REFERENCE REQUEST—FEDERAL RECORDS CENTERS

NOTE: Use a separate form for each request.

SECTION I—TO BE COMPLETED BY REQUESTING AGENCY

RECORD GROUP NO.	ACCESSION NO.	AGENCY BOX NUMBER	RECORDS CENTER LOCATION NUMBER
320	64A709	120-7	14/52:21-2-5

DESCRIPTION OF RECORD(S) OR INFORMATION REQUESTED *(Include file number and title.)*

DMEA 2080

REMARKS

Rubber Company

NATURE OF SERVICE

☐ FURNISH COPY OF RECORD(S) ONLY ☐ PERMANENT WITHDRAWAL ☐ TEMPORARY LOAN OF RECORD(S) ☐ REVIEW ☐ OTHER *(Specify)*

NAME OF REQUESTER	TELEPHONE NO.	DATE
[illegible]	☐ FTS 234-2451	8/30/82

NAME AND ADDRESS OF AGENCY *(Include street address, building, room no. and ZIP Code)*

Geological Survey
[illegible] Federal Center
[illegible] Mineral Exploration
[illegible] 80225 *(In Washington, D.C. area also include STOP number)* Stop #25

RECEIPT OF RECORDS

Requester please sign, date and return this form, for file item(s) listed above, *ONLY* if the block to right has been checked by the Records Center. ☐

SIGNATURE (MS 933) DATE

SECTION II—~~FOR USE BY RECORDS~~ CENTER

☐ RECORDS NOT IN CENTER CUSTODY ☐ RECORDS DESTROYED

☐ WRONG BOX NUMBER—PLEASE RECHECK

☐ ADDITIONAL INFORMATION REQUIRED TO IDENTIFY RECORDS REQUESTED

☐ MISSING *(Neither record(s), information nor charge card found in container(s) specified)*

☐ RECORDS PREVIOUSLY CHARGED OUT TO *(Name, agency and date)*:

REMARKS

DATE	SERVICE	TIME REQUIRED	SEARCHER'S INITIALS
9-2			JH

SECTION III—TO BE COMPLETED BY REQUESTING AGENCY

TO

General Services Administration
Federal Records Center NARS

(City) (State) (Zip Code)

NOTE: In Washington, D.C. area send to STOP 386

AGENCY SUSPENSE FILE COPY

DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 286 — DMEA NO. 2080

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

- [x] Project summary (final)
- [x] Work Completed analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. 2 : Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

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

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

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

17963

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-E286, Docket No. DMEA-2080 (Asbestos), dated April 1, 1952, with

The Ruberoid Company
Hyde Park, Vermont

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Vermont Asbestos Mines located in Lamoille County, Vermont, during the period April 1, 1952, through June 30, 1960.

A certification of discovery or development was issued on April 23, 1954, and, in accordance with Article 9 of the contract, royalty is payable on all minerals mined or produced from the land described in Article 2 of the contract for a period of 10 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. An Audit Certificate dated December 10, 1953, indicated accepted costs under the exploration contract amounting to $60,902.78 with the Government's contribution, on a 90 percent basis, being $54,812.50.

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

(1) Inspection reports by field representatives of the Government and other correspondence in the Washington office files indicate that there has not been any production from the property on which royalty would be due to the Government since the date of the exploration contract; and

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

C. E. Fisher

C. E. Fisher, OME Auditor

July 5, 1960

FILE COPY
Surname:

Houk
Talbot
Hollmann
Gumbel
Hedges
Selridge
Johnson

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

CERTIFICATION BY THE UNITED STATES OF AMERICA OF A DISCOVERY OR DEVELOPMENT UNDER AN EXPLORATION PROJECT CONTRACT

To: The Ruberoid Company
Hyde Park, Vermont

Pursuant to the provisions of Exploration Project Contract No. Idm-E286, dated April 1, 1952 (Docket No. DMEA-2080), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

The nature of said discovery or development is described broadly or indicated as follows:

Surface diamond drilling in Area #1 encountered near-surface asbestos mineralization in serpentine. Sufficient data were developed to infer reserves of chrysotile asbestos.

THE UNITED STATES OF AMERICA

By C P Mittendorf
Administrator, Defense Minerals Exploration Administration

Dated: APR 23 1954

LGHouk:ag 4/22/54
Copy to: Mr. Irving Gumbel, EPS, GSA
Mr. Thayer, 5216 GSA Bldg.
Mr. Hedges, 4604
Admr. R. File
Field Team, Region VIII
Docket File
Operating Committee
Mr. Johnson
Mr. Chambers
Finance Office
Mr. Houk

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of:

The Ruberoid Company
Hyde Park, Vermont

pertaining to Exploration Project Contract No. Ida-1286, Docket No. DMA-2080, including Amendments 1 to 3, covering a project of exploration for Asbestos, for the period of April 1, 1952 to September 30, 1953.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

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

Total Cost as billed by Contractor	$60,902.78
Exceptions	-0-
Total Accepted Cost	$60,902.78

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Fifty-four thousand eight hundred twelve and 50/100 Dollars,

$54,812.50

is valid and proper.

This certificate is issued on the provision 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.

B. J. Brekhus
B. J. BREKHUS
Auditor

December 10, 1953

which the Government may be required to contribute, nor the amount of any item designated as "allowable maximum" which is not expressly increased by this amendment.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C D Mitteldorf
Administrator, Defense
Minerals Exploration
Administration

Butler
Reference
Hoch
Chandler

THE RUBEROID COMPANY

By Charles J Samuel

Docket Copy

Amendment No. 2 to Contract Idm-E286
Docket No. DMEA-2080X - (Asbestos)
The Ruberoid Company
Hyde Park, Vermont

Due to the severe winter season in the area that the exploratory work specified under Contract Idm-E286 is to be conducted, the DMEA Field Team for Region VIII considers that it is advantageous for the Government to recess work under this contract during the winter months and take advantage of more moderate weather when the exploratory work can be conducted with greater efficiency and economy.

It is mutually agreed between the Field Team and the Operator that work specified under Contract Idm-E286 be recessed from January 1, 1953 to April 30, 1953, at which time work under this contract will be resumed, and that the time for completion of the work specified in this contract be correspondingly extended from 15 months from the date of this contract to 19 months from the date of this contract.

No equipment in which the Government has equity is used on this project.

Core recovered from drilling completed to date is stored in a suitable building and will be preserved for examination until the project is completed and the final report is prepared.

This Amendment shall not be construed as authorizing any other change in allowable maximum costs other than those specified, nor shall this Amendment be construed as authorizing any increase in the total estimated allowable maximum cost of the project or the amount of the Government's participation.

The RUBEROID Company

By Michael J. Messal
General Superintendent

UNITED STATES OF AMERICA

By W. T. Millar
W. T. Millar, Bureau of Mines
Acting Executive Officer
DMEA Field Team, Region VIII

John B. Hanley
John B. Hanley, Geological Survey
DMEA Field Team, Region VIII

Date February 5, 1953

Docket Copy

THE RUBEROID COMPANY
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-2080

AMENDMENT NO. I

Contract No. Idm-E286, Docket No. DMEA-2080, between the Government and The Ruberoid Company, is amended, effective April 1, 1952, as follows:

In Exhibit "A", under the heading "Estimated Costs of the Project", subheading "(2) Labor, Supervision, Consultants," delete the following labor classifications: "Instrument Man, Survey Helpers, Drill runners, Drill helpers and Tractor-truck driver."

In lieu of the deleted labor classifications, the Operator's labor classifications are substituted as follows: "Drill Operator, Spareman, and General Laborer."

This amendment shall not be construed to increase the estimated total cost of the contract or the maximum amount which the Government will pay as provided in the contract.

Dated September 29, 1952.

THE RUBEROID CO.

By Brent Nordan
Operator

THE UNITED STATES OF AMERICA

By C. J. Mittendorf
Administrator-Defense Minerals
Exploration Administration

Philip
Hoffland
Chandler
Hook

9B

Department of the Interior
Defense Minerals Administration
RECEIVED
JUL 23 1953

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

July 22, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region VIII

Subject: Amendment No. 2a, Docket DMEA-2080 - (Asbestos)
The Ruberoid Company, Hyde Park, Vermont
Contract No. Idm-E286

In reference to your letter of July 15, enclosed are the Government, Division and Docket copies of Amendment No. 2a to subject contract, which have been executed by the Government and the company.

W. T. Millar

W. T. Millar

Enclosures 3

cc
7-23

Docket Copy

EXPLORATION PROJECT CONTRACT
THE RUBEROID COMPANY
DOCKET NO. DMEA-2080X

AMENDMENT NO. 2a

It is agreed this 15th day of July, 1953, that Contract No. Idm-E286 (Docket No. DMEA-2080X), dated April 1, 1952, as amended, between the United States of America, acting through the Defense Minerals Exploration Administration, and The Ruberoid Company, is further amended, effective April 1, 1952, as follows:

1. In Exhibit "A", under the heading "Statement of the Work":

a. Delete the third paragraph and substitute the following:

> The drilling may be performed by subcontractor, or by the Operator with a drilling machine furnished by it on a depreciation basis, or by both.

b. In the first line of the fourth paragraph, delete the words "under subcontract"; and in the third line of the fifth full paragraph, delete the words "by the Operator".

c. In the first subparagraph of the fourth paragraph (area 1), delete "3000" and substitute "5611".

d. In the second line of the fifth full paragraph, delete "6,000" and substitute "6,202.7".

e. Delete the first paragraph on page 2.

2. In Exhibit "A", under the heading "Estimated Costs of the Project," subheading "(1) Independent Contracts", delete "6000" and substitute "6,131," and delete "$4.00" and substitute "$3.9145."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount

AUDIT REPORT

I INTRODUCTION

On December 1, 2 and 3, 1953, a final audit (covering the period of April 1, 1952 to September 30, 1953) was made of the records and accounts of operations pertaining to Contract No. Idm-E286, Docket No. DMEA-2080, including Amendments 1 to 3, with the:

The Ruberoid Company
Hyde Park, Vermont

covering a project of exploration for Asbestos.

The basic accounting records under this contract are located in the Vermont Asbestos Division's office at its mills which are reached by proceeding north from Hyde Park on Vermont State Route 100 for 11.5 miles to Eden Mills, then west on an unnumbered road for 4.1 miles.

During the course of the audit the following officers and employees of the Division were consulted as required:

Mr. M. J. Messel, General Superintendent
Mr. J. K. Gilmore, Supervisor of Exploration
Mr. L. Jordan, Assistant Supervisor of Exploration
Mr. K. A. Foster, Office Manager
Mr. Price Freeman, Cost Analyst
Mr. M. S. Pope, Payroll Clerk
Mr. F. Merrill, Storekeeper

All were very cooperative and rendered all possible assistance in facilitating the audit.

II GENERAL INFORMATION ON RECORDS

The accounting operations are under a modern branch office accounting system. Most invoices for services or materials are scheduled (every day or so as volume, due dates or discounts require) on an Accounts Payable Voucher Register which are forwarded to the Ruberoid Company's Central Accounting Offices, South Bound Brook, New Jersey. Vouchered invoices are filed alphabetically by vendors, with subfiling by Voucher Register number. Small local purchases and services are paid for by check on an Imprest Fund maintained in a local bank. Payments for labor are effected by withdrawals from the Imprest Fund. Salaried personnel are paid by the New York office with notification to the Division's office of only the total amounts to be charged to its various accounts.

The exploration project accounting records are integrated with those pertaining to the Division's mill, quarrying, exploratory and other operations. However a separate section (designated as Account 1265) of the Plant Ledger covers the work under DMEA contracts, with three digit sub-accounts (with the first digit "1" designating this contract) for each of the items shown in Exhibit "A" of the contract. All the records pertaining to this project have been maintained accurately and, except for a few minor instances, on a month end accrual basis.

The accounts are audited periodically by Price Waterhouse and Company, certified public accountants, as well as the Ruberoid Company's own internal auditors.

III SCOPE OF AUDIT AND FINDINGS

An interim audit was made and a report submitted, by Mr. E. D. Talbert, DMEA Auditor, on September 13, 1952, covering the period from April 1, 1952 to July 31, 1952. This audit covers the remainder of the operations under this contract, the fourteen month period ending September 30, 1953, and the combined results of both audits are discussed in this report.

The audit was limited to ascertaining the accuracy, propriety and validity of the costs as shown in the "Totals to Date" column of Form MF-104, Operator's Monthly Report and Voucher, for the month of September 1953. The extent of the audit and the findings under each of the "Items of Cost" follow:

(1) Independent Contracts and Agreed Unit Cost $33,885.55

All charges were verified by reviewing all pertinent invoices of the subcontractor, checking footages billed against drill logs, and rates against authorized subcontract rates, or agreed unit prices, whichever were applicable. Mathematical calculations were checked and found to agree. As all the diamond drilling accomplished under this contract was performed by the Joy Manufacturing Company, costs were developed from subcontract billings. The 3,000 feet drilled at an agreed unit cost of $3.493 per foot was billed to the Operator at $3.95 per foot, the Operator absorbing the excess cost. It was found that the total costs charged under this category were:

Independent Contract:

Under subcontract dated December 21, 1951	
6,131 feet of diamond drilling @ $3.75 per foot	$22,991.25
6½ hours Acid Survey @ $30.00 per shift	24.30
	$23,015.55

Overtime of Exploration Department employees is prorated between all exploratory projects on the basis of total time each employee devotes to each project. It is believed that these rates, as well as the method of distributing overtime, are extremely reasonable and equitable.

Charges for Assistant Geologist represent 50 percent of the salary of Louis Jordan. The charge for a Mine Geologist represents a small portion of the salary of J. K. Gilmore, the Company's Supervisor of Exploration. The Consulting Geologist (W. B. Miller) is under contract with the Company at a retainer fee ($7,200.00 per annum) payable on a quarterly basis, $300.00 per quarter up to December 31, 1952, being apportioned to this project. All charges for technical services are deemed reasonable and proper.

(3) Operating Materials and Supplies: $6,701.60

All charges for purchases were verified by checking against the Plant Ledger, pulling and reviewing all invoices for propriety and spot checking for mathematical accuracy.

A major portion of the materials and supplies were drawn from Company stores as indicated by the following audited summary:

Stores Issues:		
Gasoline (for Drill Rig)	$ 620.25	
Core Bits	3,720.26	
Casing, fittings, tools, etc.	868.73	$5,209.24
Purchases:		
Core Boxes	$ 611.25	
Core Barrels (2)	271.67	
Plastic Pipe (600')	195.92	
Drawing supplies, repair parts, tools, white gas, etc.	413.52	1,492.36
		$6,701.60

All stores issues were checked back from the postings to the Plant Ledger, through the journal vouchers, to the daily (monthly for gasoline) summaries of requisitions, which indicated the distribution to the cost accounts. Line entries on the summaries were spot checked to requisitions and stock cards. Stock replenishments were spot checked for pricing back to purchase invoices. It was determined that stores are priced out at averaged unit purchase costs, including freight, without addition of a mark-up. The project is being charged the same prices as the Company operations.

Agreed Unit Cost:

(Per Amendment No. 3)	
3,000 feet of diamond drilling @ $3.493 per foot	$10,479.00
80 feet of Casing @ $2.30 per foot	184.00
90 feet of Cementing @ $2.30 per foot	207.00
	$10,870.00
Total drilling costs	$33,885.55

The charges are well within the allowable maximum unit costs established by Article 6 (1) and Exhibit "A" of the contract at $4.00 per foot.

(2) Labor and Supervision: $18,090.12

The charges under this item were checked against the pertinent sub-accounts of the Plant Ledger. Journal vouchers covering salaried personnel were spot checked against time sheets, and, in order to sample check labor charges, the Daily Time Sheets (approved by J. K. Gilmore, Supervisor of Exploration), for the months of July and November 1952, were reconciled with the individual IBM time clock cards for time and computed at the indicated rates.

Labor is unorganized and is paid in accordance with Company established classifications. The following hourly wage rates, pertinent to labor on this project, were in effect:

Classification	Effective 11-12-50	Effective 5-1-52
Drill Operator	$1.31	$1.36
Spareman	1.14	1.19
General Laborer	1.07	1.12

Exploration Department employees, with the exception of Drill Operators, are paid these rates regardless of the particular work being done, i. e., whether acting as surveyor, rodman, helper or laborer.

An audited summary of the total costs by the classifications shown in Exhibit "A" of the contract, as amended by Amendment 1 follows:

Labor		
Drill Operator	$7,500.42	
Spareman	4,467.84	
General Laborer	2,117.40	$14,085.66
Technical		
Assistant Geologist	$2,384.46	
Mine Geologist	720.00	
Consulting Geologist	900.00	4,004.46
Total		$18,090.12

Exhibit "A" provides that the drill bits are to be "supplied by the Operator at cost less recoverable value." It was determined that the bits being used on the project are company-owned used bits priced at the cost of diamond resetting plus freight. Therefore, there is no "recoverable value" remaining. Other items such as 2 core barrels, and 600 feet of plastic pipe are also considered expended, as they have a comparatively short life. The Executive Officer of the DMEA Field Team concurred in this determination.

(4) Operating Equipment: $1,588.96

Since the contract specified only total "allowable maximums" in two categories for the depreciation of operator-furnished equipment without statement of the monthly amount chargeable, the Operator divided the "allowable maximums" by 300, the number of estimated working days under the contract, to establish the daily rate. A check of the charges for depreciation indicates that: (1) the drill rig and associated equipment are charged at $7.33 per day for only those days that drill operators are employed (and consequently the equipment is being used), and (2) the tractor is charged at $1.00 per day for only those days for which the Supervisor of Exploration has approved by recording on the Daily Time Sheet. This procedure has resulted in extremely low charges to the project for the use of company-owned equipment.

(5) Initial Rehabilitation and Repairs:

Not applicable to this contract.

(6) New Buildings, Improvements, etc.:

Not applicable to this contract.

(7) Miscellaneous: $636.55

All charges for payroll taxes and insurance were checked against the postings to the Plant Ledger and the supporting journal vouchers. Computations were spot checked. The following rates were in effect and being charged, in accordance with instructions from the Company's Central Accounting Office, to both Company and DMEA projects:

(a) Public Liability Insurance, effective with June, 1952, was $.05072 per $100 of insurable payroll (exclusive of overtime). Prior to June, 1952 the rate was $.05142.

(b) Workmen's Compensation Insurance was $.73 per $100 of insurable payroll (exclusive of overtime).

(c) Unemployment Insurance

Federal	$ .30
Vermont State	.80
Total per $100 of payroll	$1.10

(d) Social Security Tax, $1.50 per $100 payroll.

An audited summary of charges for payroll taxes and insurance follows:

Payroll Taxes (Social Security and Unemployment)	$389.31
Liability Insurance (and Compensation)	113.74

Transportation consists of mileage of company-owned motor vehicles used for transportation at six cents per mile in accordance with Exhibit "A". The mileage is shown on the Daily Time Sheets approved by J. K. Gilmore, Supervisor of Exploration. The mileage was spot checked, and computed and reconciliations made with monthly billings, which were made at the contract rate. A summary of the audited mileage charge follows:

Company-owned equipment 2,225 miles @ $.06	$133.50

IV CONCLUSIONS AND RECOMMENDATIONS

The audit has disclosed that all costs, as charged to this project, are reasonable and proper under the terms of the contract, including Exhibit "A".

The findings of this audit are on the assumption that the Regional Executive Officer, the Administrator, or other competent official has accepted the project work as having met the terms of the contract.

The audit disclosed that, while the total costs charged to the project are acceptable, certain adjustments between "Items of Costs" were necessary, in order to properly state the MF-104, as follows:

Items of Cost	Per September 1953 MF-104	As Amended
(1) Independent and Short Form Contracts		
Independent Contracts-Drilling	$33,885.55	$23,015.55
Agreed Unit Cost-Drilling		10,870.00
(2) Labor and Supervision		
Labor	14,085.66	14,085.66
Technical Services	4,004.46	4,004.46
(3) Operating Materials and Supplies		
Core Bits	3,720.26	3,720.26
Core Boxes	611.25	611.25
Gasoline	626.79	620.25
Core Barrels	271.67	271.67
Other	1,471.63	1,478.17

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of:

The Ruberoid Company

Hyde Park, Vermont

pertaining to Exploration Project Contract No. Idm-8286, Docket No. DMEA-2080 for the period of April 1, 1952 to July 31, 1952.

My examination was made in accordance with generally accepted standards applicable in the circumstances.

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

Total Cost as billed by contractor	$21,519.03
Exceptions	-0-
Total Accepted Cost	$21,519.03

The contract calls for a 90 per cent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Nineteen thousand three hundred sixty-seven and 13/100 Dollars,

— $19,367.13 —

is valid and proper.

This certificate is issued on the provision 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

E. D. TALBERT
Auditor

September 19, 1952

Items of Cost	Per September 1953 MF-104	As Amended
(4) Operating Equipment		
Depreciation	1,588.96	1,588.96
(7) Miscellaneous		
Payroll Taxes	389.31	389.31
Liability Insurance	113.74	113.74
Transportation	133.50	133.50
Totals	$60,902.78	$60,902.78

The audit also disclosed that the status, as of September 30, 1953, of the "allowable maximums" under this contract was as follows:

	Allowable Maximum	Total Costs	Balance
Subcontract Drilling	$24,000.00	$23,015.55	$ 984.45
Agreed Unit Cost Drilling 1/	12,467.22	10,870.00	1,597.22
Assistant Geologist	2,400.00	2,384.46	15.54
Mine Geologist	960.00	720.00	240.00
Consulting Geologist	1,200.00	900.00	300.00
Depreciation, Drill Rig, etc.	2,200.00	1,553.96	646.04
Depreciation, Tractor	300.00	35.00	265.00
Transportation	300.00	133.50	166.50

1/ While Amendment No. 3, which covered this item of work, provided for a maximum cost of $12,779.00, only $12,467.22 of the total contract amount of $62,500.00 remained unused, at time the Agreed Unit Cost Drilling was initiated.

At the conclusion of the audit the findings were discussed with Mr. M. J. Mazzel, General Superintendent, and Mr. Price Freeman, Cost Analyst. There were no disallowances made during the audit and the above costs are approved.

B. J. BREKKES
Auditor

December 10, 1953

I INTRODUCTION

During the period of September 9 to 12, 1952, an interim audit (covering the period of April 1 to July 31, 1952) was made of the records and accounts of operations pertaining to Contract No. Ida-E286, Docket No. DMEA-2080, with:

The Ruberoid Company
Hyde Park, Vermont

covering a project of exploration for Asbestos.

The basic accounting records under this contract are located in the Vermont Asbestos Mines Division's office at its mills which are reached by proceeding north from Hyde Park on Vermont State Route 100 for 11.5 miles to Eden Mills then left on an unnumbered road for 4.1 miles.

During the course of the audit the following officers and employees of the Division were consulted as required:

Mr. M. J. Meassel, General Superintendent
Mr. J. K. Gilmore, Supervisor of Exploration
Mr. K. A. Foster, Office Manager
Mr. Price Freeman, Cost Analyst
Mr. M. S. Pepe, Payroll Clerk
Mr. F. Merrill, Storekeeper

All were very co-operative and rendered all possible assistance in facilitating the audit.

II GENERAL INFORMATION ON RECORDS

The accounting operations are under a modern branch office accounting system. Most invoices for services and materials are scheduled (every day or so as volume, due dates or discounts require) on an accounts payable Voucher Register to The Ruberoid Company's Central Accounting Offices, South Bound Brook, New Jersey. Vouchered invoices are filed alphabetically by vendors, with sub-filing by Voucher Register number. Small local purchases and services are paid by check out of an Imprest Fund maintained in a local bank. Payments for labor are effected by withdrawals from the Imprest Fund. Salaried personnel are paid by the New York office with notification to the Division's office of only the total amounts to be charged to its various accounts.

The Exploration Project accounting records are completely integrated with those pertaining to the Division's mill, quarrying, exploratory and other operations. However a separate section (designated as Account 1285) of the Plant Ledger covers the work under DMEA contracts, with three-digit sub-accounts (with the first digit "1" designating this contract) for each of the items shown in Exhibit "A" of the contract. All the records pertaining to this project had been maintained accurately and, except for a few minor instances, on a month-end accrual basis.

The accounts are subject to periodical audits by a certified public accounting firm (Price, Waterhouse & Co.) as well as The Ruberoid Company's own internal auditors.

III SCOPE OF AUDIT AND FINDINGS

The audit was limited to ascertaining the accuracy, propriety and validity of the costs as shown in the "Totals to Date" column of Form MF-104, Operator's Monthly Report and Voucher, for the month of July, 1952. The extent of the audit and the findings under each of the "Items of Cost" follow.

(1) Independent Contracts:

All charges were verified by reviewing all pertinent invoices of the sub-contractor (Joy Manufacturing Company), checking against the sub-contract rates and the footages shown on copies of the drill logs, and spot-checking the mathematical calculations. It was found that the total costs charged to this item were:

Under sub-contract dated December 21, 1951:	
2073' @ $3.75 per foot	$7,773.75
2 hrs. Acid Survey @ $30.00 per shift	7.50
Total	$7,781.25

The charges are well within the allowable maximum unit costs established by Article 6 (1) and Exhibit "A" of the contract at $4.00 per foot.

(2) Labor and Supervision:

The charges under this item were checked against the pertinent sub-accounts of the Plant Ledger, journal vouchers covering salaried personnel were spot-checked against time sheets, and, in order to sample-check labor charges, the Daily Time Sheets (approved by J. K. Gilmore, Supervisor of Exploration) for the month of July, 1952, were reconciled with the individual IBM time clock cards for time and computed at the indicated rates.

Labor is unorganized and is paid in accordance with Company established classifications. The following hourly wage rates, pertinent to labor on this project, were in effect:

Classification	Effective 11/12/50	Effective 5/4/52
Drill Operator	$1.31	$1.36
Spareman	1.14	1.19
General Laborer	1.07	1.12

Exploration Department employees, with the exception of the Drill Operators, are paid under these rates regardless of the particular work being done, i.e., whether acting as surveyor, rodman, helper, or laborer.

An audited summary of the total costs by the classifications shown in Exhibit "A" of the Contract follows:

Labor	-- Instrument Men	$ 1,360.17	
	Survey Helpers	1,159.78	
	Drill Runners	2,098.29	
	Drill Helpers	1,869.60	
	Tractor-Truck Driver	164.74	
	Laborers	449.50	
	Core-Tester (wage rate)	254.72	
	Clerk (wage rate)	47.47	$ 7,404.27
Technical	-- Assistant Geologist	589.73	
	Mine Geologist	240.00	
	Consulting Geologist	300.00	1,129.73
Total			$8,534.00

Overtime of Exploration Department employees is pro-rated between all exploratory projects on the basis of total time each employee devotes to each project. It is believed that these rates, as well as the method of distributing overtime, are extremely reasonable and equitable.

Charges for Assistant Geologist represent 50% of the salary of Louis Jordan (the other 50% being charged to E-23 as Surveyor). The charge for a Mine Geologist represents a portion of the salary of J. K. Gilmore, the Company's Supervisor of Exploration. The Consulting Geologist (W. B. Miller) is under contract with the Company at a retainer fee ($7,200 per annum) payable on a quarterly basis, $300 per quarter being apportioned to this project. All charges for technical services are deemed reasonable and proper.

(3) Operating Materials and Supplies:

All charges for purchases were verified by checking against the Plant Ledger, pulling and reviewing all invoices for propriety and spot-checking for mathematical accuracy.

A major portion of the materials and supplies were drawn from company stores as indicated in the following audited summary:

Stores Issues:		
Gasoline (for Drill Rig)	$ 347.03	
Core Bits	2,640.02	
Casing, fittings, tools, etc.	531.13	$ 3,518.18
Purchases:		
Core Boxes	$ 250.00	
Drawing supplies, repair parts, tools, white gas, etc.	289.44	539.44
Total		$ 4,057.62

All stores issues were checked back from the postings to the Plant Ledger, through the Journal Vouchers, to the daily (monthly for gasoline) summaries of requisitions, which indicated the distribution to the cost accounts. Line entries on the summaries were spot-checked to requisitions and stock cards. Stock replenishments were spot-checked for pricing back to purchase invoices. It was determined that stores are priced out at averaged unit purchase costs, including freight, without addition of a mark-up. The project is being charged the same prices as the Company operations.

Exhibit "A" provides that the drill bits are to be "supplied by the Operator at cost less recoverable value." It was determined that the bits being used on the project are company-owned used bits priced only at the cost of diamond resetting plus freight. Therefore, if such policy is continued, there will be no "recoverable value" at the completion of the project.

(4) Operating Equipment:

The costs shown under "Rental" represent the costs for transportation at 6 cents per mile in accordance with Exhibit "A". On the revised MF-104 this item should properly be shown under (7) Miscellaneous.

The Daily Time Sheets approved by J. K. Gilmore, Supervisor of Exploration, include a listing of the mileage for each vehicle used. All Sheets were reviewed, the mileage totaled, computed at the contract rate and reconciled with the costs charged.

A summary of the audited mileage charge follows:

Company-owned equipment	941 miles @ $.06	$56.46

Since the contract specified only total "allowable maximums" in two categories for the depreciation of operator-furnished equipment without statement of the monthly amount chargeable, the operator divided the "allowable maximums" by 300, the number of estimated working days under the contract, to establish a daily rate. A check of the charges for depreciation indicates that: (1) the drill rig and associated equipment are charged at $7.33 per day only for those days that drill operators are employed (and consequently the equipment is being used), and (2) the tractor is charged at $1.00 per day for only those days for which the Supervisor of Exploration has approved by recording on the Daily Time Sheet. This procedure has resulted in extremely low charges to the project for the use of company-owned equipment.

