DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Report of:

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

pertaining to Exploration Project Contract No. Idm-E1177, DMEA No. 4886, for April 1958 covering a copper-zinc project on the Pruitt No. 4 Prospect, Spotsylvania County, Virginia.

My review included an examination of the Monthly Report (Form MF-104) and supporting documents, comparison of the claimed costs 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 reasons that:

(a) the Monthly Reports were supported by documentary proof of that portion ($4,872.50) of the costs which covered work performed at unit rates under independent contract;
(b) the balance ($1,047.00) of the costs was under a contract provision for payment by the Government at fixed unit costs for work performed; and
(c) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible disallowances.

The findings of this review are stated in the following summary:

Total cost billed by Operator		$5,919.50
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total accepted cost		$5,919.50

The contract calls for a 50 percent contribution of the allowable costs by the Government. Therefore, if the project is otherwise accepted as having met the terms of the contract, payments as follows are valid and proper:

Payable on audited claim	$2,959.75
Paid to date	-0-
Balance due Operator	$2,959.75

E. D. Talbert

E. D. Talbert, Auditor

June 10, 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION V

ELECTROTECHNICAL
EXPERIMENT STATION

P. O. BOX 217
NORRIS, TENNESSEE

REGISTERED MAIL

June 6, 1958

Memorandum

To: Jay L.Chambers, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Personal Assistant, Norris, Tennessee

Subject: Contract Idm-E1177, Docket No. DMEA-4886, Roland F. Beers, Inc., Pruitt # 4 Prospect, Spoysylvania County, Virginia

A report of review in lieu of final audit is requested on the above contract. The following documents are attached:

1. The Original and final MF-104 and 104A and attachments
2. Memo from Executive Officer, Region V, regarding completion of the work under subject contract

Helen Miller
Helen R. Miller

Attachments
/hbm
Copies to R. A. Laurence
V. J. Lynch
Norris files
Day files

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 9 1958
6/10 H.J. 225 800

JUN 5 1958

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

Re: Docket No. DMEA-4886 (Copper-Zinc)
Roland F. Beers, Inc.
Pruitt Prospect
Spotsylvania County, Virginia
Contract No. Idm-E1177

Dear Mr. Laurence:

An Operating Committee copy of your May 20, 1958, memorandum requesting a report of review on the referenced project has come to my attention. The original of the memorandum, however, has not been received.

Promptly upon receipt of the original (or a copy, if the original has been lost) MF-104, together with copies of the driller's invoices, this Division will perform the requested review.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

EDTalbert/ama
June 5, 1958

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

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

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 9 1958

May 20, 1958

Memorandum

To: Jay L. Chambers, Director Contract Administration and Audit Division - DMEA

From: Executive Officer, DMEA - Region V - Knoxville, Tenn.

Subject: Completion of DMEA-4886, Idm-E1177 (copper-zinc) Roland F. Beers, Inc. Pruitt #4 Prospect, Spotsylvania County, Virginia

Work on the subject contract has been completed as of April 25, 1958.

The following units of work have been acceptably performed as verified by our Field Examiners:

1. Overburden drilling amount to 84 ft., all of which was BX.

2. A total of 1466 ft of core drilling, size BX, was completed.

3. Thirty-nine (39) core boxes were used.

An adequate engineering and geological report has been received. A report of review is requested.

Final voucher (MF-104) is enclosed for your use.

Robert A. Laurence

Robert A. Laurence

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

82

RECEIVED JUN 23 1958 D.M.E.A.

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April, 1958 Docket No. DMEA 4886 Contract No. Idm-E 1177
Operator's Name Roland F. Beers, Inc. Minerals Copper-Zinc
Address 447 Pinewoods Ave. (P. O. Box 1019) Troy, N. Y.
Contract Amount, $ 6,222.00 Government Participation 50% Amount, $ 3,111.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts: ~~Short Form~~						
Drilling Diamond	4572.50	-	4,572.50			
Bulldozing						
Crosscutting						
Drifting						
Incidental allowance	930.00	-	930.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
~~Payroll~~ Core boxes	117.00	-	117.00			
Liability Insurance						
Mobilization and demobilization of personnel and equipment	300.00	-	300.00			
(8) Contingencies (specify):						
TOTALS	5919.50	-	5,919.50	5919.50		5919.50

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

Date May 6, 1958 *Payee Roland F. Beers, Inc.

