphides were sparse or absent in the chlorite-biotite-garnet schist near the west wall of the zone. This association of sulphides and schist types became more apparent as drilling progressed; and it became a reliable drilling guide. Holes were bottomed in the barren chlorite-biotite-garnet schist.

The copper-bearing zone within the schist has an average true thickness of about 20 feet. Pyrite and pyrrhotite occur through much greater thicknesses. The copper zone strikes about N 30° E and dips either vertically or very steeply to the southeast. Study of the drill hole logs indicates that the copper zone plunges down to the northeast at an angle of about 13 degrees. Penetrations by drill holes, however, have so far been too few to establish definitely the existence or amount of plunge.

None of the drilling encountered noteworthy evidence of shearing or faulting. Contacts between diabase dikes and schist are sharp and well-defined. The diabase does not appear to have altered the enclosing rocks for distances of more than a fraction of an inch.

-- Project Results --

Photostatic copies of assay certificates covering split-core samples from the project are attached to the Operator's Final Report. The following values and thicknesses were the best obtained.

Hole No.	Interval	% Cu	% Zn	%Pb	Ag (oz/tom)	Au (oz/ton)
1A	362.5-369.3'	0.45	0.30	0.71	3.58	trace
2	335 -340.5'	1.40	0.10	1.05	1.36	"
2	349 -353'	1.70	0.40	0.74	2.45	"
4	188.3-194.3'	1.20	0.20	0.0	1.78	0.015
6	183.3-190.5'	0.18	1.50	Trace	0.10	Trace

As a result of the drilling project it is estimated that a total of 21,237 indicated tons of rock was discovered having a weighted average grade of 0.529 percent copper, 0.159 percent lead, 0.198 percent zinc, and 0.757 punces of silver per ton. In calculating the indicated tonnage it was assumed that each hole influenced a cylinder of rock within a radius of 25 feet from each hole. It is further estimated that the project discovered a total of 775,475 inferred tons of rock having a mean average grade of 0.532 percent copper, 0.145 percent lead, 0.080 percent zinc, and 0.72 ounces of silver per ton. In calculating the inferred tonnage it was assumed that the mineralized zone was continuous between all holes and the zone was projected 100 feet beyond end holes and 100 feet below the holes. The longitudinal section accompanying the Operator's final report was used to determine the area of the mineralized zone. Calculations involved in arriving at the above tonnages and grade are appended to this report.

The mineralized rock discovered by the project is not of economic grade by present day metal prices and mining, milling, and smelting costs.

DMEA 4393, Contract Tom-A 1013 Page 1

RESERVE CALCULATIONS + [illegible], INC., MARCH 1957

Hole No	FT. THICK	ASSAY % Cu	[illegible] Cu	ASSAY % Pb	[illegible] Pb	ASSAY % Zn.	ASSAY FT. Zn.
1-A	7.5	[illegible]	[illegible]	[illegible]	[illegible]	0.0	0.0
	4.8	0.16	[illegible]	[illegible]	[illegible]	0.025	0.12
	6.5	[illegible]	[illegible]	[illegible]	[illegible]	0.025	0.16
	6.8	[illegible]	[illegible]	[illegible]	[illegible]	.030	2.04
	25.6	— TOTALS —	[illegible]		[illegible]		2.32
2	5.5	1.10	[illegible]	[illegible]	[illegible]	0.10	0.55
	4.8	[illegible]	[illegible]	1.00	[illegible]	0.80	0.96
	3.8	0.16	[illegible]	[illegible]	[illegible]	0.10	0.38
	4.0	[illegible]	[illegible]	[illegible]	[illegible]	0.40	1.60
	18.1	— TOTALS —	[illegible]		[illegible]		3.49
3	6.0	[illegible]	[illegible]	0.00	[illegible]	0.0	0.00
4	5.0	[illegible]	[illegible]	[illegible]	[illegible]	0.20	1.00
	1.8	[illegible]	0.27	[illegible]	[illegible]	0.10	0.18
	6.0	[illegible]	[illegible]	[illegible]	[illegible]	0.20	1.20
	12.8	— TOTALS —	[illegible]		[illegible]		2.38
5	4.0	[illegible]	[illegible]	0.01	[illegible]	0.0	0.00
	3.5	[illegible]	[illegible]	0.02	[illegible]	0.10	0.35
	5.0	[illegible]	[illegible]	0.00	[illegible]	0.025	0.13
	6.0	[illegible]	[illegible]	[illegible]	[illegible]	Tr.	0.00
	5.0	[illegible]	[illegible]	Tr.	[illegible]	0.00	0.00
	23.5	— TOTALS —	[illegible]		[illegible]		0.48
6	4.5	[illegible]	[illegible]	Tr.	[illegible]	0.0	000
	4.0	[illegible]	[illegible]	[illegible]	[illegible]	0.0	000
	5.0	[illegible]	[illegible]	[illegible]	[illegible]	0.0	000
	5.5	[illegible]	[illegible]	[illegible]	[illegible]	0.0	000
	5.0	[illegible]	[illegible]	[illegible]	[illegible]	0.3	1.50
	6.0	[illegible]	[illegible]	[illegible]	[illegible]	1.3	7.80
	7.2	[illegible]	[illegible]	[illegible]	[illegible]	1.5	10.80
	37.2	— [illegible]	[illegible]		[illegible]		20.10
8	6.0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	0.00
	6.0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	0.00
	12.0	— [illegible]	[illegible]		[illegible]		0.00

DMEA 4393

RESERVE CALC'S - CONT'D

	ASSAY Ag. (oz/ton)	ASSAY FT. Ag.	WTD. AV. GRADE % Cu.	WTD. AV. GRADE % Pb.	WTD. AV. GRADE % Zn.	WTD. AV. GRADE - Ag (oz./ton)
1-4	0.2	1.60				
	0.3	1.44				
	0.2	1.30				
	3.58	24.35				
		28.59	0.23	0.20	0.19	1.12
2	1.36	7.48				
	3.50	14.80				
	0.2	0.80				
	2.45	0.80				
		34.08	1.05	0.75	0.19	1.93
3	1.80	19.8	0.60	0.00	0.00	1.80
4	1.88	9.40				
	0.05	0.09				
	1.78	10.68				
		20.17	0.05	0.02	0.18	1.58
5	0.1	0.40				
	0.05	0.18				
	0.05	0.05				
	0.01	0.04				
	0.05	0.05				
		2.12	0.22	0.01	0.02	0.05
6	0.05	0.25				
	0.05	0.50				
	0.05	0.25				
	0.05	0.50				
	0.5	2.50				
	0.2	1.80				
	0.1	0.55				
		6.30	0.00	0.00	0.44	0.15
8	0.1	0.40				
	0.05	0.50				
		0.90	0.50	0.00	0.00	0.08

	I.F. 1963.5* × .255)	NET TONS (Cu. FT / 12.5)	ASSAY TONS Cu (Tons × Wtd. Av. grade)	ASSAY TONS Pb	ASSAY TONS Zn	ASSAY TONS Ag
	266	4021	925	804	402	4504
	539	2843	2985	2132	840	5487
4	1781	943	566	0	0	1697
	15133	2011	2112	382	40	3177
	46142	3691	806	37	74	185
6	12042	5843	3097	12	3155	876
	22562	1885	660	0	0	151
	INDICATED 'ORE'	21237	11231	3367	4211	16077

$\frac{11,231}{21,237}$ =

= 0.529 % 0.159% 0.198% 0.757 oz.

Cu Pb Zn Ag

Weighted Average Grade

* area of circle, r = 25'

Area of mineralized zone in longitudinal section — 502,250 sq. ft.
Mean average thickness of min. zone — 19.3 feet.

502,250 × 19.3 = $\frac{9,693,425}{12.5}$ Cu. ft. = 775,478 tons inferred 'ore'

0.532 % Cu
0.145 % Pb
0.08 % Zn
0.72 oz. Ag

} Mean Average Assay

— Expenditures —

Total approved	$10,337.00
Total cost of project	9,648.11
Government's share of cost @ 50 %	4,824.06
Government's share unexpended	344.44

There was no production during exploration and no royalty is due the Government.

— Efficiency of Operations and Competency of Operator —

Actual drilling was conducted by the sub-contractor in a spirit of indifference. Acceptable drilling equipment and core recovery was only procured after the engineer vigorously protested to the sub-contractor's district representative. It is probable that this was the first core drilling program that the Operator's representative had actually supervised as several holes were stopped in heavy mineralization and had to be continued later. The geological work was, however, of a high standard.

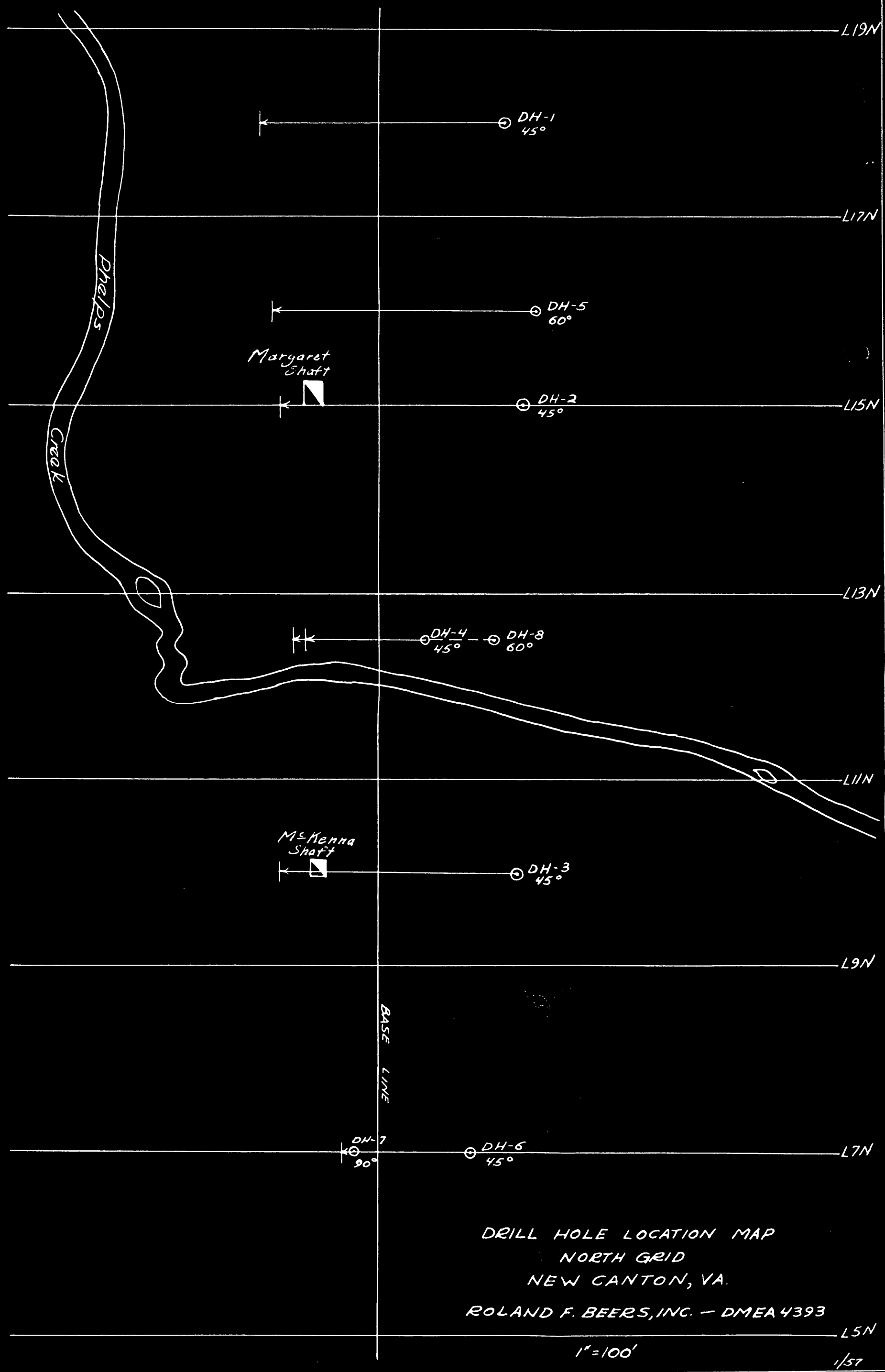
No equipment was purchased for this project.

H. L. Burmeister

H. L. Burmeister
Mine Exam. & Explor. Engr.
U. S. Bureau of Mines

W. P. Williams

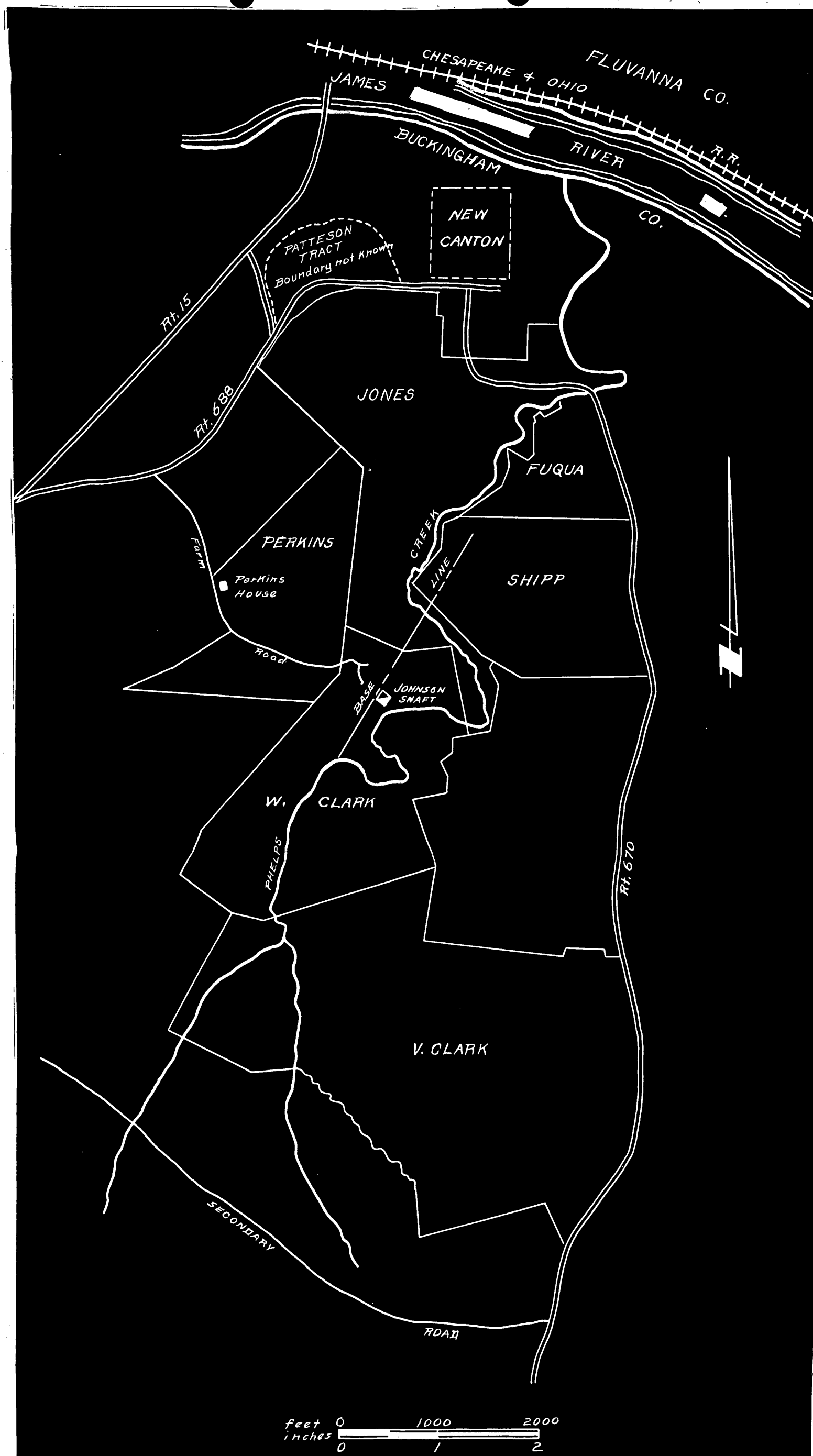
W. P. Williams
Geologist
U. S. Geological Survey



DRILL HOLE LOCATION MAP
NORTH GRID
NEW CANTON, VA.