(5) Initial Rehabilitation and Repairs:

Not applicable to this Contract.

(6) New Buildings, Improvements, etc:

Not applicable to this Contract.

(7) Miscellaneous:

All charges for payroll taxes and insurance were checked against the postings to the Plant Ledger and the supporting Journal Vouchers. Computations were spot-checked. The following rates were in effect and being charged, in accordance with instructions from the Company's Central Accounting Office, to both Company and DMEA exploration projects:

(a) Public Liability Insurance, effective with June, 1952, was $.05072 per $100 of insurable payroll (exclusive of overtime). Prior to June, 1952, the rate was $.05142.

(b) Workmen's Compensation Insurance, was $.73 per $100 of insurable payroll (exclusive of overtime).

(c) Unemployment Insurance:

Federal	$.30
Vermont State	.80
Total per $100 of payroll	$1.10

(d) Social Security Tax, $1.50 per $100 of payroll.

An audited summary of charges for payroll taxes and insurance follows:

Payroll Taxes (Social Security and Unemployment)	$212.47
Liability Insurance (and Compensation)	57.09

IV CONCLUSIONS AND RECOMMENDATIONS

This audit has disclosed that all costs, as charged to this project, are reasonable and proper under the terms of the contract, including Exhibit "A".

It is recommended, however, that Exhibit "A" of the contract be amended to indicate under the title "(2) Labor, Supervision, Consultants" the company's labor classifications shown in the 2nd paragraph of Sec. III (2) above. This will eliminate the unnecessary maintenance by the Company of time sheets, distribution records and cost accounts under the several fictitious classifications.

The audit disclosed that, while the total costs charged to the project are acceptable, certain adjustments between "Items of Costs" were necessary, in order to properly state the MF-104, as follows:

Items Of Cost	Total through July 31 July MF-104	Total through July 31 As Amended
(1) Independent Contracts:		
Drilling	$ 7,781.25	$ 7,781.25

Items of Costs	Total through July 31 July MF-104	Total through July 31 As Amended
(2) Labor and Supervision:		
Labor	$ 3,446.09	$ 7,404.27
Supervision	1,129.73	
Technical Services	3,958.18	1,129.73
(3) Operating Materials & Supplies:		
Core Bits		2,640.02
Core Boxes		250.00
Gasoline		347.03
Other	4,057.62	820.57
(4) Operating Equipment:		
Rental (Transportation)	56.46	
Depreciation	820.14	820.14
(7) Miscellaneous:		
Payroll Taxes	123.26	212.47
Liability Insurance	3.51	57.09
Workman's Compensation	53.58	
Other Insurance	89.21	
Transportation		56.46
Totals	$21,519.03	$21,519.03

The audit also disclosed that the status, as of July 31, 1952, of the "allowable maximums" under this contract was as follows:

Item	Allowable Maximum	Total Costs	Balance
Sub-contract Drilling	$24,000.00	$7,781.25	$16,218.75
Assistant Geologist	2,400.00	589.73	1,810.27
Mine Geologist	960.00	240.00	720.00
Consulting Geologist	1,200.00	300.00	900.00
Depreciation, Drill Rig, etc.	2,200.00	791.64	1,408.36
Depreciation, Tractor	300.00	28.50	271.50
Transportation	300.00	56.46	243.54

Since approximately 39% (2073' of 6000') of the sub-contracted drilling and 61½% (3686' of 6000') of the company drilling or 48% of the total work under the contract had been completed as of July 31, 1952, it is evident that the costs are being maintained well within the "allowable maximums".

At the conclusion of the audit, the findings were discussed with the General Superintendent (M. J. Messel) and the Cost Analyst (Price Freeman), and assistance was given the latter in the correct preparation of the August, 1952, MF-104 and the MF-104A, which through a misunderstanding has been prepared incorrectly in the past.

E. D. Talbert
E. D. TALBERT
Auditor

September 13, 1952

Want out as amd #2a.
NB 7/16/53

AMENDMENT NO. 4

Docket No. DMEA-2080 - (Asbestos)
Contract No. Idm-E286 - $62,500.00
The Ruberoid Company
Vermont Asbestos Mines Division
Hyde Park, Vermont

In order that exploratory work under this contract may be conducted to the best advantage of the Government and the Operator, and for the most effective prosecution of the work prescribed in the contract, it is necessary to amend certain specifications in the contract.

Amendments are justified for the following reasons: There are two drilling units operating on this project, one is owned by ths sub-contractor and the other is owned by the Operator. Areas in which each drill is to operate are specified in the contract. Due to the rough terrain, drilling conditions, accessibility, source of water and necessary service during operations, it is more advantageous to have both drills operating in the same vicinity instead of operating in different areas, several miles apart.

Also, in order that the knowledge of the geologic structure and interpretations of mineralization gained as drilling progresses, may be used to the best advantage of this exploration, it is necessary to revise the tentative drilling program as specified in the contract, to permit drilling where the indications are most favorable.

This contract is amended, effective as of the date of the contract, as follows:

(1) To authorize the use of the drilling unit best adapted for the conditions in areas where the terrain, drilling conditions, accessibility and source of water are factors regardless of the ownership of the unit; or the use of both drills in the same area when it is to the advantage of the effective prosecution of the exploratory work prescribed in this contract.

(2) To eliminate drilling in Area 4 (the Magnetometer Area) in which 1,500 feet minimum and 3,000 feet maximum are authorized in Exhibit "A" of this contract, because of unfavorable indications based on interpretations of additional data obtained during this exploration.

(3) To authorize 131 feet of drilling by the sub-contractor in excess of the 6,000 feet maximum specified in Exhibit "A" of this contract.

(4) To authorize 202.7 feet of drilling by the Operator, in excess of the 6,000 feet maximum specified in Exhibit "A" of this contract.

above Not used
See Amendment 2a
JTR

(5) To authorize 5,611 feet to be drilled in Area I instead of the 3,000 feet maximum specified in Exhibit "A" of this contract.

This Amendment shall not be construed as authorizing any other change in allowable maximum costs other than those specified, nor shall this Amendment be construed as authorizing any increase in the total estimated allowable maximum cost of the project or the amount of the Government's participation.

THE UNITED STATES OF AMERICA

By _____
C. O. Mittendorf, Administrator
Defense Minerals Exploration
Administration

THE RUBEROID COMPANY

By _____
Michael J. Messel
General Superintendent

Executed in sextuplicate.

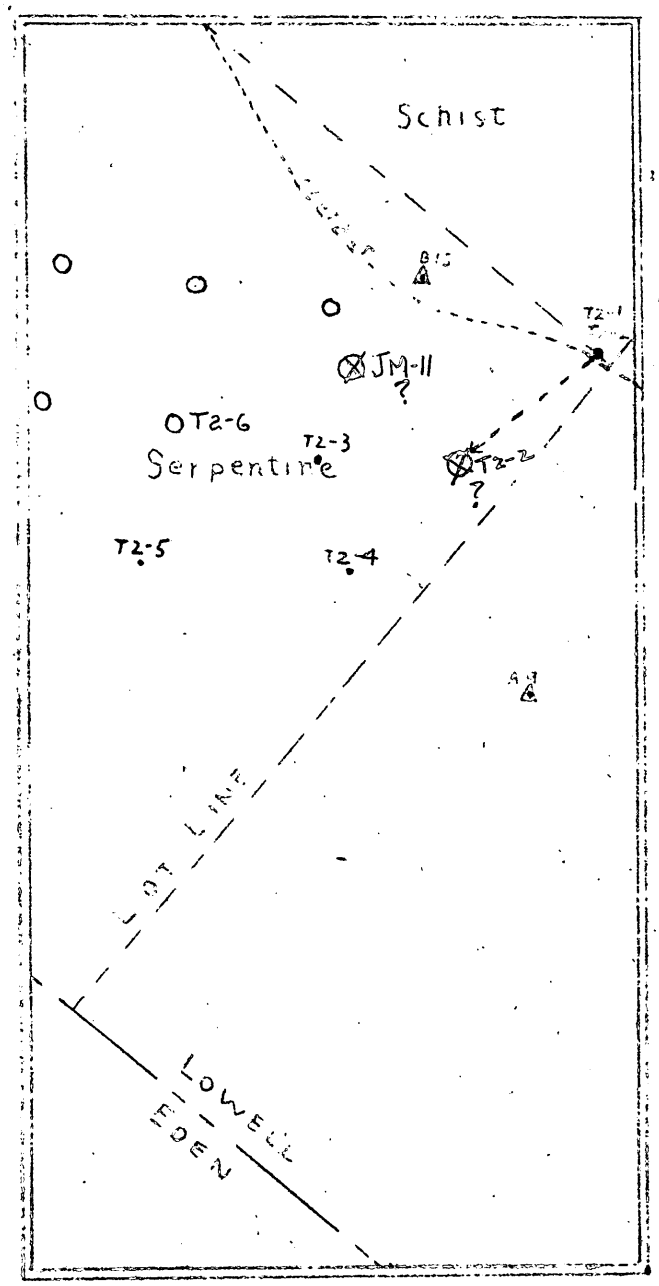
Date: _____

Not Used. See Amend. 2

DMEA 2080 CONTRACT E 286

DIAMOND [illegible]

[illegible] DECEMBER 31, 1952



AREA No 3
[illegible]

• D.D.H. Completed
O D.D.H. Proposed
⊗ DDH Deepen ? {JM-11, T2-2}

Amendment No 3
Contract Dmea-E 286

MF-500

Do not Detach

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 7/24/53

REFERRED TO:

1. Mrs. Birmingham
2. Rm. 4539
3.
4.

FOR:

---------- Action	---------- Recommendation
---------- Approval	---------- Record of ----------
---------- Comment	---------- Referring to ----------
---------- Conference	---------- Reply for signature of ----------
---------- Consideration	---------- Rewriting
X Filing	---------- Signature
---------- Instructions	---------- Suggestions
---------- Investigation	---------- Your information
---------- Initials	
---------- Mailing	
---------- Previous correspondence	

REMARKS: Ans. 2a was signed by Adm. and returned for referring to field - 657

Check (X) before the items needing attention.

George C. Selfridge

Initials of sender.

GPO 16—63815-1

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

Docket No. DMEA-2080
Commodity Asbestos

DOCKET COPY
Idm-E286

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

EXPLORATION PROJECT CONTRACT 1/

It is agreed this 1st day of April, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and 2/ The Ruberoid Company, A corporation Hyde Park, Vermont

hereinafter called the "Operator," as follows:

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

ARTICLE 2. Operator's property rights. With respect to that certain land situated in the State of Vermont, County of Lamoille, described as follows:

1/ If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.

2/ State name, address, and nature of organization if any.

3/ In Eden and Lowell Townships, more fully described by metes and bounds in Annex 1, which is attached to and made a part of this contract.

the Operator represents and undertakes:4/

(a) That the Operator is the owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached:

None

(b) ~~That the Operator is a lessee, in possession and entitled to possession, and the owner's consent to lien is attached.~~

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

ARTICLE 3. Exploration project. The Operator, within ninety (90) days from the date of this contract shall commence

3/ Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.

4/ Strike out the provision not applicable.

on a project of exploration for[5/] asbestos

in or upon the described land; and shall bring the project to completion within a period of fifteen (15) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

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

(b) Independent contracts. Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed

5/ Name of mineral or minerals.

under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

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

ARTICLE 5. Estimated costs of the project. A statement of the estimated cost of the project is set forth in Exhibit "A", attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or

elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

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

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

(2) Labor, supervision, consultants. Labor, supervision and technical services (including engineering and geological consultants),

a schedule of which is included in the estimate of costs set forth in Exhibit "A". The requirements and related estimated costs for supervision and technical services are allowable maximums.

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

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

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

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

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

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

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

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

ARTICLE 7. Reports, accounts, audits. (a) Progress reports. The Operator shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator,

and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

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

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

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

ARTICLE 8. Payments by the Government. (a) The Government will pay 90 per cent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $ 56,250.00, which is 90 per cent of $62,500.00, the agreed, estimated total cost of the project in which the Government will participate; Provided, that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) per cent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

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

ARTICLE 9. Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within ten years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which

the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said ten years have elapsed, whichever occurs first, as follows:

(1) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts not in excess of eight dollars ($8.00) per tons

(2) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts, plus one-half ($\frac{1}{2}$) per cent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half ($1\frac{1}{2}$) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) percent.)

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

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

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

ARTICLE 10. Assignment, transfer, or loss of Operator's interest. Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; Provided, that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of ten years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any

reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

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

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

ARTICLE 13. Changes and added provisions. _____

_____

_____

_____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

The Ruberoid Company
Operator

By O. Mitterdorf
Acting Administrator, Defense
Minerals Exploration Administration

By W. C. Conran Vice Pres

Britin Hoffland (Form) Chamberlin Hook

I, B. F. Bakus, certify that I am the secretary of the corporation named as operator herein; that W. S. Carson who signed this contract on behalf of the operator, was then Vice 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.

B. F. Bakus [Corporate Seal]

16042

ANNEX I

The area of this project includes all land within the following boundaries; excepting the Lowell Quarry area and the "C" area which are bounded as follows:

"Lowell Quarry" area, beginning at corner marked V, which is approximately 720 feet north and 3,890 feet west of Base Line point B-1 and at the common corner of Lots 1 and 2, Range 13, and Lots 1 and 2, Range 14, thence N 25° 30' E., 1,000 feet to corner W, thence S 52° E 2,720 feet to corner X, thence S 25° 30' W 1,000 feet to corner Y, thence N 52° W 2,720 feet to corner V the point of beginning. This area is in Lots 1 and 2, Range 13.

"C" area, beginning at corner marked D, which is approximately 40 feet north and 2,280 feet west of Base Line point B-1, thence S 52° E, 1,500 feet to corner E, thence S 25° W, 2,250 feet to corner F, thence N 60° 14' W, 1,000 feet to corner G, thence N 12° 30' E, 2,540 feet to corner D, the point of beginning. This area is in Lot 20, Range 12, and Lot 1, Range 13.

Beginning at a stone bound marked 1, which is the northwest corner of the Brown Lot, which is approximately 755 feet north and 8,100 feet west of Base Line point B-1, thence S. 30° 51' W, 5,020 feet, to corner 2, which is the southwest corner of the Brown Lot, thence S 61° E, 6,785 feet to corner 3, which is the southwest corner of Lot 18, Range 12, thence N 25° E, 3,570 feet to corner 4 which is the southwest corner of Lot 20, Range 11, thence S 65° 30' E, 2,840 feet to corner 5, which is the southeast corner of Lot 20, Range 11, thence N 25° E, 1,805 feet to corner 6, which is the northeast corner of Lot 20, Range 11, thence N. 64° 30' W, 90 feet to corner 7, which is the southeast corner of Lot 1, Range 12, thence N 25° 30' E, 5,210 feet to corner 8, which is the northeast corner of Lot 2, Range 12, thence N 64° 30' W, 2,610 feet to corner 9, which is the northwest corner of Lot 3, Range 12, thence S 25° 30' W, 480 feet to corner 10, which is the northeast corner of Lot 3, Range 13, thence N 65° W, 2,660 feet to corner 11, which is the northwest corner of Lot 3, Range 13, thence S 25° 30' W, 1,070 feet to corner 12, which is the northeast corner of Lot 2, Range 14, thence N 61° 30' W, 2,640 feet to corner 13, which is the northwest corner of Lot 2, Range 14, thence S 23° W, 1,630 feet to corner 14, which is on the west end line of Lot 2, Range 14, thence S 19° W, 2,145 feet to corner 15 which is the northeast corner of the Brown Lot, thence S 66° 09' E, 1,430 feet to corner 1, the point of beginning.

EXPLORATION PROJECT CONTRACT
THE RUBEROID COMPANY
DOCKET NO. DMEA-2080

EXHIBIT "A"

Statement of the Work

The work on this project is to be done in the four areas designated as Areas Nos. 1-4 on the Operator's drawing No. F2-12, which is attached hereto, on the property owned by the Ruberoid Company, near Hyde Park, Vermont, described in Annex 1. Asbestos ore is being mined in the vicinity of these areas at the present time.

The Operator's drawing No. F2-12 shows the approximate location of the proposed drill holes. The actual points of drilling will be dependent on geological study, geophysical work and results from previous holes drilled, as agreed to in advance by the Government.

About one-half of the holes will be drilled by a subcontractor, and the balance will be drilled by the Operator with a machine owned by it and furnished on a depreciation basis.

The following areas will be drilled under subcontract:

The "T" Area, in Eden Township (Area No. 1). This drilling will consist of 8 to 12 holes averaging between 200 to 300 feet in depth per hole. The minimum drilling for all holes shall be 2,000 feet and the maximum shall be 3,000 feet.

The Brown Lot or Eden Quarry Area in Eden and Lowell Townships (Area No. 2). This drilling will consist of 4 to 8 holes, averaging from 500 to 1,000 feet in depth per hole, to be drilled in or near the Eden Quarry. The minimum drilling for all holes shall be 3,000 feet and the maximum shall be 5,000 feet.

The balance of drilling, consisting of approximately 22 holes, with a maximum drilling for all holes of ~~6,000~~ feet, will be drilled ~~by the Operator~~, in the following areas: 6,000.7

The Tower 2 Area, Eden and Lowell Townships (Area No. 3). This drilling will consist of 12 to 16 holes, averaging 100 to 300 feet in depth per hole. The minimum drilling for all holes shall be 3,000 feet and the maximum shall be 4,000 feet.

The Magnetometer Area, Eden and Lowell Townships (Area No. 4). The drilling will consist of 9 to 12 holes averaging 100 to 300 feet in depth per hole. The minimum drilling for all holes shall be 1,500 feet and the maximum shall be 3,000 feet.

Estimated Costs of the Project

(Wherever an * appears after an item below, it indicates the allowable maximum above which the Government will not contribute)

(1) Independent Contracts

Diamond drilling on subcontract. 6,000 feet @ $4.00 per foot	$24,000.00*

(2) Labor, Supervision, Consultants

Survey Party (6 months in the field)

1 - Instrument man (12 months field and office) 2,400 hours @ $1.74 per hour	$ 4,176.00
3 - Survey helpers, 3,600 hours, (6 months) at $1.16 per hour	4,176.00
2 - Drill runners (using operators drill), 2,400 hours @ $1.42 per hour	3,408.00
2 - Drill helpers, 2,400 hours @ $1.24 per hour	2,976.00
1 - Tractor-truck driver, 240 hours @ $1.75 per hour	420.00
1 - Core tester, 920 hours @ $1.87 per hour	1,720.00
1 - Assistant Geologist (half time) @ $400.00 per month, 6 months	2,400.00*
1 - Laborer, 1,200 hours @ $1.16 per hour	1,392.00

1 - Mine geologist, part time, 12 months @ $80.00 per month	$ 960.00*	
1 - Clerk, part time, 12 months, @ $60.00 per month	720.00	
Comp. Ins., Soc. Sec., Unemployment Ins.	782.00	
Consulting geologist	1,200.00*	$24,330.00

(3) Operating Materials and Supplies

70 diamond drill bits supplied by Operator at cost less recoverable value	5,250.00	
Core barrels, liners, etc.	1,220.00	
Pipe, casing, power and maintenance supplies, tools, core-boxes, office and drafting supplies, miscellaneous	4,900.00	11,370.00

(4) Operating Equipment

To be rented:

None

To be purchased:

None

To be furnished by Operator:

Drilling machine, replacement value	$3,200.00
2 - Pumps, replacement value	2,000.00
Rods, replacement value	1,500.00
1 - Power wagon, replacement value	3,000.00

Miscellaneous, replacement value	$ 1,300.00		
Total replacement value -	$11,000.00		
Depreciation, 1 yr., 20%		$ 2,200.00*	
1 - Tractor, replacement value	$ 3,000.00		
Depreciation, 10%		300.00*	$ 2,500.00*

(5) Rehabilitation and Repairs

None

(6) New Buildings, Improvements & Installations

None

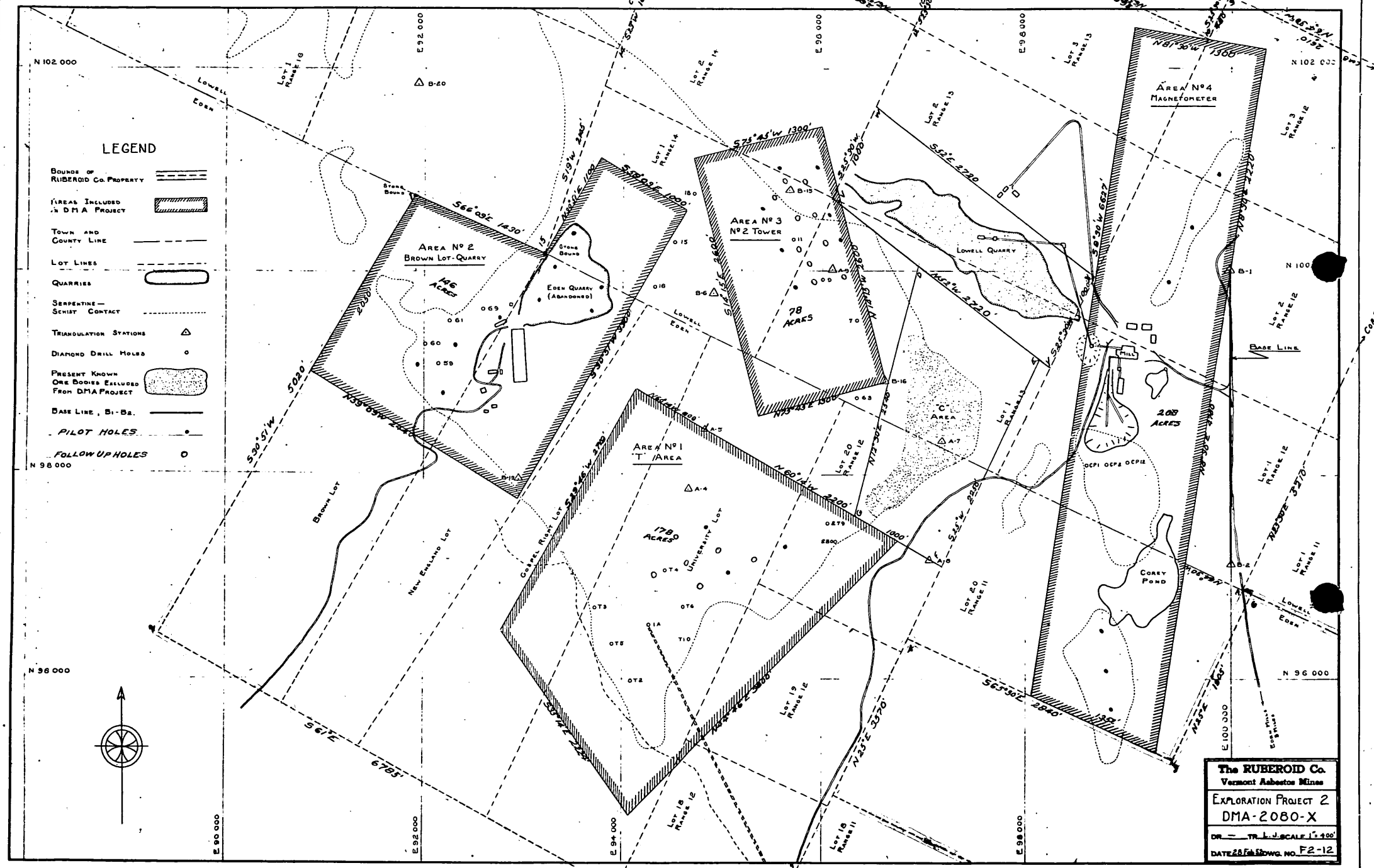
(7) Transportation

Vehicles to be furnished by Operator for transportation of geologists and survey parties at 6 cents per mile, including gas, oil, maintenance, driver, and all other costs. Estimated 5,000 miles @ 6 cents per mile	300.00*
Total estimated cost of the project	$62,500.00

Estimated Cost of Drilling with Operator's Equipment

Labor	$ 6,804.00
Comp. Ins., Soc. Sec., Unemployment Ins.	238.00
Depreciation	2,500.00
Operating Materials and Supplies	11,400.00
Total	$20,942.00

6,000 feet @ $3.49 per foot


LEGEND
Bounds of Ruberoid Co. Property
Areas Included in DMA Project
Town and County Line
Lot Lines
Quarries
Serpentine—Schist Contact
Triangulation Stations
Diamond Drill Holes
Present Known Ore Bodies Excluded From DMA Project
Base Line, B1-B2.
PILOT HOLES
FOLLOW UP HOLES
Area No 2
Brown Lot-Quarry
146 Acres
Eden Quarry (Abandoned)
Area No 3
No 2 Tower
78 Acres
Lowell Quarry
Area No 4
Magnetometer
208 Acres
Area No 1
"T" Area
178.0 Acres
"C" Area
Corey Pond
Brown Lot
New England Lot
Gospel Right Lot
University Lot
Lowell
Eden
Base Line
N 102 000
N 100 000
N 98 000
N 96 000
E 90 000
E 92 000
E 94 000
E 96 000
E 98 000
E 100 000
The RUBEROID Co.
Vermont Asbestos Mines
Exploration Project 2
DMA-2080-X
DR — TR L.J. SCALE 1"=400'
DATE 28 Feb 52 DWG. NO. F2-12

N

16W

12W

8W

4W

0

4E

8E

12E

16E

20E

24E

32E

36E

40E

44E

48E

52E

56E

60E

64E

SPOKANE 2, WASHINGTON

Mr. George C. Selfridge, Chairman
DMEA Operating Committee
Department of the Interior
Washington 25, D. C.