Per John D. Baker Title Assistant Secretary and Assistant Treasurer

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

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

(Instructions on reverse)

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

$2959.75

Signature Helen R. Miller
(Authorized Certifying Officer)

Date JUN 19 1958 Vou. No. 181
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 1177 in accordance with the terms of the contract.

Signature [illegible] Title Mining Engr. Date 5/12/58

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date JUN 17 1958

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 872893

Form MF-104A
(April 1962)

Budget Bureau No. 42-R1151.2

RECEIVED JUN 23 1958 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 1958 Docket No. DMEA 4886 Contract No. Idm-E 1177

Operator's Name Roland F. Beers, Inc. Minerals Copper-Zinc

Address 447 Pinewoods Ave. (P. O. Box 1019) Troy, N. Y. $3111.00

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
~~xxxxx~~ Mobilization								
~~Drifting~~								
~~xxxxxxxx~~ and demobilization								
~~Crosscutting~~								
~~xxxxx~~ of personnel and								
~~Raising~~								
~~Shafts~~ ~~xxxx~~ equipment		300.00		300.00				300.00
Winzes								
Drilling: ~~Core~~ ~~xxx~~ Overburden	Feet	247.80	84	247.80	84	2.95 ft.		2.95
Core~~xxx~~ BX	Feet	4324.70	1466	4324.70	1466	2.95 ft.		2.95
~~Churn~~								
Auger								
~~xxxxxx~~ Incidental								
~~Stripping~~								
~~xxxxxx~~ allowance	Feet	930.00	1550	930.00	1550	.60 ft.		.60
~~Trenching~~								
~~xxxxxx~~ Core boxes	Each	117.00	39	117.00	39	3.00 each		3.00
~~Test Pits~~								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		5919.50		5919.50				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased	N	N		N				N
Initial Rehabilitation and Repairs		O		O				O
New Buildings, Improvements, etc.		N		N				N
		E		E				E
TOTAL COSTS		5919.50		5919.50				6222.00

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

REMARKS:

Date May 6, 1958 Operator Roland F. Beers, Inc.

Per John D. Bates Title Assistant Secretary and Assistant Treasurer

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

(Instructions on reverse)

Subject to allowing 50' @ 2.95 (For Government use only)
to replace 50' @ 3.50 not needed. 5/12/58
H. L. Burmeister

INSTRUCTIONS

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

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

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

GPO 872894

INVOICE

E. J. LONGYEAR COMPANY

Diamond Core Drilling Contractors

76 SOUTH 9TH STREET
MINNEAPOLIS 2, MINNESOTA

EXTRA COPY 1958
D M E A
RECEIVED JUN 23 1958

DATE	INITIALS	CODE

April 28, 1958

Roland F. Beers, Inc.
P. O. Box 3725 - University Station
Charlottesville, Virginia

Attn: Dr. R. S. Young
Branch Manager

INVOICE NO. 45802

FORM 408 3M 1-58

Exploratory drilling during the month of April, 1958, carried out in Spotsylvania County, Virginia, as per the terms of our agreement dated October 16, 1957

Total footage drilled during the month of April, 1958 1550.0 feet.

Hole No.		From	To	Footage	Rate	Amount
DH - 1	Overburden Drilling	0.0	20.0	20.0	2.95	59.00
DH - 1	BXWL Diamond Drilling	20.0	301.0	281.0	2.95	828.95
DH - 2	Overburden Drilling	0.0	22.0	22.0	2.95	64.90
DH - 2	BXWL Diamond Drilling	22.0	300.0	278.0	2.95	820.10
DH - 3	Overburden Drilling	0.0	10.0	10.0	2.95	29.50
DH - 3	BXWL Diamond Drilling	10.0	351.0	341.0	2.95	1,005.95
DH - 4	Overburden Drilling	0.0	12.0	12.0	2.95	35.40
DH - 4	BXWL Diamond Drilling	12.0	251.0	239.0	2.95	705.05
DH - 5	Overburden Drilling	0.0	20.0	20.0	2.95	59.00
DH - 5	BXWL Diamond Drilling	20.0	347.0	327.0	2.95	964.65
						4,572.50