ROLAND F. BEERS, INC. — DMEA 4393

FIG. - 2



LOCATION and PROPERTY MAP

ROLAND F. BEERS, INC.

DOCKET, DMEA - 4393

BUCKINGHAM COUNTY, VA.

FIG.-1

Aug. 1956

April 25, 1957

Memorandum

To: H. L. Burmeister, U. S. Bureau of Mines

From: W. P. Williams, U. S. Geological Survey

Subject: Final Report, DMEA 4393, Roland F. Beers, Inc., Buckingham County, Virginia

Enclosed herewith are the original and 6 copies of our joint final report on the subject project. I have signed all copies, have retained one copy for our files, and am returning the rest to you for transmittal to the Executive Officer, Region V.

W. P. Williams

Enclosure

cc: Chron. file
Docket file
R. A. Laurence
DMEA

OFFICIAL FILE COPY
DMEA
RECEIVED APR 29 1957

DATE	INITIALS	CODE
4/29	C	20
4/29	[illegible]	800
4/29	WPK	500

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/2	Klugescheid	500
	Shimmel	500
5-6	Chambers	800
5/6	Selfridge	130
"	Johnson	110
"	Mattesday	100
5-7		225 500

MAY - 6 1957

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

Re: Docket No. DMEA-4393 (Copper-Zinc)
Roland F. Beers, Inc.
New Canton Area
Buckingham County, Virginia
Contract No. Idm-E1013

Dear Mr. Laurence:

In accordance with your memorandum, dated January 2, 1957, we are enclosing the original and five copies of a proposed Mutual Termination Agreement for the cited contract, signed by the Administrator.

If the agreement meets with your approval, kindly present it to the Operator for signature and, when completed, distribute the copies in the usual manner. In the event that the agreement is not satisfactory, and cannot be amended within your delegated authority, return all copies with your recommendation concerning any modification. We are also enclosing two extra copies for the use of the Field Team.

We quite agree that further work ~~was~~ is unwarranted, and that the results obtained from the exploration do not warrant certification of discovery.

Sincerely yours,

George C. Selfridge by esf
Chairman, Operating Committee
WPKlugescheid/er 5/2/57
Copy to: Docket
Admr R File
Op. Committee
Mr. McMahon, USBM
Mr. Kiilsgaard, USGS
Chron.

Enclosures
APPROVED:
Frank D. Lamb by esf
Member, Bureau of Mines

N. E. Nelson by esf
Member, Geological Survey

8623

BRANCH OFFICE
1111 ROSE HILL DRIVE
CHARLOTTESVILLE, VIRGINIA
PHONE 2-4918

ROLAND F. BEERS, INC.

MAIL ADDRESS
P. O. BOX 3725
UNIVERSITY STATION
CHARLOTTESVILLE, VIRGINIA

ORIGINAL FILE COPY
DMEA
RECEIVED APR 25 1957

DATE	INITIALS	CODE
4/25	C	22C
4/25	[illegible]	800
4/26	Klug.	500

RECEIVED
APR 22 1957
[illegible] Division
Knoxville, Tenn.

April 19, 1957

Mr. Robert A. Laurence
Defense Minerals Exploration Administration
Post Office Building
Knoxville 2, Tennessee

Re: DMEA-4393, Idm-E1013 (copper-zinc)
Roland F. Beers, Inc.
New Canton Area
Buckingham County, Virginia

Dear Mr. Laurence:

With reference to your letter of April 8th, I wish to inform you that the assay results obtained on the New Canton drill core were, for a time, a source of major concern to us. After a series of check assays, which did not enter into the cost of the contract, we reached the following conclusions: 1) that the assays by Prof. Mueller are the most definitive; however, such custom work is too expensive for normal assays; 2) that the assay data by Williams are for the most part unreliable especially in terms of copper and silver; 3) that the reproducability of data by Union is superior to that of Wood and, further, that the Union Assay Office is considerably faster in returning the assay results. For these reasons, we finally settled on the Union Assay Office.

With reference to the question contained in your last paragraph, I wish to say that these variations are in my opinion to be directly attributed to errors in the procedures used by the various laboratories. Each assay sample was prepared by the metallurgical laboratory of Basic, Inc., Cleveland, Ohio. This preparation included grinding and thorough mixing, as well as mechanical split. Check assays have revealed that this procedure produced an excellent representative sample.

I hope this information is of some value to you in your assay recommendations on furture contracts.

Sincerely,

Robert S. Young

Robert S. Young,
Branch Manager

DMEA Form 7
(12-56)

500

OFFICIAL FILE COPY

Date	Surname	Code
4/18	Klugescheid	500

April 18, 1957

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: Chief, Base Metals Division

Subject: Preparation of Mutual Termination Agreement for Contract No. Idm-E1013, Docket No. DMEA-4393, Roland F. Beers, Inc., New Canton Area (Copper-Zinc), Buckingham County, Virginia.

Will you please prepare a Mutual Termination Agreement for the cited contract. The effective date of the agreement would be December 31, 1956.

Please refer to a letter by Robert S. Young, dated December 28, 1956, and also to Memorandum of the Field Team, dated January 2, 1957.

No certification is contemplated for this contract.

No pseudo certification is to be included.

W. R. Griswold

W. R. Griswold

WPKlugescheid/er

Copy to: Docket
Chron.

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

April 18, 1957

Memorandum for the Files

From: W. P. Klugescheid, Base Metals Division

Subject: Justification for Mutual Termination Agreement for Docket No. DMEA-4393, Contract No. Idm-E1013, Roland F. Beers, Inc., New Canton Area, Buckingham County, Virginia (Copper-Zinc)

The Operator has requested a termination of this contract and the Field Team concurs. Further work was considered unwarranted.

According to the terms of the Contract, the 1,050 feet of drilling provided for under Stage I were completed. The following table gives the assay results for the first stage. Hole No. 1 was botched by the drilling contractor and the Field Team persuaded the E. J. Longyear Company that this hole should be redrilled at their expense.

Drill Hole	Interval	Ag(oz/ton)	Pb%	Cu%	Zn%	Incl.
1A	362.5 - 369.5'	3.58	0.71	0.45	0.30	-45°
2	335 - 340.5'	1.36	1.05	1.40	0.10	-45°
	340.5 - 345.25'	3.50	1.00	0.80	0.20	
	349 - 353'	2.45	0.74	1.70	0.40	
3	335 - 341'	1.80	0.00	0.60	0.00	-45°

In Stage II, 1,396 feet of the allowable 1,500 feet were completed and the request for termination was transmitted as the results were very unencouraging. The best assay results from the holes in this stage are tabulated below. All other results were under 0.50% Cu and very low grade in the other metals.

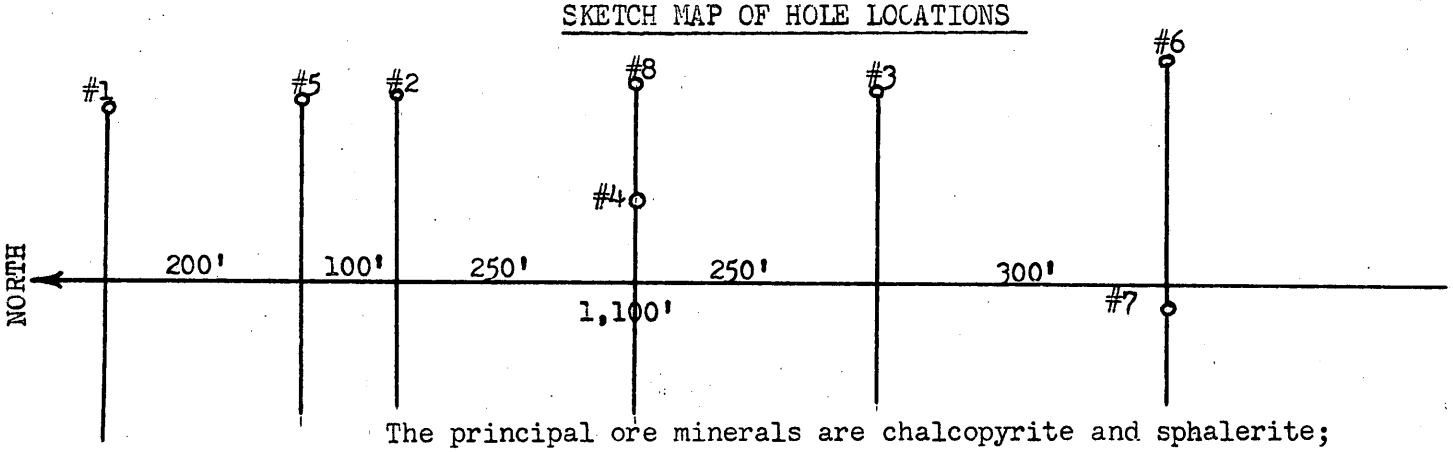
Drill Hole	Interval	Ag(oz/ton)	Pb%	Cu%	Zn%	Incl.
4	181.5 - 186.5'	1.88	0.04	1.20	0.20	-45°
	186.5 - 188.25'	0.05	0.03	0.15	0.10	-45
	188.25- 194.25'	1.78	0.00	1.20	0.20	

	Drill Hole	Interval	Ag(oz/ton)	Pb%	Cu%	Zn%	Incl.
	5	478.5 - 482.5'	0.10	0.01	0.77	0.00	-60°
	6	165.5 - 171.0'	0.05	Tr.	0.68	0.00	-45°
		171.0 - 177.0'	0.50	Tr.	1.69	0.30	
		177.0 - 183.0'	0.20	Tr.	0.58	1.30	
	8		Worthless				-60°
Not DMEA	7	39.0 - 44.0'	0.30	Tr.	1.17	0.00	-90°

Gold values have been ommitted throughout as they were very low.

The distance between drill hole No. 1 on the north to drill hole No. 6 on the south is approximately 1,100 feet.

SKETCH MAP OF HOLE LOCATIONS



The principal ore minerals are chalcopyrite and sphalerite; galena occurs from place to place in small amounts. Gold and silver in very minor amounts were reported in nearly all assays. All of the ore minerals are present in both massive and disseminated forms and occur in a pyrite-pyrrohotite base.

Although the copper zone was encountered in all of the angle holes, significant massive intersections are found in only three holes; #2, #4, and #6. The copper-bearing zone is present in true widths of up to 20 feet.

W. P. Klugescheid

WPKlugescheid/er
Copy to: Docket
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 25 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
DMEA
RECEIVED APR 10 1957

DATE	INITIALS	CODE
4/10	C	220
4/10	Klug.	500

April 8, 1957

Mr. Robert S. Young
Branch Manager
Roland F. Beers, Inc.
P. O. Box 3725, University Station
Charlottesville, Virginia

Re: DMEA-4393, Idm-E1013 (copper-zinc)
Roland F. Beers, Inc.
New Canton Area
Buckingham County, Virginia

Dear Mr. Young:

Thank you for your letter of April 5 containing additional information on the results of the DMEA contract drilling at New Canton. I am glad to have your estimate of the material intersected by holes 2, 4, and 6 and of course we are fully aware of the fact that such estimates based on only three intersections may be subject to large errors. However, they add useful information to the general picture and this mineralized ground could reasonably be called at least an "inferred" reserve.

There is one other aspect of the assay data which has puzzled me. This is the wide variation in the assay values reported by different laboratories on the same samples, as shown on the attached chart. It is noteworthy that there is no pattern to the differences, that is, no one laboratory reported uniformly high or uniformly low, but such differences as those shown for zinc on samples 209 and 215, lead in all except 209, and copper in 212 are beyond the usual limits of analytical error. Granting that they make no difference in the final economic evaluation of this property, they might have some bearing upon practice in future jobs. Do you ascribe these variations to errors in the various laboratories or to inaccurate division of the sample material before it was sent to the laboratories?

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA

RAL/as
cc
Opr. Com. 2
Lynch
Millar
Williams
Files

BRANCH OFFICE
1111 ROSE HILL DRIVE
CHARLOTTESVILLE, VIRGINIA
PHONE 2-8918

ROLAND F. BEERS, INC.

April 5, 1957

MAIL ADDRESS
P. O. BOX 3725
UNIVERSITY STATION
CHARLOTTESVILLE, VIRGINIA

OFFICIAL FILE COPY
DMEA
RECEIVED APR
DATE | INITIALS | COS.

Mr. Robert A. Laurence
Executive Officer
DMEA Field Team, Region V
Room 13, Post Office Bldg.
Knoxville, 2, Tenn.

Re: DMEA-4393, Idm-E1013 (Copper-Zinc)
Roland F. Beers, Inc.
New Canton Area
Buckingham County, Virginia

Dear Mr. Laurence:

I deeply regret the delay in answering your letter of March 15th. I have, however, just returned from an extended period of field work.

As you can imagine, tonnage estimates were purposely omitted from my final report. I feel that any tonnage estimate based on the small amount of drilling accomplished under Contract #4393 is subject to at least 50% possible error. I had, principally for my own information, worked up some estimates based almost entirely upon the massive intersections obtained in drill holes # 2, 4, and 6. These I will pass on to you for whatever purpose you may see fit. These estimates are as follows: 275,000 tons of 0.75% Cu or 105,000 tons of 1.0+ Cu. This latter estimate would also run probably 0.3% Zn.