Dates
Contract: April 1, 1952
Completion: July 1, 1953
Amendments: 1 (9-29-52)

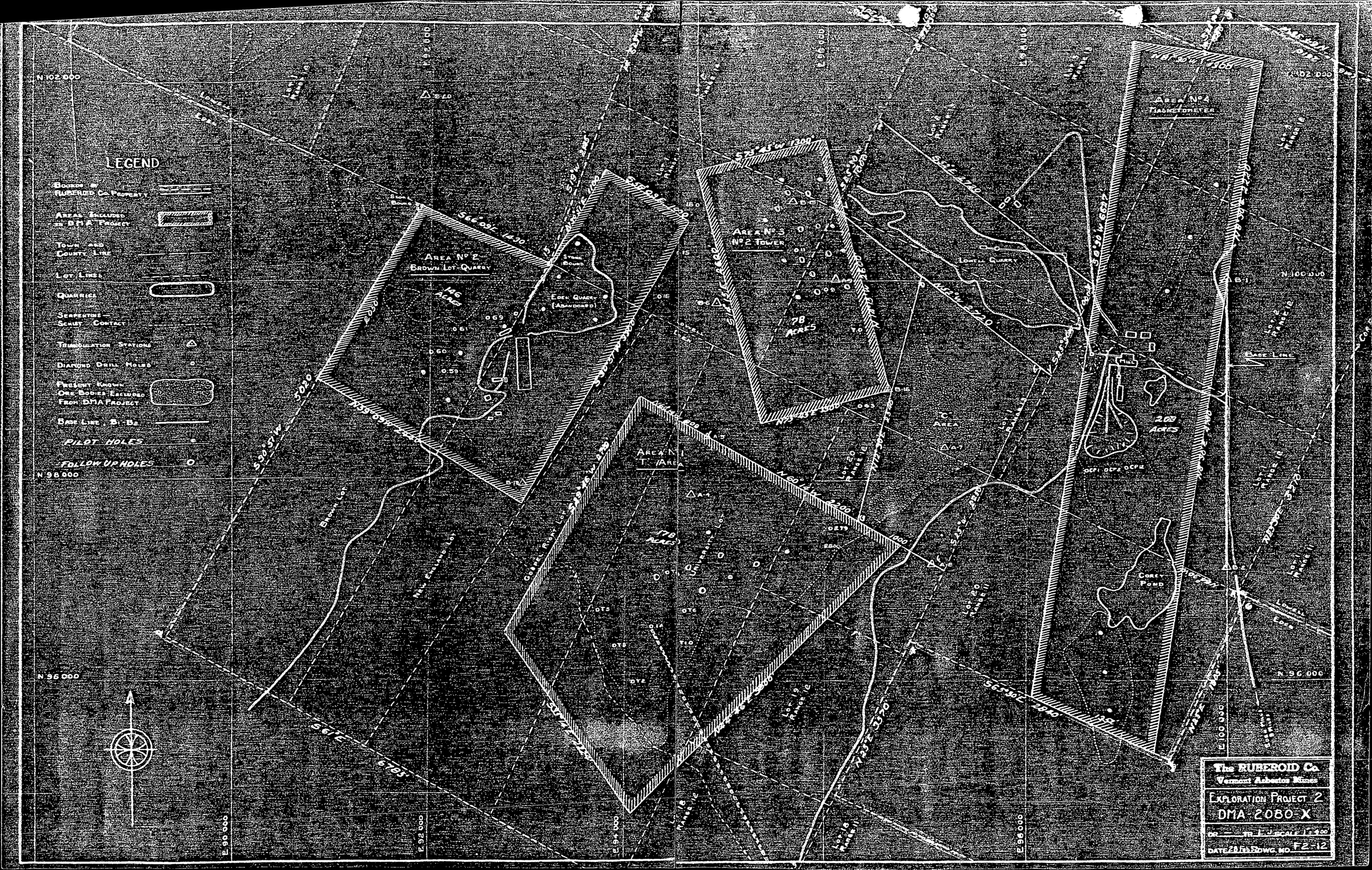
Contract # Idm-E286
OMEA # 2080
Name The Ruberoid Co.
Form: New long

Contract Allowance	Item	April Amount	April Per Ft.	May Amount	May Per Ft.	June Amount	June Per Ft.	July Amount	July Per Ft.	August Amount	August Per Ft.
$22,200.00	Contract Drilling					471000	1.286	776125	2.093	811875	2.163
12,966.00	Labor	43157		115879		205386	375	344609	375	356293	375
4,560.00	Geologists			27150		85276		112973		138334	
6,804.00	Labor, Company drilling	72157	120	192305	106	295299	105	395816	107	578502	128
11,370.00	Supplies	122321	204	215845	119	312605	112	405762	110	465303	103
2,500.00	Depreciation	14827	025	38450	021	61090	022	82014	22	103421	23
300.00	Transportation	228	349	948	246	3624	239	5646	239	6054	254
$62,500.00											
—0—	Insurance	3575		10915		17568		26956		33409	
		256269		601496		1451848		2151903		2493191	

	September Amount	September Per Ft.	October Amount	October Per Ft.	November Amount	November Per Ft.	December Amount	December Per Ft.	January Amount	January Per Ft.
Contract drilling	1330142	469	2121143	546	2348605	5463	2803828	5463	2803828	5463
Company drilling	1771657	338	1971769	495	2097519	4953	2097519	4953	2125635	4953
	3101799		4092912				4901347		4929463	

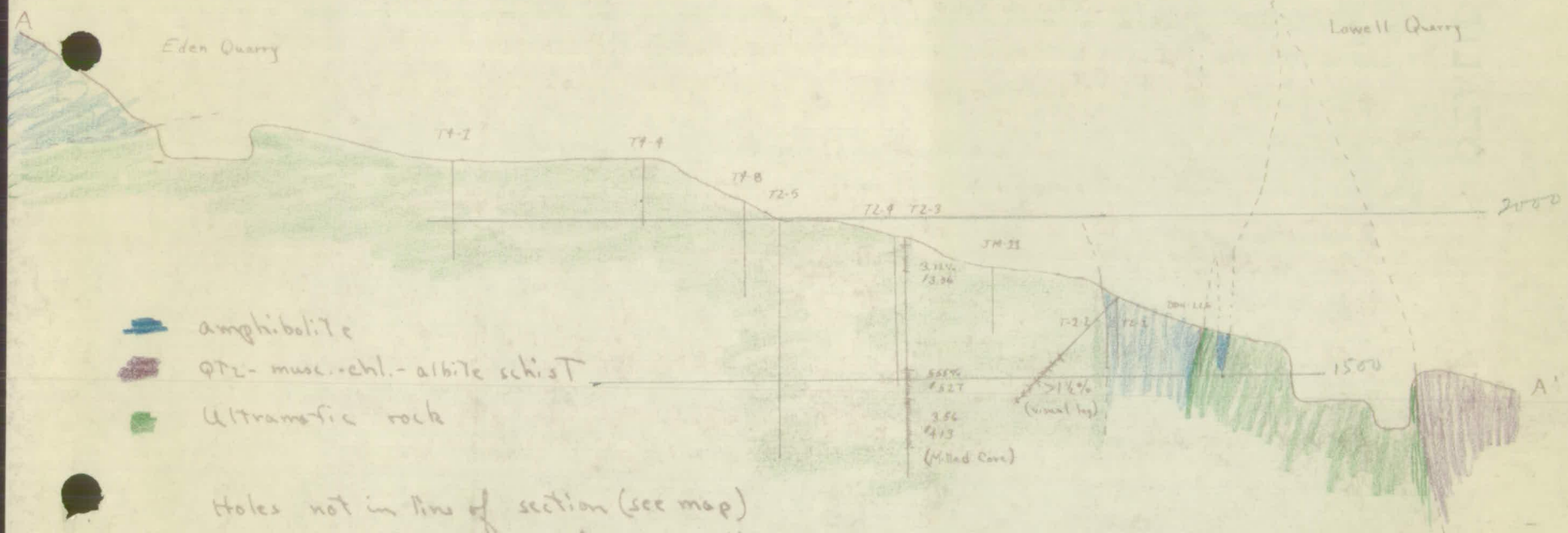
	February Amount	February Per Ft.	March Amount	March Per Ft.
Contract drilling	2803828	5463	2803828	5463
Company drilling	2146751	4953	2167870	5463
	4950579		4971698	

LND2


LEGEND
Boundary Ruberoid Co. Property
Areas Examined in D.M.A. Project
Town and County Line
Lot Lines
Quarries
Serpentine — Schist Contact
Triangulation Stations
Diamond Drill Holes
Present Known Ore Bodies Exclusive from D.M.A. Project
Base Line B1-B2
PILOT HOLES
FOLLOW UP HOLES
N 102 000
N 98 000
N 96 000
E 90 000
E 92 000
E 94 000
E 96 000
E 98 000
E 100 000
Area No 2
Brown Lot Quarry
146 Acres
Area No 3
No 2 Tower
78 Acres
Area No 4
Transmitter
203 Acres
Base Line
Coast Pond
Lower Quarry
Area No 1
178 Acres
The RUBEROID Co.
Vermont Asbestos Mines
Exploration Project 2
DMA-2080 X
Dr. Tri L. Jr. Scale 1:4000
Date 2/15/55 Dwg. No. F2-12

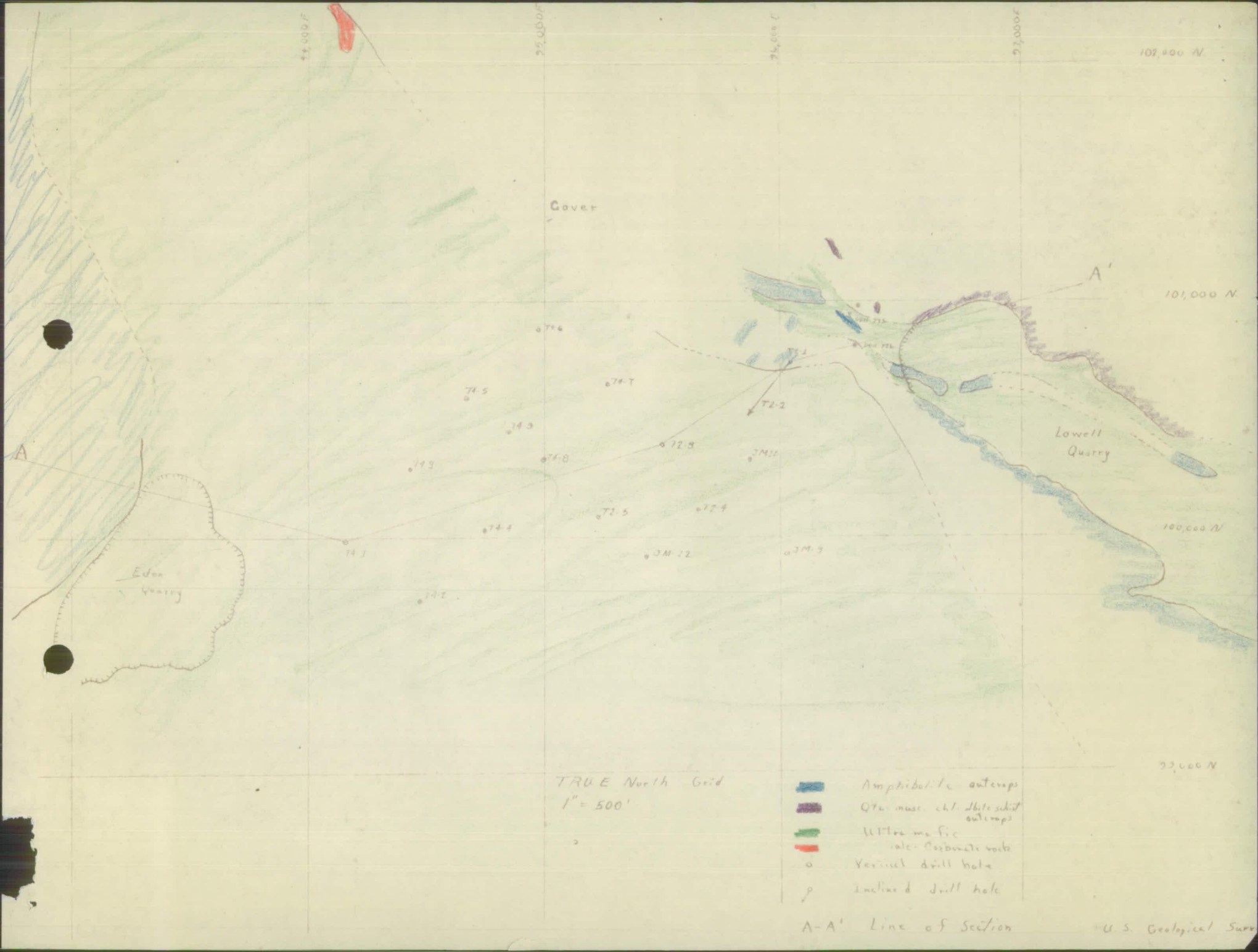
LEGEND
Bounds of RUBEROID Co. Property
Areas Included in D M A Project
Town and County Line
Lot Lines
Quarries
Serpentine — Schist Contact
Triangulation Stations
Diamond Drill Holes
Present Known Ore Bodies Excluded From DMA Project
Base Line, B1-B2.
PILOT HOLES
FOLLOW UP HOLES
Area No 2 Brown Lot-Quarry
146 Acres
Eden Quarry (Abandoned)
Stone Bound
Area No 3 No 2 Tower
78 Acres
Area No 4 Magnetometer
Lowell Quarry
203 Acres
"C" Area
Area No 1 "T" Area
178.0 Acres
University Lot
Brown Lot
New England Lot
Gobel Right Lot
Corey Pond
Base Line
Lowell
Eden
Mill
Lot 1 Range 16
Lot 2 Range 14
Lot 1 Range 14
Lot 2 Range 13
Lot 3 Range 13
Lot 3 Range 12
Lot 2 Range 12
Lot 1 Range 12
Lot 1 Range 11
Lot 20 Range 12
Lot 20 Range 11
Lot 19 Range 12
Lot 18 Range 12
Lot 18 Range 11
N 102 000
N 100 000
N 98 000
N 96 000
E 90 000
E 92 000
E 94 000
E 96 000
E 98 000
E 100 000
The RUBEROID Co.
Vermont Asbestos Mines
Exploration Project 2
DMA-2080-X
DR — TR L. J. SCALE 1" = 400'
DATE 28 Feb 52 DWG. NO. F2-12

Section through Belvidere Mtn. Ultramafic
1" = 500' (vertical & horizontal)



Holes not in line of section (see map) are projected perpendicular to section.

Holes with % not noted are in general <1%.


102,000 N.
101,000 N.
100,000 N.
99,000 N.
Cover
A
A'
Lowell Quarry
Eden Quarry
T4-6
T4-5
T4-7
T4-3
T4-8
T4-3
T2-9
T2-2
T2-5
T2-4
T4-4
T4-1
T4-2
3M-22
3M-9
TRUE North Grid
1" = 500'
Amphibolite outcrops
Qtz. musc. chl. white schist outcrops
Ultra mafic
Vertical drill hole
Inclined drill hole
A-A' Line of Section
U.S. Geological Surv

Form MF-103
(April 1951)

U. DEPARTMENT OF THE INTERI
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

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

DO NOT FILL IN THIS BLOCK

Docket No. DMA 2080

Date received 9-17-51

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 17 1951

The Ruberoid Co.,
Vermont Asbestos Mines Div.,
Hyde Park, Vt.

Name and address of applicant

Date Aug. 27, 1951

FILL IN THIS BLOCK

Date of application August 27, 1951

Estimated cost 667,196

Mineral or metal Chrysotile Asbestos

Percentage of Government participation 90

Location of mine Eden & Lowell, Vermont

Date of filing MF-100 May 22 1951

DMA Docket Number, if available 2080 ~~1210K~~

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.

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

NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:

(*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.

(*b*) State briefly the known history and production of adjoining and neighboring properties.

(*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:

(*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)

(*a*) Describe the ore or mineral deposits briefly.

(*b*) Submit available maps and assay data.

(*c*) Give estimated tonnage and grade of each class of ore reserves.

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

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:

(*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.

(*b*) Supervisors, by numbers and positions, with salaries of each.

(*c*) Cost of necessary repairs to existing facilities, structures, and buildings.

(*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.

(*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.

(*f*) Cost of rental for equipment which the operator proposes to rent.

(*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.

(*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.

(*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

The Ruberoid Co
(Name of company)

By A C Conran
(Signature of authorized official)

9/5/51
(Date)

Vice President
(Title)

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

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

The RUBEROID Co.
500 FIFTH AVENUE
New York, N. Y.

REPLIES TO QUESTIONS - FORM MF-103

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER NO. 5 UNDER DEFENSE PRODUCTION ACT - 1950.

(1) The Ruberoid Co., a Corporation.

(2) Not applicable.

(3) See MF-100.

(4) See MF-100.

(5) Owner, approximately 2500 acres.

(6) None.

(7) Not applicable.

(8) Last annual report enclosed herewith.

(9) 10% of the cost of the project as detailed in Question 23 of this application form. Total estimated cost of project is $67,196.00.

(10)

(a) See attached property map on which the areas to be prospected have been clearly marked and named.

(b) (1) "T" Area - Eden Township
Part of Lot 162 & Lots 19 & 20, Range 12.

(2) Brown Lot - Quarry Area - Eden & Lowell Townships
Part of Lot 163 (Eden) and part of Lot 1, Range 14 (Lowell).

(3) Tower 2 Area - Eden & Lowell Townships
Part of Lot 162 (Eden) and part of Lot 1, Range 14, and part of Lot 1, Range 13 (Lowell).

(4) Magnetometer Area - Eden & Lowell Townships
Part of Lots 19 & 20, Range 11 (Eden) and part of Lots 1, 2 & 3, Range 12 (Lowell).

(11) The Ruberoid Co., Vermont Asbestos Mines Division.

(12) See MF-100.

(13) See MF-100.

(14) Core Testing and Fiber Research Laboratory for evaluating the cores and testing length and quality of fiber. Complete diamond drill equipment for work which may not be done by a drilling contractor.

(15) Ore would be taken by truck, conveyor belt or tram line to the present mill. (See location on the enclosed map).

(16)

(a) All the areas noted in Question 10 have been diamond drilled to some extent and the Brown Lot - Quarry Area contains the old

The RUBEROID Co.
500 FIFTH AVENUE
New York, N. Y.

(16) (a) continued -
Eden Quarry which produced until 1943. The drilling done was in the nature of pilot work to indicate which areas were worth the greatly expended drilling program now being planned. Any further production from the Eden Quarry will depend on successful deep drilling.

(b) None.

(c) All the areas are on the property of Vermont Asbestos Mines, Division of The Ruberoid Co., which is a proven operating property with ore reserves established for over 15 years.

(17) New exploration areas not yet in production.

(18) Not applicable until after exploration program is completed.

(19) Vermont Asbestos Mines property is largely underlain by serpentine and there are many outcrops showing asbestos fiber. To explore the whole property will take time and a considerable budget, work which will be done by the mine over a period of years. A DMA project on this property will speed the exploration work, which, if successful, will give a basis for increased production of all grades of asbestos fiber.

(20) Chrysotile asbestos deposits which will yield a good percentage of Group 3 and 4 fibers. As spinning fibers, now in short supply, are never produced in any ore body without an accompanying preponderance of shorter fibers, the goal is to locate by drilling fiber bearing ore bodies which will contain at least 5% to 15% of spinning grades, a satisfactory average content.

(21) The 1952 (12 mos.) program outlined in this application is basically one of drilling the most encouraging potential mine areas on the Vermont Asbestos Mines' property. The surveying and mapping work, plus geological and ground magnetometer studies, are for the purpose of locating the drillholes as advantageously as possible. It is proposed to both contract for the drilling and use the mine drill equipment and thereby do in one year the work which the mine would normally spread over 2 to 3 years. In this way any undiscovered orebodies will be found in a relatively short time and preparation can then be made to mine them and increase the mill capacity, the latter operation not being warranted at the present time unless new ore reserves are discovered.

The proposed work calls for the drilling of about 42 holes averaging in depth from 100' to 200' for a total of 12,000 feet. The four areas to be explored (See Question 10) will normally be drilled in sequence as weather permits (the higher mountain areas in summer when water is abundant and transportation facilitated) but the final decision as to new drill locations will be left flexible enough so that a worthwhile discovery in any one area can be concentrated on even though this means that one or another of the four chosen areas would not be explored during 1952. The reasoning here is evident since the purpose of the program will be to find an orebody, and more than one if possible, and not just spread the drilling over as wide an area as possible.

THE RUBEROID Co.
500 FIFTH AVENUE
New York, N. Y.

(21) continued -

One field party (geologist, surveyor and assistants as detailed below) will be working ahead of the drilling throughout 1952 as required, and field supervision will be in the hands of J. K. Gilmore, Mine Geologist. Overall supervision will be by M. J. Messel, General Superintendent of the Vermont mine, aided by W. B. Millar, Consulting Geologist.

(22) See attached report by W. B. Millar, Consulting Geologist.

(23)

(a) Survey Party (6 mos. full time in field)

1	Instrument Man (12 mos. field & office) 2400 man-hours @ 1.27, the approx. average hourly rate including overtime	$4,176.00
3	Laborers, 3600 man-hours @ 1.16, approx. average hourly rate, including overtime	4,176.00

Core Drilling (6 mos. full time)

2	Drill Runners, 2400 man-hours @ 1.42 approx. average hourly rate	3,408.00
2	Drill Helpers, 2400 man-hours @ 1.24 approx. average hourly rate	2,976.00

Core Testing

1	Core Tester, 920 man-hours @ 1.87 approx. average hourly rate	1,720.00

Geological Work

1	Assistant Geologist (working half-time throughout the year). Approx. salary including overtime, $200. per month	2,400.00
1	Laborer, 1200 man-hours @ 1.16, approx. average hourly rate including overtime	1,488.00
	Total (23-a)	$21,736.00

(b) Consulting Geologist
Part time @ $100 per month — $ 1,200.00

Mine Geologist (Supervision of Exploration)
Part time @ $80 per month — $ 960.00

(c) None.

(d) None.

(e) None.

(f) Diamond Drilling by contract
6000' @ $4.00 per foot — $24,000.00

The RUBEROID Co.
500 FIFTH AVENUE
New York, N. Y.

(23) continued -

(g) Vehicles for transportation of field parties 5,000 miles @ 6¢ $ 300.00

Core Drill, 6000' @ $3 per foot $ 18,000.00
Note: Price includes all operating supplies and items such as moving drill to locations. In short, everything except wages which are listed in 23 (a). Price is equivalent to contract price of $4.00 per foot less wages of driller and helper.

(h) Materials and supplies such as core boxes, small tools, drafting and office supplies, tapes, rods, stakes, etc. $ 1,000.00

(i) None.

Total estimated cost of project $67,196.00

(24) The work schedule will depend to some extent on the date work commences and weather conditions.

Core drilling will be carried on during the winter months unless conditions become too severe. Field parties, however, are generally limited to a 6 to 8 months season.

It is planned to start work as soon as the contract is approved and to complete the project by the end of 1952. Some preliminary work has already been done so that drilling can be carried on this winter. Field parties would start in the spring of 1952 and complete the field work by late fall.

The budget in Question 23 has been set up on a 12 month basis with completion of the contract scheduled for not later than the end of 1952.

The RUBEROID Co.
500 FIFTH AVENUE
New York, N. Y.

GEOLOGIC BASIS FOR A DMA PROJECT ON THE PROPERTY OF VERMONT ASBESTOS MINES

The serpentine rocks and asbestos fiber occurrences on the property of Vermont Asbestos have been studied in more detail than has been possible elsewhere in northern Vermont. This does not mean that all the problems in connection with them have been satisfactorily solved, but it does mean that the search for new ore-bodies can be guided with greater skill along the slopes of Belvidere Mt. than in the more remote areas where geologic information is scanty and where the significance of detailed magnetometer work is less understood. The writer therefore holds the opinion that for some time to come the most favorable place to search for new asbestos deposits is on the Vermont Asbestos property where a good deal of accumulated experience can be brought to bear on the problem, and also because it is in general a sound plan to do exploration work close to well mineralized areas. That outside areas of potential merit should not be disregarded goes without saying and at the present time the company has such work in progress in conjunction with DMA.

The four areas for exploratory work which have been included in the new DMA application for contributory funds are all of considerable interest and geologically any one of them can be considered as favorably located. In the "T Area" preliminary drilling has shown ore grade core intersections 2100' apart with the intervening area largely covered by overburden and lying along a contact with the country rock schists which has a major flexure in it is always of special significance to the asbestos prospector.

The "Tower 2 Area" abuts the present operating quarry (Lowell Mine) and shows some well sheared serpentine outcrops carrying asbestos. Similar fiber-bearing serpentine can be seen where mining is now in progress in the Lowell Mine. The preliminary drilling in the area was encouraging with D. H. 11 having a fiber content of 2.47%.

In the "Brown Lot - Quarry Area" two types of exploratory drilling are justified. In one, the area below the old Eden Quarry floor will be examined, and in the other the twisting contact zone will be studied. The preliminary test holes

The RUBEROID Co.
500 FIFTH AVENUE
New York, N. Y.

along this contact carried asbestos but not up to ore grade except for short sections.

The "Magnetometer Area", so named because there are no serpentine outcrops and the contacts were located by surface magnetometer surveys, has three serpentine bodies large enough to be of interest. One of these in Lot 1, Range 12 was drilled without finding a minable ore zone, although the serpentine was well sheared and fairly well mineralized in some of the holes. Nothing is known concerning the remaining two serpentine bodies and a drill program for them is thus indicated.

It is interesting to note in conclusion that the airborne magnetic survey of the Vermont Asbestos property clearly indicated the probability that the best fiber areas on the property would be found in a circular ring (annulus) having as its approximate center the point (or small area) where the maximum magnetic "pull" (total field intensity) was recorded. All the four areas under discussion are located in this ring. Much more data remains to be compiled in connection with magnetic surveys over asbestos orebodies, but insofar as the work on and over Belvidere Mt. is concerned some useful information is already available to guide prospecting into the most favorable zones.

W. B. Millar
Consulting Geologist

August 23, 1951

WBM;vo

1950

ANNUAL REPORT

The RUBEROID Co.

64th year

386

The data herein are published solely for the information of the company's stockholders. No statement in this booklet is made for the purpose of inducing the purchase of any security issued by the company.

TO OUR STOCKHOLDERS

Your company's financial statements for 1950—its 64th fiscal year—are submitted herewith. In this annual report I shall endeavor to provide you with pertinent facts about the company's current operations and future outlook.

Earnings

Net earnings in 1950 amounted to $5,105,312, equivalent to $9.64 per share, on the 529,478 shares outstanding at the close of the year, compared with net earnings in 1949 of $4,198,300, equivalent to $7.93 per share, adjusted to the same number of shares.

Earnings before taxes in 1950 reached an all-time high of $9,450,695. Due, however, to the Government's greater requirements for revenue, the company's net earnings after taxes were substantially reduced by the increase in the Federal income tax during the year and also by the recent enactment of the excess profits tax retroactive to July 1, 1950. As a result, it was necessary to provide for estimated Federal taxes amounting to $4,345,383, compared with $2,897,959 in the previous year.

A comparison of the net earnings during the past ten years is shown in *Figure 1.*

Dividends

Cash dividends in 1950 amounted to $1,684,697, or $3.50 per share, compared with $1,422,145, or $3.25 per share in 1949.

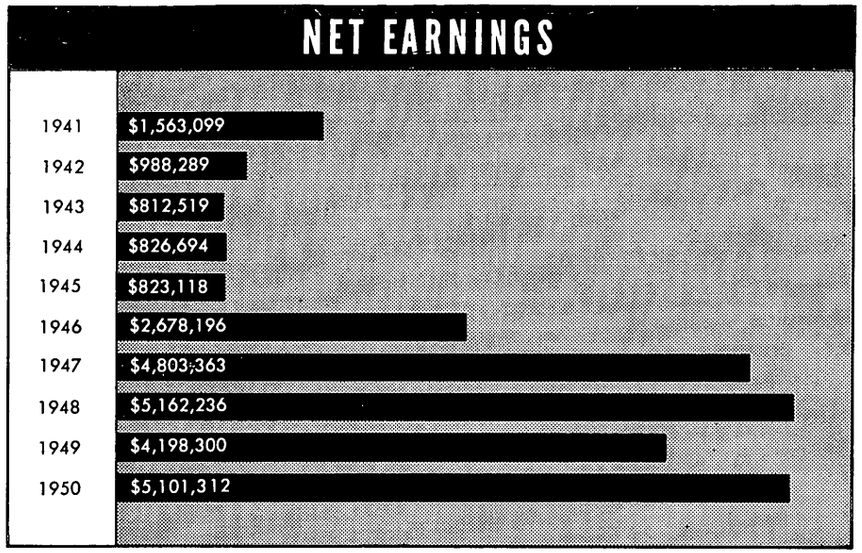


FIGURE 1

In addition, as in 1948 and 1949, a stock dividend of 10 per cent was distributed in December 1950. Although during the past three years stock dividends have been distributed, capitalizing a portion of the company's earnings reinvested in the business, it does not follow that this policy will be continued should earnings be depleted by higher taxation, or in the event of changed conditions.

At the close of the year 61.9 per cent of our stockholders held less than 100 shares each, and no one stockholder held as much as 5 per cent of the total shares outstanding.

Sales

Net dollar sales in 1950 broke all prior records, amounting to $61,925,242, compared with $50,267,987 in 1949. The company's net sales during the past ten years are shown in *Figure 2*.

Our sales in 1950 followed very closely the normal seasonal

The RUBEROID Co.

EXECUTIVE OFFICES

500 Fifth Avenue, New York 18, N. Y.

Sales Offices—Baltimore, Md.; Chicago, Ill.; Dallas, Texas; Erie, Pa.; Millis, Mass.; Minneapolis, Minn.; Mobile, Ala.; South Bound Brook, N. J.

Factories—Baltimore, Md.; Dallas, Texas; Erie, Pa. (Lake and 16th Street plants); Gloucester City, N. J.; Joliet, Ill.; Lowell, Vt.; Millis, Mass.; Minneapolis, Minn.; Mobile, Ala.; Port Neches*, Texas; St. Louis, Mo.; South Bound Brook, N. J.

*Arrangement with The Texas Company

Board of Directors

HERBERT ABRAHAM
C. F. BATCHELDER
F. E. BYRNES
W. G. COWAN
ANDRÉ EMSENS
C. F. EVANS
LOUIS HERSCOVITZ
G. F. KERR
E. M. RAILTON
M. C. WHITAKER
STANLEY WOODWARD

★ ★ ★

Officers

HERBERT ABRAHAM
President and Chairman of Executive Committee

STANLEY WOODWARD
Executive Vice President

E. M. RAILTON
Vice President

W. G. COWAN
Vice President

F. E. BYRNES
Vice President

G. F. BAHRS
Treasurer

T. H. DERMODY
Comptroller

K. H. BEHRE
Secretary

IDA L. GEIS
Assistant Secretary

★ ★ ★

Executive Committee

HERBERT ABRAHAM
C. F. BATCHELDER
E. M. RAILTON
M. C. WHITAKER
STANLEY WOODWARD

★ ★ ★

Stock Transfer Agent
BANK OF NEW YORK AND FIFTH AVENUE BANK
New York

Stock Registrar
THE CHASE NATIONAL BANK
New York

pattern, except in the last three months of the year when they exceeded those in any previous fourth quarter.

The price index of Ruberoid products included in the table on page 11 will show that our increases since 1941 have been most conservative, amounting to less than one-fourth of the average increase in all types of construction materials.

Figure 3 shows how each dollar received from our customers was utilized in 1950.

Capital Improvements

Appropriations for plant additions and improvements in 1950 amounted to $3,634,813, compared with a depreciation charge of $1,261,148. During the past ten years, as indicated in *Figure 4*, $21,140,747 have been appropriated for such purposes, of which approximately $3,453,546 remained unexpended at the close of 1950.