Core Boxes

DH - 1	AX/BXWL boxes	10				
DH - 2	AX/BXWL boxes	7				
DH - 3	AX/BXWL boxes	8				
DH - 4	AX/BXWL Boxes	6				
DH - 5	AX/BXWL boxes	8				
		39		@	3.00	117.00

Mobilization and demobilization - Personnel and Equipment 300.00

4,989.50

THIS IS THE FINAL INVOICE

DMEA Form 14

Contract No. Idm-E 1177

Docket No. 1886

DEPARTMENT OF THE INTERIOR

Terminated contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
March 17, 1958	V	Virginia	Copper-Zinc

Name and Address of Operator: Roland F. Beers, Inc.
P. O. Box 1019
Troy, New York

	Reserve	Obligation
Prior Amount	0	3,111.00
Increase	0	0
Decrease	0	151.25
Revised Amount	0	2,959.75

Remarks:

(Name)
Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date delivered to Bureau of Mines, Washington 6/30/58

22845

DMEA Form 14

Contract No. Idm-E 1177

Docket No. 4886

DEPARTMENT OF THE INTERIOR

Executed contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
March 17, 1958	V	Virginia	Copper-Zinc

Name and Address of Operator: Roland F. Beers, Inc.
P. O. Box 1019
Troy, New York

	Reserve	Obligation
Prior Amount	3,111.00	0
Increase	0	3,111.00
Decrease	3,111.00	0
Revised Amount	0	3,111.00

Remarks:

ALLEN S. DAKAN
(Name)

Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date delivered to Bureau of Mines, Washington 4/15/58

22845

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DMEA
RECEIVED APR 11 1958
DATE | INITIAL | CODE

Audit copy

MF-200
(Revised June 1954)

Docket No. DMEA 4886

Commodity Copper-Zinc

Contract No. Idm-E 1177

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

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 17 MAR 1958 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 three maps, Figures 1, 2, and 4

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 Spotsylvania, 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] See Annex I in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, [7] recorded in Book 181, page 180, 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: interests of lessors

(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 and Subordination Agreements 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 May 1, 1958 shall commence the work, and on or before October 1, 1958 (unless the Operator's obligation to prosecute the work is terminated—see Article 10) shall ~~either~~ have completed the work ~~or shall have incurred allowable costs (see Article 6) in a sum not less than the estimated total allowable costs set forth in Exhibit "A"~~ 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 $6,222.00 (rounded). The Government shall contribute 50 percent of the allowable costs as they are incurred in a total sum not in excess of $3,111.00: *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; ~~but except for any such necessary excesses in categories, subcategories, or items thereunder the Operator is not obligated to incur more than his agreed percentage of the estimated total allowable cost of the work.~~ 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. See Article 13.

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~~ 8. 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.)

(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) In Article 3, the words following the reference to Article 10 are deleted, and the following words are substituted: "shall have completed the work."
(b) In Article 6(a), that part of the last sentence in the first paragraph beginning after the semicolon is deleted.
(c) Categories (2) through (7) of Article 6(a) are deleted.
(d) 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.
(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. O. Mitteudorf
Administrator, Defense Minerals
Exploration Administration

ROLAND F. BEERS, INC.
(Operator)

By Roland F. Beers

Title President

I, John S. Bakos--, certify that I am the Assistant treasurer - 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-- 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.

John S. Bakos
Assistant treasurer-Assistant secretary

[CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
ROLAND F. BEERS, INC.
[illegible]

ARTICLE 1

The land referred to in Article 2 of the Contract consists of approximately [illegible] acres situate in the Chancellor Magisterial District, in Spotsylvania County, Virginia.

The property is held pursuant to a lease between John E. Fruitt and Louise Fruitt, his wife, and Roland F. Beers, Inc. The lease grants the exclusive right to prospect and mine for zinc, lead, copper, nickel, cobalt, iron, sulfides, gold, and silver. Oil and gas, and minerals not named in the lease are excluded from the lease and from the land referred to in Article 2.

The land is described in a deed from Edward Dean, Jr., et al., to John E. Fruitt, recorded in Deed Book 162, page 66, in the official records of Spotsylvania County, Virginia, said description being incorporated herein by reference, and is shown outlined in blue color on the map entitled, "Property Map, Figure 1," attached hereto and made a part hereof.