These values were obtained by making some sweeping, and perhaps unjustified, assumptions. However, they are the best that I can do on available information.

I sincerely hope that this information is of some value to you and if I may be of further assistance, please do not hesitate to communicate with me. It was a great pleasure to work with Messrs. Burmeister and Williams and to enjoy their cooperation. I hope I may have this privilege again in the future.

RECEIVED
APR 8 - 1957

Very truly yours,

Robert S. Young

Robert S. Young,
Branch Manager

	Cu				Zn				Pb			
	Mueller	Wood	Wms	Union	Mueller	Wood	Wms	Union	Mueller	Wood	Wms	Union
209	0.60	0.47	0.40		0	0.02	1.00		0	0	0.01	
210	0.80	0.52	0.50		0.20	0.03	0.88		1.00	0.03	0.02	
211	0.45	0.39	0.44		0.30	0.04	0.78		0.71	0.10	0.01	
212	1.70	1.08	1.12		0.40	0.05	0.66		0.74	0.02	0.01	
213	1.40	1.01	1.04	1.63	0.10	0.04	0.22	0.7	1.05	0.06	0.008	tr.
214	1.20	0.91	1.10	1.22	0.20	0.06	0.94	0.9	0.04	0.02	1.32	0.01
215	1.20	1.18	1.18	1.47	0.20	0.30	1.34	1.3	0	0	1.44	0.01

DMEA 4393

OFFICIAL FILE COPY
DMEA
RECEIVED
CODE

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4-2	Chambers	
4/3	C	220
4/3	Klug.	500

APR 2 - 1957

Mr. Robert A. Laurence
Executive Officer
DMEA Field Team, Region V
Room 14, Post Office Building
Knoxville 2, Tennessee

Dear Mr. Laurence:

Enclosed are the original and two copies of Reports of Review covering the following completed or terminated Exploration Project Contracts:

Contract No.	Docket No.	Operator
Idm-E1013	DMEA-4393	Roland F. Beers, Inc.
Idm-E1060	DMEA-4497	W. G. Gouge

If you concur with the facts stated therein, the original and one copy of each Report of Review should be forwarded to the Certifying Officer and one copy of each should be retained in your files. If, for any reason, a Report of Review does not have your concurrence please return all copies thereof to this Division.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
April 2, 1957

Copy to: Docket (2)
Admr. Reading File
Helen Miller
Mr. Chambers

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 29 1957

DATE	INITIALS	CODE
4/1	C	220
4/1	WPK	500

March 28, 1957

Memorandum

To: Jay L. Chambers, Chief, Contract Administrative and Audit Division, DMEA

From: DMEA Field Team, Region V - Knoxville, Tennessee

Subject: Docket No. DMEA-4393, Roland Beers Inc., Buckinghan County, Va., Contract No. Idm. E-1013.

The question of how the Operator should be paid for sampling performed under the referenced contract depends on the interpretation of terms of the contract.

During the operation of this contract 26 samples were taken for assaying. If the Operator is entitled to be paid for only one assay for each sample, then he should be paid only $208.00. However, 43 assays were made of the 26 samples. The 43 assays include check or duplicate assays made by different laboratories.

The Operator claimed costs for the maximum of 35 assays at the actual cost of $211.75. In view of the wide variation in the assay results, especially samples 209, 210, 213, 214, and 215, we think the check-assays were justified and would recommend accepting all 35 assays if the language of the contract permits it. However, the total number of samples taken for assaying is only 26. To state it another way, 26 samples were taken from the core boxes but 43 samples were sent to the laboratories.

In regard to footage drilled under Stage I of the contract, we agree that the entire 32 feet of drilling in excess of the 1050 specified in the contract should be disallowed as AX drilling, and a total of 62 feet of BX should be accepted.

Robert A. Laurence
Executive Officer, DMEA
Region V

W. A. Beck, for V. J. Lynch
Member, Bureau of Mines

RAL/as
cc
Opr. Com. 2
Finance Office
Millar
Lynch
Files

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/25	Talbut	
3/26	C	220
3/26	Klug	500

MAR 25 1957

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

Re: Docket No. DMEA-4393 (Copper-Zinc)
Roland F. Beers, Inc.
New Canton Area
Buckingham County, Virginia
Contract No. Idm-E1013

Dear Mr. Laurence:

Your memorandum to me under date of March 20, 1957, advises that the work acceptably performed by the referenced Operator included the taking for analyses of 15 samples under Stage I and 20 samples under Stage II, or a total of 35 samples. However, the Operator's final geological and engineering report indicates that a total of only 26 samples (excluding 1 sample not applicable to the contract work) were taken.

Although the contract provides for the Government to contribute to the costs of assaying not more than 35 samples on a basis of a fixed unit cost (regardless of costs incurred by the Operator) of $8.00 a sample, the Forms MF-104 claimed costs on the basis of actual costs not in excess of $8.00 an assay for a maximum of 35 assays. The Operator's actual costs and his claimed costs for the assays applicable to the 26 samples specified in his final narrative were as follows:

Actual Costs				Claimed Costs			
7	assays	@ $12.50	$ 87.50	7	assays	@ $8.00	$ 56.00
7	assays	@ 7.25	50.75	7	"	@ 7.25	50.75
22	"	@ 5.00	110.00	21	"	@ 5.00	105.00
7	"	@ 4.50	31.50	0	"	@ 4.50	-0-
43			$279.75	35			$211.75

If 35 samples were taken for analyses as stated in your memorandum, then the acceptable costs for such analyses would be $280.00 instead of the $211.75 claimed on the forms MF-104. On the other hand if only 26 samples were taken for analysis, the acceptable costs would be only $208.00.

8623

Under the circumstances your reaffirmation of the number of samples taken for analyses would be appreciated prior to the preparation of a Report of Review in lieu of a final audit.

Your memorendum of March 20, 1957, also indicates that approved drilling under Stage I consisted of 60 feet of overburden, 60 feet of BX size, and 930 feet of AX size. Both the Operator's October 1956 form MF-104 and Longyear's invoice No. 105651 specify that 60 feet of overburden, 62 feet of BX, and 960 feet of AX drilling were performed. The Certifying Officer's letter of December 11, 1956, to the Operator indicates that 2 feet of BX drilling was disallowed, because it was in excess of the contract estimate of 60 feet, and 30 of AX drilling was disallowed, because it was in excess of the contract maximum total of 1,050 feet for Stage I.

As the estimated footage for the several sizes were not maximums and only the total footage for the stage was a maximum under the contract, it appears that the entire 32 feet in excess of the 1,050 feet properly should be disallowed as AX drilling, which was the bottoming size.

Your comments of the acceptable drilling footage would be appreciated.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

EDTalbert/wb
March 25, 1957

Copy to: Docket
Admr. Reading File
Helen R. Miller
Mr. Chambers
Mr. Talbert

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 25 1957

DATE	INITIALS	CODE
3/26	C	220
3/26	WPK	500

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

March 20, 1957

To: Jay L. Chambers, Chief Contract Administration and Audit Division

From: Acting Executive Officer, DMEA - Region V

Subject: Completion of DMEA-4393, Idm-E1013 (copper-zinc) Roland Beers Inc., Buckingham County, Virginia

Work on the subject contract has been stopped pending approval of request to terminate.

The following units of work have been acceptably performed, as verified by our field examiners:

Stage I. Diamond drilling:

Overburden ---	60 feet
BX size	60 feet
AX size	930 feet
Total	1050 feet

15 samples were taken for analyses.

Stage II - Diamond drilling:

Overburden	97 feet
BX size	20 feet
AX size	1279 feet
Total	1396 feet

20 samples were taken for analyses

An adequate final geological and engineering report has been received. The Operator's final voucher has been approved and forwarded to the Finance Office for payment.

V. J. Lynch

EdL/sm
c
Stheliek
Finance
Lynch
Files
Opr. Com.

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

March 18, 1957

Memorandum

To: Mr. George C. Selfridge, Chairman, Operating Committee

From: Mine Examination and Exploration Engineer

Subject: DMEA 4393, Idm-E 1013 (copper-zinc)
Roland F. Beers, Inc., New Canton area,
Buckingham County, Virginia

Enclosed are three copies of a letter from Mr. Robert A. Laurence under date of March 15, 1957 relating to the Operator's Final Report.

Mr. Laurence requested that these be sent to the Operating Committee if I agreed to the request made in the letter.

H. L. Burmeister

H. L. Burmeister
Mine Examination and
Exploration Engineer

Enclosures

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 30 1957

DATE		CODE
3/21	C	220
3/21	Klug	500

REGISTRATION MAR 20 1957		
DATE	[illegible]	CODE

March 15, 1957

Mr. Robert S. Young
Branch Manager
Roland F. Beers, Inc.
Box 3725, University Station
Charlottesville, Virginia

Re: DMA-1393, Idm-1013 (Copper-Zinc)
Roland F. Beers, Inc.
New Canton area
Buckingham County, Virginia

Dear Mr. Young:

We have received and studied your final report on the subject exploration contract, and we wish to thank you for the prompt transmittal of your report.

On page 7 you state that a block of mineralized ground 1800 ft x 400 ft x 20 ft was delineated by this drilling. Even though this is not an economically minable orebody, it would be useful to have your estimate of the tonnage and grade of mineralized rock in this block. The assays from holes 2 and 4 suggest that it may be possible to estimate a small indicated tonnage of +1% Cu. A simple unweighted average of all the assays is 0.55% Cu, which suggests that it may also be possible to make an estimate of all or a large part of the entire block which may run as much as one-half percent or more in copper.

As you know, DMA is primarily interested in reserves, and it is therefore useful to know the amount and grade of marginal or sub-economic ground which might be workable some day, even though it is not now economic.

I would appreciate your comments on this.

Sincerely yours,

Robert A. Laurence
Executive Officer
DMA Field Team, Region V

RAL/mg
cc - Operating Committee (3)
Lynch
Millar
L. P. Williams

DMEA Form 7
(12-56)

dev. file handling

OFFICIAL FILE COPY

Date	Surname	Code
3/7	Talbert	800
3-7	C	220
3/7	WPK	500

MAR - 6 1957

Mrs. Helen R. Miller
Administrative Assistant
Bureau of Mines, Region V
P. O. Box 217
Norris, Tennessee

Re: Docket No. DMEA-4393 (Copper-Zinc)
Roland F. Beers, Inc.
New Canton Area
Buckingham County, Virginia
Contract No. Idm-E1013

Dear Mrs. Miller:

Returned herewith is your file of original documents, applicable to the referenced project, which you forwarded with your memorandum of March 1, 1957, requesting a Report of Review in lieu of a final audit.

The records on this project have been reviewed and a report has been drafted, but the release thereof is being held in abeyance pending the receipt from the Executive Officer of the communication required by my memorandum of January 9, 1957, addressed to all DMEA Auditors, subject: Instructions on the Release of Audits and Reports of Review, which was promulgated to the Executive Officer by the Operating Committee's letter of January 17. A copy of this letter is being sent to the Executive Officer as a request for the required communication.

The review of this project indicates the following audit exceptions to be in order:

(a) Difference between claimed costs ($211.75) for 35 "assays", at actual costs not in excess of $8.00 an assay, and allowable costs ($208.00) for 26 "samples", at the contractual fixed unit cost of $8.00 a sample.....$3.75

(b) Difference between Field Team disallowance ($6.60) in October 1956 MF-104 for 2 feet of BX drilling @$3.30 a foot in excess of contract estimate of 60 feet for the item and proper disallowance ($6.00) for 2 feet of AX drilling (the bottoming size) in excess of contract maximum of 1050 feet for Stage I drilling..... -.60

Net Total..... $3.15

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb 3-6-57

Copy to: Docket
Admr. Reading File
Mr. Chambers
Mr. Griswold

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1, POST OFFICE BLDG.
KNOXVILLE 2, TENNESSEE

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 4 1957

DATE	INITIALS	CODE
3/4	C	820
3/6	[illegible]	800
3/6	Klug	500

February 28, 1957

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region V - Knoxville, Tennessee

Subject: Operator's Final Report- DMEA-4393, Idm-E1013, (Copper-Zinc) Roland F. Beers Inc., Troy, N.Y. New Canton Area, Buckingham County, Va.

Enclosed are the original and two copies of the subject final report. The fourth copy is being kept for our use.

Termination of this contract has been requested, although Stage I was completed and Stage II was more than 95% completed.

Robert A. Laurence
Robert A. Laurence
Executive Offficer, DMEA
Region V

V. J. Lynch
V. J. Lynch, Member
Bureau of Mines

Klug.
Betty

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
KNOXVILLE 2, TENN.

RECEIVED FEB 25 1957 D.M.E.A.

February 20, 1957

Memorandum

To: Operating Committee, DMEA, Washington, D. C.

From: Executive Officer, DMEA Field Team, Region V

Subject: DMEA-4393, Idm-E1013 (Copper-zinc)
Roland F. Beers, Inc.
New Canton Area, Buckingham County, Virginia

Reference is made to your letter of February 11, 1957.

We do not expect to recommend certification of discovery for this project.

Robert A. Laurence

Robert A. Laurence

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Klugescheid	500
	Hiawell	500
2/11	Selfridge	130
2/12	C	220
2/11	Johnson	110
"	Mitchell	100
		225

FEB 11 1957

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

Re: Docket No. DMEA-4393 (Copper-Zinc)
Roland F. Beers, Inc.
New Canton Area
Buckingham County, Virginia
Contract No. Idm-E1013

Dear Mr. Laurence:

We refer to a letter from your office, dated January 2, 1957, in which you concurred with Mr. Burmeister, field examination engineer, in recommending termination of the above cited contract by mutual agreement.

Before having the termination agreement prepared, we would like you to advise us as to whether or not you intend to recommend a certification of discovery for this project.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (24B)

WPKLugescheid/er 2/11/57

Copy to: Docket
Adm R File
Op. Committee
Base Metals
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

APPROVED:

Frank D. Lamb (24B)
Member, Bureau of Mines

Thor H. Kiilsgaard (24B)
Member, Geological Survey

R.C.G.

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

1/14 800 225

c o p y

January 9, 1957

Mr. Robert S. Young, Branch Manager
Roland F. Beers, Inc.
P. O. Box 3725
Charlottesville, Virginia

Re: DMEA-4393, Idm-E1013
Roland F. Beers, Inc.
New Canton Area, Virginia

Dear Mr. Young:

This will confirm the verbal permission given you on November 1, 1956, by H. L. Burmeister, DMEA Field Examiner, to start work on Stage II of subject contract.

The request for termination of the contract has been submitted to the Washington office for approval.