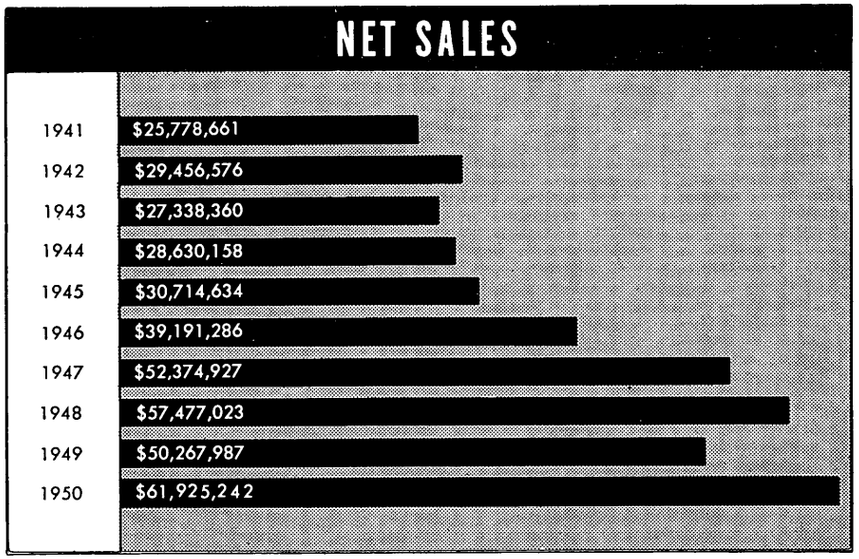


FIGURE 2

COMPARISON OF THE COMPANY'S BUSINESS

	1950	1949
Net Sales:		
Dollars (net)	$61,925,242	$50,267,987
Tonnage	1,083,039 tons	882,919 tons
Price realized per ton	$57.18	$56.93
Per share of stock	$116.96	$94.94*
Net Earnings:		
Total	$5,105,312	$4,198,300
Percentage of sales	8.2%	8.4%
Per share of stock	$9.64	$7.93*
Cash Dividends:		
Total	$1,684,697	$1,422,145
Percentage of net earnings	33.0%	33.9%
Per share of stock	$3.50	$3.25
Shares of capital stock outstanding at year end	529,478	481,344
Number of stockholders	2,526	2,427
Wages and Salaries:		
Total	$15,965,729	$13,338,719
Percentage of sales	25.8%	26.5%
Average number of employees	4,358	4,037
Direct Taxes:		
Total	$5,086,710	$3,447,859
Per share of stock	$9.61	$6.51*
Percentage of cash dividends	302%	242%
Percentage of net earnings	99.6%	82.1%
Current Position:		
Current assets	$16,793,699	$18,657,618
Current liabilities	$2,337,140	$1,642,255
Ratio current assets to current liabilities	7.2 to 1	11.4 to 1
Book Value of Capital Stock Per Share:		
Working capital	$27.30	$32.14*
Properties and investments (net)	$38.89	$28.43*
Other liabilities and reserves	*$ 2.68*	*$ 3.52**
Stockholders' equity	$63.51	$57.05*

*Adjusted to 529,478 shares outstanding at the close of 1950.

Summary of Capital Structure and Dividend Record of The RUBEROID Co. and Predecessor Companies*

Year	Shares Outstanding During Year	Dividends Per Share	Total Dividends
1889	10,000†	$3.00	$30,000
1890	10,000†	3.00	30,000
1891	10,000†	3.00	30,000
1892	10,000†	3.00	30,000
1893	10,000†	1.50	15,000
1894	10,000†	1.50	15,000
1895	10,000†	2.00	20,000
1896	10,000†	2.00	20,000
1897	10,638†	2.00	21,276
1898	11,817†	2.50	29,542
1899	11,821†	3.75	44,328
1900	11,826† 11,826§	10.00	118,260
1901	11,826§	12.00	141,912
1902	11,828§	15.00	177,420
1903	11,833§	20.00	236,660
1904	11,980§	18.00	215,640
1905	23,995§	10.00	239,950
1906	44,397§	9.00	399,573
1907	44,397§	9.00	399,573
1908	44,397§	7.00	310,779
1909	44,397§	9.00	399,573
1910	44,397§	9.00	399,573
1911	44,360§	9.00	399,240
1912	44,450§	8.00	355,600
1913	46,810§	7.00	327,670
1914	47,758§	3.00	143,274
1915	47,758§	4.25	202,971
1916	47,758§	5.25	250,729
1917	49,411§	6.00	296,466
1918	49,962§	5.00	249,810
1919	49,962§	2.00	99,924
1920	49,962§	4.00	199,848
1921	49,962§	4.00	199,848
1922	35,142§	4.00	140,568
1923	35,142§	$4.00	$140,568
1924	35,142§	4.00	140,568
1925	35,142§	4.00	140,568
1926	35,142§	4.00	140,568
1927	35,142§ 55,576#	2.00 2.00	70,284 111,152
1928	118,732#	4.00	474,928
1929	141,541#	4.00	566,164
1930	143,251#	4.00	573,004
1931	139,847#	4.00	559,388
1932	133,577#	2.00	267,155
1933	132,602#	1.00	132,602
1934	132,602#	1.25	165,752
1935	132,602#	2.50	331,505
1936	132,602#	4.00	530,408
1937	132,602# 397,806#	.45*a* 1.85*a*	59,670 735,941
1938	397,806#	.60	238,683
1939	397,806#	1.10	437,586
1940	397,806#	1.30	517,148
1941	397,806#	1.75	696,161
1942	397,806#	1.15	457,476
1943	397,806#	1.15	457,476
1944	397,806#	1.25	497,257
1945	397,806#	1.25	497,257
1946	397,806#	2.00	795,612
1947	397,806#	2.75	1,093,966
1948	397,803# 437,586#	3.25*b*	1,292,860
1949	437,586# 481,344#	3.25*b*	1,422,145
1950	481,344# 529,478#	3.50*b*	1,684,697
			$21,418,556

*Assets of "The Standard Paint Company" of West Virginia were acquired in 1905 by "The Standard Paint Company" of New Jersey and in 1921 the name of the latter was changed to "The RUBEROID Co." of New Jersey.

†Par Value, $25.00.
§Par Value, $100.00.
#No Par Value.

a. Total dividends paid in 1937, on the basis of the 397,806 shares outstanding at the end of the year, were equivalent to $2.00 per share, which included $1.40 in 4% Series A Dividend Notes.
b. Plus 10% stock dividend.

PRODUCTS The RUBEROID Co.

Asphalt and Tar Products

Asphalt Shingles and Sidings
Genuine RUBEROID Roll Roofings
Insulating Siding
Built-Up Roofing Felts and Adhesives
Roof Coatings and Plastic Cements
Preservative Coatings and Paints
Waterproofing Felts and Membrane
Pipe Line Protective Felts
Automotive Felts and Boards
Electrical Insulating Tape

Asbestos-Cement Products

Asbestos-Cement Shingles and Sidings
Building Board
Corrugated Sheets

Insulation and Fireproofing Products

Asbestos Pipe Coverings and Blocks
Molded High Pressure Insulations
Asbestos Papers
Rollboards and Millboards
Range-Boiler Jackets
Asbestos Gasket Board
Asbestos Fiber and Insulating Cements

Papers and Felts

Kraft Building Papers
Reinforced Kraft Packaging Papers
Waterproofed Sheathing Papers and Felts
Dry Felts for Roofings
Floor Coverings
Deadening Felts

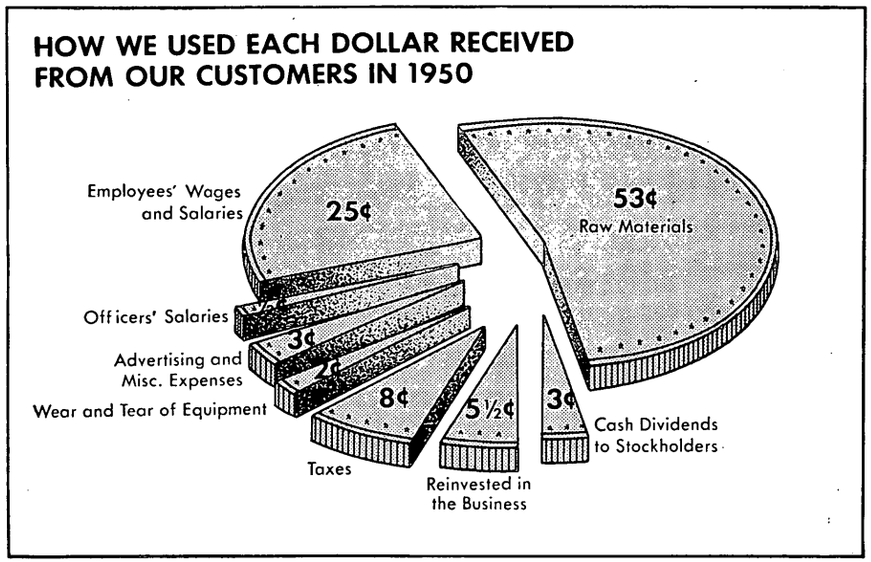


FIGURE 3

The established policy of reinvesting a portion of our earnings in capital improvements has resulted in greater efficiency and economy in our manufacturing operations, the development of new and improved products, increased production, and better service to our customers.

Operations

The average number of employees in 1950 was 4,358, compared with 4,037 in 1949. Wages and salaries paid during 1950 amounted to $15,965,729, an increase of $2,627,010 over the previous year. Our stockholders' investment in the company at the close of 1950 amounted to $7,716 per employee, compared with $4,668 ten years ago.

The trend in selling, advertising and administrative expenses during the past ten years, is shown in *Figure 5*. Our research organization has concentrated its activities in improving the effi-

ciency of our manufacturing operations and in enhancing the appearance and quality of our line of products.

The labor relations of the company were highly satisfactory throughout the year, with no work stoppages at any of our plants, partly as a result of our policy of taking into account the cost-of-living index and comparable area labor rates in arriving at wage adjustments. How the average hourly earnings index of Ruberoid employees compared with the rise in the cost-of-living index of the entire nation, is shown in the table on page 11.

Our organization has also made progress in performing its work with fewer accidents, due largely to the fact that our safety program is truly a cooperative effort, with all employees taking an active interest. As a result, during the past five years the number of lost-time accidents has been reduced by more than one-half.

As authorized at the last stockholders' meeting, the company's group insurance was liberalized to include greater coverage and

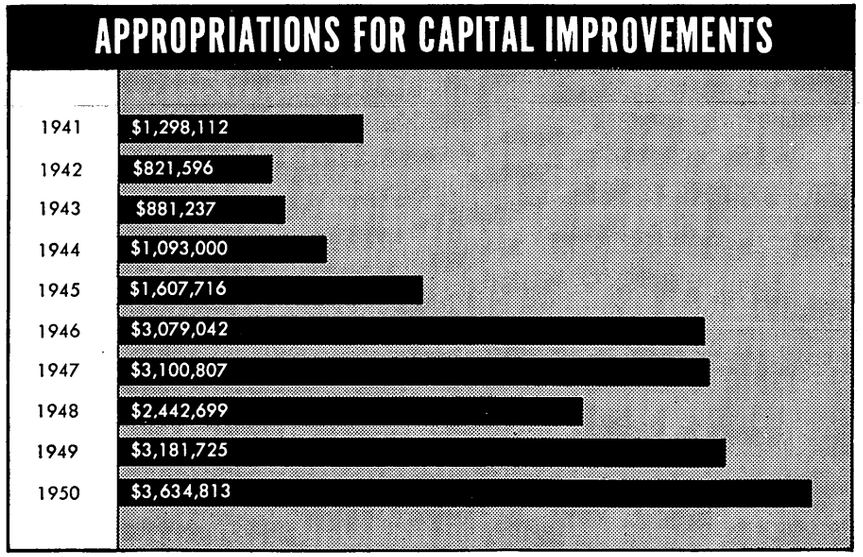


FIGURE 4

PRICE WATERHOUSE & CO.

56 PINE STREET
NEW YORK

February 26, 1951

To the Board of Directors of
The RUBEROID Co.

In our opinion, the attached statements present fairly the financial position of The Ruberoid Co. at December 31, 1950 and December 31, 1949, and the results of its operations for the years then ended, in conformity with generally accepted accounting principles applied on a basis consistent with those of the respective preceding years. Our examination of such statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

PRICE WATERHOUSE & CO.

Notes to Financial Statements
(CONTINUED)

NOTE 6: INVENTORIES:

	Dec. 31 1950	Dec. 31 1949
Raw materials and factory supplies	$ 3,218,651	$ 3,017,573
Products in process of manufacture	457,944	436,332
Finished products	1,775,445	1,462,831
	$ 5,452,040	$ 4,916,736

Inventories are valued at the lower of cost or market. Cost or market, as it applies to individual products of (a) finished products and products in process of manufacture, represents approximate cost based on standard costs or net selling prices, and (b) raw materials and factory supplies, represents average cost or quoted prices.

NOTE 7: OTHER INCOME, NET:

	1950	1949
Cash dividends received from The Ruberoid Company Limited (England) (NOTE 1)	$ 26,752	$ 34,976
Interest received	96,223	76,939
Reversal of reserve for contingencies provided in prior years	84,057	–
Net refunds of Federal income and excess profits taxes for the years 1941-1944	–	40,047
Miscellaneous other income	14,112	5,098
	$ 221,144	$ 157,060
LESS:		
Past service cost under employees' retirement plan	$ 65,000	$ 65,000
Interest paid	20,890	6,823
	$ 85,890	$ 71,823
	$ 135,254	$ 85,237

NOTE 8: Provision for Federal taxes on income for 1950 includes $350,000 for excess profits tax.

NOTE 9: Earnings for the year are shown after deducting depreciation and depletion in the amounts of $1,261,148 for 1950 and $1,144,377 for 1949.

NOTE 10: Stock dividends of 10% were declared in 1950 and 1949. Such dividends involved transfer of accumulated earnings to capital stock in the amounts of $48.33 and $44.90 per share in the respective years.

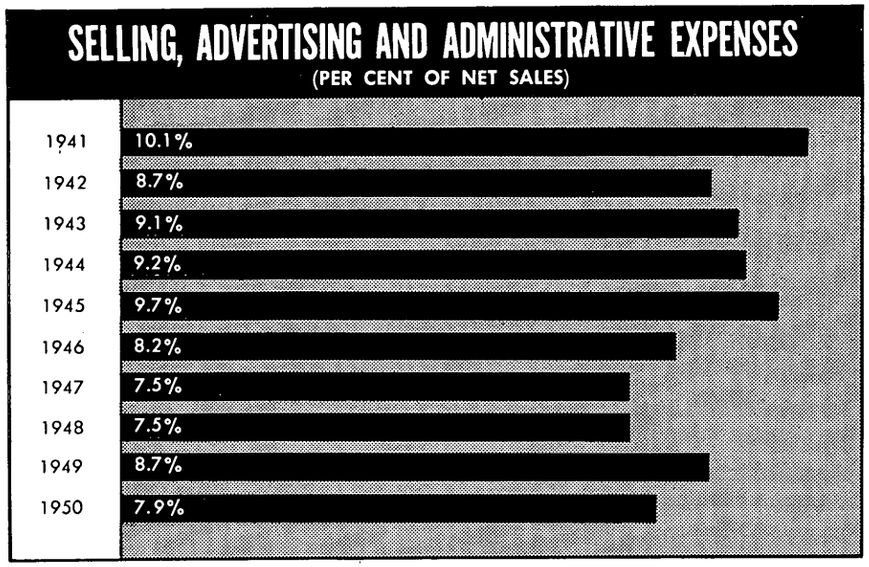


FIGURE 5

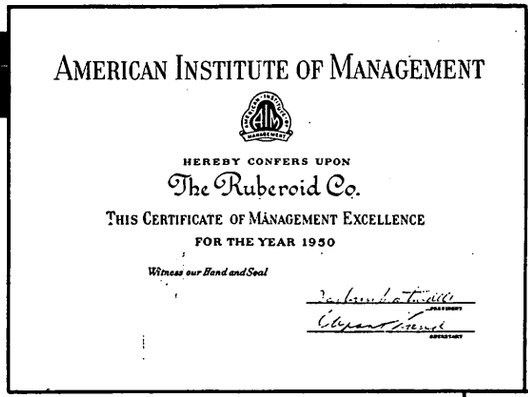
additional benefits for employees and their dependents. At the close of 1950, 81.9 per cent of the eligible employees were enrolled in our voluntary contributory retirement plan.

The company's total expenditures for various forms of employee benefits, including group insurance, retirement plan, vacations, compensation insurance, etc., amounted to $1,862,751 in 1950.

Executive Personnel

With deep regret we record the death on March 14, 1950, of Samuel P. Moffit, Executive Vice President of the company. A man who combined administrative ability and rare personal qualities in marked degree, his passing was mourned throughout the organization.

In May 1950, Stanley Woodward, formerly Vice President in charge of the company's Southern Division, was elected Execu-


AMERICAN INSTITUTE OF MANAGEMENT

HEREBY CONFERS UPON

The Ruberoid Co.

THIS CERTIFICATE OF MANAGEMENT EXCELLENCE

FOR THE YEAR 1950

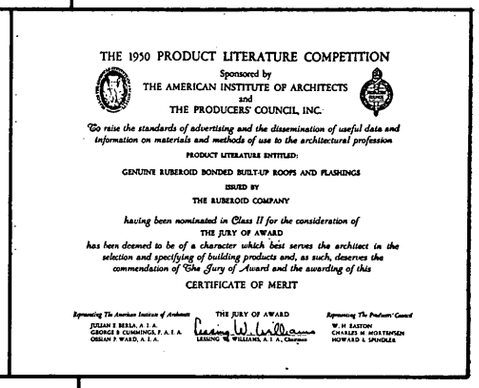
Witness our Hand and Seal

←

Certificate of management excellence in field of asbestos, asphalt and related building materials by the American Institute of Management. Award based on analysis of corporate policies and procedures.

→

For manual on built-up roofing "deemed to be of a character which best serves the architect in the selection and specifying of building products," Ruberoid was awarded certificate by American Institute of Architects and Producers' Council.


THE 1950 PRODUCT LITERATURE COMPETITION

Sponsored by

THE AMERICAN INSTITUTE OF ARCHITECTS

and

THE PRODUCERS' COUNCIL, INC.

To raise the standards of advertising and the dissemination of useful data and information on materials and methods of use to the architectural profession

PRODUCT LITERATURE ENTITLED:

GENUINE RUBEROID BONDED BUILT-UP ROOFS AND FLASHINGS

ISSUED BY

THE RUBEROID COMPANY

having been nominated in Class II for the consideration of

THE JURY OF AWARD

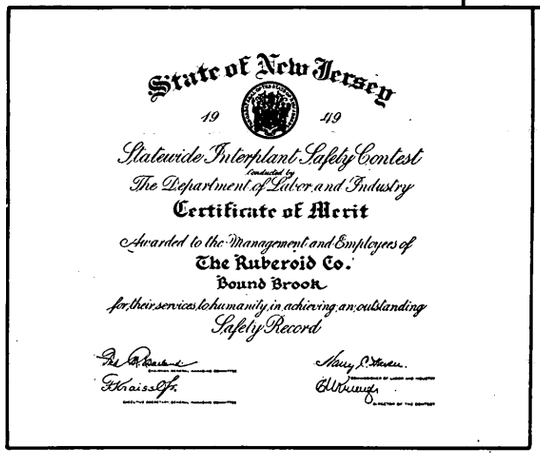
has been deemed to be of a character which best serves the architect in the selection and specifying of building products and, as such, deserves the commendation of The Jury of Award and the awarding of this

CERTIFICATE OF MERIT

Representing The American Institute of Architects: JULIAN E. BELLA, A.I.A.; GEORGE E. CUMMINGS, F.A.I.A.; ORRAN P. WARD, A.I.A.

THE JURY OF AWARD: LESSING W. WILLIAMS, A.I.A., Chairman

Representing The Producers' Council: W. H. EASTON; CHARLES W. MOSTEMAN; HOWARD L. SPINDLER


State of New Jersey

19 49

Statewide Interplant Safety Contest

Conducted by

The Department of Labor and Industry

Certificate of Merit

Awarded to the Management and Employees of

The Ruberoid Co.

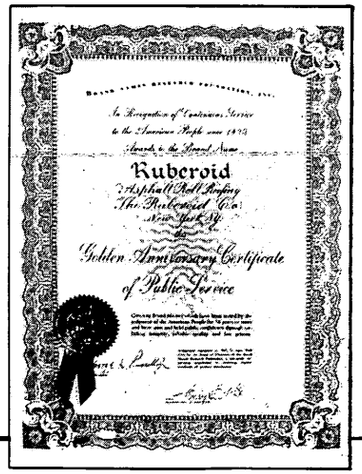
Bound Brook

for their services to humanity in achieving an outstanding

Safety Record

←

In recognition of low accident experience records at a number of our plants, the company received safety achievement awards from departments of labor of several states and the National Safety Council.


Ruberoid

Asphalt Roll Roofing

The Ruberoid Co.

New York, N.Y.

Golden Anniversary Certificate

of Public Service

→

Award by Brand Names Research Foundation, Inc., for the brand name "Ruberoid" which for 50 years or more "has won and held public confidence through unfailing integrity, reliable quality and fair pricing."

Notes to Financial Statements

NOTE 1: As shown by the unaudited accounts at December 31, 1950 of The Ruberoid Company, Limited, a partly owned English subsidiary company not consolidated, the equity of The Ruberoid Co. in the net tangible assets of this company amounts to approximately $1,075,000 (converted at $2.80 to the £). The increase of approximately $175,000 in such equity since December 31, 1949 represents unremitted profits.

NOTE 2: Pursuant to a resolution of the Board of Directors, cash in the amount of $1,799,000 and U. S. Government securities aggregating $1,651,000 in par value have been segregated as of December 31, 1950 for payment of improvements to plant facilities authorized by the Board but not completed as of that date.

NOTE 3: PROPERTIES, PLANTS AND EQUIPMENT:	Dec. 31 1950	Dec. 31 1949
At reproductive values as appraised by The American Appraisal Company in 1927, 1932 and 1936; subsequent additions at cost	$28,101,885	$25,674,388
Other assets at sale or useful values as determined by The American Appraisal Company, December 31, 1938	703,867	706,750
	$28,805,752	$26,381,138
Less: Reserves to reduce reproductive values to sound values as appraised, together with subsequent depreciation and depletion	11,683,666	11,342,378
	$17,122,086	$15,038,760

NOTE 4: CAPITAL STOCK:	Dec. 31 1950	Dec. 31 1949
Shares authorized, of no par value—958,864		
Shares issued and outstanding	529,478	481,344

NOTE 5: ACCOUNTS RECEIVABLE:	Dec. 31 1950	Dec. 31 1949
Customers	$5,668,237	$ 3,727,302
Sundry	217,271	100,727
Employees, principally advance payments under retirement plan	140,924	125,792
	$ 6,026,432	$ 3,953,821
Less—Reserves for cash discounts and bad debts	456,979	403,191
	$ 5,569,453	$ 3,550,630

Earnings

	Year Ended Dec. 31 1950	1949
Sales, less returns, discounts and allowances	$61,925,242	$50,267,987
Cost of goods sold	47,690,736	38,863,752
Gross profit on sales	$14,234,506	$11,404,235
Selling, advertising and administrative expenses	4,919,065	4,393,213
	$ 9,315,441	$ 7,011,022
Other income, net (Note 7)	135,254	85,237
	$ 9,450,695	$ 7,096,259
Provision for Federal taxes on income (Note 8)	4,345,383	2,897,959
Net earnings for the year (Note 9)	$ 5,105,312	$ 4,198,300
Deduct:		
Cash dividends of $3.50, 1950; $3.25, 1949	$ 1,684,697	$ 1,422,145
Stock dividend of 10% (Note 10)	2,326,316	1,964,735
	$ 4,011,013	$ 3,386,880
Earnings for the year reinvested in the business	$ 1,094,299	$ 811,420
Earnings of prior years reinvested in the business	12,903,953	11,340,533
Reversal of reserve provided in prior years for possible future extraordinary losses on accounts receivable and inventories	—	752,000
Accumulated earnings reinvested in the business, per statement on page 14	$13,998,252	$12,903,953

tive Vice President. Mr. Woodward has been associated with our company for the past 22 years. Previously he had been Vice President of Continental Roofing & Manufacturing Co., which he had helped to organize and which was acquired by Ruberoid in 1928.

Current Outlook

Prevailing world conditions have created problems of great concern to our country. Past experience has shown, however, that the American people can be counted on to act with united strength to preserve our cherished way of life. In that spirit, it will be the constant aim of the Ruberoid organization to exert every effort to help meet the nation's needs.

What those needs may be in the field of building cannot be estimated until the Government's requirements have been more fully developed. The generally confused economic conditions and consequent uncertainties which followed the outbreak of the Korean war may have a retarding effect on the building industry as a whole. It seems likely that, as in the period of World War II, our manufactured products will be used extensively in connection with the defense mobilization program. For example, asbestos-cement sheets are used in the construction of hangars and other airport facilities; built-up roofings for shipyards, cantonments, warehouses for stock-piling critical materials, and factories engaged in defense work; asphalt shingles and sidings for defense housing projects; high-temperature insulation for ship construction and waterproof papers for packaging overseas shipments. These products can be manufactured with our existing equipment without requiring plant conversion.

The company is also fortunate, in these days of increasing shortages, that a number of its principal raw materials are by-products of other essential industries. For example, asphalt is a residual obtained after gasoline, fuel and other oils have been distilled from petroleum; wood from our timber holdings, as well

as waste paper and rags, are used in making dry felt which is the base of all asphalt roofing materials; asbestos, another of our principal raw materials, is obtained from the company's mineral deposits in Vermont.

The management wishes to express to our stockholders and employees sincere thanks for their continued cooperation and support.

Respectfully submitted,

President

February 26, 1951

February 26, 1951

To the Stockholders of The Ruberoid Co.

In connection with our examination of the financial statements of The Ruberoid Co. as at December 31, 1950, as reported upon in our certificate appearing on page 19, we have also reviewed the statistical data set forth in the President's letter and on pages 11 and 21 of this annual report. In our opinion, such information has been compiled properly.

PRICE WATERHOUSE & CO.

Working Capital

	Dec. 31 1950	Dec. 31 1949
CURRENT ASSETS:		
Cash	$ 5,343,703	$ 6,520,403
United States Government obligations, at cost	—	3,225,000
Accounts receivable, less reserves (NOTE 5)	5,569,453	3,550,630
Inventories, at the lower of cost or market (NOTE 6)	5,452,040	4,916,736
Prepaid expenses	428,503	444,849
Total Current Assets	$16,793,699	$18,657,618
CURRENT LIABILITIES:		
Notes payable	$ —	$ 130,000
Trade accounts payable	1,463,447	803,159
Accrued wages and commissions	337,560	253,596
Sundry liabilities (principally property, franchise, social security and withheld taxes)	536,133	455,500
Estimated Federal income and excess profits taxes (after deducting U. S. Treasury notes, tax series: $4,914,000 in 1950; $3,340,000 in 1949)	—	—
Total Current Liabilities	$ 2,337,140	$ 1,642,255
WORKING CAPITAL, per statement on page 14	$14,456,559	$17,015,363

Financial Position

	Dec. 31 1950	Dec. 31 1949
INVESTED IN THE BUSINESS:		
Working capital, per statement on page 15	$14,456,559	$17,015,363
Investments:		
Investment in partly owned subsidiary company not consolidated, at nominal value (NOTE 1)	1	1
Miscellaneous investments, at cost (less reserves of $2,968 in 1950; $2,969 in 1949)	15,627	13,548
Funds for improvement of plant facilities (NOTE 2)	3,450,000	—
Properties, plants and equipment, less reserves (NOTE 3)	17,122,086	15,038,760
	$35,044,273	$32,067,672
Other Liabilities and Reserves:		
Notes payable due after one year	$ —	$ 510,000
Reserves for guaranteed roofs, compensation insurance and other contingencies	1,417,545	1,351,559
	$ 1,417,545	$ 1,861,559
	$33,626,728	$30,206,113
STOCKHOLDERS' EQUITY REPRESENTED BY:		
Capital stock (NOTE 4)	$19,628,476	$17,302,160
Accumulated earnings reinvested in the business, per statement on page 16	13,998,252	12,903,953
	$33,626,728	$30,206,113

How Stockholders, Employees, Customers and Government Shared During 1950 (Index 1941=100)

STOCKHOLDERS

Year	Cash Dividends Per Share	Index
1941	$1.75	100
1942	1.15	66
1943	1.15	66
1944	1.25	71.5
1945	1.25	71.5
1946	2.00	114
1947	2.75	157
1948	3.25*	186*
1949	3.25*	186*
1950	3.50*	200*

*Plus 10% Stock Dividend.

EMPLOYEES

Year	Cost-of-Living Index of the Entire Nation*	Average Hourly Earnings Index of Ruberoid Employees
1941	100	100
1942	110.7	115.1
1943	117.5	123.4
1944	119.3	128.5
1945	122.1	133.8
1946	132.4	153.2
1947	151.3	175.3
1948	162.8	193.2
1949	160.8	199.1
1950	162.8	208.7

*Based on data from Bureau of Labor Statistics.

CUSTOMERS

Year	Price Index All Construction Materials*	Price Index Ruberoid Products (Per Ton)
1941	100	100
1942	106.8	97.3
1943	107.9	100
1944	111.9	101.6
1945	114.1	98.5
1946	128.5	100.7
1947	174.0	112.8
1948	192.3	125.6
1949	187.4	123.1
1950	199.6	123.7

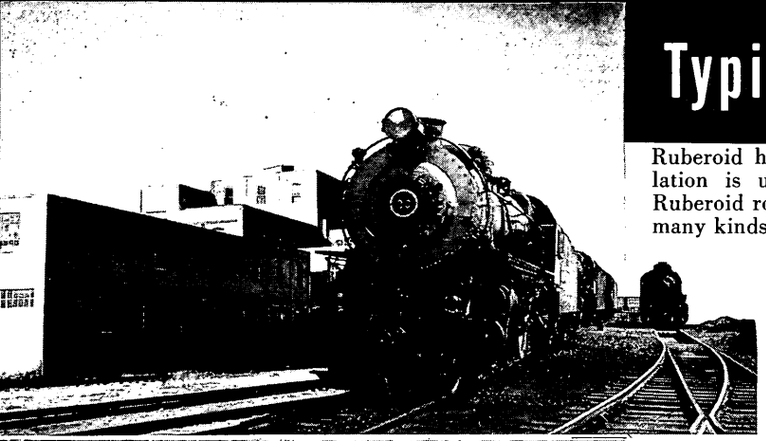
*Based on data from Bureau of Labor Statistics.