Excluded Land

An area, roughly square, containing approximately 35 acres, is excluded around the dwelling house at Forrest Hill Farm and the surrounding ground.

EXPLORATION PROJECT CONTRACT
[illegible] F. [illegible], INC.
CONTRACT NO. [illegible]

EXHIBIT "A"

Description of the Work

The purpose of the project is to explore for areas of zinc and copper 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 sedimentary rocks which underlie the anomalies.

Five holes shall be drilled inclined to the northeast, as the beds dip to the southeast. Tentative locations of the holes are shown on the map Figure 2, entitled, "[illegible], Roland F. Beers, Inc., Fruit Prospect, Northumberland County, Virginia . . . Dec. 1957," and Fig. 4, entitled, "[illegible], Roland F. Beers, Inc., Plan of Proposed Drill Holes," attached to and made a part of this Contract. The holes with their approximate inclination and depth are described below:

Hole No.	Inclination	Approximate Length
1	-45° NW	350 feet
2	-45° NW	350 feet
3	-45° NW	350 feet
4	-45° NW	250 feet
5	-60° NW	150 feet

The actual locations, directions, inclinations, and depths of all holes are subject to prior Government approval. Drill holes shall not be spaced closer than 100 feet. Not more than 1,350 feet of drilling shall be performed.

Overburden drilling shall be not less than AX size. Holes shall be collared in rock EX size.

All diamond drilling shall be performed with AX size, or larger, coring bits, except that when, in the opinion of the Government, it is not feasible to complete a hole with AX size, the hole may be reduced with EX casing and completed with EX size bits. Drill holes shall be reamed and caped or cemented and redrilled as necessary.

The Government will not contribute to the cost of drilling any hole which is not completed.

All drill holes shall be logged and all drill core shall be made available to the Government for examination. All significantly mineralized core shall be split and one-half thereof shall be properly sampled, in lengths not to exceed 5 feet, and the samples assayed for copper, lead, zinc, gold and silver. The Government will not contribute to the cost of assaying more than 20 samples.

Sludges corresponding to the cores shall be retained (if possible) when drilling is being done in significantly mineralized ground. In the event that the core recovery does not exceed 70 percent, both core and sludge samples shall be taken at intervals not to exceed 5 feet.

The remaining half of all significantly mineralized core samples, and sludge samples when taken, shall be furnished to the Government upon request.

All assays shall be reported monthly to the Government, together with the logs of the drill holes and proper plan maps and sections showing the progress of the work and the sample locations.

All work of drilling and sample preparation shall be properly supervised by competent engineers and geologists.

No drilling shall be performed at locations which are within 100 feet of the outside boundary of the lead.

Estimated Cost of the Project

Actual Costs

Category (1) Independent Contracts

Diamond Core Drilling

NX drilling to collar hole in rock 50 feet @ $3.50/ft.	$175.00	
Overburden and rock drilling (not less than AX), 1,500 feet @ $2.95/ft.	4,425.00	
EX size @ $2.70/ft.		
Cementing and redrilling, 10 hours @ $7.50/hr.	75.00	
Delays not attributable to drillers, 8 hours @ $6.50/hr.	52.00	$4,727.00
Mobilization and demobilization of drilling personnel and drilling equipment		300.00
		$5,027.00

The above rates include charges for water supply, changing of locations, and all other charges by the diamond drill contractor.

Neither the cost nor the value of the casing left in drill holes at the option of the Operator will be accepted as a charge to the Contract

Categories (2) through (7)

None

Fixed Unit Costs (See Article 13)

Incidental allowance 1/ for each foot of drilling completed, 1,550 feet @ $0.60/ft.	$930.00