Very truly yours,

V. J. Lynch
Acting Executive Officer
DMEA Field Team, Region V

VJL/mg
cc
Burmeister
Lynch
Laurence
Williams
Operating Committee (3)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY DMEA RECEIVED JAN 4 1957		
DATE	INITIALS	CODE
1/4	cw	225

January 2, 1957

Memorandum

To: Operating Committee - DMEA - Washington

From. Field Team, DMEA, Region V, Knoxville, Tennessee

Subject: DMEA-4393, Idm-E1013, Roland F. Beers, Inc.
Buckingham County, Virginia (copper-zinc)

Enclosed are four copies of a letter from Robert S. Young, Branch Manager, Roland F. Beers, Inc., requesting termination of subject contract by mutual agreement.

It had previously been agreed by the field examiners and Mr. Young that if Hole No. 8 did not encounter significant mineralization, it would be better for all concerned to terminate the contract.

Enclosed also are four copies of a letter just received from H. L. Burmeister, field examination engineer. We agree with him in recommending termination of the contract by mutual agreement.

V. J. Lynch
V. J. Lynch
Acting Executive Officer

Helmuth Wedow
Helmuth Wedow, Geologist
U. S. Geological Survey

Enclosures 2

COPY
WS 12/31/56

OFFICIAL FILE COPY
DMEA

RECEIVED JAN 4 1957		
DATE	INITIALS	CODE
1/4	cw	225

ROLAND F. BEERS, INC.
Charlottesville, Virginia
P. O. Box 3725

December 28, 1956

Mr. Robert A. Laurence
Executive Officer
DMEA Field Team, Region V
Room 13, Post Office Bldg.
Knoxville, Tennessee

Dear Mr. Laurence:

Drill Hole #8 was completed December 27, 1956 with less encouraging results than anticipated. Two six-foot sections of ore have been split for assay. These sections are estimated to contain approximately ½% Cu. Total normal width sampled would be approximately 7 feet across the vein.

Mr. Burrmeister, the government engineer, and I have mutually agreed that use of the remaining approximate 100 feet of drilling authorized by the contract would not materially affect the results obtained and would unnecessarily add to the cost of exploration. Drilling has been stopped.

We request that this contract be terminated by mutual agreement as of December 31, 1956. We understand that Mr. Burrmeister is informing you that the above request is by mutual agreement.

Very truly yours,

/s/ Robert S. Young

Robert S. Young
Branch Manager

C.C.: Dr. Roland F. Beers
P.O. Box 1019
Troy, New York

C.C.: Mr. Harry Burrmeister
United States Bureau of Mines
College Park, Md.

C O P Y
mg 1/2/57

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 4 1957

DATE	INITIALS	CODE
1/4	cw	225

College Park, Md.

December 28, 1956

Memorandum

To: V. J. Lynch, Member DMEA Field Team, Region V, Room 1, Post Office Bldg., Knoxville 2, Tenn.

From: Mine Examination and Exploration Engineer

Subject: Docket No. DMEA 4393, Contract Idm-E1013, Roland F. Beers, Inc., New Canton Area, Va.

Drill hole No. 8 on this project was completed the afternoon of December 27, 1956.

At the time of our last visit to this property, Dec. 14, W. P. Williams, U.S.G.S. and myself in agreement with Mr. R. S. Young, operator's representative, decided that if drill hole No. 8 then just starting, did not penetrate significant mineralization it would not be to the interest of either the Government or the operator to drill the remaining approximate 100 ft. authorized by the contract. It was agreed that in this event the contract should be terminated by mutual agreement.

As previously arranged to save standby cost for drillers, Mr. Young called me last evening and gave the results obtained in drilling hole No. 8. The hole was drilled on a 60° inclination and intercepted the vein at 348 feet. Mineralization in varying degree continued to the footwall at 368 feet, the hole bottomed at 410 feet. Mr. Young has split two 6 foot sections of core showing the greatest copper mineralization for assay. These two 6 foot sections would represent a combined normal width of approximately 7 feet and are estimated by Mr. Young to contain approximately 0.5 percent copper.

Considering this data and our previous arrangement it was agreed that the operator would request termination of the contract by mutual agreement. I feel certain that Mr. Williams will agree with this action.

/s/ H. L. Burmeister

H. L. Burmeister

Docket copy
Surname:
Talbert
Chambers
Klingerscheid
Selfridge
Whittenberg

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

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

Re: Docket No. DMEA-4393 (Copper-Zinc)
Roland F. Beers, Inc.
New Canton Area
Buckingham County, Virginia
Contract No. Idm-31013

Dear Mr. Laurence:

By memorandum dated September 26, 1956, you advised this Committee that the referenced contract was satisfactory to the Field Team and that it would be forwarded to the Operator for signature as soon as an executed Performance Bond was received from him.

Three executed copies of the contract subsequently were received with your transmittal memorandum of October 18, 1956; however, the executed Performance Bond has not been received. Please forward the Bond for attachment to the original of the contract.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

APPROVED:

Frank D. Lamb

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Copy to: Docket
Admr. Reading File
Operating Committee
Mr. Pennington, USBM
Mr. Kiilsgaard, USGS
Mr. Griswold
Mr. Chambers

EDTalbert/wb
October 24, 1956

R.G.G.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 305 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
OCT 22 1956

October 18, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Signed Contract - Idm-E1013, DMEA-4393-Copper-Zinc
Roland F. Beers, Inc. Troy, N.Y.

Transmitted are three signed copies of the subject contract.

The usual distribution of the other copies has been distributed by this office.

Robert A. Laurence

Robert A. Laurence

Klepzeschul
Beely

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 151 POST OFFICE BLDG
KNOXVILLE 2, TENN.

RECEIVED
SEP 28 1956

September 26, 1956

Memorandum

To: Operating Committee, DMEA, Washington, D. C.

From: Field Team, DMEA, Region V, Knoxville, Tennessee

Subject: Docket No. DMEA-4393 (Copper-Zinc)
Roland F. Beers, Inc., Troy, New York
New Canton Area, Buckingham County, Virginia

Reference is made to your letter of September 24, transmitting the subject contract. The contract is satisfactory to us, and we will forward it to the Operator as soon as we receive the executed Performance Bond.

We note in the second P. S. of your letter that you assume that the lease map is correct. We have no information here with which to check the map, as copies of the leases did not accompany our copy of the application. The examination report indicates that these were also unavailable to the field examiners. Their report implies that the boundaries are correct as shown on the contract map. If you have any doubts on this matter, we suggest that you contact Mr. Williams or Mr. Burmeister for further information before the contract is sent to the Applicant for signature. They can both be reached by a local telephone call.

Robert A. Laurence
Robert A. Laurence
Executive Officer

Wm A Beck
Wm. A. Beck for V. J. Lynch
Member, Bureau of Mines

Klingsheim
Copy

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
SEP 28 1956

September 26, 1956

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

Re: DMEA-4393 (Copper-Zinc)
New Canton Area
Buckingham County, Virginia

Dear Mr. Beers:

A contract for the proposed exploration in the New Canton area has been prepared, and signed for the Government. However, before it can be presented to you for signature, it is necessary to obtain a Performance Bond (in lieu of the Consents to Lien) from you in the amount of $5,168.50, which is 50 per cent of the total amount approved.

I am enclosing four copies of Standard Form 25 for this purpose. Please return two copies, fully executed to me at your earliest convenience, so that I may send the contract to you.

Following is a summary of expenditures authorized by the proposed contract:

Stage I	
1,050 feet of drilling	$3,532.00
Other expenses, except assays	903.00
Assays, 15 samples @ $8	120.00
Total	$4,555.00
Stage II	
1,500 feet of drilling	$4,632.00
Other expenses, except assays	990.00
Assays, 20 samples @ $8	160.00
Total	$5,782.00
Total, Stages I and II	$10,337.00
Government Participation	$5,168.50

The drilling costs are based on $3.00 per foot for overburden drilling and for AX core drilling; $3.30 for BX and $3.65 for NX, with $7.50 per hour (10 hours maximum) for cementing and redrilling, and $125 each for mobilization and demobilization.

I will forward the contract for signature immediately upon receipt of the executed bond.

Sincerely yours,

Robert A. Laurence
Executive Officer
DMEA Field Team, Region V

RAL/mg
Enclosures 4
cc
Operating Committee (2)
Mr. W. T. Millar
Mr. V. J. Lynch
File

File Copy
Surname

Klugescheid
Nelson
Bishop
Grindrod
Chambers
Selfridge
F. C. Jones
Mittenzwey

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

500

SEP 24 1956

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

Re: Docket No. DMEA-4393 (Copper-Zinc)
Roland F. Beers, Inc.
New Canton Area
Buckingham County, Virginia

Dear Mr. Laurence:

We are enclosing the original and five copies of a contract, signed by the Government, for the cited exploration project. The complete contract includes the contract form, Annex I, Exhibit "A", and a map. We are also enclosing two extra copies of Annex I, Exhibit "A", and the map for the use of the Field Team.

It will be necessary to obtain a Performance Bond from the Applicant before submitting the contract for signature. This procedure was suggested by the Applicant in lieu of obtaining the Consents to Lien. We are enclosing seven copies of the standard form No. 25 in case that you do not have any available.

If the contract meets with your approval, kindly present it to the Applicant for approval and signature and, when completed, distribute the copies in the usual manner. In the event that the contract is not satisfactory, and cannot be amended within your delegated authority, return all copies with your recommendations concerning any modifications.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Enclosures

APPROVED:

/s/ P. F. Yoder
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

WPKlugescheid/er 9/~~27~~19/56
Copy to: Docket
Admr R File
Op. Committee
Base Metals
Mr. Pennington, USBM
Mr. Kiilsgaard, USGS
Chron.

P. S. Only two copies of the Preformance Bond are required, one to be attached to the Government and the other to the Finance Office copies of the contract.

We are unable to relate land description contained in the leases to the area outlined on the map, so we assume the map is correct.

IN REPLY REFER TO:

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

RECEIVED
SEP 21 1956

September 20, 1956

Re: DMEA 4393 (Copper-Zinc)
Roland F. Beers, Inc.
New Canton Area
Buckingham Co., Virginia
Applicant's Est. - $15,695.00
Recommended Est. - $10,028.36

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team report.

The applicant requested assistance in exploring by diamond drilling a tract of land that has been prospected geophysically and geochemically.

Within the tract are three old shafts, the Johnson, McKenna, and Margaret. The geophysical and geochemical work indicate a zone of mineralization extends through the tract and the drilling should denote its kind and intensity.

The examiners recommend a 2-stage drilling program of 2,550 feet essentially that of the applicant, but trim the estimated cost from $15,695.00 to $10,028.36.

I concur with the recommendation of the examiners and the Field Team.

N. E. Nelson

N. E. Nelson

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

RECEIVED
SEP 19 1956
Klingschad

September 18, 1956

Re: DMEA 4393; Cu-Zn.
$10,028.36
Roland F. Beers, Inc.,
New Canton Area,
Buckingham County, Va.

Memorandum

To: W. R. Griswold, DMEA

From: O. M. Bishop, Branch of Base Metals

Subject: Review of field team report of September 12, received September 14, 1956.

On the basis of surface geology and geophysical surveying, the applicant proposes a 2-stage core drilling program on the 663-acre leasehold near New Canton, Virginia. Stage I is to consist of 3 holes totaling about 1,050 feet to explore at 210 feet below the surface. Stage II consists of 3 additional holes totaling an estimated 1,500 feet, location and direction to be dependent on findings under Stage I work.

The field examiners note that the area is mineralized, and that careful geophysical and geochemical work has developed anomalies extension of the sulfide zone as indicated in previous mining operations and by work under DMEA 3508.

I agree with the field team that work to date has outlined a promising target in an area of known sulfide ore deposition. I concur in recommending the 2-stage, 6 hole drilling campaign outlined.

O. M. Bishop

O. M. Bishop

Copy to: Division of Minerals
Mr. Killsgaard
Mr. Lamb
Mr. Bishop
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION 500
WASHINGTON 25, D. C.

September 14, 1956

Memorandum for the Files

From: Base Metals Division

Subject: Phone Conversation on Docket No. DMEA-4393
Roland F. Beers, Inc.
New Canton Area
Buckingham County, Virginia
Copper-Zinc

On this date, I called Mr. Laurence, Executive Officer, DMEA Field Team, Region V, concerning the whereabouts of the examination report on the above-cited property. Mr. Laurence stated that he had approved the recommendations of the examiners and that the report and recommendations had been mailed to the Washington Office on September 12.

W. P. Klugescheid
W. P. Klugescheid

WPK/er

Copy to: Docket
Base Metals
Chron.

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

September 13, 1956

Memorandum

To: The Administrator, DMEA
Attention: Chief, Base Metals Division

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-4393, Roland F. Beers, Inc. (Copper-Zinc)

As requested in Mr. Griswold's memorandum dated September 12, we have prepared the attached contract.

The Operator is a lessee of five different parcels of land, as set forth in Annex I. As it is our understanding that a surety company's performance bond will be obtained in lieu of the Consents to lien of the lessors, Article 2(c) so recites.

We are unable to relate the land descriptions contained in the five leases to the area of land outlined in the map, Figure 1. Therefore, the acceptability of the land descriptions in the leases for the purposes of this contract is for administrative determination.

Robert P. Dwyer

Attachments

File Copy
Surname Klugescheid

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

500

September 12, 1956

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: Chief, Base Metals Division

Subject: Preparation of Contract for Docket No. DMEA-4393, Roland F. Beers, Inc., New Canton Area, Buckingham County, Virginia, Copper-Zinc.

Will you please prepare a contract for the cited application. The draft of the contract, Exhibit "A", Annex I, and maps are attached to this memorandum. Consents to Lien have been waived as Applicant will furnish a Performance Bond.

W. R. Griswold
W. R. Griswold

Attachment

WPKlugescheid/er

Copy to: Docket
Base Metals
Chron.

Memorandum

Roland F. Beers, Inc.
New Canton Area
Buckingham County, Virginia
DMEA-4393

Details of Fixed Unit Costs for the contract.

Stage I.

Geologist-1 month @ $500.00	$ 500.00	
Laborer-- site preparation 50 hours @ $1.00	50.00	
Rent for core storage shed-2 months @ $10000	20.00	
Office and drafting supplies	10.00	
Communications(telephone etc.)	10.00	
30 core boxes @ $3.00	90.00	
Transportation(Geologist) 2,400 miles @ $0.08	192.00	by automobile
Compensation etc 5.45 % of $550	30.00	
Total	$ 903.00	or $0.86/ft.

Stage II.