GOVERNMENT

(Federal, State and Local)

Year	Taxes	Index
1941	$1,817,453	100
1942	2,890,041	159.3
1943	1,734,092	95.4
1944	1,593,685	87.7
1945	1,799,098	99
1946	2,501,006	137.6
1947	3,883,049	213.6
1948	4,189,238	230.5
1949	3,447,858	189.7
1950	5,086,710	279.9

Typical uses of Ruberoid Products

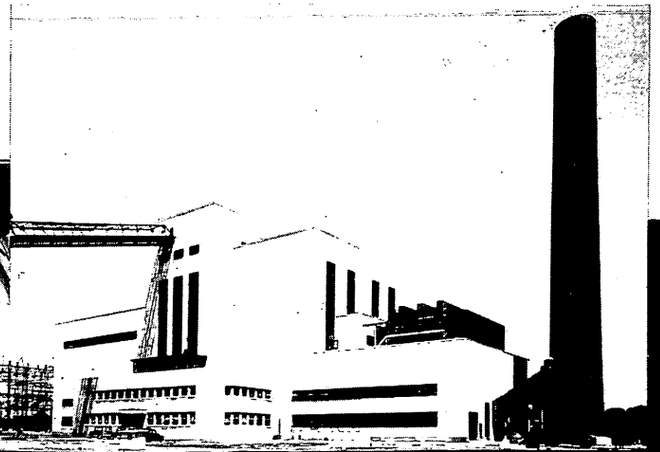


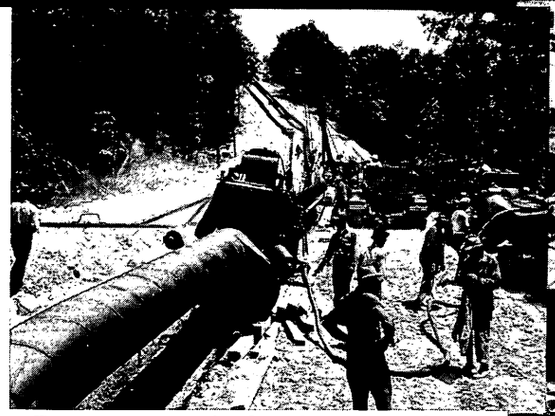
Ruberoid high temperature insulation is used for locomotives; Ruberoid roofings and sidings for many kinds of railroad buildings.

←Ruberoid built-up roofs protect thousands of public, business and industrial buildings, large and small.

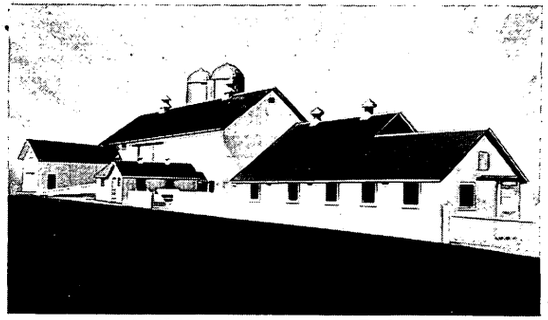
Ruberoid pipe coverings and other thermal insulation products are widely used in industry.

←Ruberoid asbestos roof shingles provide beauty and protection for many of America's finest homes.

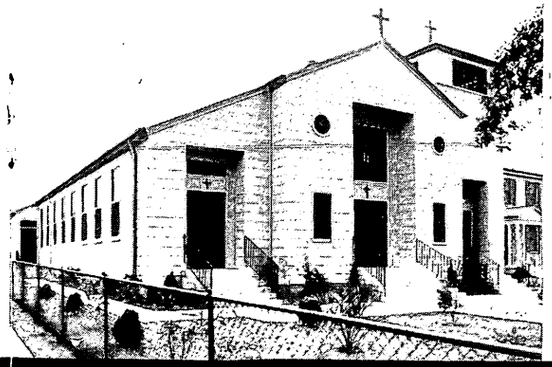


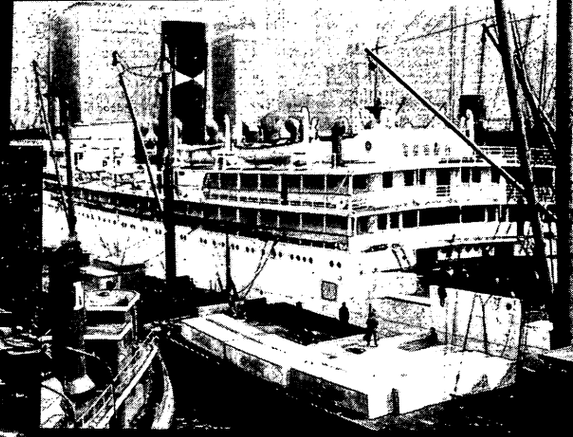


For protection of oil and gas pipe lines Ruberoid supplies large quantities of asbestos pipe-line felt.



Farm buildings sided with Ruberoid fireproof asbestos-cement board and roofed with Ruberoid windproof shingles.





Automobile industry uses Ruberoid panel board, sound deadening felts and asbestos millboard for engine gaskets.

Attractive basket-weave effect of Ruberoid windproof shingles adds charm to this modified ranch-type house.

Docket Copy

EXPLORATION PROJECT CONTRACT
THE RUBEROID COMPANY
DOCKET NO. DMEA-2080X

AMENDMENT NO. 3

It is agreed this 13th day of May, 1953 between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and The Ruberoid Company, each acting in consideration of the agreement of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E286 (Docket No. DMEA-2080X) dated April 1, 1952, as amended, is further modified and amended as of March 31, 1953, as follows:

1. Article 6(a) of the contract form is amended to include as allowable costs the following:

> To the extent that costs are set forth in Exhibit "A" as "agreed unit costs," they are in lieu of the actual costs that would otherwise be allowable costs of the project as provided in Article 6(a) of the contract form.

2. In Exhibit "A," under the heading "Statement of the Work," add the following:

> The following "new work" shall be performed:
>
> In Area No. 3, subject to Government approval, Hole T2-2 and Hole JM-11 shall be drilled deeper, and four or five additional holes shall be drilled, the aggregate total of all drilling not to exceed 3000 feet. Not in excess of 1000 feet of drill holes shall be reamed and casing set and pulled, or cemented and drilled out, as required.
>
> The additional holes shall start with Hole T2-6 indicated on the map attached hereto, made a part hereof, and entitled "Diamond Drilling Progress Map 7." The depth, spacing, and inclination of all holes shall be subject to Government approval.

3. In Exhibit "A," under the heading "Estimated Costs of the Project," add the following:

The Government will contribute to the costs of the "new work" not in excess of 3000 feet of drilling, on the basis of an agreed unit cost of $3.493 per foot therefor, and to the reaming and pulling and setting of casing, or cementing and drilling out, not in excess of 1000 feet, on the basis of an agreed unit cost of $2.30 per foot therefor, as they accrue for units of work actually performed, in lieu of actual costs. These agreed unit costs include all costs of the work, and this work may be performed by independent contractor without reference to the provisions relating to independent contracts and contractors in Articles 4(a) and (b), and 6(a)(1) of the contract form.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor the amount of any item designated as "allowable maximum."

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C F Mitteudorf
Administrator, Defense
Minerals Exploration
Administration

Approved
Butler
Hoot
Talbot

THE RUBEROID COMPANY

By [illegible]

United States Department of the Interior
GEOLOGICAL SURVEY
BOX 25046 M.S. 933
DENVER FEDERAL CENTER
DENVER, COLORADO 80225

IN REPLY REFER TO:

September 24, 1982

Mr. Paul A. Zevnik
Paul, Hastings, Janofsky & Walker
1050 Thomas Jefferson Street NW, Suite 600
Washington, DC 20007

Subject: Docket No. DMEA 2080X (asbestos)
The Ruberoid Company, Hyde Park, Vermont
Mine near Eden, Vermont, Orleans and Lamoille Counties, Vermont
Contract No. Idm E-286

Dear Mr. Zevnik:

Pursuant to your request for geologic data and information on the subject docket, we have duplicated the following for you:

Two final reports, one transmitted by the Ruberoid Company, including maps and geologic sections, logs of drill holes, Area No. 1, "T" Area, Area No. 2, Brown Lot-Quarry, Area No. 3, No. 2 Tower, Area No. 4, Magnetometer, a general description of the area, procedures, summary of results, and operator's costs.

The second report is a final DMEA report, prepared from the same data as that used by the Ruberoid Company obtained from monthly reports during the course of the contract.

Contract under which the exploration work was completed.

This data should be adequate for GAF's use, and we hope this will be of assistance to you.

Sincerely yours,

J. William Hasler

J. William Hasler, Chief
Office of Minerals Exploration

JWH:js

Enclosure

September 13, 1982

Mr. Paul A. Zevnik
Paul, Hastings, Janofsky & Walker
Attorneys at Law
1050 Thomas Jefferson St., NW, Suite 600
Washington, DC 20007

Subject: DMEA 2080 (asbestos)
Ruberoid Company
Belvidere Mountain
Lamoile and Orleans Counties, Vermont
Contract Idm E-286

Dear Mr. Zevnik:

Thank you for sending the affidavit signed by Patricia Corbutt, Assistant Secretary of GAF, attesting to GAF's successorship to the Ruberoid Company. It arrived today.

We have instructed the Geological Survey's Record Center in Washington, D.C. to send the file to this office in order to review the materials involved.

The material has not arrived as yet but we will inform you when it does arrive, and ascertain which material needs to be duplicated for GAF's use.

Sincerely yours,

J. William Hasler, Chief
Office of Minerals Exploration

JWH:js

RECEIVED
SEP 13 1982
gutt

LAW OFFICES OF
PAUL, HASTINGS, JANOFSKY & WALKER
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

OF COUNSEL
LEE G. PAUL
ROBERT P. HASTINGS
CHARLES M. WALKER

LOS ANGELES OFFICE
TWENTY-SECOND FLOOR
555 SOUTH FLOWER STREET
LOS ANGELES, CALIFORNIA 90071
TELEPHONE (213) 489-4000

ATLANTA OFFICE
SUITE 1100
230 PEACHTREE STREET, N.W.
ATLANTA, GEORGIA 30303
TELEPHONE (404) 588-9900

1050 THOMAS JEFFERSON STREET, N. W.
SIXTH FLOOR
WASHINGTON, D. C. 20007
TELEPHONE (202) 333-8500
CABLE ADDRESS: PAULHAST WSH
TWX: 710-822-9062

ORANGE COUNTY OFFICE
SEVENTEENTH FLOOR
695 TOWN CENTER DRIVE
COSTA MESA, CALIFORNIA 92626
TELEPHONE (714) 641-1100

WEST LOS ANGELES OFFICE
FIFTH FLOOR
1299 OCEAN AVENUE
SANTA MONICA, CALIFORNIA 90401
TELEPHONE (213) 451-2438

September 7, 1982

OUR FILE NO.

J. William Hasler
Chief, Office of Minerals Exploration
United States Geological Survey
Mail Stop #933
P. O. Box 25046
Denver, Colorado 80225

Dear Mr. Hasler:

This is a request under the Freedom of Information Act as amended. (5 U.S.C. §552).

This is to request on behalf of GAF Corporation ("GAF") a copy of all materials referring or relating to all contracts entered between the United States or any of its agencies and departments and The Ruberoid Co. as part of the Defense Minerals Exploration Program, pursuant to the Defense Production Act of 1950, 50 U.S.C.§§2061, et seq., including but not limited to all such materials referring or relating to contract docket number DMEA 2080 and project contract number Idm-E 286.

Enclosed please find an affidavit signed by Patricia Corbutt, the Assistant Secretary of GAF, attesting to GAF's successorship to The Ruberoid Co.

FOIA also provides that if only portions of a file are exempted from release, the remainder must be released. Therefore, this is further to request all non-exempt portions of such materials which are reasonably segregable. GAF hereby also reserves its right to appeal the withholding or deletion of any information.

GAF will, of course, pay reasonable costs incurred in locating and reproducing requested files.

If you have any questions regarding this request, please contact the undersigned.

As provided in FOIA, we expect to receive a reply within ten working days.

Respectfully submitted,

Paul A. Zevnik
for PAUL, HASTINGS, JANFOSKY & WALKER

Attorneys for GAF Corporation

PAZ:blh

Enclosure

STATE OF NEW YORK)
) ss
COUNTY OF NEW YORK)

AFFIDAVIT

PATRICIA CORBUTT, being duly sworn, deposes and says:

1. That she is currently Assistant Secretary of GAF Corporation.

2. That she knows personally of the matters herein contained and if called to testify concerning them under oath could and would testify competently thereto.

3. That she is authorized by GAF Corporation to make this affidavit.

4. That in 1967, The Ruberoid Co. merged with General Aniline and Film Corporation and that General Aniline and Film Corporation became the successor by merger to The Ruberoid Co.

5. That in 1968, General Aniline and Film Corporation changed its name to GAF Corporation.

Patricia Corbutt
Patricia Corbutt

Sworn to and subscribed before me this
3rd day of September, 1982.

Vanessa A. Morgan
Notary Public

My commission expires:

VANESSA A. MORGAN
Notary Public, State of New York
No. 24-4752730
Qualified in Kings County
Commission Expires March 30, 1984

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

Project Summary Report

By: Lawrence G. Houk May 5, 1954

1. DMEA Docket No. 2080 - Asbestos
Contract No. Idm-E286
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont

Operator: The Ruberoid Company
Hyde Park, Vermont

Operator's property rights: Owner

2. Contract - dated April 1, 1952

Work authorized:

6,000 ft. diamond drilling (subcontract) @ $4.00 per foot	$24,000.00
Labor, supervision and consultants	24,330.00
Operating materials and supplies	11,370.00
Depreciation allowable on operator's equipment	2,500.00
Transportation (operator's vehicles) Estimated 5,000 miles @ 6¢ per mile	300.00
Total estimated cost of project	$62,500.00
Government participation @ 90 percent	$56,250.00

Amendments -

No. 1, dated September 29, 1952, to change titles of various labor classifications.

No. 2, dated February 5, 1953, to allow recess from January 1, 1953 to April 30, 1953, and to extend the completion date to November 1, 1953.

No. 2a, dated July 15, 1953, to provide for drilling to be performed by subcontractor or by the Operator, or both. Maximum drilling increased to 6,131 feet with a reduction in per foot cost to $3.9145 at no increase in total cost of project.

No. 3, dated May 13, 1953, to allow 3,000 feet of drilling @ $3.493, and 1,000 feet of reaming and cementing @ $2.30 from funds remaining after footage called for in the contract was completed. No increase in total cost of project.

Work completed:

9,131 ft. diamond drilling @ $4.261	$38,908.28
6,202.7 ft. core drilling @ $3.546 (company)	21,994.50
Total cost of project	$60,902.78
Government participation @ 90%	$54,812.50

Work began on April 11, 1952, and was completed September 30, 1953. Operator's final report received December 31, 1953. Field Team's final report received in Washington Office April 5, 1954.

3. Audit Certificate issued December 10, 1953 (no exceptions).

Accepted cost	$60,902.78
Government participation @ 90%	$54,812.50

4. Certification of Discovery or Development issued April 23, 1954.

5. Comments:

How conducted: Efficiently and in a workmanlike manner.

Operation: Good.

Engineering: Good. The drilling costs achieved under this program were good. 9,131 feet of contract diamond drilling at $4.261 Ax core and 6,202.7 feet of Ax core by the company at $3.546 per foot.

Geologic premise: This property is underlain by serpentine and contains outcrops of asbestos fiber. All four areas had some drilling performed prior to the contract. The goal was to locate by diamond drilling fiber-bearing ore bodies.

Geologic criteria upon which the work was based: The serpentine area contained numerous outcrops of short cross and slip fiber asbestos.

Past production: Past production records are not available for publication since the Ruberoid Company is the only producer in the State. They are the largest producers of asbestos fiber in the United States.

Criteria Developed during project: The highly sheared zones of serpentine generally contain slip fiber. In the extremely sheared zones the fiber was frequently very short and weak. Cross fiber was found in blocky fracture systems with alteration zones along the fracture plains. The highly sheared zones have formed the economic deposits.

Future possibilities: Future possibilities for this deposit depend upon the need for asbestos for the insulating and building trades.

The value of discovery 7,940,000 tons at an average value of $2.95 per ton equals $23,423,000 according to the field team.

Recommendations:

Field Team recommends that a certification of discovery or development be issued.
Geological Survey - follow field team's recommendation.
Bureau of Mines - concur in field team's recommendation.
DMEA - certification of discovery or development.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/10	Murphy	500
	Dubinski	500
7/11	Tabbutt	800
7/11	Selfridge	120
7/11	Johnson	110
7-11	Fumich	100
		220

JUL 11 1962

Mr. L. M. Richmond
Assistant to Comptroller
The Ruberoid Co.
South Bound Brook, New Jersey

Re: DMEA-2080 (Asbestos)
The Ruberoid Company
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract Idm-E286

Dear Mr. Richmond:

We wish to thank you for your prompt remittance in reply to our letter of June 26, 1962, relating to additional royalty due the Government.

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development, dated April 23, 1954, all minerals mined or produced from April 1, 1952, to April 1, 1962, were subject to the Government's percentage royalty as set forth in said contract.

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

Sincerely yours,

George Fumich, Jr.

Director

FMMurphy/gla
7-10-62
cc to: Director's Reading File
Region IV (2)
Docket
Code 500

43683

The RUBEROID Co.
SOUTH BOUND BROOK
NEW JERSEY

OFFICE OF
THE COMPTROLLER

OFFICIAL FILE COPY
O. M. E
RECEIVED JUL 2 1962

DATE	INITIALS	
June 29, 1962		
7/2		800
		500
		220

U. S. Department of the Interior
Office of Minerals Exploration
Washington 25, D. C.

Re: DMEA-2080 (Asbestos)
The Ruberoid Co.
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract Idm-E286

Gentlemen:

Pursuant to your letter of June 26, we are enclosing our additional check in the amount of $1,444.20 completing payment in full of the royalty due and payable under Provision 9 of the specified contract. This additional payment is to correct our prior check so as to compute the 5% royalty based upon the sales value of the fibre produced rather than 1½% on the value of the ore produced.

Will we receive from you any further written notice that the acceptance of this check completes full and complete settlement of the contract and that any liens on the property are hereby extinguished?

Sincerely yours,

The RUBEROID Co.

L. M. Richmond
Assistant to Comptroller

LMR:vs

Enclosure

cc: Mr. T. H. Dermody
Mr. G. L. Palm (2)
Mr. I. E. Matthews

Fred, See me

Our thanks for the provisions which should be included in letter releasing lien
Goldhurst 7/6/62

OUR NUMBER	INVOICE DATE	AMOUNT	DEDUCTIONS	AMOUNT	NET AMOUNT
	6-28-62	1,444.20			
			DISCOUNT		1,444.20
			FREIGHT		

additional royalty payable on U.S. Dept. of Interior, office of minerals exploration contract DMEA-2080,c/o The Ruberoid Co. Vermont asbestos mines
reference : contract Idm-E286

DEBIT MEMO

The **RUBEROID** Co.

DETACH BEFORE DEPOSITING

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

JUL 2 1962

Memorandum

To: Chief, Fiscal Section
Division of Administrative Services
Office of the Secretary

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

Subject: DMEA-2080 (Asbestos)
The Ruberoid Company
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract Idw-8286

Enclosed for deposit to the subject DMEA account under symbol 14X4401 as a royalty receipt is check no. C 22500 dated June 29, 1962, in the amount of $1,444.20, drawn by The Ruberoid Company, New York, N. Y., on The Chase Manhattan Bank, New York, N. Y.

Enclosure

EDTalbert/ama 7-2-62

cc:
Docket
Director's Reading File
CA & A Division
Region IV Files (2)

43683

ME Form 7
10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/26	Talbert	800
"	Murphy	500
"	[illegible]	500
6/26	Selbridge	120
"	Robinson	110
6/26	Trump	100
6/26	Cole	220

JUN 2 6 1962

Mr. L. A. Richmond
Assistant to Comptroller
The Ruberoid Company
South Bound Brook, New Jersey

Re: DdEA-2080 (Asbestos)
The Ruberoid Company
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract Idm-5286

Dear Mr. Richmond:

Your June 22 letter, together with a copy of a June 19 memorandum from your mine superintendent, explains the determination of the value of production and the royalty payable under the referenced contract. The method used in computing the $41,263.04 value appears reasonable and in conformity with the contract terms. The percentage royalty, however, has been computed on the basis of the value per ton of ore ($3.64) rather than the value per ton of fibre ($115.56).

As was noted in my May 16 and June 12 letters, Article 9 of the contract specifically provides for the computation of the percentage royalty on the basis of the gross revenue or market value of the production in the form sold or held for sale, which in this case is fibre. Under this provision of the contract the applicable royalty rate is 5% rather than the 1½% used in your computation.

The proper royalty payable on the computed value of $41,263.04 is $2,063.15, or $1,444.20 more than the $613.95 remitted with your June 7 letter. Your prompt remittance of this balance due of $1,444.20 will be appreciated.

Sincerely yours,

George Fumich, Jr.

Director

EDTalbert/ama 6-26-62
cc:
Docket
Director's Reading File
CA & A Division
Region IV Files (2)

43683

The RUBEROID Co.
SOUTH BOUND BROOK
NEW JERSEY

OFFICE OF
THE COMPTROLLER

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 25 1962

DATE	INITIALS	CODE
6/26	CEW	800
		500

June 22, 1962

U. S. Department of the Interior
Office of Minerals Exploration
Washington 25, D. C.

Re: DMEA-2080 (Asbestos)
The Ruberoid Co.
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract Idm-E286

Gentlemen:

In response to your letter of June 12 questioning both the amount and the manner of determination of the royalty which we tendered you in our letter of June 7, I asked Mr. Matthews, the superintendent of our Vermont asbestos mine, for his views and for an explanation of the manner in which the sales value of the production on which our royalty was computed and a copy of his reply dated June 19 is enclosed for your information and guidance.

It is our opinion that the royalty which we have paid you is correctly computed under the terms of the contract; however, we would be most happy to consider further any different views you may hold after reviewing Mr. Matthews' letter.

Very truly yours,

The RUBEROID Co.

L. M. Richmond
Assistant to Comptroller

LMR:vs

Enclosure

cc: Mr. T. H. Dermody
Mr. G. L. Palm (2)
Mr. I. E. Matthews

The RUBEROID Co.

HYDE PARK, VERMONT

For Attention Mr. L. M. Richmond - So. Bound Brook Date June 19, 1962

Copy to Mr. T. M. Dermody - New York Reference

Your letter June 15, 1962

Subject DMEA-2080 - ASBESTOS

It is obvious that the Director, Office of Minerals, does not understand the method of handling an asbestos ore operation. In all probability they think in terms of base metals, such as copper, lead, zinc, etc. These can readily be assayed and values can be carried along to the final production to determine yield, gross value, etc., of the ore processed.

In our particular case, the problem is much more complex, and small tonnages are apt to get lost during the stock piling and milling operation.

In the first place, the ore from the area in question, was blended on the outside stockpile, with ore from other areas, in order to give as uniform feed, as possible, to the mill. This is done by operating not over eight hours in any one area, and then spreading on the pile with a bulldozer. This pile holds from 90,000 to 110,000 tons of ore and usually ore from two or more areas are dumped on the pile during any 24 hour period. The rate in which the ore is used depends upon the operating schedule of the dryers. Once the ore is dried, it is again dumped into a 6,000 ton surge bin, with a traveling conveyor, and is drawn off through various draw points at the bottom of the bin. The rate again is dependent upon the operating schedule of the mill.

From our past experience, we have found it most important, to blend the ores from the various levels, (9 in all), as much as possible to get a uniform mill feed. That is the reason for the storage piles and surge bin.

The reason for operating from the "C-T" Area during 1961, and prior to the expiration date of the contract, was to determine what effect the ore from this area would have on the blend of ore which was being fed to the mill. Not only were we interested in the value, but also in the quality of fibre recovered from the blending process. From the tonnage milled we were convinced that there was nothing detrimental to the blend of ore, using ore from the "C-T" Area in the mixture.

Therefore, it would be an impossibility to determine the number of tons of fibre produced, or the value per ton, from the ore mined and milled from the "C-T" Area.

In arriving at our calculations, we first planned to remove some 100,000 tons of ore from this area in 1961. This program was developed in 1960 and as the year of 1961 progressed there developed several reasons for not mining the volume as planned.

In calculating our mining program for 1961, we used the results of our core mill to determine the yield and value of fibre, which, in turn, gave us the estimated value per ton of ore ($3.64), for the 100,000 ton block. These results were based on 357 ft. of core drilling in twelve (12) holes. The yield was calculated at 3.15% and the fibre value at $115.56 per ton. On this basis we could recover

From 11,336 tons of ore, 357.08 tons of fibre, having a gross value of $41,863.04.

From the above explanation you can see that I have arrived at the same gross value of production that was previously reported, and I do not have any other facts that could be used to make the results come out to anything different.

Our laboratory method of calculating ore values from the core mill is very complicated and is the result of years of comparison with the actual milling of the ore in the production mill. I might add that our estimates, from year to year, have been fairly close and the method used in calculating the "C-T" Area ore is identical to those used on other areas.

In the Asbestos industry it is not customary to take mill head samples on a scheduled basis. We do, constantly, take tailings samples and occasionally we take head samples only to provide us with mill efficiency data.

I will be glad to discuss this matter with you, in more detail, however, I have no reason to believe that the royalties paid are not correct in every detail.

I. E. Matthews

IEM/vv

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/11	Fisher	800
6/11	Talbert	800
	Irswell	500
	Murphy	500
6/12	Selbridge	120
6/11	[illegible]	100
		220

JUN 1 2 1962

Mr. L. M. Richmond
Assistant to Comptroller
The Ruberoid Company
South Bound Brook, New Jersey

Re: DMEA-2080 (Asbestos)
The Ruberoid Company
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract Idm-E286

Dear Mr. Richmond:

This is to acknowledge receipt of your letter dated June 7 and to thank you for your check in the amount of $618.95. The remittance is accepted as a partial payment of the royalty due to the Government under provisions of the subject contract.

Article 9 of the contract provides that the percentage royalty, as set forth therein, shall be based on the gross revenue from sales in whatever form disposed of or, if not sold, on the market value of the material in the form in which it is held. In a letter dated May 14 Mr. Dermody stated that the ore was blended with ore from other areas and milled as a combined mill feed and that your company is unable to determine the quantities sold, and to which customers, or the quantities remaining in your warehouse, if any.

While we can understand that the ore from DMEA area would be blended with other ore in the milling process and that it would not be possible to follow the production from DMEA area through to sales or warehousing of the product, we still must insist on the computation of royalty payable to the Government based on the value of the product in the form sold or held for sale. It would seem that the quantity of products sold resulting from DMEA ore can be determined based on mill-head assays and that the value of such products can be determined based on average values of the total production sold during the period.

It is therefore requested that you please make such computation and promptly remit the additional royalty thus determined to be payable to the Government under provisions of Article 9 of the exploration contract.

Sincerely yours,

George Fumich, Jr.

Director

cc: Docket
Director's Reading File
CA & A Division
Region IV files (2)

CEFisher/ama
6-11-62

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

JUN 1 1 1962

Memorandum

To: Chief, Fiscal Section
Division of Administrative Services
Office of the Secretary

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

Subject: DMEA-2080 (Asbestos)
The Ruberoid Company
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract Idm-E286

Enclosed for deposit to the subject DMEA account under symbol 14X4401 as a royalty receipt is check no. C 22440 dated June 7, 1962, for the amount of $618.95, drawn by The Ruberoid Company on The Chase Manhattan Bank, New York, N. Y.

Enclosure

EDTalbert/ama 6-11-62

cc:
Docket
Director's Reading File
CA & A Division
Region IV Files (2)

43683

The RUBEROID Co.
SOUTH BOUND BROOK
NEW JERSEY

OFFICE OF
THE COMPTROLLER

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 8 1962

DATE	1962	CODE
6/11		800
		500

U. S. Department of the Interior
Office of Minerals Exploration
Washington 25, D. C.

Re: DMEA-2080 (Asbestos)
The RUBEROID Co.
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract IDM-E286

Gentlemen:

Pursuant to your letter of May 16, 1962 we are submitting herewith a certified statement accounting for all production from the subordinated land to April 1, 1962 together with our check in the amount of $618.95 in payment of the Government's royalties on such production.

We trust that this will conclude our requirements under this contract.

Very truly yours,

The RUBEROID Co.

OUR NUMBER	INVOICE DATE	AMOUNT	DEDUCTIONS	AMOUNT	NET AMOUNT
	June 6	618.95	DISCOUNT		618.95
			FREIGHT		

Payment in full of royalty due U. S. Government under provisions of DMEA 2080 contract, IDM - E286

DEBIT MEMO

The RUBEROID Co.