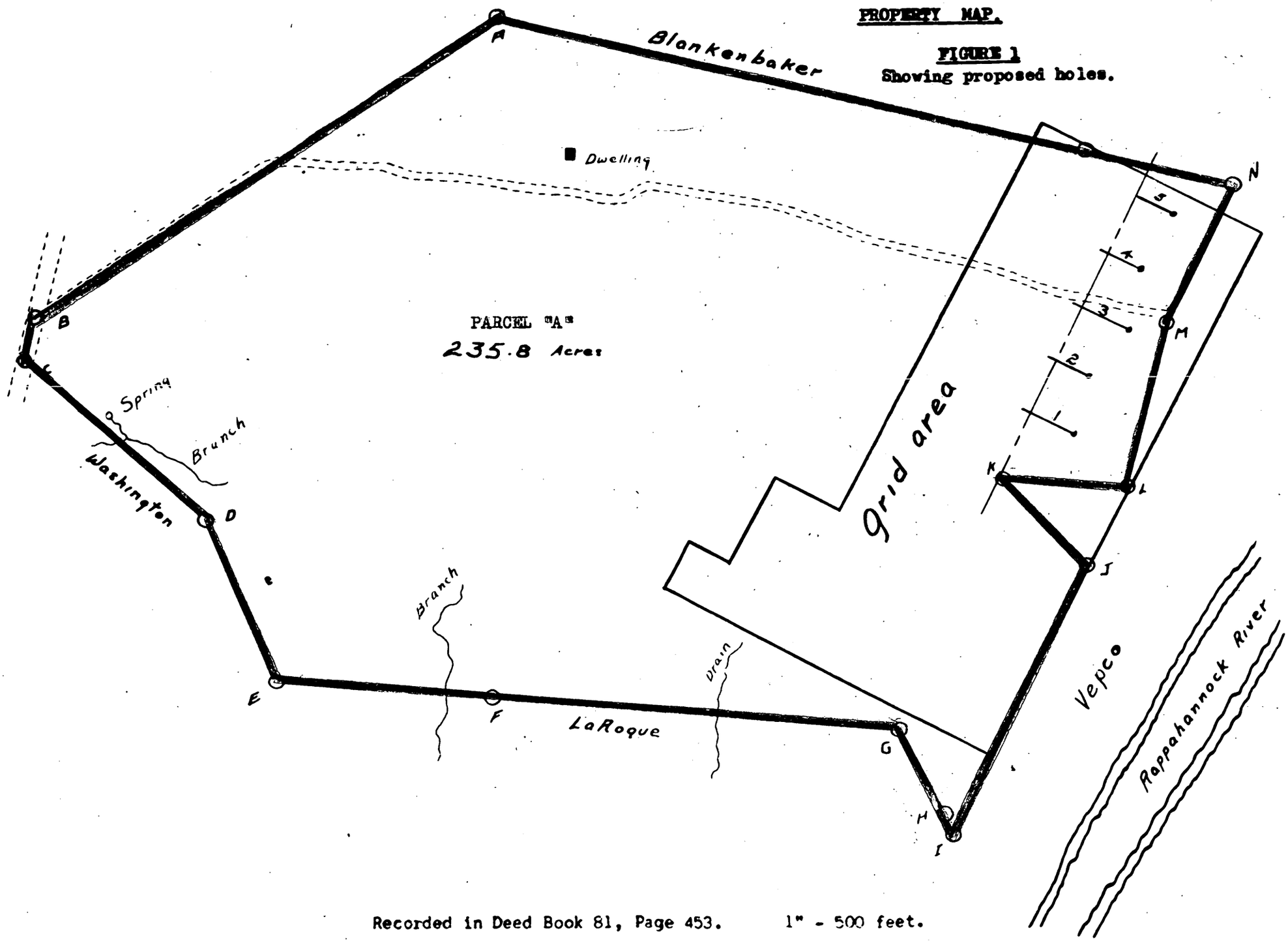
Core boxes (wooden), 48 @ $3.00/each box	$144.00
80 Samples assayed @ $6.00 each sample	480.00
	$1,194.00

Estimated total cost of the project (rounded to)	$6,222.00
Government participation @ 50%	$3,111.00