Geologist--1 month @ $500.00	$ 500.00	
Laborer--site preparation-50 hours @ $1.00	50.00	
~~Office Supplies~~	~~10.00~~	
Rent for core storage shed-2 months @ $10.00	20.00	
Office and drafting supplies	10.00	
Communications (telephone etc.)	10.00	
42 core boxes @ $3.00	126.00	
Transportation(Geologist) 3,000 miles @ $0.08	240.00	by automobile
Compensation etc. 5.45% of $550.00	30.00	
Total	$ 986.00	
say	$ 987.00	or $0.658/ft.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
ROOM 41 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
SEP 14 1956

September 12, 1956

Memorandum

To: Operating Committee, DMEA, Washington, D. C.

From: Field Team, DMEA, Region V, Knoxville, Tennessee

Subject: Field Examination Report, DMEA-4393 (Copper-Zinc)
Roland F. Beers, Inc., Troy, New York
New Canton Area, Buckingham County, Virginia

Enclosed are the original and three copies of the subject examination report.

The Applicant's work to date has outlined a promising target in an area of known sulfide deposits. We agree with the examiners' conclusions, and recommend a two-stage drilling contract, as outlined in the report.

Robert A. Laurence
Robert A. Laurence
Executive Officer

Wm A Beck
Wm. A. Beck for V. J. Lynch
Member, Bureau of Mines

Enclosures 4

Reviewed by
DMEA OPERATING COMMITTEE
9-17-56
(date).

ON SITE REPORT.

FIELD TEAM REPORT ON EXAMINATION OF PROPERTY

RECEIVED
SEP 14 1956

by

W. P. Williams and H. L. Burmeister 1/.

Docket No. DMEA-4393 (copper, zinc)
Applicant: Roland F. Beers, Inc.
P.O. Box 1019
Troy, New York
Location: Buckingham County, Virginia

-SUMMARY-

This property and the application were examined and reviewed on August 8 and 9, 1956.

Mineralization has been exposed on the property by a series of mine workings which extend in a nearly straight line for a distance of over one mile. The workings are more than 50 years old and are now, for the most part, inaccessible.

Previous to this examination, the applicant had conducted the following surveys: airborne electromagnetic, self-potential, ground-electromagnetic, magnetometer and geochemical. Partial results of these surveys are shown on the applicant's maps.

The applicant's interpretation of geophysical and geochemical data indicate the presence of an anamalous, possibly mineralized, zone about 2,500 feet long striking approximately N. 25° E. The applicant believes that close agreement between surface gossan and geophysical anomalies strongly suggests a near-continuous sulfide zone. The electromagnetic surveys indicated that the conducting zone is 40 to 50 feet wide, relatively shallow in depth, and vertical in attitude.

1/ W. P. Williams, geologist, U.S. Geological Survey
H. L. Burmeister, engineer, U.S. Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
9-17-56
(date)

On the applicant's maps it can be seen that the self-potential and magnetic contours are closer together on the northwest side of the anomaly and that the contours open out northeastward. This could mean that the anomalous rock has a steep dip to the southeast and a pitch to the northeast--or that the grade of mineralization is decreasing to the northeast and southeast.

-CONCLUSIONS-

Minerals were known and produced from the applicant's property over 50 years ago. While no appreciable ore reserves can be credited to the property at this time, little exploration work has been done since the time of the old, and limited, underground workings.

A definite, mineralized zone that is traceable for several hundred feet through surface gossans and ancient shafts and adits exists on the property.

What appear to be carefully and ably executed geophysical surveys have discovered positive anomalies that correspond well in position and elongation with the mineralized zone.

The property is in a good regional geologic setting that is favorable for the development of contact-type sulfide ore deposits. In its general aspects this setting includes the location of the mineralized zone in highly metamorphosed schists close to the contact with an acid igneous intrusive, Fig. 3.

Under very similar geologic conditions and with a similar exploration approach the Virginia Mining Corporation, under DMEA contract Idm-E754, Docket 3507, discovered new ore reserves which, with additional drilling on the company's own account, now reportedly amounts to over 700,000 tons of ore at an average value including all saleable minerals of about $17.00 per ton. The Virginia Mining Company property adjoins the subject property on the south, but the newly discovered ore is about 10 miles south of the Johnson mine.

Because the property lies within a mineralized area that also possesses favorable geologic conditions for ore deposition, and because geophysical surveys appear to confirm and augment the geological findings, additional exploration appears to be well warranted on the

property. The applicant's drilling proposal appears to be well conceived and the chances of finding new copper-zinc ore reserves appear to be good.

-RECOMMENDATIONS-

In view of the above conclusions, it is recommended that this application be approved under the exploration plan as outlined in this report under, "Examiner's Proposal" and under the cost structure outlined under, "Examiner's Estimated Costs".

-TIME SPENT ON PROPERTY-

The field team representatives spent eight hours in the field in company with company geologists Robert S. Young and Vernon R. Geyer. Mr. Young is in active charge and Mr. Geyer has done much of the geophysical work on the property. day?

- NAME AND LOCATION OF PROPERTY -

This property has no name and consists of six contiguous but separately owned tracts of land.

The area included in this application is located in the extreme northern portion of Buckingham County, Virginia, just south of the James River and the village of New Canton, Virginia.

To reach the proposed exploration area proceed southwesterly on U.S. Route 15, a distance of 0.3 miles from the south end of the James River Bridge. At this point turn left or southeasterly and follow a black top road for a distance of 800 feet to its junction with Route 688. Follow Route 688 southward for 0.3 miles to the Perkins farm road entering from the southeast. Follow this farm road for 0.6 miles to the Johnson shaft. Routes 15 and 688 are paved and the farm road would probably be usable throughout the year. (Fig. 1)

-COMPETENCY OF APPLICANT-

Mr. Roland F. Beers, the President and Treasurer of the applicant company is a geologist and geophysicist who also represents the American Syndicate as Agent. Mr. Robert S. Young who is in charge of this project and his assistant, Mr. Vernon Geyer, are both competent

geologists with experience in geophysics.

The financial responsibility of the applicant company was not investigated but the list of members of the syndicate indicate probable financial competency.

-APPLICANT'S PROPERTY RIGHTS-

The examining team was not furnished with copies of leases but the following observations are noted. Five leases with a combined area of 663 acres are ~~sighted~~ cited in the application. The Washington office advises the writer that all leases embrace a total of approximately 763 acrea. The Patteson lease is listed in the application but does not appear on the property map.

Mr. Young stated that all property is leased for a period of 5 years with options to extend the time if ore is developed. Washington advises that one lease is for 2 or 2 1/2 years. Mr. Young stated that the Government's interest is protected by a bond in lieu of procuring "Consents to Lien". To the best of his knowledge there are no liens or mortgages on any of the properties concerned. The accompanying location and property map, (Fig. 1) shows the location of the Patteson tract with indeterminate boundaries as indicated by the applicant's representatives.

- DESCRIPTION OF PROPERTY-

The surface topography of the exploration area is in medium relief, extremes of elevation being about 200 feet. Medium sized timber with little undergrowth covers the area. No surface or underground facilities are on the property.

The Johnson shaft is vertical and reported to be 278 feet deep. A very shallow drifting adit from the south was driven to the shaft. A cross-cut was driven from the southeast at an elevation of about 10 feet above creek level to intersect the shaft at a point 78 feet below the collar. The shaft is blocked with debris at a point 25 feet below the collar and filled with water probably to the floor of the near creek level cross-cut. Both cross-cuts are blocked with debris. The 53 foot vertical McKenna shaft is completely filled with water and the 86 foot vertical Margaret shaft is filled to within 20 feet of the collar. Property lines and shaft locations are shown in Figure 1.

-GEOLOGY AND ORE DEPOSITS-

The New Canton area is in the Piedmont physiographic province of Virginia and lies near the geographic center of the state. The topography is moderately rolling, with the exception of steep bluffs that border the James River and its major tributaries. Maximum relief in the area is about 200 feet.

The country rocks in the immediate area range in age from Precambrian to Triassic, and consist of granite-granodiorite, crystalline metasediments, and slate (see Fig. 3). Triassic diabase dikes, of unknown extent, cut the metasediments. The mineralized zone is in the metasediments, near the contact between the metasediments and the Columbia granite. The major granite body is separated from the true metasediments by a gradational zone of hornblendic alteration.

Within the immediate exploration area the metasediments include quartzite, chlorite schist, chlorite-garnet schist, and magnetite schist.

The mineralized zone lies on the east limb of the Arvonia syncline, and the rocks locally strike N. 25° - 30° E., and dip 80° - 85° SE. No large faults are known in the vicinity.

Johnson Mine

At the Johnson shaft, figure 1, the rock is composed of rusty brown to gray chlorite and mica schist. The Johnson shaft is in a gossan zone about 20 to 30 feet wide. In the gossan bright yellow hematite and dark brick-red hematite are common. Small veins of white to gray massive quartz can be found scattered through the altered schist. No fresh sulphides are present. At the collar of the Johnson shaft the schistosity strikes N. 20° E., and dips 85° NW.

At the mouth of the adit about 150 feet southeast of the Johnson shaft, a fine-grained, dark gray schist is exposed in which the principal minerals are quartz, chlorite, hornblende, magnetite and pyrite. Taber 1/ states that the copper ore that was mined and shipped from the Johnson mine is said to have consisted chiefly of "rich black copper ore" (chalcocite) found a short distance below the water level.

1/ Taber, Stephen, Geology of the Gold Belt in the James River Basin, Virginia, Virginia Geological Survey Bulletin VII, 1913.

McKenna Mine

At the McKenna mine, figure 1, gossan is exposed at the collar of the shaft. The rock in the vicinity is a dark green foliated schist composed of chlorite, quartz, biotite, garnet, pyrite, and magnetite. The schistosity strikes N. 20°E., and dips vertically. A small dump near the shaft collar showed abundant pyrite. The pyrite on the dump appeared to be waste from a separating process by which copper minerals were recovered.

A small dump, near the Johnson adit portal and close to the west bank of Phelps Creek, contained about 300 tons of material consisting of pyrite, reddish-brown pyrrhotite, chalcopyrite, sphalerite, and very sparse galena.

Margaret Mine

The Margaret shaft was sunk near the top of a ridge. The site shows a wider gossan zone than the other two shafts. The gossan consists mostly of dark brown, porous limonite containing comparatively little silica and sparse fragments of decomposed schist. Country rock in the vicinity is dark bluish gray schist with phenocrysts of garnet and biotite. The strike of the schistosity is about N. 30° E., and the dip is practically vertical.

A small dump near the shaft showed cupriferous pyrite as the ore mineral.

The New Canton sulphide deposits occur in a schist, sedimentary in origin, which, a few hundred yards west of the mines, is interbedded with a schistose quartzite. East of the mines lies a large area of intrusive granite and granodiorite. Between the granite and the ore deposits is a belt of hornblendic schist 700 to 900 yards wide, part of which represents a basic border facies of the granite. It is probable that the ore deposits were derived from the younger granite and granodiorite.

The New Canton mineral district occupies a part of the major central-northern Virginia sulphide belt, which extends northeastward from Dillwyn to Fredericksburg, Virginia. Notable among the sulphide ore deposits known in this belt are: Cabin Branch, Austins Run,

Valzinco, Allah Cooper, Boyd Smith, Sulfur, Arminius, and London, Virginia.

From the attitude of the schistosity of the rock at the existing prospects it can be expected that ore deposits that might be present on the applicant's property will have a strike of about N. 20°-30° E., and dip vertically or within 10° of vertical--either northwest or southeast. The pitch of crenulations in the schist at the property and the known habit of ore deposits to the south of Dillwyn suggest that any ore bodies present will pitch downward to the northeast at about 40° - 50°.

Reports (Taber[1]/) on the mines at the time the workings were accessible show that the zone of oxidation may extend as deep as 90 feet. For that reason it would be advisable for exploration drilling to penetrate the ore structures more than 100 feet below the surface.

-PRODUCTION AND ORE RESERVES-

The Jonson mine was first opened in the late 1880's. A 78-foot shaft was sunk, and 780 tons of ore, averaging 8.0 percent copper was shipped. Several shipments, of unknown tonnage and grade, were made during ensuing years. The Johnson Mining Company purchased the mine about 1903 and began development work. A 278-foot vertical shaft was sunk, from which three levels, totalling about 1,000 feet, were driven. Production data are unknown. At present the Johnson shaft is filled with debris to a point about 25 feet below the land surface.

The McKenna Mine was opened by J. P. McKenna in 1895. In 1906 the Virginia Copper Company sank a 53-foot shaft on the property and drove two short levels. The shaft is now filled with water. No production figures are available.

An 86-foot shaft was sunk at the Margaret Mine in 1910, probably in search of a pyrite ore body. Production from the shaft is unknown. Only the upper 20 feet of the shaft are accessible.

The Mathieson Chemical Company reportedly core drilled five vertical holes east of the McKenna mine during World War II. Results are unknown.

Information available on the old mines is not sufficiently detailed, nor accurate enough, to permit estimation of ore reserves on the property.

-EXPLORATION-

In the spring of 1955, Lundberg Exploration Company, Toronto, Canada, conducted an airborne electromagnetic survey that covered about 100 square miles between New Canton and Dillwyn, Virginia. That work indicated the presence of a conducting mass located approximately along the known mineralized trend.

The Virginia Mining Company explored the southern portion of this mineralized area on the W. Clark property, (Fig.1) under Docket DMEA 3508, Contract Idm-E746. Results of exploration did not justify a certifcation but the drilling results were most encouraging in the northern drill holes on the Clark property. This company wanted to continue drilling to the north on the Jones property now held by Roland F. Beers, Inc. but could not obtain a lease. Mr. John Hogan in his final report for Contract E746 expressed his belief in the presence of substantial ore bodies immediately to the north of the area explored under DMEA 3508.

Roland F. Beers, Inc., in February 1956, began geophysical and exploration surveys that included ground electromagnetic, airborne electromagnetic, self potential, magnetic, and geochemical surveys. All the surveys were conducted by personnel of R. F. Beers, Inc., with the exception of the ground electromagnetic survey which was completed by McPhar Geophysics, under contract to the Beers Corporation.

Self Potential: The self potential survey revealed two highs on the property; one near the Johnson mine and the other near the Margaret shaft. These anomalies were 300+ to 400+ millivolts above the background for the region.

Magnetometer: Magnetic data appear to correlate with the self potential results, especially in the vicinity of the Margaret anomaly. A high magnetic anomaly was also found 200 to 300 feet east of the Johnson mine self potential anomaly.

Ground electromagnetic: The exploration area was surveyed with a dual frequency, 1,000 and 5,000 cycle, electromagnetic unit. This survey indicates the presence of a conductor whose axis is parallel to the mineralized trend and correlates well with the anomalies observed by other geophysical means.

Geochemical: Soil sample analyses, in which metal content was expressed in terms of zinc equivalent, indicated two general positive anomalies. Values in excess of 200 ppm were considered significant. The best geomchemical anomaly correspond/ed with the magnetic high east of the Margaret shaft.