DETACH BEFORE DEPOSITING

TO WHOM IT MAY CONCERN:

This will certify that 11,336 tons of Asbestos Ore, having a total value of Forty-one thousand five hundred sixty-three dollars and four cents ($41,263.04), was mined from the land during the ten year (10) period, (April 1, 1952 - April 1, 1962) under the DMEA Contract, IDM-E286.

THE RUBEROID CO.

Mildred H. Black
Witness

By: I. E. Matthews
General Superintendent

STATE OF VERMONT)
COUNTY OF LAMOILLE) ss.:

On the 25th day of May, 1962, before me came I. E. Matthews to me known to be the individual described in and who executed the foregoing instrument and acknowledged that he executed the same.

Mildred H. Black
Notary Public

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
5/16	Talbert	800
5/16	Murphy	500
5/16	Selbridge	120
"	Johnson	110
5/16	Frank	100
		220

MAY 1 6 1962

Mr. T. H. Dermody
Vice President & Comptroller
The Ruberoid Company
733 Third Avenue
New York 17, New York

Re: OMEA-2080 (Asbestos)
The Ruberoid Company
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract Idm-E286

Dear Mr. Dermody:

Thanks for your May 14 letter returning our MME Form 63 request for information and advising that 11,336 tons of ore having a total value of $41,263.04 had been mined from the land under the referenced contract.

Article 9 of the contract provides for payment to the Government of a percentage royalty on any minerals produced from the land within ten years from the April 1, 1952, date of the contract. This article further provides that the percentage royalty, as set forth therein, shall be based on the gross revenue from sales in whatever form disposed of or, if not sold, on the market value of the material in the form in which it is held.

Your prompt submission of a certified statement accounting for all production from the subordinated land to April 1, 1962, together with a remittance for the Government's percentage royalty computed on the basis of the form in which sold or warehoused, will be appreciated.

Sincerely yours,

George Fumich, Jr.

Director

EDTalbert/ama 5-16-62

cc:
Docket
Director's Reading File
CA & A Division
Region IV files

43683

The RUBEROID Co.
SOUTH BOUND BROOK
NEW JERSEY

OFFICE OF
THE COMPTROLLER

OFFICIAL FILE COPY
O. M. E
RECEIVED MAY 15 1962

DATE		
5/16	Ken	800
		120
		100
		110
		500

May 14, 1962

U. S. Department of the Interior
Office of Mineral Exploration
Washington 25, D. C.

Attention: Willis R. Griswold, Chief

Re: DMEA-2080 (Asbestos)
The Ruberoid Co.
Vermont Asbestos Mines
Eden & Lowell Townships, Vermont
Contract Idm - E286

Dear Sir:

Completed MME Form 63 is enclosed in duplicate.

We are unable to answer specifically sections 2A and 2B. According to our records, we mined 11,336 tons of ore having a value of $3.64 per ton or $41,263.04. The ore was blended with ore from other areas and milled as a combined mill feed. For this reason we are unable to determine the quantities sold, and to which customers, or the quantities remaining in our warehouse, if any.

We are hopeful our explanation will serve your needs.

Very truly yours,

The RUBEROID Co.

T. H. Dermody

T. H. Dermody
Vice President & Comptroller

AKG:vs

Enclosure

cc: Mr. C. T. Limerick
Mr. I. E. Matthews
Mr. L. M. Richmond
Mr. G. L. Palm (2)

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since September 7, 1960, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since September 7, 1960, has there been any production from the land subject to the contract? Yes ☒ No ☐

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

	Quantity	Value
(see our letter 5/14/62)		

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

Type	Quantity		Estimated Grade	Location
Ore Concentrates	(see our	Tons		
	letter 5/14)	Tons		
Other		Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name [signature] Title Vice President & Comptroller

Address The RUBEROID Co.
733 Third Avenue
New York 17, N. Y.

Date May 14, 1962

4511

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

APR 17 1952

Re: DMEA-2080 (Asbestos)
The Ruberoid Company
Vermont Asbestos Mines
Eden & Lowell Townships, Vermont
Contract Idm-E286

The Ruberoid Company
Hyde Park,
Vermont

Gentlemen:

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

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

Sincerely yours,

Willis R. Griswold

Willis R. Griswold, Chief
Division of Minerals

ME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10/13	Selfridge	220
10/13	Johnson	110
		100
10/13	gad	220

OCT 13 1961

Mr. Philip Eckman
Mine Manager
Appalachian Sulphides, Inc.
Jefferson, North Carolina

Re: DMEA-2080 - Asbestos
The Ruberoid Company
Vermont Asbestos Mines
Eden and Lowell Townships,
Vermont
Contract Idm-E286

Dear Mr. Eckman:

Your letter of October 2, 1961, to the Director of the United States Geological Survey regarding the DMEA exploration project in Vermont with The Ruberoid Company has been referred to this office.

I regret to inform you that the information of the DMEA-OME files is considered confidential and for Government use only. However, we shall gladly release any information The Ruberoid Company submitted provided that we are authorized to do so in writing by that Company, the address of which is Hyde Park, Vermont.

Sincerely yours,

George Fumich, Jr.

Director

GCSelfridge/hb (10/12/61)
Copy to: Docket DMEA-2080
Director's Reading File
Harold Kirkemo, USGS, Rm. 5223
G. C. Selfridge
R.A.Lawrence, Region IV

43683

Letter discussed
with Selfridge by
telephone 10/10/61

Kis Bemo

10/8
RSA

OFFICIAL FILE COPY
O. M. E
RECEIVED OCT 11 1961

DATE	INITIALS	CODE
		140

APPALACHIAN SULPHIDES, INC.
JEFFERSON
NORTH CAROLINA

TELEPHONE - WEST JEFFERSON 4061

October 2, 1961

DMEA-V080
E V86

The Director,
United States Geological Survey,
Washington 25, D. C.

Dear Sir:

Some years ago the Ruberoid Company undertook an exploration program including diamond drilling in Vermont under D.M.E.A. Auspices. I understand that the project was not successful in locating a commercial deposit, and that the Ruberoid Co. has dropped its holdings and interest in the area.

Can the information submitted to D.M.E.A. now be released to the public, and if so can you please have it sent to us?

In general, under what circumstances can D.M.E.A. and O.M.E. information be released?

Yours very truly,

APPALACHIAN SULPHIDES, INC.

Philip Eckman

Philip Eckman,
Mine Manager.

PE/jb.

OCT 4 1961

125190

REQUEST FOR INFORMATION
FROM OPERATOR ON CERTIFIED PROJECT
AND PROJECT UNDER ROYALTY AGREEMENT

SEP - 1 CTL

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

From: ACTING Field Officer, OME
Region IV
Washington 25, D. C.

Date: August 29, 1960

Concerning:
Docket No. DMEA-2080
Property Vermont Asbestos Mine
Ruberoid Company
Location Lamoille County, Vermont
Contract Idm-E286

Ruberoid Company
500 Fifth Avenue
New York 18, New York

With the certification of the exploration project identified above, you were asked to inform our office about changes in the status of the property and production from it.

To assist you to furnish this information and to assure the accuracy of our records, we ask that you answer the questions below and return one copy to this office with copies of any pertinent documents.

ACTING Field Officer Lawrence G. Houk

1. Since Dec. 31, 1958, has there been a change in ownership, lease, or sublease about which the OME has not been notified? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents. Yes ☐ No ☒

2. Since Dec. 31, 1958, has there been any production from the property?* Yes ☐ No ☒

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

	Quantity	Value

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

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

Submitted by:

Name J. F. Matthews Title Gen Supt

Address The Ruberoid Co - Hyde Park Vt Date Sept 7 1960

MME Form 63 8-60 * Property means land subject to the contract. 79340-60

OFFICE OF MINERALS EXPLORATION

Certified Contracts - Inactive this period

Reporting Period: January 1, 1959 to June 30, 1959

DMEA-2080 (asbestos) Idm-E286, The Ruberoid Company
Asbestos Mines, Lamoille County, Vermont

DMEA-2376, Idm-E348 (iron) Warren Foundry & Pipe Co.
Hibernia Mine, Morris County, New Jersey

DMEA-2838, Idm-E549 (fluorspar), Minerva Oil Company
Fairbairn Tract, Hardin & Pope Counties, Illinois

DMEA-3338, Idm-E685,(fluorspar) Ozark-Mahoning Co.
Lloyd-Gibson Tract, Pope County, Illinois

DMEA-3507, Idm-E754(copper-lead-zinc) Virginia Mining Corp.
Dillwyn, Buckingham County, Virginia.

V. J. Lynch, Mining Engineer
U. S. Bureau of Mines (OME)
Region V

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 7 1959

DATE	INITIALS	CODE
8-7	gad	000
8/11	[illegible]	110
8/12	[illegible]	800
9/14	gla	500
		225

DMEA Form 7
(12-56)

2080

OFFICIAL FILE COPY

Date	Surname	Code
5/29	Mittendorf	100
6/4		225
		225

MAY 29 1957

Mr. C. T. Limerick
General Manufacturing Manager
The Ruberoid Co.
500 Fifth Avenue
New York 36, New York

Dear Mr. Limerick:

Thank you for your letter of May 17 in which you express your willingness to cooperate with Mr. Argall by furnishing him information concering your DMEA asbestos project in Vermont.

Accordingly, I have passed Mr. Matthews' address on to Mr. Argall and I presume he will contact him directly in due time.

The matter of review by both the operator and the DMEA has been the subject of recent correspondence between Mr. Argall and myself. I know that he intends to submit his written material to the mining company for its review in any instance where the information is obtained by his staff. He also suggests that DMEA make its review of his copy as edited by the mining concern. In a case where the company itself prepares the article, as some have offered to do, he indicates that he will suggest the article be submitted to DMEA for review and transmittal to the Mining World.

You may be assured that the DMEA will not disclose any details regarding the results of your project without your approval.

Thanking you again for your cooperation in the matter, I remain

Sincerely yours,

C. O. Mittendorf

Administrator

COMittendorf/esf
5/29/57
Copy to: Mails & Files
Admr. R. File
Mr. Mittendorf

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/6	Mattendorf	100
5/6	C	220
		225

DMEA-2040

600

8 MAY 1957

Mr. W. G. Carvan
Vice President, The Ruberoid Company
Hyde Park, Vermont

Dear Mr. Carvan:

I have had an exchange of correspondence recently with Mr. George O. Argall, Jr., Editor of the Mining World, who desires to publish an article in the nature of a review of some significant achievements of the DMEA program. He expresses his thoughts as follows:

> "I am thinking that a series of five or six case histories might prove exceptionally interesting to the entire geological and mining world. The examples should be carefully selected, perhaps one from each of the major regions, to illustrate how good geologic mapping or careful company analysis of structures, or an interpretation of geology on a district basis and applied to one deposit, contributed to major ore discoveries.
>
> "The purpose of this article would be to indicate that the DMEA has been worthwhile, that properly directed exploration is warranted, and that opportunity for exploration continues."

Mr. Argall hoped that my staff, together with a key engineer and key geologist in each of the regions, would cooperate with him in writing the article.

I have explained to Mr. Argall that it would be contrary to our policy to disclose any information about individual participants in the DMEA program. We do, of course, disclose the identity of a contract recipient at the time the contract is executed. After a contract is executed we conceal the percentage of committed funds actually spent, the results of the work accomplished, and whether a certification of discovery or development was issued. Likewise, we do not reveal the identity of those who have been denied DMEA assistance or of the applicants generally. I know you will readily appreciate the wisdom of this policy.

C

8623

I also told Mr. Argall that we of DMEA would like to see more articles of the type he has in mind, but that they must be initiated by the publishing medium and the individual operator working in cooperation with each other. He has expressed his willingness to proceed on that basis and appears anxious to get started as soon as possible.

One approach to the project would be to have Mr. Argall send out a fairly lengthy questionnaire to all of the 1013 operators who have received DMEA contracts, requesting certain specific information. The names, as you know, have already been made public through our regular press releases issued over the years. Such an approach would entail a long and tedious screening expedition with doubtful end results.

The general idea could be more effectively implemented if I furnished the Mining World with the names of several operators who have participated with DMEA in projects which I thought might provide interesting subject matter for case histories. In this connection it occurs to me that your project, DMEA-2080, Vermont Asbestos Mines, might be of special interest to the mining industry, but, of course, I would not even suggest your name without your prior approval. If granted, then I would expect the editorial staff of Mining World to assume responsibility for working up the details of the story, in cooperation with you or your representatives. I should appreciate your early reactions to this idea, and if favorable I will do no more than mention your name to Mr. Argall as one whom he might contact. If you do not approve, your reply will be kept confidential in my personal files.

Incidentally, Mr. Argall indicates to me that he will keep the name of the operator and the identity of the property confidential, by referring to case "A" or case "B", if the operator so desires.

With kindest personal regards,

Sincerely yours,

C. O. Mittendorf

Administrator

COMittendorf:gad
5/5/57
cc: Mails and Files
Admr. Reading File
Administrator
Field Team, Region V

FILE COPY
SURNAME:

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

JUN - 4 1954

Mr Michael J Mensel
General Factory Manager
The Ruberoid Co
Hyde Park, Vermont

Re: Docket No DMEA-2010-Asbestos
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract No Idm-R264

Dear Mr Mensel:

This responds to your letter dated May 11 requesting clarification of the Certification of Discovery or Development made under the subject contract Your letter inquires as to what it is that has been discovered in Area No 1, since the existence of chrysotile asbestos in the Area No 1 section of your property has been known for many years, and since the drilling program was not successful in finding mineralization which can be mined at present prices

Article 9 of the subject contract provided that: If, * * * the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, * * * may so certify in writing to the Operator You will note that the provision for certification is not confined to discovery but includes development as well You will note further that the provision does not require that production must be made Rather, it only requires a consideration by the Government that production may be made as a result of the discovery or development

Although the certification was made with the knowledge that asbestos mineralization was known to exist in Area No 1 prior to drilling under the subject contract

R.C.J.

and although the results of the drilling did not indicate that ore can be mined profitably at the present market rate, nevertheless, the Government considered that sufficient data were developed from which to infer that reserves of chrysotile asbestos exist. At some time in the future, within ten years from the date of the subject contract, these reserves may be mined and, in such event, the Government would be entitled to receive royalty. In these circumstances, the Government issued the certification.

Sincerely yours,

C. O. Mittenderf (fw)

Administrator

M:Rubin:lm - 6-1-54

Copies to: D. M. Larraber (GS)
Oliver Bowles (BM)
L. G. Houk (2)
Docket
C. O. Mittenderf
Adm R File
Field Team (2) Region VIII
Mr. Hofflund
Mr. Rubin
Chron
Pending

The Ruberoid Company

Re: Docket No. DMEA-2080 - Asbestos

Gentlemen:

Reference is made to your letter of May 11, 1954, asking for a clarification of terminology used in the Certification of Discovery on Area #1.

The conclusions regarding certification were made with the knowledge that asbestos mineralization was known to exist in Area #1 prior to DMEA drilling and that the drilling did not indicate a profitable enterprise could be started under present market conditions.

The Government considers sufficient data were obtained to infer reserves of chrysotile asbestos and does not mention the present commercial possibilities of the inferred reserves.

There is no obligation on the part of Ruberoid to prosecute a mining operation in this Area #1. However should the reserves become economic through price increase, or cheaper mining and milling costs and the area is mined then the Ruberoid is required to pay the royalty on production.

I hope the above will clarify your understanding of the Certification of Discovery.

Sincerely yours,

Administrator

RECEIVED
MAY 14 1954
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

DEFENSE MINERALS ADMINISTRATION

97023

PRODUCTION EXPANSION DIVISION

PROCUREMENT APPLICATIONS

Name of Company and Address _____

Name of Mine and Location _____

Docket No. DMA - _____ Date received by P.E.D. _____

Metals or Minerals involved _____

Length of Contract (preproduction plus production) _____

Amount of Metals or Minerals in tons, units or pounds _____

Floor price or Guaranteed price and whether or not escalated _____

Maximum Government Commitment _____

Comments on Contract: _____

_____

_____

_____

_____

_____

Date sent to Legal Division _____

Date of Recommendation to D.P.A. for Certification _____

Date Certification sent to G.S.A. by D.P.A. _____

Date signed into Contract by G.S.A. _____

Additional Remarks: _____

_____

_____

_____

_____

NOTE: If application is denied, or if it is recommended for change into exploration, etc., please state under additional remarks.

Inter-Duplicating Section, Washington, D. C.

Signed _____

The RUBEROID Co.

HYDE PARK, VERMONT

May 11, 1954

Defense Minerals Administration
RECEIVED
MAY 13 1954

Mr. C. O. Mittendorf
Administrator, Defense Minerals
Exploration Administration,
U. S. Dep't. of The Interior
Washington 25, D. C.

Re: Certification
Docket No. DMEA-2080 - Asbestos
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract No. Idm-E286

Dear Mr. Mittendorf:

In reply to your letter of April 26th., enclosing the Certification of Discovery on Contract No. Idm-E286 we would like to clarify the question of what exactly has been "discovered" in Area #1. The existence of chrysotile asbestos in this section of our property has been known for many years, and drilling prior to and during the DMEA contract, and subsequently, was based on the hope of finding mineralization which could be mined profitably as a separate orebody. We have not been successful in this as the average value of any selected tonnage large enough to make a profitable quarry is considerably below the cost of mining and milling such tonnage.

For the reason noted above, therefore, we feel that the "reserves of chrysotile asbestos", to use the terminology of the Certification, cannot be considered as a discovery but must remain, as the original work indicated, a scattered, pockety fiber mineralization which could only be a possible economic reserve at some fortunate future time when the present price of asbestos is about doubled.

Yours very truly,
THE RUBEROID CO.

Michael J. Messel
General Factory Manager

MJM:p

cc: Mr. C. T. Limerick

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 5-13

REFERRED TO:

1. ---
2. Legal
3. ---
4. ---

FOR:

---------- Action	---------- Recommendation
---------- Approval	---------- Record
---------- Comment	of ----------
---------- Conference	---------- Referring
---------- Consideration	to ----------
---------- Filing	---------- Reply for signa-
---------- Instructions	ture of ----------
---------- Investigation	---------- Rewriting
---------- Initials	---------- Signature
---------- Mailing	---------- Suggestions
---------- Previous correspondence	---------- Your information

RECEIVED
MAY 14 1954
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

REMARKS: Is this ok for form and interpretation

Nonmetallic Minerals

Check (X) before the items needing attention.

~~ROBERT E. [illegible]~~

Initials of sender.

GPO 16—63815-1

DOCKET COPY
Surname:
Hook
Cunningham
Burton
Hoffmeyer
Bowers
Hedges
Lodge
Johnson

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

600

MAY 10 1954

Mr. Irving Gumbel, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
Washington 25, D. C.

Re: Docket No. DMEA-2080 - Asbestos
The Ruberoid Company
Vermont Asbestos Mines
Eden and Lowell Townships,
Vermont
Contract No. Idm-1286

Dear Mr. Gumbel:

I am enclosing one copy of a Certification of Discovery or Development relating to the subject contract.

The exploration contract was signed April 1, 1952, with the Government participating to the extent of 90% of $62,500.00 or $56,250.00.

The project work was started on April 11, 1952, and completed September 30, 1953, after the expenditure of $60,902.78 which is the total accepted cost according to the Audit Certificate. The Government paid 90% of the total accepted cost or $54,812.50.

The work performed on this project consisted of 28 AX size diamond drill holes for an aggregate of 15,333 feet in three areas. In Area No. 1, "T" Area, five of the six holes in this area drilled under DMEA Contract encountered asbestos mineralization. Five company holes also intersected asbestos. The cores from the company drilling and the DMEA Contract were mill tested and indicate the average asbestos content is 3.52% with a value of $4.95 per ton. Approximately 7,940,000 tons of average 3.52% asbestos fiber is estimated above the floor of the adjoining "C" Area quarry. The average depth of the overburden is 16.8 feet.

The DMEA concurs with the field team evaluation of the work performed and has certified that a discovery or development has resulted from the work under this contract.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

Operating Committee
Field Team, Region VIII
Mr. Thayer, 5216 GSA Bldg.
Mr. Hedges, 4604
Mr. Hook

LHHook:gad 5/3/54
Copy to: Admr. R. File
Docket File
Mr. Johnson
Mr. Chambers

R.C.H.

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

May 4, 1954

Memorandum

To: Mr. Lawrence G. Houk, Director, Non-Metallic Minerals Division, Defense Minerals Exploration Administration

From: Commodity Specialist, Construction and Chemical Materials Branch

Subject: DMEA 2080X, The Ruberoid Company, Hyde Park, Vermont, Contract No. Idm-E286

The final report of the Field Team on this project, dated March 30, 1954, has been reviewed. The data presented in the report indicate that the drilling program conducted under this contract has established a reserve of more than 9,000,000 tons of indicated and inferred ore containing an average of 3.52 percent asbestos having an average value of $2.95 per ton of asbestos-bearing rock. Accordingly, I concur in the recommendation of the Field Team that a Certification of Discovery or Development be issued, and royalty payments on production be claimed.

Oliver Bowles

Oliver Bowles

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 4 - 1954

File Copy
Surname:

Houk
Talbert
Rothwell
Farrell
Hedges
Jeffrey
Fitzmaurice

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

The Ruberoid Company

APR 26 1954

Hyde Park, Vermont

Re: Docket No. DMEA-2080 - Asbestos
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract No. Idm-E286

Gentlemen:

Transmitted herewith is a Certification of Discovery or Development on Contract No. Idm-E286 on the Vermont Asbestos Mines, Eden and Lowell Townships, Vermont.

By the terms of the Exploration Project Contract and of the Certification, all production from the property from the date of the Exploration Project Contract, April 1, 1952, is subject to the Government's percentage royalty as set forth in the contract until the sum of $54,812.50 is paid, or until April 1, 1962, whichever occurs first.

Payments should be made to Mr. W. T. Millar, Executive Officer, Defense Minerals Exploration Administration Field Team, Region VIII, Bureau of Mines, Eastern Experiment Station, College Park, Maryland. Checks should be drawn payable to the Treasurer of the United States.

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

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

Sincerely yours,

C. O. Mittenderf (for)

Administrator

Enclosure

LOHouk:gad 4/23/54

Mr. Houk
Field Team, Region VIII
Mr. Thayer, 5216 GSA Bldg.
Operating Committee

Copy to: Mr. L. Fitz
Docket File
Mr. Johnson
Mr. Hodges
Mr. Chambers

R.C.S.

IN REPLY REFER TO:
G-MD-CNM

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

April 8, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2080 (asbestos)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Ruberoid Company
Location of property: near Eden, Vermont
Date of field team report: March 30, 1954
Authorship of field team report: H. L. Burmeister and Wallace Cady
Field team's recommendation: (Final report)
Certification of discovery.

Comments: 1 - Average asbestos content of richest cores was 3.52% with a value of $2.95/ton!

2 - 9,750,000 T. of "ore" (?) blocked out.

3 - This project has added to Ruberoid's knowledge of its reserves of asbestos for roofing, siding, and kindred uses.

ACTION RECOMMENDED:

Follow field team's recommendation.

D. M. Larrabee

D. M. Larrabee

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

April 5, 1954

Memorandum

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

From: Executive Officer, DMEA Field Team, Region VIII

Subject: Docket No. DMEA-2080X - (Asbestos)
The Ruberoid Company, Hyde Park, Vermont
Mine near Eden, Vermont, Orleand and
Lamoille Counties, Vermont
Contract No. Idm-E286

Transmitted herewith in quadruplicate is the Final Report on Completed Contract No. Idm-E286, by the Field Team, DMEA, Region VIII.

W. T. Millar

W. T. Millar

Enclosures - 4

Reviewed by
DMEA OPERATING COMMITTEE
4-9-54
(date)

FINAL REPORT ON COMPLETED CONTRACT

DMEA Docket No. 2080X - (Asbestos)

Contract No. Idm-E286

The Ruberoid Company, 500 Fifth Ave., New York 18, N. Y.
Vermont Asbestos Mines Division, Hyde Park, Vermont
Mine near Eden, Vermont, Orleans and Lamoille Counties, Vermont

by

Defense Minerals Exploration Administration
Field Team, Region VIII

March 30, 1954

Reviewed by
DMEA OPERATING COMMITTEE
4-9-54
(date)

FINAL REPORT ON COMPLETED CONTRACT

DMEA Docket No. 2080X - (Asbestos)
Contract No. Idm-E286

The Ruberoid Company, 500 Fifth Ave., New York 18, N. Y.
Vermont Asbestos Mines Division, Hyde Park, Vermont
Mine near Eden, Vermont, Orleans and Lamoille Counties, Vermont

By: H. L. Burmeister of the Bureau of Mines and
Wallace Cady of the U. S. Geological Survey

Summary:

The object of this program was to explore the possibilities of locating new deposits of asbestos or extensions of known deposits for the ultimate purpose of increasing the Nation's reserves of this strategic mineral.

The contract originally specified 15 months for completion (from April 1, 1952 to July 1, 1953). Completion date was extended by Amendment No. 2 to 19 months, (November 1, 1953), due to suspension of operations during severe winter weather. Labor classifications were revised by Amendment No. 1, dated September 29, 1952.

Drilling was done by both sub-contract and The Ruberoid Company using its own equipment. Maximum drilling was specified as 6,000 feet each for the sub-contractor and The Ruberoid Company. These footages were re-distributed by Amendment No. 2A.

Amendment No. 3 provided for 3,000 feet of additional drilling in Area No. 3 on a unit cost basis to be paid for out of unexpended funds.

Four separate areas all company owned were to be drilled. One of these, Area No. 4, adjoins the company offices and the three remaining areas are embraced between distances of 2,000 to 7,000 feet north and west of the company offices. After evaluation of data obtained by previous company drilling, Area No. 4 was eliminated from the drilling program by Amendment No. 4.

Twenty-eight AX size diamond drill holes were completed, for an aggregate of 15,333 feet and averaging 547.6 feet each in length. Drill cores were logged visually by a company geologist and also logged by a Government geologist. The entire core from each of the richest holes was test milled in the company laboratory.

Conclusions:

Areas Nos. 1, 2 and 3 were drilled to the satisfaction of both the Government and The Ruberoid Company. Although well planned geologically, the holes drilled in Areas 2 and 3 did not intercept strategic asbestos mineralization of economic grade or quantity. (Table No. 1).

In Area No. 1, figure No. 1, in the section outlined by dashed line, and containing DMEA drilled holes T19, T21, T22, T23, T24, T28 and the previously company drilled holes T6, T16, T18, 279 and 280, there was intercepted strategic asbestos mineralization of probable economic value. The average asbestos content of these cores, by mill tests in the company laboratory, is 3.52 percent with a value of $2.95 per ton. (Tables Nos. 1 and 2).

This area is estimated to contain approximately 9,750,000 tons of indicated and inferred ore below the overburden and above the bottom of drill holes. Approximately 7,940,000 tons of this estimated reserve lies above the present floor of the adjoining "C" area quarry. The average depth of overburden is 16.8 feet. (Fig. No. 2). What grade would be in existing quarry?

The value per ton of asbestos ore is determined principally by the percentage of recoverable asbestos contained in the rock and by the length of the fiber, and to a lesser extent, within certain limits, by the quality (iron content, "softness" or silkiness, and strength) of the fiber. If the columns of rock drilled are representative of the total rock mass, the quality of the fiber can be determined accurately from the results of diamond drilling, but the percentage

and length of fiber contained in the core does not generally reflect accurately the percentage and length of fiber recoverable in mining. Part or all of the fiber contained in a diamond drill core (the proportion depends upon how the drill intersects the vein) is in general shorter than would be recovered in mining, unless the axis of the core is parallel to the length of the fiber. An AX-core being only 1-3/16 inches in diameter, it is reasonable to assume that a considerable proportion of whatever long fiber exists is so cut by the drill that mill tests of the core show less than the proportion of longer grades of fiber recoverable in mining. Furthermore, both cross and slip fiber in fractured or highly sheared rock will tend to be ground in the sludge, materially reducing the percentage of asbestos recovered in the drill core. Thus the "experience factor" of fiber recovered in mining to that found in a small drill core, although not known, must be on the side of mining.

The greater concentrations of asbestos mineralization have been found to be near the contact of serpentine and amphibolite as is the case in Area No. 1.

Recommendations:

Based on the above conclusions, the Field Team considers sufficient exploration has been done to justify development in Area No. 1 and recommends that a Certificate of Discovery or Development be issued and royalty payments on the production be claimed.

Description of the Work Completed:

Work started under this contract on April 11, 1952 and was completed in September 1953. Prior geological work and some diamond drilling had been done by the company on each of the areas designated for drilling under this contract.

Magnetometer and dip needle surveys were made to locate contacts, then survey grids were laid out to locate drill holes. Using the results of previous and current geological work and current magnetometer and dip needle surveys, holes

were diamond core drilled in the most favorable locations. A total of 28 AX size diamond drill holes aggregating 15,333 feet and averaging 547.6 feet deep were completed. All holes were drilled from the surface through overburden of from 0 to 44 feet deep and averaging 16.8 feet. Drill cores were logged visually by a company geologist. The entire core from each of the 14 richest holes was test milled by the company in its laboratory.