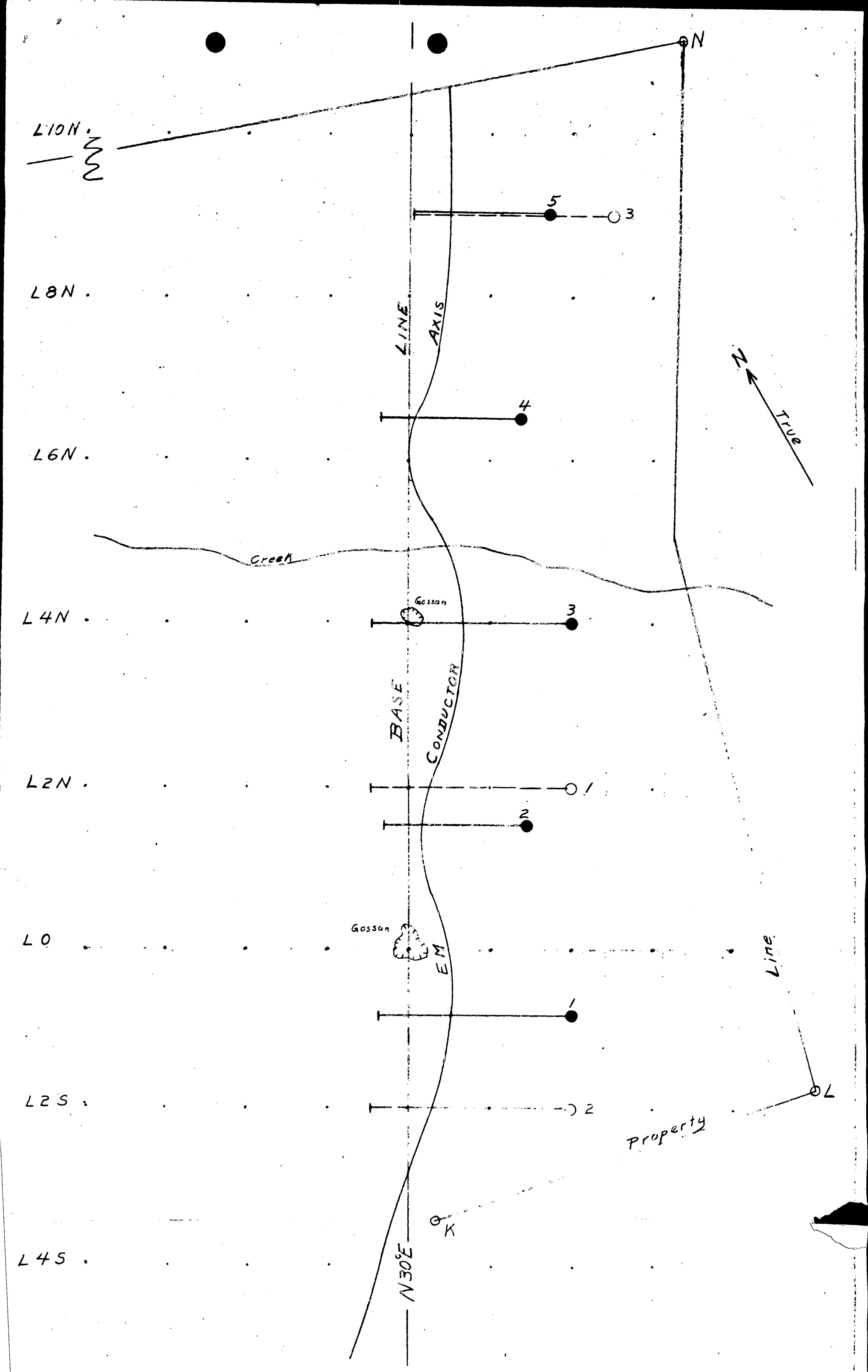
1/ Includes all costs that might otherwise have been allowable costs under Categories (1) through (7) of Article 6(a), except as scheduled in Exhibit "A".

PROPERTY MAP.

FIGURE 1
Showing proposed holes.



Recorded in Deed Book 81, Page 453. 1" - 500 feet.



DRILL HOLES

○— — — APPLICANT LOCATIONS

●——— NEW & REVISED LOCATIONS

DMEA-4886

ROLAND F. BEERS, INC.

Pruitt Prospect, Spotsylvania Co. Va.