-AVAILABILITY OF MANPOWER, SUPPLIES, ETC.-

For the purposes of this exploration the services of only two company technical men and one laborer will be required, the drilling to be done by contract. The wage rate for labor in this area is $1.00 per hour.

Ordinary supplies can be obtained in Charlottesville and equipment in Richmond. A power line parallels Route 670 about 300 yards east of the mineralized area. Phelps Creek which runs north and south through the exploration area is at present flowing at the rate of about 800 gpm.

-APPLICANT'S PROPOSAL-

Based on surface geology and the results of geophysical surveys the applicant proposes a two-stage core drilling project to explore for sulfide ore bodies at depth beneath the trend of mineralization and geophysical anomalies. Three holes in Stage I are proposed to be collared about 210 feet southeast of the mineralized zone with the holes inclined 45 degrees down from horizontal with the bearing of the holes northwest. Thus, the holes should intersect the ore zone about 210 feet below the surface. Length of each hole would be 350 feet.

Three drill holes are proposed in Stage II. The location and attitude of Stage II holes would depend on results obtained in Stage I. The applicant estimates a total of 1,500 feet of drilling would suffice for Stage II.

The applicant's cost structure contained a number of inequities not acceptable to the examiners, notably in technical services, labor, core shed rental and all items included as "Miscellaneous". Following is a recapitulation of applicant's proposed costs.

Stage I

Contract diamond drilling 1050 feet	$3,595.00	
Salaries and wages	2,700.00	
Core shed	200.00	
Miscellaneous	955.00	
Total Stage I		$7,450.00

Stage II

Contract diamond drilling 1500 feet	$4,590.00	
Salaries and wages	2,700.00	
Miscellaneous	955.00	
Total Stage II		$8,245.00
Total Project		$15,695.00

-EXAMINERS PROPOSAL-

This proposal is substantially the same as the one submitted by the applicant in all things except costs. The applicant's reasoning is sound technically but not so sound in a monetary way.

The examiners propose a diamond drilling program to be conducted in two stages. Drilling in Stage II to be dependent on results obtained in Stage I.

Stage I

Diamond drill 3 AX size holes, each to an approximate length of 350 feet, total length of 3 holes not to exceed 1050 feet. Holes are to be collared about 210 feet southeast of the mineralized zone at stakes now driven, (Fig. 2 of this report and geophysical map of application). All holes to be on an approximate N60°W bearing and to be inclined 45 degrees down from the horizontal.

All core is to be stored and preserved until logged by a Government representative, except that core from mineralized sections may be split for assay. One half the core is to be preserved.

Stage II

Entrance into Stage II is to be dependent upon results obtained in Stage I. Drilling shall not start except with permission of the Government and determination of number, location, bearing and length of holes must be in agreement with a Government representative. Total drilling in Stage II is not to exceed 1500 feet.

-EXAMINERS COST ESTIMATE-

Stage I

Independent Contract

3 holes at approximately 350 ft. each - Maximum total 1050 feet

Each hole - 310' AX size at $3.00	$ 930.00	
" " - 20' NX drilling & casing at $3.65	73.00	
" " - 20' BX " & " at $3.30	66.00	
Total drilling one 350' hole	$1,069.00	
Total drilling three 350' holes (1050')	3,207.00	
Moving in & out (does for both stages)	250.00	
Total independent contract, Stage I		$3,457.00

Labor and Supervision

1 staff geologist, part time (total 2 weeks) at $125.00	$250.00	
1 stenographer, part time (total 1 week) at $50.00	50.00	
1 laborer, site preparation, 50 hrs. at $1.00	50.00	
Total		350.00

Materials and Supplies

30 core boxes at $3.00 (from contractor)	$90.00	
office and drafting supplies	10.00	
Total Supplies		100.00

Rental

Core shed, 1 1/2 mo. at $10.00		$ 15.00

Miscellaneous

Transportation, 1200 mi. at $0.09 per mile	$108.00	
Communications	10.00	
Payroll Taxes		
FICA (old age)-2.0% of payroll		
Fed. & State Unem. Ins.-3.0% of payroll		
Work. Comp. & Empl. liability-0.45% of payroll		
Total 5.45% of payroll		
5.45% on $350.00	19.08	
Total Misc.		$ 137.08
Total		$4,059.08

$\frac{\$4,059.08}{1050}$ = $3.87 unit cost per foot drilled

Contingencies

5% on $4,059.08	203.00

Assays

15 assays for Cu, Pb, Zn, Au, Ag at $10.00	150.00
Total estimated cost Stage I	$4,412.08

Stage II

Independent Contract

3 holes to be drilled but length of each depends on previous results. Total maximum diamond drilling 1500 feet. Calculations are for 3 holes and total footage.

1380' AX size at $3.00	$4,140.00	
60' NX drilling & casing at $3.65	219.00	
60' BX " & " at 3.30	198.00	
Total independent Contract, Stage I		$4,557.00

Labor and Supervision

1 staff geologist, part time (total 2 1/3 weeks) at $125.00	$ 292.00	
1 stenographer, 1 week total at $50.00	50.00	
1 laborer, site preparation, 50 hrs. at $1.00	50.00	
		392.00

Materials and Supplies

15 core boxes at $3.00 (from contractor)	$ 45.00	
office and drafting supplies .	10.00	
		55.00

Rental

Core shed, 1 1/2 mo. at $10.00	$ 15.00

Miscellaneous

Transportation 1200 mi. at $0.09 per mi.	$ 108.00	
Communications	10.00	
Payroll Taxes at 5.45% on $392.00	21.36	
Total Misc.		139.36
Total		$5,158.36

$\frac{\$5,158.36}{1500} = \$3.44$ unit cost per foot drilled

Contingencies

5% on $5,158.36	257.92

Assays

20 assays for Cu, Pb, Zn, Au, Ag at $10.00	200.00
Total estimated cost Stage II	$5,616.28

Total Estimated Cost of Project $ 10,028.36

W. P. Williams

W. P. Williams, Geologist

H. L. Burmeister

H. L. Burmeister, Engineer

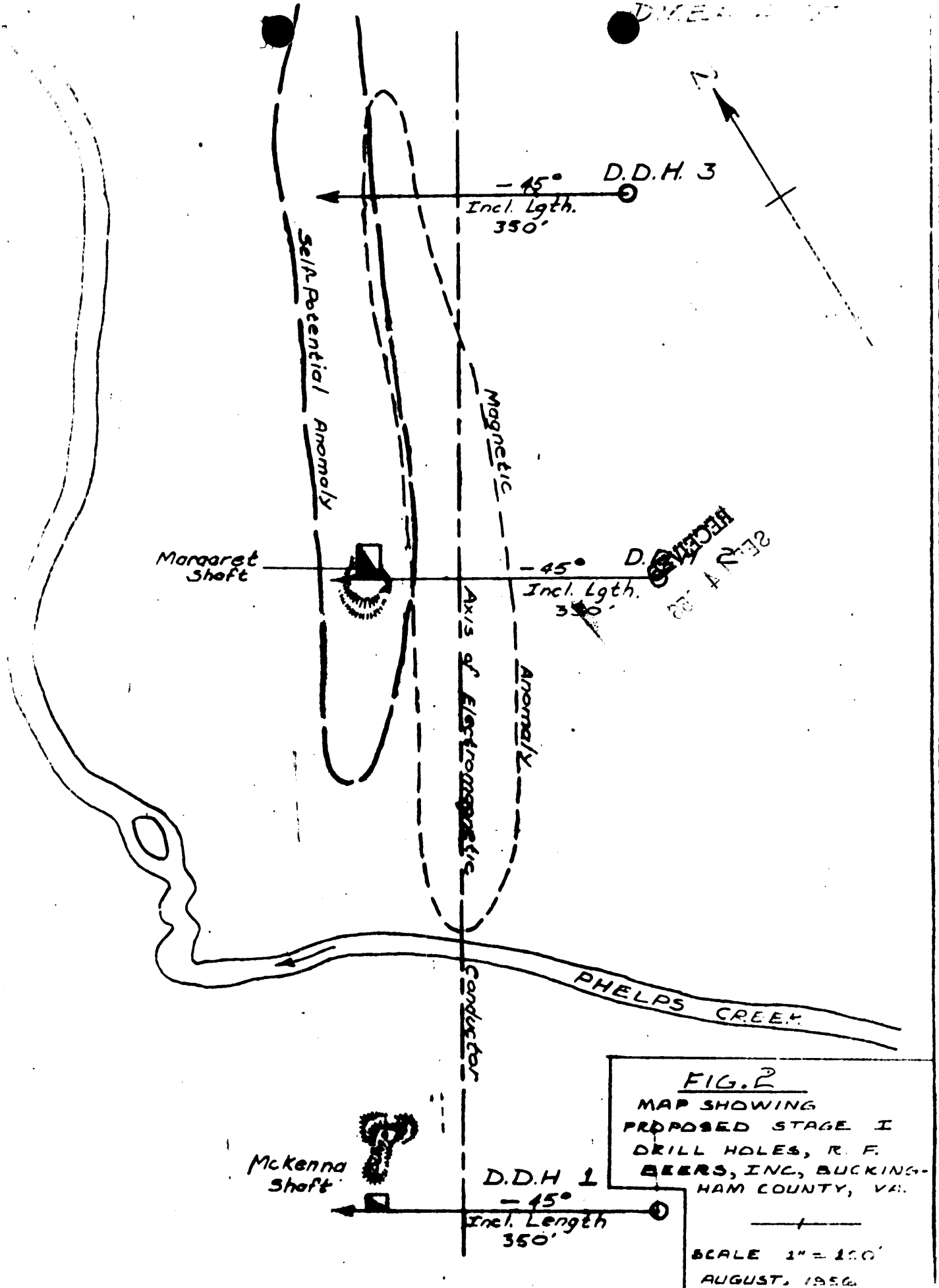


FIG. 2
MAP SHOWING PROPOSED STAGE I DRILL HOLES, R. F. BEERS, INC., BUCKINGHAM COUNTY, VA.

SCALE 1" = 100'
AUGUST, 1956

ROLAND F. BEERS, INC.

OFFICE AND LABORATORY:
447 PINEWOODS AVENUE
PHONE ASHLEY 2-2351

MAIL ADDRESS:
POST OFFICE BOX 1015
TROY, NEW YORK

August 6, 1956

RECEIVED
AUG - 8 1956

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Attention: Mr. W. R. Griswold
Chief, Base Metals Division

Re: Docket No. 4393 (Copper-Zinc)
New Canton Area, Buckingham County, Virginia

Dear Mr. Mittendorf:

On July 23rd last we submitted a new application for aid in an exploration project for copper and zinc in the New Canton Area, Buckingham County, Virginia. At the time the application was delivered by hand to your office I failed to include copies of the mining leases which we have obtained on this project. One verifax copy of each of the six leases is enclosed herewith for your retention. Accompanying the leases is a brief schedule showing the lease number, owner and acreage.

In my letter of July 23rd I indicated we had received a third bid for core drilling from Sprague & Henwood of Scranton, Pennsylvania. A verifax copy of their proposal is enclosed for your retention.

If you require further information in connection with referenced application, we will be glad to comply with your request promptly.

Yours very sincerely,

ROLAND F. BEERS, INC.

Roland F. Beers

President

rfb/h
Enclosures

ROLAND F. BEERS, INC.
P. O. BOX 1019
TROY, NEW YORK

Schedule of Leases Acquired - New Canton Area, Buckingham County, Virginia

RECEIVED
AUG - 8 1956

Lease No.	Owner(s)	No. of Acres
5 V 6 1	Buckingham Mineral Syndicate, Inc.	363
5 V 6 2	Plummer F. Jones and Lottie Pitts Jones	114-1/2
5 V 6 3	Levitt E. Perkins and Elnora Perkins	81
Incomplete 5 V 6 4	N. D. Patteson and P. B. Patteson	40
5 V 6 5	Cary C. Shipp, Jean W. Shipp; James A. Shipp, Joanna S. Shipp; and Fred K. Shipp	65
5 V 6 6	A. T. Fugua and R. W. Fugua	100
		763 1/2
		663 1/2

REC'D FEB 2 1956

RECEIVED
AUG - 8 1956

MANUFACTURERS OF
DIAMOND DRILLS
DRILLING EQUIPMENT
DIAMOND BITS

BRANCH OFFICES
NEW YORK PITTSBURGH
PHILADELPHIA
GRAND JUNCTION, COLO.

EXECUTIVE OFFICES & PLANT
201 W. OLIVE STREET
SCRANTON, PA.

SINCE 1885

SPRAGUE & HENWOOD, INC.

CONTRACTORS FOR
DIAMOND DRILLING
SHOT DRILLING · SOIL SAMPLING · PRESSURE GROUTING
WATER WELLS & CHURN DRILLING

MAIL ADDRESS · P. O. BOX 448
SCRANTON 2, PA.
DIAMOND 4-0007

January 31, 1956

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

Why This?

Att:- Mr. Wallace MacGregor,
Admin. Ass't. to the President

Gentlemen:-

We wish to acknowledge receipt of your letter of January 27th in reference to quoting you an estimate price for core drilling certain marble properties in New York State, Virginia and North Carolina.

There are many things that enter into the cost of core drilling such as the accessibility to drill locations, the distance to a water supply for use in drilling, the minimum amount of drilling at each site. However, we are giving you an approximate estimate on drilling, considering the conditions about average.

AX core drilling, recovering a core 1-1/8" in diameter and drilling a minimum of 1500 feet minimum in holes not over 250 feet in depth, approximate cost ----- $ 3.75 per lin.ft.

BX core drilling, recovering a core approximately 1-5/8" in diameter and drilling a minimum of 1500 feet in holes not over 250 feet in depth, approximate cost ----- $ 4.25 per lin.ft.

NX core drilling, recovering a core approximately 2-1/8" in diameter and drilling a minimum of 1500 feet in holes not over 250 feet in depth, approximate cost ----- $ 4.75 per lin.ft.

For the above estimated price, we will furnish complete drilling equipment, including experienced crews and with our outfits, we would include 500 feet of waterline as it would be assumed that water would be available within this distance.

Drill locations are accessible by roads.

We have stated above the prices are based on drilling 1,500 feet on any one property or region such as 1500 feet in New York State, Virginia or North Carolina as we have based approximate moving charges on this minimum per region.

Should you require any additional information, do not hesitate to write us further.

We trust we may enter into a contract with you for this work when you are ready for it.

Very truly yours,

SPRAGUE & HENWOOD, INC.,

Wm. J. Schank,
Vice President

WJS:GT

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1-0 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
AUG - 3 1956

August 1, 1956

Memorandum

To: Mr. W. T. Hillar, Mining Engineer, Bureau of Mines
College Park, Maryland

From: Field Team - DMEA - Region V, Knoxville, Tennessee

Subject: Docket No. DMEA-4393 (Copper-Zinc)
Roland F. Beers, Inc., Troy, New York
New Canton area, Buckingham County, Virginia

Enclosed is a copy of the subject application, and copies of reviews by the Bureau of Mines and Geological Survey.