Drilling was done by both the company using its own equipment and by the Joy Manufacturing Company as sub-contractor. The company drilled a total of 6,202 feet and the sub-contractor a total of 9,131 feet. This sub-contract drilling included 6,131 feet at an average overall cost of $4.261 per foot which was $1.202 below the authorized unit cost, and also 3,000 feet authorized by Amendment No. 3 at a unit cost price of $3.493 per foot. The cost of company drilling averaged $3.546 per foot, including surveying and part time staff and consulting geologist. This was $1.407 less per foot than the authorized unit cost.

Detailed results of all DMEA drilling are found in Table No. 1. Drilling in Area No. 1 totaled 5,611 feet, of which the company drilled 3,611 feet in 11 holes and the sub-contractor 2,000 feet in 2 holes. Logs of drill holes T6, T16, T18, 279 and 280, previously drilled by the company, were taken into account in calculating tonnages and values in this area. (See Table No. 2 and Figure No. 2). Five holes drilled under DMEA contract encountered good mineralization. Visual logs and test mill results of core from previously drilled holes are attached. (Table 2).

The total of 4,131 feet of drilling in 5 holes in Area No. 2 was performed by the sub-contractor. No asbestos mineralization higher than 1.6 percent was encountered, two of the cores being practically barren. Table No. 1.

In Area No. 3, 8 holes were drilled aggregating 5,591 feet, 2,591 feet in 5 holes being drilled by the company and 3,000 feet in 3 holes under Amendment No. 3, by the sub-contractor. From visual logs of the cores, the average asbestos content

of 7 of these holes is 0.47 percent; the remaining hole, T2-3 test milled 2.39 percent. The area surrounding hole T2-3 is fairly well delineated by drill holes offset to the northeast, northwest, south and southwest, and is separated from the operating Lowell Quarry by approximately 600 feet of serpentine which is indicated to be low in asbestos mineralization and a band of amphibolite approximately 300 feet wide.

Geology:

The asbestos in the areas covered by the contract is associated with ultramafic rocks, chiefly serpentinite and dunite. Ultramafic rocks are at depth beneath the summit area, and crop out chiefly on the southeastern flank, of Belvidere Mountain. The main body of ultramafic rocks crops out through a vertical extent of about 2,200 feet. Seven smaller bodies occur east of the main body, near and beneath the floor of the valley to the east of Belvidere Mountain. The outlines of the ultramafic bodies, as well as the distribution of adjoining country rock are shown in figure 3.

The country rock consists of bedded amphibolite and schist, metamorphic rocks of volcanic and sedimentary parentage. Two units of amphibolite are shown in figure 3: a predominantly fine-grained, lower unit and a predominantly coarse-grained upper unit.

The bedded rocks of Belvidere Mountain and vicinity form a homocline that dips moderately to steeply eastward in the east limb of the Green Mountain anticlinorium. The country rock that underlies the main ultramafic body forms a broad, open syncline -- little more than a homoclinal flexure in the east limb of the anticlinorium -- that plunges moderately southward; coarse amphibolite that caps the mountain and overlies the ultramafic rocks is at the core of this syncline. The southeastern contact of the main ultramafic body is bordered by amphibolite that before erosion was continuous with that which caps Belvidere Mountain. This

contact dips steeply eastward in the east limb of a small anticline that marks the eastern limit of the syncline beneath the main ultramafic body. The amphibolite east of the eastern contact of the main body is considerably folded so that the width of the amphibolite exposed there is probably several times the true thickness.

Some or all of the small ultramafic bodies east of the main body may connect with the main body at depth; they may be at the crests of anticlines, or be intrusive offshoots of the main body, or both. Many subsidiary folds that range from less than a foot to several hundred feet in amplitude affect the detailed pattern of both the country rock and the ultramafic rock, and locally east-west trending folds with axes at right angles to those associated with the Green Mountain anticlinorium further complicate the pattern.

All of the bodies of ultramafic rock east of the main body except that of the Lowell quarry are inferred, on the basis of information obtained by diamond drilling, to be wholly or almost wholly serpentinized. That of the Lowell quarry, which is very well exposed, is extensively serpentinized, but considerable fresh to moderately serpentinized dunite occurs, chiefly near the center of the mass. Much of the serpentinite retains the gross textural features of the dunite, but most, especially that near the margins of the body, is more or less highly sheared. The sheared serpentinite generally contains a greater proportion of asbestos than does the massive serpentinite or dunite, but some sheared zones contain little fiber. Most of the asbestos in the shear zones is slip fiber and is relatively short. Dunite and massive serpentinite generally contain a comparatively large proportion of longer cross fiber as compared to slip fiber, but the total content of asbestos is generally lower than in the sheared serpentinite.

The geologic relations of the main ultramafic body are generally similar to those of the Lowell quarry. Dunite showing a wide range in the amount of serpentinization occurs throughout much of the main body. Sheared serpentinite

commonly occurs at the margins of the body, but is also prominent at many other places. The distribution of asbestos relative to types of rock -- slip fiber in sheared serpentinite and cross fiber in massive serpentinite and dunite -- is similar to that in the Lowell quarry body. In the "C" area, in the easternmost part of the main body, the sheared serpentinite appears to contain a larger proportion of longer fiber than does the sheared serpentinite of the Lowell quarry body.

Expenditures:

Total amount approved	$62,500.00
Total cost of project (by audit)	60,902.78
Government's share of cost - 90% (by audit)	54,812.50
Government's share unexpended	1,437.50

Efficiency of Operations:

All phases of this exploration project were carried on by the operator in an efficient manner in spite of often inclement weather and almost always difficult terrain. This efficiency is evidenced by the $3.97 per foot cost for both company and sub-contract work, including all technical costs.

Equipment and Production:

No equipment was purchased for this property in which the Government has equity.

There was no production of marketable minerals during this project.

W. T. Millar

W. T. Millar, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

Quentin D. Singewald

Quentin D. Singewald, U. S. Geological
Survey Member, Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

College Park, Md.
March 30, 1954

TABLE - 1

AREA	HOLE No.	SUB-CONTRACT	COMPANY	INCLINATION	BEARING	LENGTH FEET	OVERBURDEN FEET	COMPANY VISUAL LOG (FEET, from-to)(%)	AVERAGE VISUAL LOG	TEST MILL RESULTS %	TEST MILL RESULTS $
1	T19		X	90°		198	2	2-32(1¾), 32-65(3½), 65-198(2¼)	2.4	3.39	2.80
1	T20		X	90°		201	28	28-201(¾)	0.75	1.23	0.99
1	T21		X	90°		202	28	28-202(2½)	2.5	2.60	2.34
1	T22		X	90°		206	33	33-157(2½), 157-206(1)	2.1	2.92	2.76
1	T23		X	90°		214	6	6-68(-1), 68-214(2½)	2.0	3.04	2.64
1	T24		X	90°		229	35	38-68(5), 68-229(2½)	2.9	5.31	3.82
1	T25		X	90°		236	44	44-236(1¾)	1.7	1.09	0.80
1	T26		X	45°	N	401	45	45-401(1¾)	1.7	1.52	1.10
1	T27		X	90°		232	10	10-46(¾), 46-76(2), 76-98(1¾), 98-116(2¾) 116-130(1), 130-232(2½)	2.0	2.77	2.16
1	T28		X	90°		288	15	15-152(1½), 152-242(3½), 242-288(2)	2.2	3.27	3.09
1	T29		X	90°		312	36	36-312(2¼)	2.25	1.93	1.64
1	T30		X	90°		302	12	12-117(¾), 117-219(1¼), 219-302(2¼)	1.3	1.36	1.25
1	T31		X	90°		590	15	15-135(2¾), 135-233(¾), 233-362(2½), 362-590(1)	1.5	1.23	0.74
1	T32	X		90°		1000	8	8-1000(-½)	0.4		
1	T33	X		90°		1000	10	10-1000(-½)	0.4		
2	EQ-1	X		90°		921	0	0-581(2½), 581-921(0)	1.6		
2	EQ-2	X		90°		1000	0	0-80(3½), 80-324(1½), 324-1000(1)	1.3		
2	EQ-3	X		45°	N70°W	730	9	9-160(2½), 160-363(1½), 363-730(½)	1.2		
2	EQ-4	X		90°		1000	0	0-1000(½)	0.5		
2	EQ-5	X		90°		480	11	11-480(0) all schist	0.0		
3	T2-1		X			209	24	24-209(0) all schist	0.0		
3	T2-2		X	45°	S45°W	455	17	17-99(0), 99-455(1½)	1.2		
3	T2-3		X	90°		734	3	28-217(2), 217-415(1), 415-734(3)	2.2	2.39	2.38
3	T2-4		X	90°		459	10	10-382(-½), 382-459(0)	0.3		
3	T2-5		X	90°		734	10	10-295(+1), 295-734(½)	0.7		
3	T2-6	X		90°		750	24	24-654(-½), 654-750 (schist)	0.3		
3	T2-7	X		71°	S51°E	1000	25	25-556(-½), 556-573(2), 573-928(-1), 928-1000(schist)	0.6		
3	T2-8	X		90°		1250	3	3-980(-½), 980-1043(1), 1043-1205(-½), 1205-1250(schist)	0.2		

TABLE 2

HOLES DRILLED PREVIOUS TO DMEA CONTRACT

AREA	HOLE No.	INCLINATION	BEARING	LENGTH FEET	OVERBURDEN FEET	COMPANY VISUAL LOG (FEET, FROM-TO) (%)	AVERAGE VISUAL LOG	TEST MILL RESULTS	
								%	$
1	279	90°		204	20	Too short intervals to record (To 140') (To 204)	2.4 / 2.1	3.68	2.98
1	280	90°		172	2	2-45 (6), 45-100 (1⅓), 100-125 (3), 125-172 (1½)	2.8	4.25	3.48
1	T1	90°		200	6	91-175 (1½), 175-200 (3)	1.2	2.95	2.38
1	T6	90°		200	15	18-200	2.9	3.69	2.97
1	T16	90°		220	18	18-220	—	3.20	272
1	T18	90°		297	15	15-297	2.1	3.33	2.86

THE RUBEROID Co.
HYDE PARK, VT.

DMEA CONTRACT, Idm-E 286

USBM DEC. 1953

TABLE - 3

DRILL HOLE ELEVATIONS, AREA No. 1 on Sect. "A-A'," FIG.-

ELEV. DATUM, 153' BELOW MEAN SEA LEVEL

DRILLED UNDER DMEA

HOLE No.	COLLAR ELEVATION FEET	BOTTOM ELEVATION FEET
T-19	1342	1144
T-20	1339	1138
T-21	1362	1160
T-22	1350	1144
T-23	1405	1191
T-24	1433	1204
T-25	1520	1284
T-26	1444	1162
T-27	1488	1256
T-28	1462	1174
T-29	1432	1120
T-30	1445	1143
T-31	1467	877
PREVIOUSLY DRILLED COMPANY HOLES		
279	1355	1151
280	1330	1158
T-1	1482	1282
T-6	1476	1276
T-18	1535	1238
T-16	1555	1335
Elev. of present floor of "C" Area Quarry - 1230 feet		

THE RUBEROID Co.

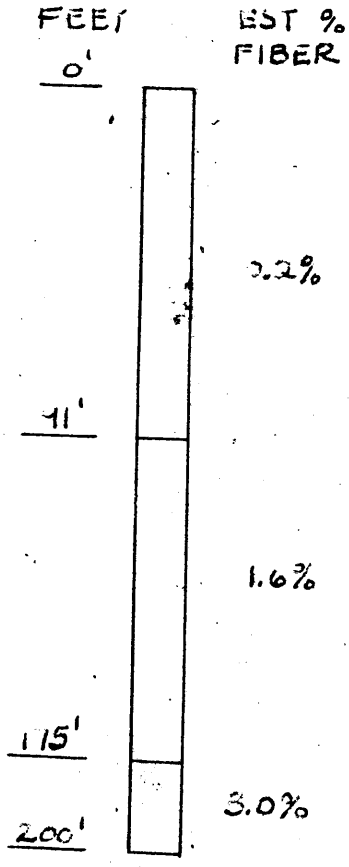
DMEA CONTRACT, Idm-E 286

DMEA 2080 CONTRACT E286
LOG OF DRILL HOLE No. T-1

LOCATION: AREA No.1 PROPERTY: RUBBEROID

ANGLE OF HOLE: 90° DEPTH: 200' SCALE: 1" = 50'

ELEV. COLLAR: 1482'



DESCRIPTION

This hole was drilled in serpentine to a depth of 200 feet. No core was recovered from 0 to 6 feet. From 6 ft. to 91 ft. the core was well fractured with an occasional vein of calcite. The core was almost barren.

From 91 ft. to 175 ft. the rock was well fractured showing short to medium length slip fiber.

The best section in the hole was the last 25 feet which would yield about 3% of short slip fiber.

NOTE: DRILLED PREVIOUS TO DMEA CONTRACT
H.B.

Logged By: J.K.G.
Date: October 26, 1951

DMEA 2080 CONTRACT E 286

LOG OF DRILL HOLE No. T-6

LOCATION: AREA No. 1 PROPERTY: RUBEROID

ANGLE OF HOLE: 90° DEPTH: 200' SCALE: 1" = 50'

ELEV. COLLAR: 1476'

FEET	EST % FIBER
0'	
15'	
	3.0
41'	
	[illegible]
74'	
75'	[illegible]
76'	2.5
	3.5
108'	
114'	2.5
120'	3.0
141'	3.5
152'	3.0
163'	1.5
114'	4.0
192'	3.5
200'	2.5

DESCRIPTION

This hole was drilled in serpentine to a depth of 200 feet. The overburden, was 15 feet thick. The rock was hard and not too well fractured. The fiber veins were fairly well distributed. There was no large veins nor any long fibers.

The fiber was generally short slip with some short cross.

This hole will average about 3%

NOTE: DRILLED PREVIOUS TO DMEA CONTRACT

DMEA 2080 CONTRACT E286

LOG OF DRILL HOLE No. T-18

LOCATION: AREA No 1 PROPERTY: RUBEROID

ANGLE OF HOLE: 90° DEPTH: 297' SCALE: 1"=50'

ELEV. COLLAR: 1535'

FEET	EST % FIBER
15'	
	2.5
111'	
125'	2.5
141'	2.0
	1.5
174'	
217'	2.0
238'	1.5
260'	1.5
272'	1.0
282'	1.5
297'	1.0

DESCRIPTION

This hole was drilled in serpentine to a depth (vertical) of 297 feet. 15 feet of overburden was encountered.

The hole entered serpentine at 15 ft. and remained in it to the bottom. The serpentine was sheared to a fair extent and showed some scattered calcite veins.

Fiber seams were fairly uniformly distributed. These seams were nearly all short slip fiber seams with only one [illegible] small seam showing fair length fiber.

The entire hole will average about 2.0%

NOTE: DRILLED PREVIOUS TO DMEA CONTRACT

Logged By: [illegible] & [illegible]

Date: [illegible]

DMEA 2080 CONTRACT E 286
LOG OF DRILL HOLE No. 279

LOCATION: AREA No. 1 PROPERTY: RUBEROID

ANGLE OF HOLE: 90° DEPTH: 204' SCALE: 1" = 50'

ELEV. COLLAR: 1355'

FEET	EST. % FIBER
0	
20'	
34'	1.8
45'	1.2
60'	5.0
73'	4.5
85'	1.5
95'	2.5
106'	0.5
117'	2.0
127'	1.8
140'	2.2
150'	1.5
161'	1.5
173'	1.3
185'	1.5
196'	1.5
204'	1.7

DESCRIPTION

This hole was drilled in serpentine to 204' with 20' of overburden. This is a lean hole with spotty mineralization. Fiber showings consist of short slip fiber with some seams of short cross fiber in a zone between 45 ft. and 60 ft. Talc and picrolite are quite prevalent

Estimated quantity of recoverable fiber is 2.4%.

The final evaluation is possible ore.

NOTE: DRILLED PREVIOUS TO DMEA CONTRACT

H.R.B.

Logged By: W.M. & J.K.G.

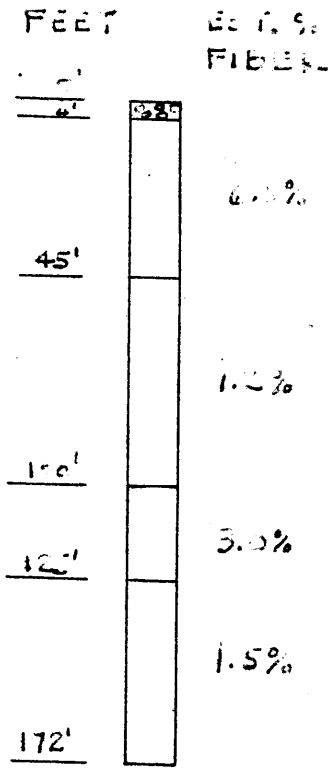
Date: August 22, 1951

DMEA 2080 CONTRACT E 286
LOG OF DRILL HOLE No. 280

LOCATION: AREA No. 1 PROPERTY: RUBEROID

ANGLE OF HOLE: 90° DEPTH: 172' SCALE: 1" = 50'

ELEV. COLLAR: 1330'



DESCRIPTION

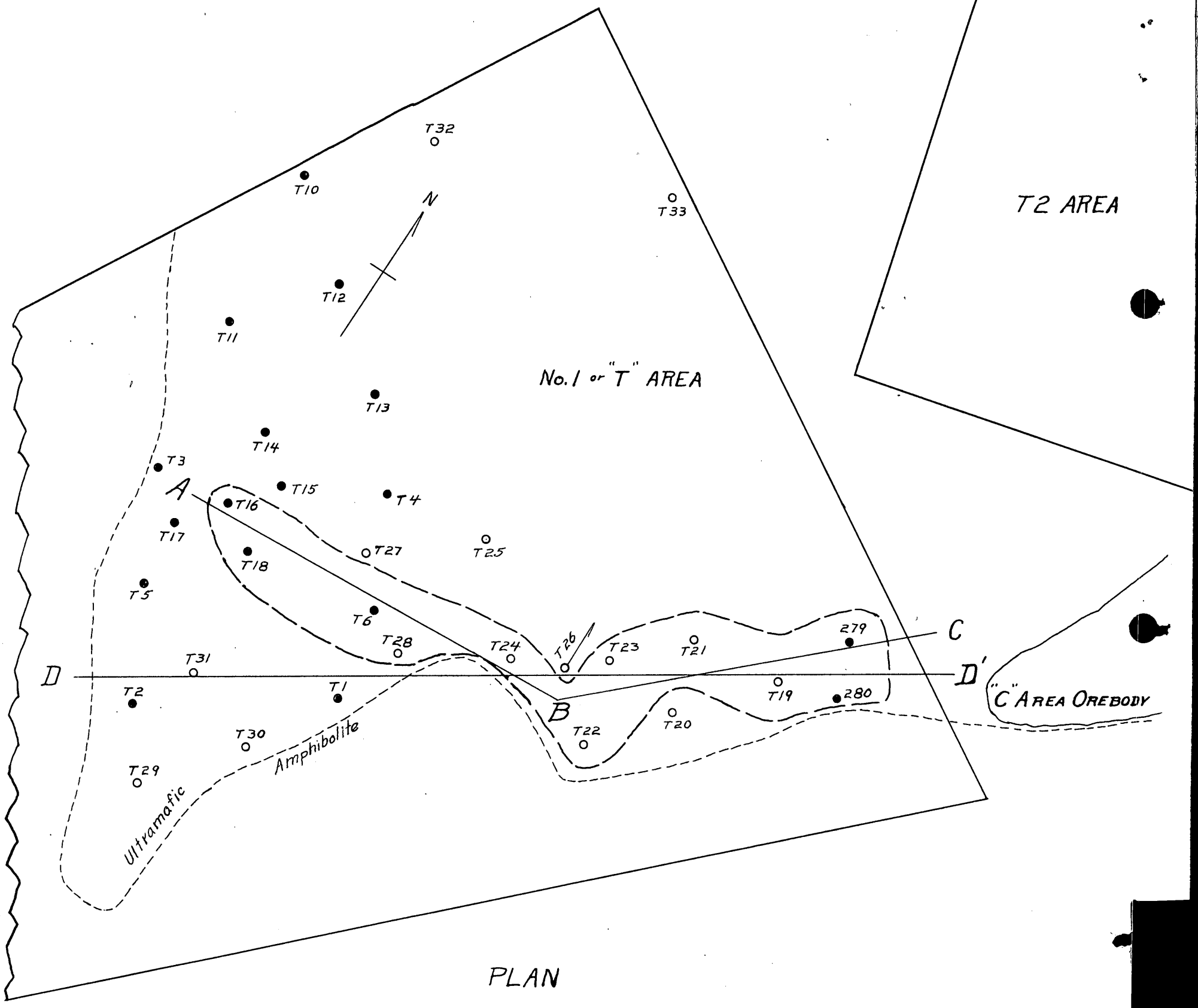
This hole was drilled in serpentine to 172 feet with chert at overburden. This is a fair hole with two zones of good fiber. The best area is from [illegible] to [illegible] which will average [illegible]. The other zone is from [illegible] to 125 ft. and this section will average about 2%. The rock to the line will be less than 2%.

The entire hole will average about 2.1%.

• This hole is possible ore.

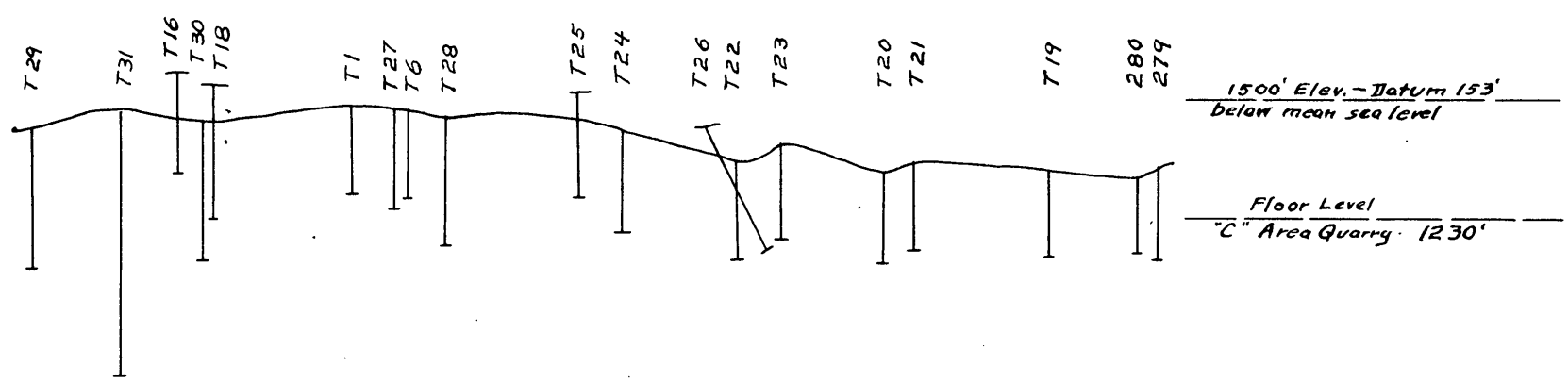
NOTE: DRILLED PREVIOUS TO DMEA CONTRACT

HLB



PLAN

SECT. D-D'



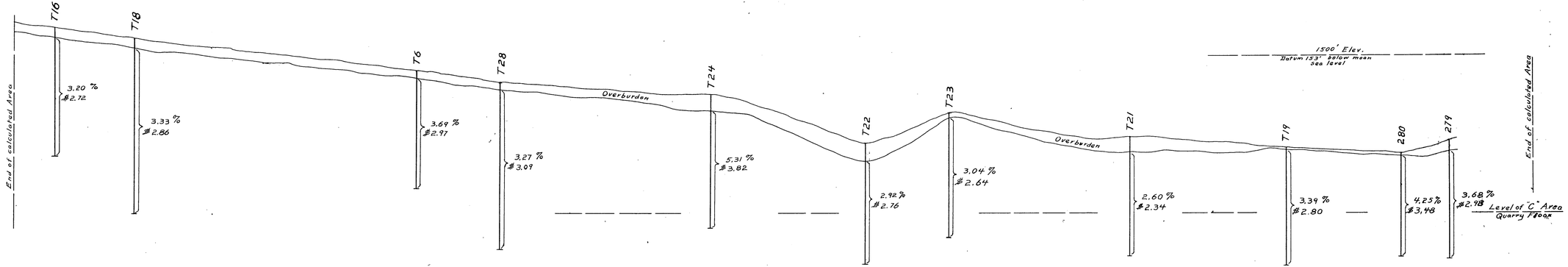
● PREVIOUSLY DRILLED COMPANY HOLES
○ DMEA DRILLED HOLES
- - - - - CONTACT
— — — MINERALIZED AREA

THE RUBEROID Co.
HYDE PARK, VT.
DMEA CONTRACT, Idm.– E 286
PLAN and LONG. SECT. of the No. 1 or "T" AREA

USBM DEC. 1953

0 inches 1
0 200 400
feet

FIG. 1

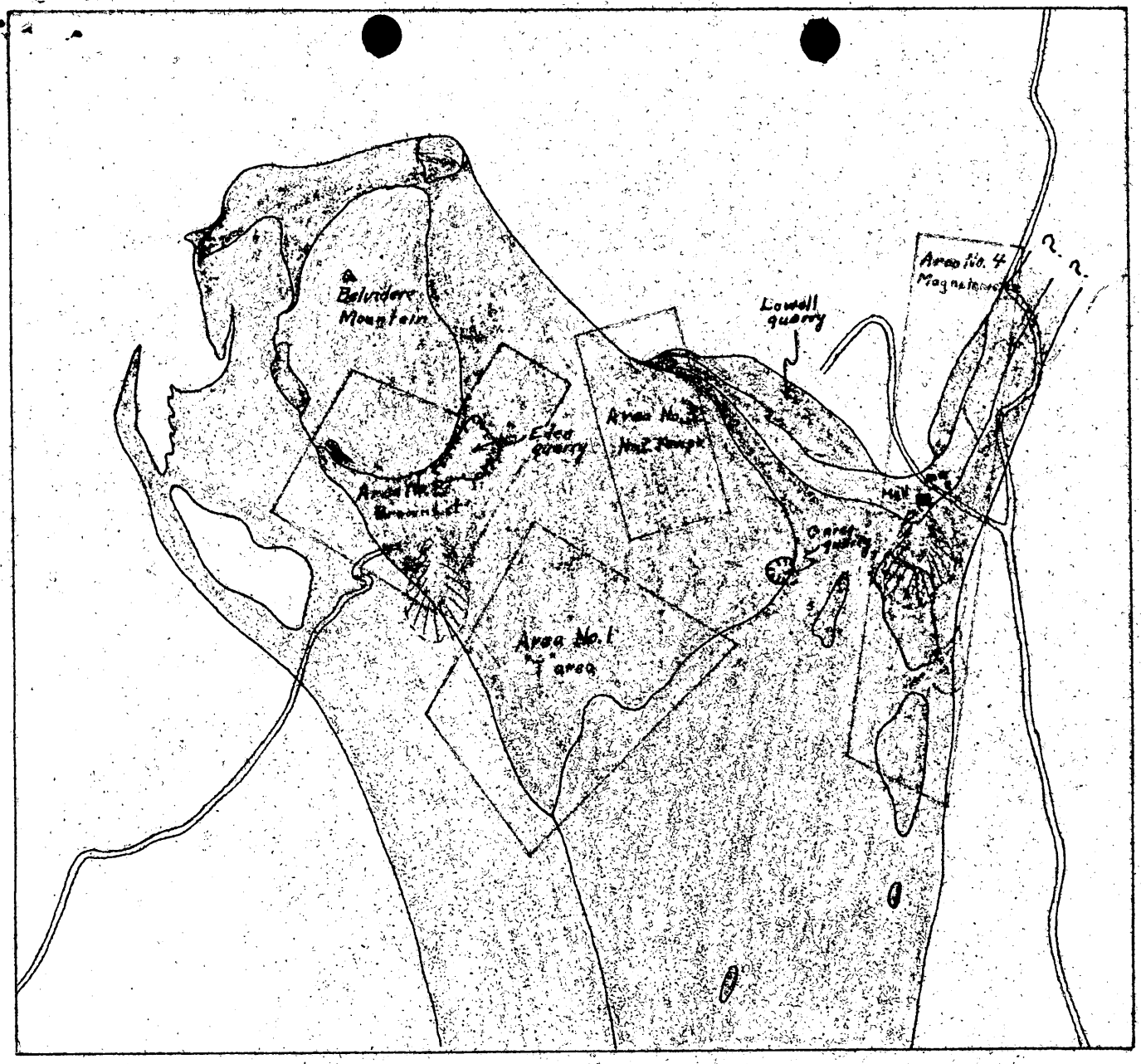


THE RUBEROID CO.
HYDE PARK, VT.
DMEA CONTRACT, Idm.- E 286
LONG. SECT. "A-B-C" on FIG. 1

USBM Dec. 1953

0 inches 1
0 50 100
feet

FIG. 2



Geologic Sketch Map
of the
Belvidere Mountain Area

Scale

1000 0 1000 2000 3000 4000 5000 feet

True North

Ultramafic rock, undifferentiated

Fine amphibolite

Coarse amphibolite

Schist

FIG. 3

U.S. Geological Survey

MARCH 1954

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 15 1953

December 14, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region VIII

Subject: Docket No. DMEA-2080X - (Asbestos)
Operator's Final Report
The Ruberoid Company
Hyde Park, Vermont
Contract No. Idm-E286

Attached are two copies of the Operator's Final Report from the Ruberoid Company, for contract Idm-E286, together with copies of Mr. Messel's letter of transmittal dated December 11, 1953.