Based on Applicant's-Hole Location Map

0 inches 1
0 feet 100

FIG.-2

Dec. 1957

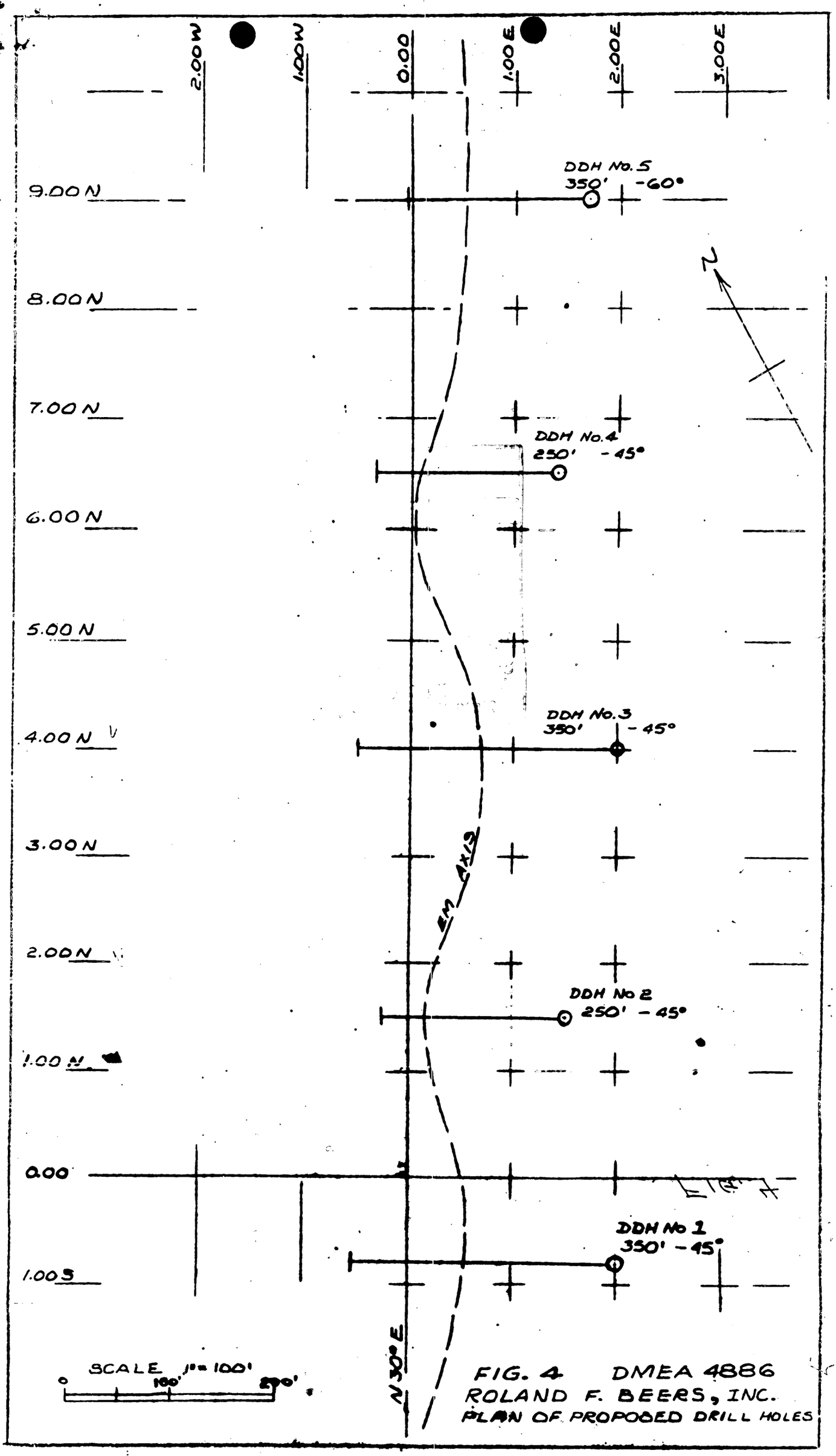


FIG. 4 DMEA 4886
ROLAND F. BEERS, INC.
PLAN OF PROPOSED DRILL HOLES

EXTRA COPY
D M E A
RECEIVED APR 11 1958

DATE	INITIALS	CODE

DMEA Form 14

Contract No. Idm-E 1177

Docket No. 4886

DEPARTMENT OF THE INTERIOR

Approved contract

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Obligation Document

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please make the following entry on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program.

Date of Contract	Region	State	Commodity
March 17, 1958	**V**	**Virginia**	**Copper-Zinc**

Name and Address of Operator: **Rdand F. Beers, Inc.**
P. O. Box 1019
Troy, New York

	Reserve	Obligation
Prior Amount	0	0
Increase	3,111.00	0
Decrease	0	0
Revised Amount	3,111.00	0

Remarks:

(Name)
Allen S. Dakan, Chief
Operations Control and
Statistics Division
(Title)

Date delivered to Bureau of Mines, Washington 3/18/58

22845