Please arrange for a field examination at your earliest convenience. If you will call Mr. N. E. Nelson of the Geological Survey at extension 3058 in Washington, he will arrange for a geologist to participate in the examination.

Please return the application and related material when the examination report has been prepared.

Robert A. Laurence
Executive Officer

V. J. Lynch
Member, Bureau of Mines

RAL/mg
Enclosures
cc
Operating Committee (2)
Lynch
Nelson
Files

File Copy
Surname
Klugescheid
Grimsal
Martin
Nelson
Mattenberg

500

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

JUL 30 1956

Mr. Robert A. Laurence
Executive Officer
Field Team, Region V
Room 13, Post Office Bldg.
Knoxville 2, Tennessee

Re: Docket No. DMEA-4393 (Copper-Zinc)
Roland F. Beers, Inc.
New Canton Area
Buckingham County, Virginia

Dear Mr. Laurence:

The cited application for exploration assistance is being referred to your office for consideration, a field examination of the property if warranted, and recommendation.

As the Applicant is very anxious to begin work on this project, we would appreciate any help you could give us in expediting the processing of this application.

Copies of memoranda dated July 24 and 25, 1956, by Abbott Renick, Bureau of Mines, and N. E. Nelson, Geological Survey, respectively, relating to the proposed project, are enclosed for your information.

Sincerely yours,

W. S. Martin (by ea)
ACTING Chairman, Operating Committee

Enclosures

APPROVED:

/s/ Robert W. Geehan (by ea)
~~/s/ Robert W. Geehan~~
Member, Bureau of Mines

N. E. Nelson (by ea)
Member, Geological Survey

WPKlugescheid/bjl (7/27/56)
Copy to: Docket
Admr. R. File
Op. Committee
Base Metals
~~Mr. Bishop~~
Mr. Bishop
Mr. Kiilsgaard
Chron.

R.C.L.

File Copy
Surname
Klugescheid-
Forward
Geehon
Nelson
Martin
Johnson

UNITED STATES 500
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

JUL 30 1956

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

Re: Docket No. DMEA-4393 (Copper-Zinc)
Roland F. Beers, Inc.
New Canton Area
Buckingham County, Virginia

Dear Mr. Beers:

Your application for Government assistance to explore the cited property has been reviewed by the Base Metals Division of the Defense Minerals Exploration Administration and has been referred to:

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

If the Field Team requires additional information concerning your application, they will contact you at an early date.

Sincerely yours,

C. O. Mittendorf

Administrator

WPKlugescheid/bjl (7/27/56)

Copy to: Docket
Admr. A. File
Op. Committee
Base Metals
Mr. Bishop
Mr. Kiilsgaard
Chron.

Region V (2)

R.C.L.

IN REPLY REFER TO:

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

RECEIVED
JUL 26 1956

July 25, 1956

Re: DMEA 4393
Roland F. Beers, Inc.
New Canton Area
Buckingham County, Virginia
$15,695.00 Lead-zinc

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application

The applicant requests assistance in exploring by diamond drilling, tracts in northern Buckingham County, containing anomalous areas which, as interpreted, may be ore bearing. Three old time mines are in the tracts, the Johnson, McKenna, and Margaret.

The Johnson mine area, which is in the leased Buckingham Mineral Syndicate property was explored, by drilling, by Belville Gold Mines Limited under contract Idm-E746 (DMEA 3508). The production of copper-zinc ore and an anomaly encompassing the mine, determined by a self potential survey prompted the work. A similar anomaly on the adjoining V. Clark property was also diamond drilled by "Belville" now known as the Virginia Mining Corporation.

The Johnson mine drilling did not reveal significant mineralization. One hole J. G. 1 cut:

Hole	Core length	Au-oz/T.	Ag-oz./T.	Cu%	Pb%	Zn%
J.G.1	126-128	Tr	Ni	2.55	Tr	1.22

A hole on the V. Clark property, adjoining the Johnson ground on the south, cut:

Hole	Core length	Au oz/T.	Ag oz/T.	Cu%	Pb%	Zn%
R V 9	228.1-230.6	0.01	0.50	1.70	Tr	1.24
R V 9	230.6-233.6	0.015	0.60	2.74	Tr	1.14

Nearby holes failed to intersect similar material.

The conductor and anomalous conditions determined by a electro-magnetic ground survey by the applicant in the McKenna and Margaret mines areas tie in with the Johnson (J) anomaly, as was determined by the geophysical work of "Virginia." In fact "Virginia" 'eyed' the Jones ground now leased to the applicant, but could not come to a satisfactory agreement.

I am unable to evaluate the anomalisms of the three mine areas, but in view of the somewhat favorable results obtained by "Virginia" in the Dellwyn district the staged work may be warranted. Definite information concerning the Mathieson drilling of the McKenna mine area might eliminate one Stage I hole.

Referral of the application to the Field Team for appropriate action is recommended.

N. E. Nelson

N. E. Nelson

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

RECEIVED
JUL 24 1956

July 24, 1956

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

From: Abbott Renick, Branch of Base Metals

Subject: Review of application DMEA 4393 (Copper-Zinc), Roland F. Beers, Inc., P. O. Box 1019, Troy, New York, Mining leases in New Canton, Buckingham County, Virginia

In a workman like fashion, the applicant proposes exploratory work divided into two stages - Stage 1 consists of a minimum of three diamond drill holes. Stage 2 is dependent upon data drawn from the first three holes, and based on some reasonable measure of success, three additional diamond drill holes aggregating approximately 1,500 feet are recommended. The total cost of Stage 1 is estimated by the applicant at $7,450. The second stage at $8,245 or a grand total of $15,695.

In the writer's opinion, the property needs to be evaluated by a field examination. Accordingly, I recommend that the application be referred to the field team for examination and report.

Abbott Renick

Abbott Renick

Copy to: Division of Minerals
R. W. Geehan
T. H. Kiilsgaard, Room 5224
O. M. Bishop
A. Renick
F i l e s

July 24, 1956

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

Subject: DMEA-4393
Re: Exploration Assistance
Margaret, McKenna, &
Johnson Mines

Gentlemen

The receipt of your application dated July 23, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4393 and referred to the Base Metals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

ROLAND F. BEERS, INC.

OFFICE AND LABORATORY:
447 PINEWOODS AVENUE
PHONE ASHLEY 2-2351

MAIL ADDRESS:
POST OFFICE BOX 1019
TROY, NEW YORK

RECEIVED
JUL 24 1956

July 23, 1956

Mr. W. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
Department of Interior
Washington 25, D. C.

Attention: Mr. W. R. Griswold
Chief, Base Metals Division

Dear Mr. Mittendorf:

Accompanying this letter we submit an application for aid in an exploration project for copper and zinc in the New Canton area, Buckingham County, Virginia. Four executed copies of form MF-103 with attachments are enclosed.

The project consists of two stages. Stage I will be completed and evaluated before Stage II is activated. If the results of Stage I are sufficiently encouraging, Stage II will then be activated.

Two bids on core drilling are enclosed. A third bid has been obtained from Sprague & Henwood of Scranton, Pennsylvania, and will be forwarded to you from our Troy office promptly. We believe the costs submitted by the E. J. Longyear Company are the lowest that can be obtained.

If you require further information in connection with our application, we will be glad to comply with your request promptly.

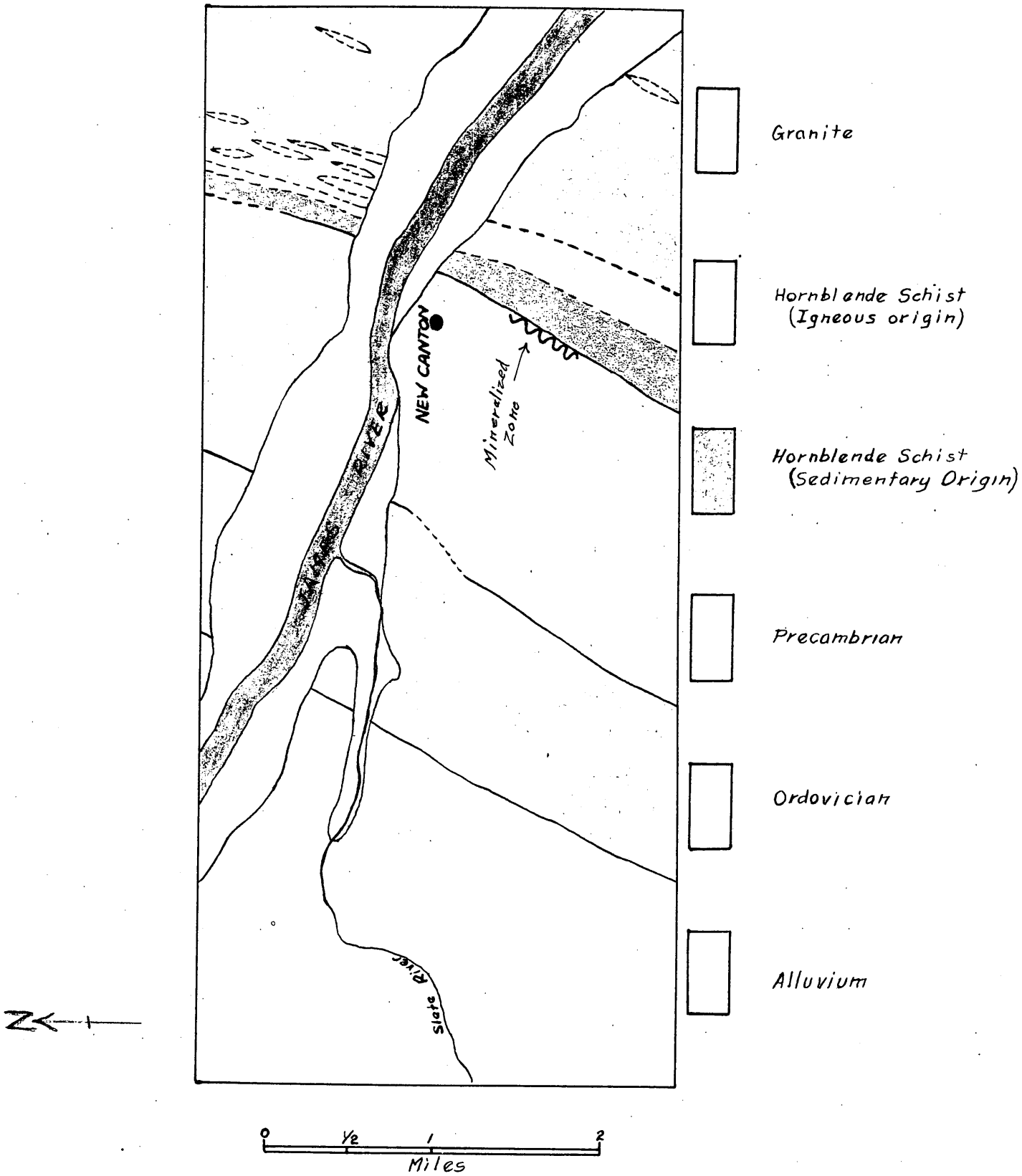
Yours very sincerely,

ROLAND F. BEERS, INC.

Roland F. Beers

Roland F. Beers
President

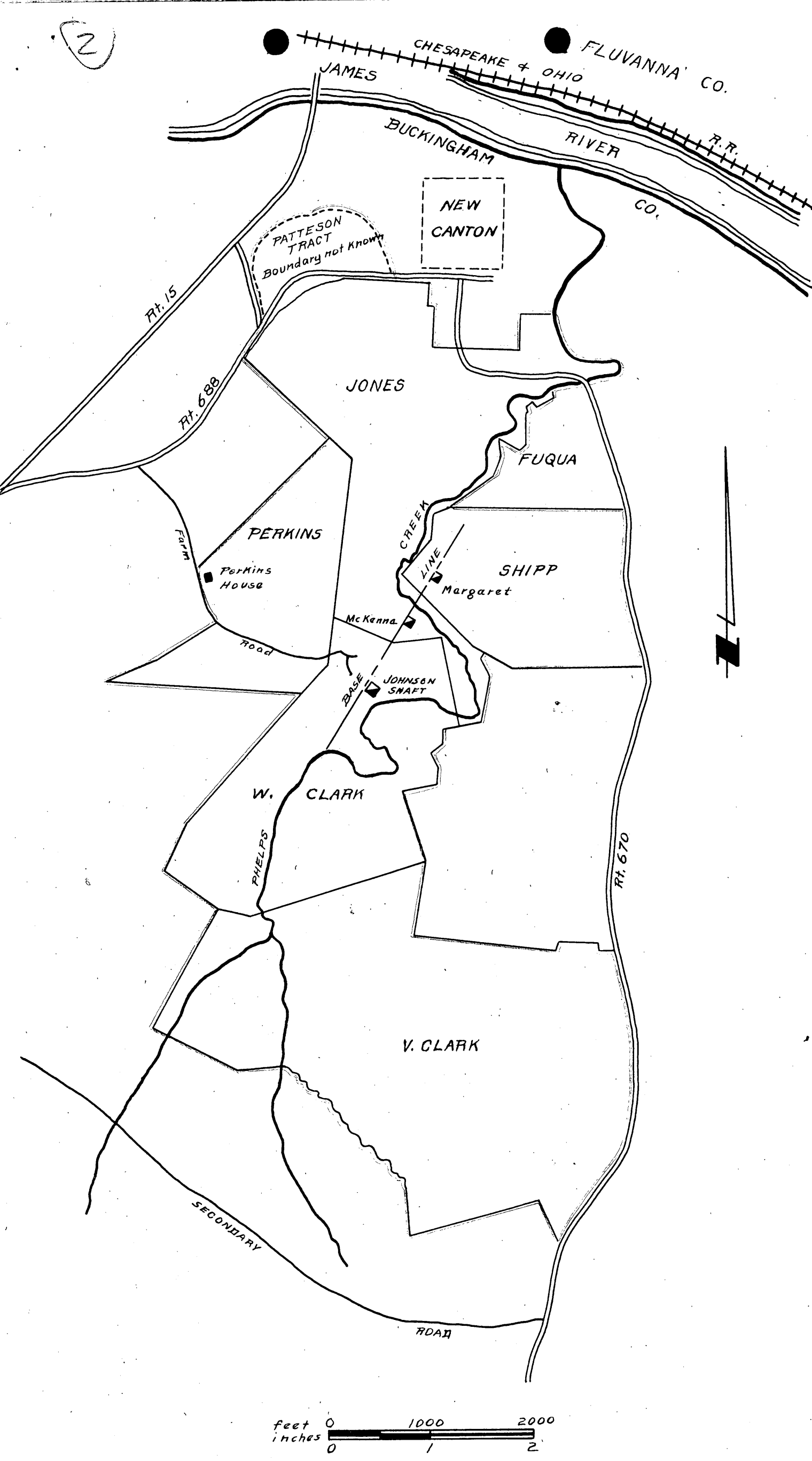
Enclosures



GEOLOGIC SKETCH MAP OF THE NEW CANTON AREA, VA.

FIG. 3

(2)



Leased ground as outlined in Company office

LOCATION and PROPERTY MAP

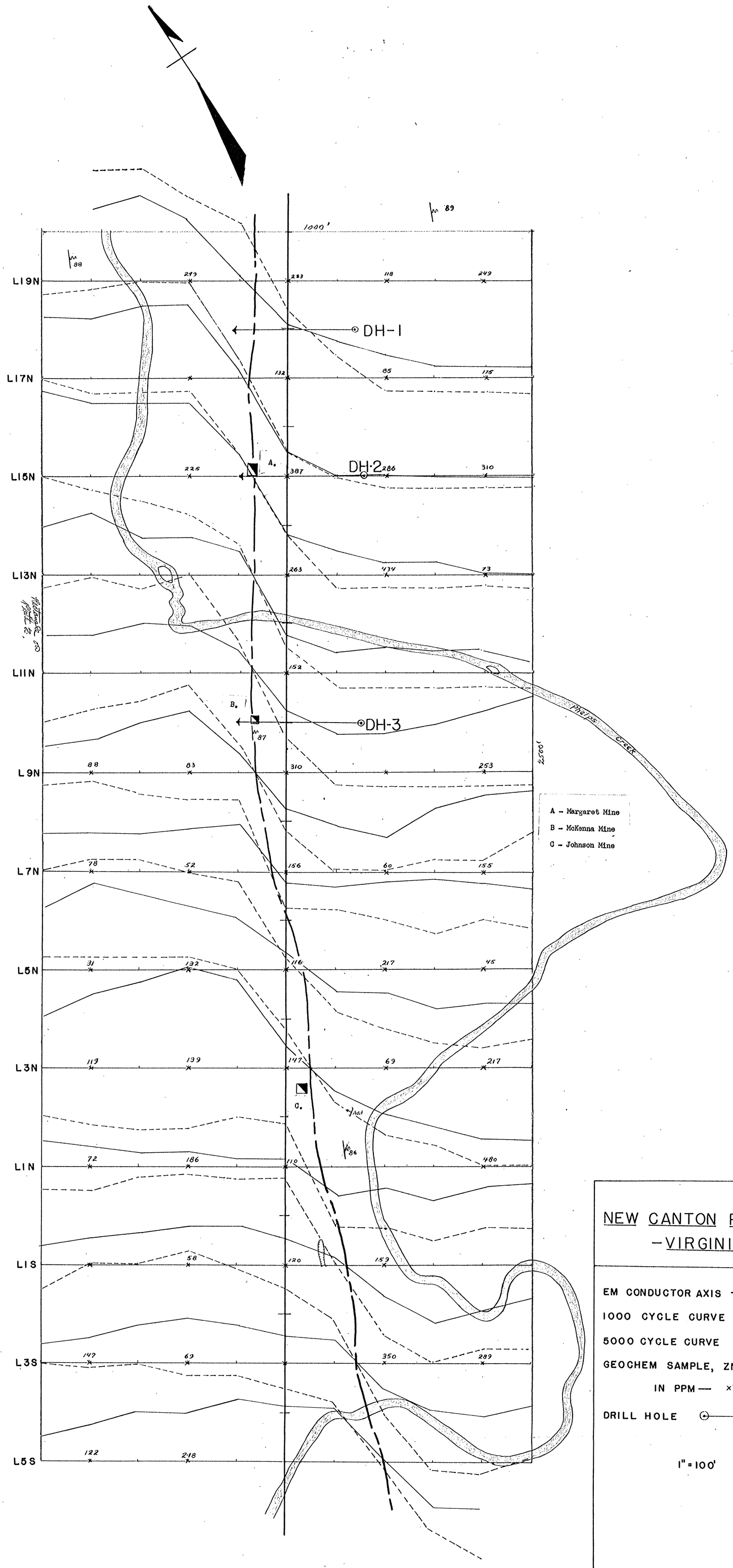
ROLAND F. BEERS, INC.

DOCKET, DMEA - 4393

BUCKINGHAM COUNTY, VA.

FIG. 1

Aug. 1956


1000'
L19N
L17N
L15N
L13N
L11N
L9N
L7N
L5N
L3N
L1N
L1S
L3S
L5S
DH-1
DH-2
DH-3
A.
B.
C.
Phillips Creek
2500'
A - Margaret Mine
B - McKenna Mine
C - Johnson Mine
NEW CANTON PROPERTY
-VIRGINIA-
EM CONDUCTOR AXIS
1000 CYCLE CURVE
5000 CYCLE CURVE
GEOCHEM SAMPLE, ZN EQUIVALENT
IN PPM — x215
DRILL HOLE
1" = 100'

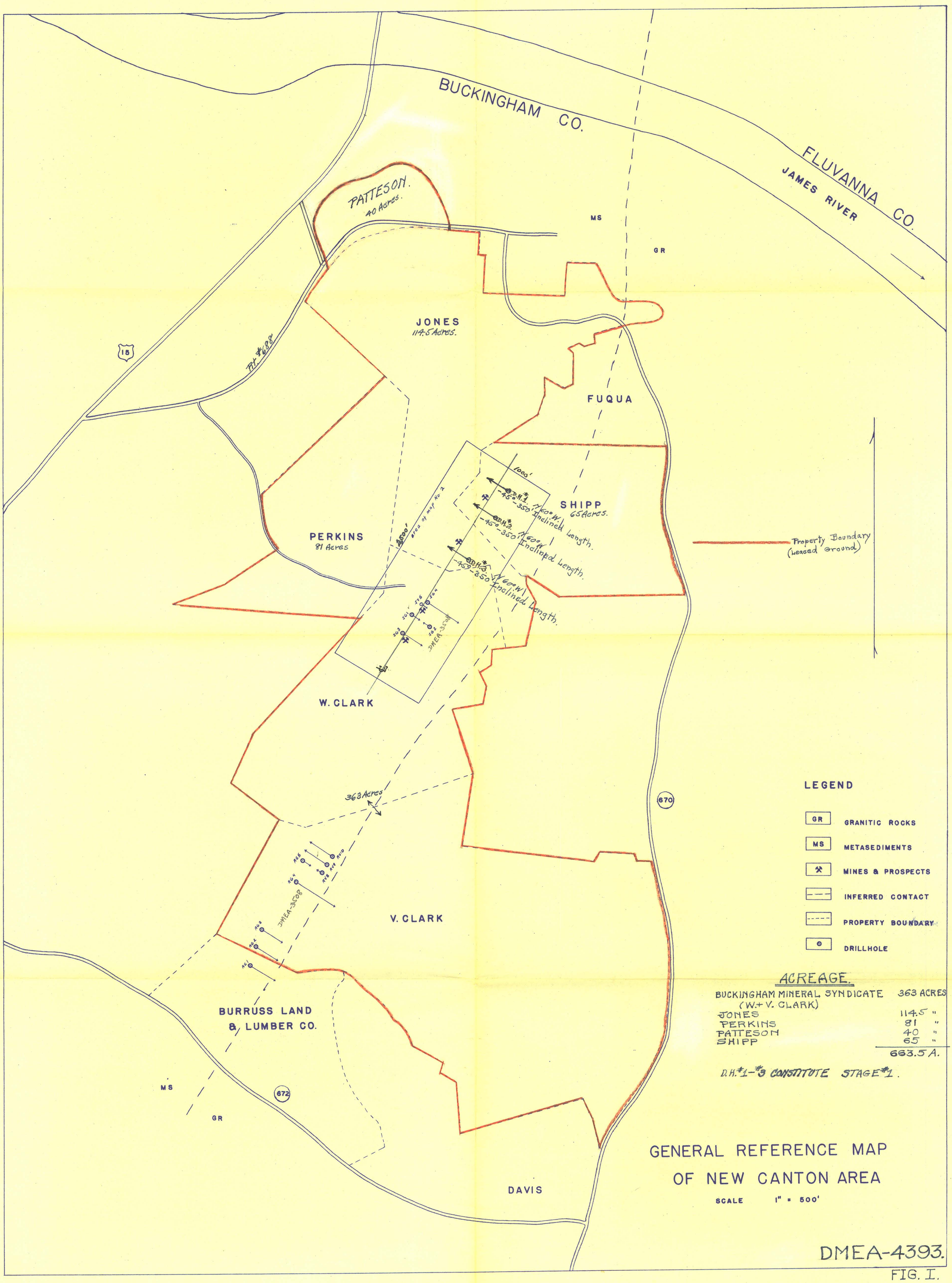
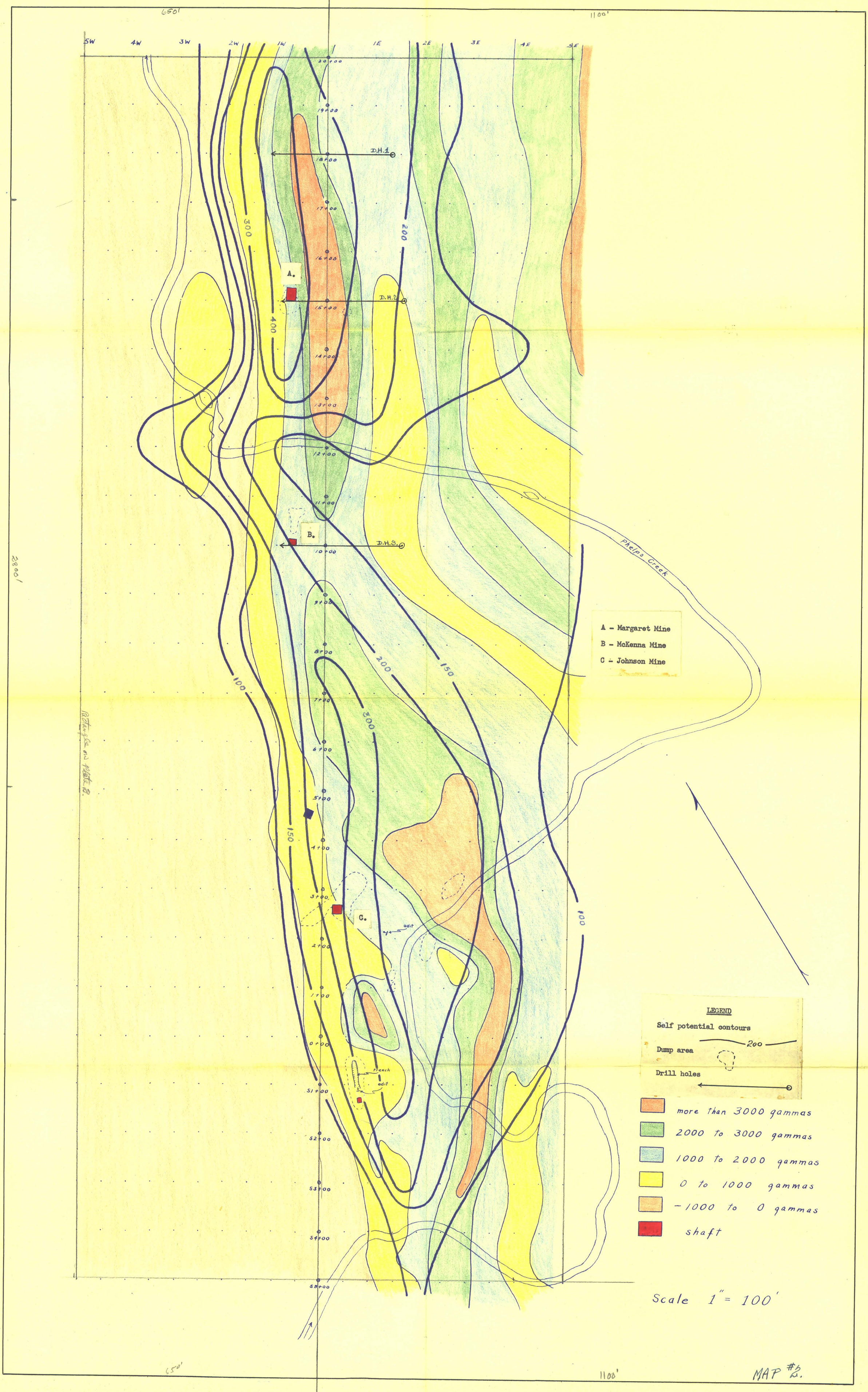

BUCKINGHAM CO.
FLUVANNA CO.
JAMES RIVER
PATTESON.
40 Acres.
MS
GR
JONES
114.5 Acres.
Rt. #688
15
FUQUA
SHIPP
65 Acres.
PERKINS
81 Acres
Area of map No. 2
3500'
1000'
D.H.#1
-45°-350' 1600'W. Inclined Length.
D.H.#2
-45°-350' 1600'W. Inclined Length.
D.H.#3
-45°-350' 1600'W. Inclined Length.
DMEA-3508
W. CLARK
363 Acres
670
V. CLARK
DMEA-3508
BURRUSS LAND
& LUMBER CO.
MS
GR
672
DAVIS
Property Boundary
(Leased Ground)
LEGEND
GR GRANITIC ROCKS
MS METASEDIMENTS
MINES & PROSPECTS
INFERRED CONTACT
PROPERTY BOUNDARY
DRILLHOLE
ACREAGE.
BUCKINGHAM MINERAL SYNDICATE (W.+V. CLARK) 363 ACRES
JONES 114.5 "
PERKINS 81 "
PATTESON 40 "
SHIPP 65 "
663.5 A.
D.H.#1-#3 CONSTITUTE STAGE #1.
GENERAL REFERENCE MAP
OF NEW CANTON AREA
SCALE 1" = 500'
DMEA-4393.

FIG. I.


650'
1100'
5W
4W
3W
2W
1W
1E
2E
3E
4E
5E
20+00
19+00
18+00
17+00
16+00
15+00
14+00
13+00
12+00
11+00
10+00
9+00
8+00
7+00
6+00
5+00
4+00
3+00
2+00
1+00
0+00
S1+00
S2+00
S3+00
S4+00
S5+00
D.H.1
D.H.2
D.H.3
A.
B.
C.
300
400
200
100
150
adit
trench
adit
Phelps Creek
A - Margaret Mine
B - McKenna Mine
C - Johnson Mine
LEGEND
Self potential contours
200
Dump area
Drill holes
more than 3000 gammas
2000 to 3000 gammas
1000 to 2000 gammas
0 to 1000 gammas
-1000 to 0 gammas
shaft
Scale 1" = 100'
MAP #2.