W. T. Millar

W. T. Millar

Enclosures 2

FINAL REPORT

DOCKET NO. DMEA 208CX

ASBESTOS

CONTRACT NO. Idm E286

THE RUBEROID CO.

VERMONT ASBESTOS MINES

NOVEMBER, 1953

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

Budget Bureau No. 42-R1036.4
Approval Expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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DEC 15 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Summary, 1953 Docket No. DMEA 2080 Contract No. 286
Operator's Name The Ruberoid Co. Minerals Asbestos
Address Hyde Park, Vermont
Contract Amount, $ 62,500.00 Government Participation: 90% Amount, $ 56,250.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling		33,885.55	33,885.55			
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor		14,085.66	14,085.66			
Supervision						
Technical Services		4,004.46	4,004.46			
(3) Operating Mat'ls. and Supplies:						
Core Bits		3,720.26	3,720.26			
Core Boxes		611.25	611.25			
Core Barrels		271.67	271.67			
Track						
Gasoline		626.79	626.79			
Other		1,471.63	1,471.63			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation		1,588.96	1,588.96			
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes		389.31	389.31			
Liability Insurance		113.74	113.74			
Transportation		133.50	133.50			
(8) Contingencies (specify):						
TOTALS		60,902.78	60,902.78			

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

Date ..... *Payee The Ruberoid Co.

Per ..... Title .....

*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:

$.....

Signature .....
(Authorized Certifying Officer)

Date ..... Vou. No. .....
(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. ..... in accordance with the terms of the contract.

Signature ..... Title ..... Date .....

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature ..... Title ..... Date .....

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 83-38476

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 15 1953

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

Month of Summary 1953 Docket No. DMEA 2080 Contract No. 286
Operator's Name The Ruberoid Co. Minerals Asbestos
Address Hyde Park, Vermont

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core Contract	Ft.			38,908.28	9131	4.261	6,000	5.463
Corexxxx Company	Ft.			21,994.50	6202.7	3.546	8,000	3.493
Auger								4.953
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS				60,902.78				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				60,902.78				62,500.00
TOTAL COSTS								

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.

Date ..... Operator The Ruberoid Co.

Per ..... Title .....

REMARKS:

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

(Instructions on reverse)

(For Government use only)

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 83-38475

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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DEC 15 1953

SUMMARY OF RESULTS

DIAMOND DRILLING

Twenty eight holes were completed. Thirteen in Area No. 1 averaged 277.8 feet excluding T32 and T33. Seven in Area No. 2 averaged 875.9 feet including T32 and T33, eight in Area No. 3 averaged 698.9 feet. Total footage drilled was 15,333.7 feet.

STRUCTURE

Three holes in Area No. 2 and three in Area No. 3 were drilled thru the serpentine into schist. Elevations at which the schist was encountered indicated complicated minor folding in addition to the regional structure.

ORE RESERVES

No commercial ore reserves resulted from this exploration project. In Are No. 1 the, "T" Area, the average grade was too low and there were not enough ore grade holes in any portion of the area to indicate any zone of sufficient size that might be developed.

In Area No. 2, the Brown Lot Quarry Area, no ore was indicated by deep drilling. Surface outcrops and previous drilling indicated possible ore grade material south west of the quarry, but detailed mapping and structure indicate the zone is not of sufficient size to develope ore.

In Area No. 3, the Tower 2 Area, an ore section was encountered in one hole, but further drilling cut off all possible extensions of the ore and showed it to be only a pocket.

In Area No. 4, the Magnetometer Area, geologic structure indicated probable low grade material at best and high mining costs. The probabilities of ore were so remote that no drilling was done.

COSTS

Total costs of the project were $60,902.78 or $3.97 per foot drilled, including surface examination, survey work, supervision, etc.

PROPERTY

There is no property jointly owned by the Company and the Government which remains for disposition.

INTRODUCTION

During 1951 the Ruberoid Company had expanded its exploration program for asbestos fiber with the assistance of DMEA funds. This work, under DMEA Project 1210, was confined to areas north of our operating property and on which we had done no exploratory work. They were areas on which very little work had been done by anyone and on which very little information was available.

During 1952 it was decided to expand the program within the bounds of our operating property. Here most of the outcrops of serpentine had been examined in some detail for fiber content, type and amount of alteration and type and amount of fracture and shearing. Contacts between the serpentine and the surrounding schists had been fairly accurately mapped by examination of the outcrops and by magnetic methods where contacts were buried. Considerable diamond drilling had been done to depths up to 300 feet although the majority of holes had not been drilled over 200 feet. However, considerable work remained to be done.

Surface exposures amount to about 5 per cent of the total surface area. Although some small areas are fairly well exposed, many sections of considerable area are insufficiently exposed, making examination of the serpentine or solution of structual relations difficult or impossible. Geophysical methods have been found extremely useful in mapping contacts, but no dependable method is known that will locate fiber bearing areas within the serpentine. Diamond drilling is the most satisfactory method known of proving or eliminating ground, using surface exposures, structual relations and

geophysical methods to guide the drilling into the areas interpreted as most favorable.

The areas interpreted as most favorable might be divided into two catagories. First those in which previous drilling had indicated possible ore and, second, those in which no drilling had been done, but which were interpreted as favorable from their relation to known ore or because their structual relation or surface exposures were similar to known ore.

Four areas falling into one or the other of the above catagories were chosen for an expanded exploration program and application was made for 12,000 feet of diamond drilling under DMEA project 2080. Based on existing knowledge of the areas, they were arranged in numbrical order according to the possibility of locating ore, No. 1 being the most favorable and No. 4 the least. It was planned to start work in the most favorable areas first and to continue until definite results were indicated.

A description of each of these areas with the previous work done in them, work done under this project and results obtained will be found in this report. A brief description of the Belvidere Mountain serpentine mass is also included. Maps and logs of the drill holes will be found at the back of the report.

GENERAL PROCEDURE

Existing information in each area was first reviewed and a program of examination established to check on doubtful or lacking information that might be obtained from more detailed study. This included more detailed mapping of contacts, study of outcrops for fiber content and amount and type of alteration and structure. A drilling program was then established. Drilling is generally done on closer spacing, 200 feet to 400 feet apart, in an area where previous drilling has indicated ore. In areas where no drilling has been done holes are spaced 600 to 1,000 feet apart. As drilling and field work proceeded results were interpreted and the programs altered when necessary to keep the drilling in the most favorable areas.

All survey lines were tied to a triangulation system previously established on the property. Elevations were carried from bench marks established on the property datum for which is 153' below mean sea level. Topographic mapping was done by transit and stadia. Grid lines for drill control were generally established by transit and tape. The dip needle and Arvela magnetometer were used in mapping contacts.

One company operated core drill and one operated by an outside contractor were used. All core drilled was AX in size. Core was logged by methods found most practical from experience on the property. When a more precise evaluation was required or when we wished to confirm visual estimates the core was milled in a core testing laboratory and the actual fiber recovered evaluated. This method of milling the core and evaluating the fiber has been found to produce exceptionally good results and is definitely more accurate than a visual estimate, especially when working with slip type fiber.

GENERAL DESCRIPTION OF AREA

The first three areas all lie within the main serpentine mass which makes up the southeast slope of Belvidere Mountain. The fourth area contains three small serpentine bodies which lie to the east of the main mass, but which may be connected with it, see map No. 1 Page 25 and overlay No. 1 Page 23. The serpentine was originally an ultramafic intrusion between the Vermont schist and amphibolite schist which now caps Belvidere Mountain. Considerable folding took place following the original intrusion and probably some before. Undoubtably further intrusion of the serpentine has taken place thru solid flow. The body now occupies a position on the east limb of an anticline in the Green Mountain Anticlinorium. However, locally the structure is considerably complicated by east-west cross folding and by north south minor folds in addition to the regional structure.

While the minor folding and detail indicate exceedingly complex structure, the general distribution of rock types and their thickness indicate a structure as shown in the generalized sections on pages 26 & 27. There is considerable evidence of an east - west system of folds which probably extends beyond the immediate area of Belvidere Mountain, however, the extent of this system or the size of the folds is not known.

The ultramafic is all more or less completely altered to serpentine, however, the amount and type of alteration in various parts of the mass vary to a considerable degree. Generally the alteration is so complete that there is no evidence of the original crystal structure of the rock, but in places, and frequently in the center of the mass, the alteration is not nearly so complete. In some sections the alteration has produced a talc-carbonate rock. No relation between the location of the talc-carbonate zones and the structure is known to exist in this particular serpentine mass although frequently in others the talc-carbonate forms a shell around the mass.

The type and amount of fracturing and shearing likewise vary to considerable degree. The more highly sheared areas are generally completely altered to serpentine with loss of all original crystal structure while in the less completely serpentinized zones a blocky fracture system is frequently evident. Frequently, with the blocky fracturing, an alteration zone of more completely altered serpentine is found along the fracture planes.

Slip fiber is generally found in highly sheared zones. However, many highly sheared zones lack fiber. In extremely highly sheared zones the fiber is very frequently all very short and frequently talcose and weak. Cross fiber is more frequently found with a fairly well developed blocky fracture system with alteration zones along the fracture planes.

Highly sheared zones with slip fiber have formed the economically workable deposits in the Belvidere Mountain serpentine mass rather than the well developed blocky fracture system with cross fiber. The center of the mass shows a blocky fracture system, but it is not well developed and alteration zones are extremely narrow or completely lacking. The four areas chosen for this program all showed indications of the desired shearing.

ARE NO. 1 - "T" AREA

PREVIOUS WORK

A considerable amount of work had previously been done in this area. Contacts were fairly accurately mapped; largely by magnetometer as most of this contact is buried under ten to thirty feet of cover. Outcrops had been examined and topography mapped over most of the area. 3832 feet of drilling had been done and possible ore was indicated. Some of the holes had shown sections of possible marginal ore. Others, while the values were below ore grade, had sufficient values to be encouraging and could be included in an ore body if holes with higher values could be found that would increase the average value sufficiently.

WORK UNDER DMEA PROJECT

Work under the DMEA project in this area was largely confined to diamond drilling and evaluation of the core. Topography over two small sections was mapped and the contact between holes T30 and T22 was checked and mapped in more detail. The grid system for drill control was extended to cover the area between holes T-6 and 279.

A magnetometer survey had previously been run over the northeast end of the mineralized area to try to determine the bound of the mineralized area and the barren serpentine to the northwest. This work was reviewed and outcrops to the northwest were carefully examined. The magnetic intensity showed a definite drop along the boundry as it is outlined on map No. 2 page 28. Out crops to the northwest showed very little fiber. Hole T-26 was drilled at an angle to locate this boundry and check for values under the talus below a high face were the magnetometer results were questionable.

A drilling program was planned with holes spaced on 400 foot centers. Thirteen holes were drilled averaging 277.8 feet in depth for a total of 3,611.7 feet. Overburden averaged 18 feet deep. The core from all of these holes was logged and then milled in the core testing laboratory.

RESULTS

Early results of the drilling, while not of ore grade, were encouraging. Most all of the early holes showed mineralization and it was hoped the grade might pick up sufficiently with continued drilling to block out an area of ore value. Excluding the holes which are definitely outside the bounds of the mineralized area, 25 holes have been completed including the holes previously drilled. Of these 7 are of extremely low value and 3 of ore value. The 7 low value and the 3 ore value holes are scattered through out the area. The remaining 15 holes are unusually consistant low grade material. If there had been more ore value holes and more low value holes averaging the same value as the 25 holes in the mineralized area, it might have been possible to develope some zones of ore which could be mined spearately or perhaps together dumping the low grade between them. But with results so uniform there is no forceable way of concentrating on any portion of the area to develop ore.

Values of the drill holes arrived at by milling the core will be found tabulated on page 14. These values are also shown on the sections which will be found on pages 28 to 38 together with a plan map showing location of the drill holes. Logs of the drill holes are on pages 45 to 57.

Two additional holes, each 1,000 feet deep, were drilled in the northern corner of this area. However, they more properly belong with the work done in Area No. 2 and are included in that section of the report.

CORE MILL RESULTS

Hole No.	From	To	Yield	Value per ton of ore
T-19	2	198	3.39%	$2.80
T-20	28	201	1.23%	$0.99
T-21	30	202	2.60%	$2.34
T-22	27	206	2.92%	$2.76
T-23	6	215	3.04%	$2.64
T-24	35	229	5.31%	$3.82
T-25	44	236	1.09%	$0.80
T-26	45	226	1.68%	$1.24
T-26	226	401	1.36%	$0.97
T-27	10	232	2.77%	$2.16
T-28	15	289	3.27%	$3.09
T-29	36	312	1.93%	$1.64
T-30	12	150	0.47%	$0.38
T-30	150	302	2.17%	$2.05
T-31	15	300	1.64%	$1.56
T-31	300	590	0.82%	$0.73

AREA NO. 2 - BROWN LOT - QUARRY AREA.

PREVIOUS WORK.

This area contains the Eden Quarry from which some 6,000,000 tons were mined before it was abandoned in 1943. Drilling was carried to shallow depths in the vicinity of the quarry before it was abandoned. These drill holes eliminated most of the area as far as near surface ore bodies were concerned. North of the quarry alteration has generally resulted in talc-grit which is evident in outcrops over an extended area. Drill holes just north of the quarry have also consistantly shown talc-grit. To the east and south drill holes have shown very low values. Outcrops in those sections generally show little fiber although occasional fiber showings are evident. To the south west one of four drill holes showed an ore section of 238 feet; the remainder being nearly barren serpentine or talc-grit. To the northwest the serpentine goes under the amphibolite schist which caps the mountain.

WORK UNDER DMEA PROJECT

A detailed examination of the surface to the southwest of the quarry was made. This showed fiber bearing outcrops in a zone varying from 50 to 150 feet in width and following the contact westerly from hole 61. In elevation the bottom of the zone rose from about 2200' in the vicinity of hole 61 to about 2300' on the westend. Below the fiber bearing zone outcrops showed very little if any fiber and frequently talc-grit.

In the old quarry a program of deep drilling was planned to see if

an extension of the mineralized area of the quarry could be located. Holes were planned 600 to 1,000 feet apart with the first holes located in the old quarry.

RESULTS

Holes EQ-1, EQ-3 and EQ-5 passed through the serpentine and into the Vermont schist. This gave the thickness of the serpentine and the elevations at which the schist was encountered indicated that there were minor folds in addition to the major structure, see generalized structure section on page 26. In general the attitude of the Vermont schist is fairly flat, but steeper than the amphibolite caping the mountain, and the dip is southeast. The serpentine is thinning to the the northwest and outcrops on the southwest and northwest slopes of the mountain with less thickness. Holes EQ-2, EQ-4, T32 and T33 did not encounter the Vermont schist. These 4 holes could have been in the trough of a fold but it seems probable that T32 and T33 were definitely in a thicker section of the mass.

The fact that the schist was encountered at 96 feet in hole EQ-5 and that talc-grit was encountered in both EQ-5 and EQ-1 just above the schist indicated that the serpentine southwest of the quarry was probably not very thick and that the talc-grit found in outcrops would probably continue in depth to the schist. Talc grit and soapstone was also found in holes 59 and 60 and in the bottom of 61. The only possible fiber bearing zone was the zone running westerly from hole 61 along the contact. This was too small a zone to make an ore body even if it all were of ore value. Plans for further drilling in the area southwest of the quarry were therefore abandoned.

Five holes, E4-1 to E4-5, totaling 4131 feet were drilled in the vicinity of the quarry looking for an extension of the mineralized area in depth. Although no ore was indicated in any of the holes considerable information regarding the structure, which has been previously discussed, was obtained. After considering this information and the probable structual relations of the small serpentine masses in Area No. 4, which is discussed later, two more deep holes, T32 and T33, were planned. These were located down the dip from the quarry and where the serpentine was thicker. They were also midway between the low grade mineralized T Area and the abandoned quarry. Both holes were drilled 1,000 feet. No ore was indicated in either hole.

A map showing the location of the five quarry area holes will be found on page 39. The location of T32 and T33 will be found on the overlay to map No. 1 on page 24. This also shows the relationship between the location of these holes and the Eden Quarry and the "T" Area. Logs of the holes will be found on pages 58 to 64.

AREA No. 3 - TOWER No. 2 AREA.

PREVIOUS WORK

Outcrops in this area had been examined. The contact to the north and northeast had been mapped. Some drilling had been done to depths up to 300 feet. The previous drilling had shown scattered mineralization but none of ore grade.

WORK UNDER DMEA PROJECT

Outcrops were examined in more detail with particular attention being given to type and amount of shearing and fracture. However no definite trends or patterns could be established. This may be somewhat due to the small percentage of actual outcrop area. A grid system was established for drilling control. This was also used for control in examining the outcrops and for topographic mapping. Five holes were drilled totaling 2,591 feet in the season of 1952. A request was made for additional drilling and in 1953 an additional 3,000 feet was drilled under amendment No. 3 of the contract. In all, 8 holes were drilled totaling 5,591 feet.

RESULTS

An ore intersection of 239 feet was encountered in hole T2-3. Holes T2-4 and T2-5 were drilled to the south and southwest of T2-3 to look for an extension of the ore zone in these directions but none was found. It was possible that ore could extend either westerly or easterly from T2-3.

No hole had previously been drilled on this property that showed and ore section of 200 feet or over that was not located in a consistantly

mineralized zone. Therefore a request was made for 3,000 to 3,500 feet of additional drilling. Three holes were drilled, T2-6 to T2-8, and no ore was indicated in any of the three. The three holes effectively cut off the last possibilities of any extension of the ore section encountered in T2-3. These three holes encountered the Vermont schist and again at elevations which indicate minor folds in the Vermont schist underlying the serpentine.

Sections through the holes will be found on pages 40 to 44 together with a plan map showing their location. Logs of the holes will be found on pages 65 to 72.

Two holes were milled in the core laboratory to check visual estimates. The results are tabulated on the following page.

CORE MILL RESULTS

Hole No.	From	To	Yield	Value per ton of ore
T2-2	99	189	0.67%	$0.64
"	189	278	1.10%	$1.25
"	278	337	1.45%	$1.61
"	337	360	2.28%	$3.14
"	360	400	1.24%	$1.01
"	400	425	1.83%	$1.70
	Average		1.25%	$1.33
T2-3	3	28	0.37%	$0.30 (est.)
	28	103	3.72%	$3.96
	103	217	1.22%	$0.94
	217	318	0.70%	$0.56
	318	358	1.60%	$1.92
	358	368	5.12%	$3.16
	368	415	0.89%	$0.78
	415	507	5.55	$ 5.27
	507 ~~425~~	654	3.56%	$4.13
	654	734	0.75%	$0.58
	Average		~~2.14%~~ 2.39 %	~~$2.25~~ $ 2.40

AREA No. 4 - MAGNETOMETER AREA

PREVIOUS WORK

Three serpentine masses had been outlined in this area by magnetometer surveys. No outcrops are found in any of the three. One of these masses had been drilled and showed a very highly sheared serpentine with short talcose fiber. One other small mass which is exposed in only one small outcrop had been outlined close to the other three.

WORK UNDER DMEA PROJECT

Reconnaisance magnetometer surveys showed other small serpentine masses in the valley bottom. Some of these so small that the area of the magnetic anomalie was only one or two hundred feet. The number and relation of these indicate that the serpentine has been squeezed out into the schists in several small separate bodies. Some of these may be connected to some extent, but appear separate due to folding in the schists. In any event the serpentine can be expected to be highly sheared because of the size of the bodies and the folding in the schists.

RESULTS

Previous drilling in the largest of these bodies had shown such a high degree of shearing that the fiber was all short, talcose fiber of low value. The geologic structure of the area would indicate that the smaller masses would be at least as highly sheared and probably more. These bodies are all located in the valley bottom under up to 150 feet of glacial till. Due to their location underground mining methods would

probably be required to work them. In any event stripping and pumping costs would be high. As the geologic structure indicated low values per ton and the location indicated high mining costs the area was not considered as favorable as other areas on the property.

For this reason drilling was done in other areas considered as more favorable and none was done in Area No. 4.

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DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 15 1953

The RUBEROID CO.
Hyde Park, Vermont

December 11, 1953

Mr. W. T. Millar, Executive Officer
Bureau - Survey Field Team
Defense Minerals Exploration
Administration, Region VIII
College Park, Maryland

Docket DMEA-2080X Contract Idm-E286 Final Report

Dear Mr. Millar:

Attached herewith, please find the final report on the above project. This gives a detailed account of the work done and all data connected with it. There was a total of 15333.7 feet drilled. No commercial ore reserves were found.

The total amount approved for this project was $62,500. of which $60,902.78 was expended. Of this $54,812.50 was DMEA's share and $6090.28 was The Ruberoid Company's. There is no joint property remaining to be disposed of.

The attached report gives in considerable detail the various phases of the whole project which I believe was efficiently executed.

At this time I also wish to thank you and the men of your department for their good suggestions and splendid cooperation in carrying out this project.

Very truly yours,

The RUBEROID Co.

/s/ M. J. Messel
M. J. Messel
General Factory Manager

cc: Messrs: Limerick
Dermody
Bahrs

Enclosure

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 17 1953

November 17, 1953

Mr. Michael J. Messel
General Superintendent
The Ruberoid Company
Hyde Park, Vermont

Re: Drill hole data in No. 1 or "T" Area
Docket DMEA-2080X
Contract No. Idm-E286

Dear Mr. Messel:

In order to more fully correlate the results of exploration in the subject area, we would like to have the following data at your earliest convenience:

Elevation at collar, length, inclination, and log of each of the following drill holes: 279, 280, T1, T6, and T18.

Very truly yours,

W. T. Millar, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

WTM:HLBurmeister:rwa

copy for Mr. Selfridge
USGS
DMEA Files 2

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

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November 6, 1953

Mr. K. A. Foster
Office Manager
The Ruberoid Company
Hyde Park, Vermont

Dear Mr. Foster:

Receipt is acknowledged of your letter of October 30, 1953, suggesting that we postpone the audit of your records pertaining to Exploration Project Contract Idm-E23, DMEA-1210, and Exploration Project Contract Idm-E286, DMEA-2080.

We have accordingly changed our audit schedule so that Mr. B. J. Brekhus, our auditor representative is scheduled to visit your office on or about December 2, 1953.

Sincerely yours,

/s/
E. D. Talbert, Acting Chief
Contract Administration
and Audit Division

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 30 1953

October 28, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2080 (asbestos).

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. A. Brobst, U. S. Geological Survey
Applicant: Ruberoid Co., Vermont Asbestos Mines Div., Hyde Park, Vt.
Location of property: Orleans and Lamoille Counties, Vt.
Date of field team report: October 16, 1953
Authorship of field team report: H. L. Burmeister
Field team's recommendation:

The report contains a summary of the elevations of collars and bottoms of drill holes T-19 to T-31 inclusive.

Now that the project is completed with a total expenditure of $60,902.78 out of a contract allowing $62,500, the question of certification of discovery is presented. The area of the "T" holes might be mined separately or in conjunction with the "C" area quarry - opinion of A. Chidester.

Comments:

Because reports indicate a show of asbestos in this series of holes and the area might be commercially exploited, it would be well to certify the "T" area as a discovery property. This would protect the Government's investment of over $50,000 in this exploration project.

ACTION SUGGESTED:

Certify the property as a discovery area.

D. A. Brobst

D. A. Brobst

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

October 27, 1953

Mr. Michael J. Messel
General Superintendent
The Ruberoid Company
Hyde Park, Vermont

Dear Mr. Messel:

Under the terms of Exploration Project Contracts Idm-E23 and Idm-E286, Docket Nos. 1210 and 2080, respectively, it is provided that you "keep suitable records and accounts of operations, which the Government may inspect and audit at any time."

It is anticipated that Mr. B. J. Brekhus, an auditor representative of this Division, will visit your office on or about November 18, 1953, for the propose of certifying the validity and propriety of the Government's payments under these two contracts.

If for any reason the timing of this visit is inappropriate, please advise and suggest a convenient date.

Sincerely yours,

/s/
E. D. Talbert, Acting Chief
Contract Adminsitration
and Audit Division

EDTalbert/wb
October 27, 1953

Copy to: Docket
Mr. Millar, Region VIII
Mr. Houk
Mr. Chambers
Admr. Reading File

UNITED STATES
DEPARTMENT OF THE INTERIOR

C
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43 Liberty Street
Montpelier, Vermont

October 20, 1953

Mr. T. P. Thayer
U. S. Geological Survey
Washington 25, D. C.

Re: G-MD-CNM

Dear Tom:

Enclosed are the logs of the holes JM-7, 9, and 11 that you asked for in connection with DMEA-2080, asbestos in Vermont. Hole DH-11 mentioned in your letter is probably the same as JM-11, as Jim Gilmore the Ruberoid geologist is unable to find any record of a "DH-11".

These cores were logged during JM ownership by F. E. Byrnes then employed by JM but now an official of Ruberoid. His original estimated in percent as well as core mill results are as follows:

	Visual	Core mill
Hole #7	2.12	1.09
#9	1.5	
#11	2.47	.93

They were put through the core mill at the time that the DMEA cores in the vicinity were milled. Core from hole #9 has not been milled.

Best regards,

Sincerely,

/s/
Wally

Wallace M. Cady

Encl.

Logged by F. E. Byrnes July 26, 1938

Hole #7

Feet	Barren 0%	Poor 0% - [redacted]	Fair 3% - 5%	Good 5% - 8%	Remarks
16 - 20		x			Lean,hard; lit[redacted]iber
20 - 25			x →		Much richer,fiber harsh
25 - 30			x		25-26 Fairly good
30 - 35			← x		26-30 Much leaner
35 - 40		x			30-35 Lean, fair length
40 - 45		x →			Lean rock, continued lean
45 - 50		x			1/8 inch vein
50 - 55		x →			A little richer
55 - 60		x →			Shorter, more talcy
60 - 62		x			Lean but better length
62 - [redacted]5			x		Good length and richer
65 - 70			← x		Long slip but leaner
70 - 75			x		More slickensided, leaner
75 - 80			← x		Leaner
80 - 85			← x		
85 - 90		x			Decidedly leaner
90 - 95		← x			Almost barren
95 - 100		← x			Same hard, dark rock
100 - 105		x			Long showing at 101, then lean
105 - 109		← x			
109 - 110		← x			Almost barren
110 - 115		x			1/8 inch vein of cross
115 - 120		← x			Almost barren
120 - 125			← x		120-123 lean cross
125 - 130			x		123 -125 fair slip
130 - 131		← x			Richer - fair length
					Very lean
131 - 135		← x			Very lean
135 - 140		x →			Fair at 136, much leaner
140 - 145		← x			Very lean
145 - 150		← x			Same
150 - 155		← x			Same
155 - 160		← x			Very lean, good length
160 - 165		← x			About the same
165 - 170		← x			Same
170 - 175		← x			Good 171, rest lean
175 - 177		← x			Very lean
177 - 180		← x			Lean hard rock
180 - 185		x →			Lean 180-183;fair 183-185
185 - 190		x →			Long slip 189, rest fairly lean
190-195 [redacted]		x →			2% to 3%
195 - 200		x →			Several good longs,about 3%
200 - 201		x →			
201 - 2[redacted]		x			Very lean,good at 205
205 - 208					Several good showings

Logged by F. E. Byrnes

July 26, 1938

Hole #9

Feet	Barren 0%	Poor 0% - 3%	Fair 3% - 5%	Good 5% - 8%	Remarks
11 - 15		x			Lean, hard, little fiber
15 - 20		x			Good length, but little of it
20 - 25		x			Lean and shorter
25 - 30		x			Slightly richer
30 - 35		x →			Lean, poor, little fiber
35 - 40		x			Might be 3% fair fiber
40 - 45		x			40-41 fair minus; 41-45
45 - 50		← x			Almost barren [redacted] lean
50 - 55		← x			Same
55 - 58		← x			Same
58 - 60		← x			Same
60 - 65		← x			Same
65 - 70		← x			Same
70 - 75		← x			Same
75 - 80		x			75-78 almost barren; 78-80
80 - 81		← x			Almost barren fair
81 - 85		x			Softer better rock; more
85 - 90		x			Lean fiber good length
90 - 95		x			Same shorter
95 - 100		x →			Slightly better
100 - 103		x			Lean, hard, and poor
103 - 105		x →			Richer
105 - 110		x			Leaner
110 - 115		x			Lean and short
115 - 120		x			Better length but lean
120 - 125		x			About the same
125 - 127		← x			Very lean
127 - 130		← x			Almost barren
130 - 135		← x			About the same
135 - 140		x			Slightly better
140 - 145		x			Looks better because of
145 - 150		x →			Slightly uniform fiber
150 - 151		x →			Same better
151 - 155		x →			3% short fiber, broken core
155 - 160		x →			About same, less broken
160 - 165		x			Leaner
165 - 170		x			About the same
170 - 175		← x			Almost barren
175 - 180		x			Lean, short rock
180 - 185		x			180-183 fair; 183-185 poor
185 - 190		x			Very lean
190 - 195		← x			
195 - 198		← x			Slightly richer
198 - 200		x			From previous reacting

Logged by F. E. Byrnes July 22, 1938

Hole #11

Feet	Barren 0%	Poor 0%-3%	Fair 3%-5%	Good 5%-8%	Remarks
10 - 15				x	Very rich fine long fiber
15 - 20				x	Same or richer
20 - 25				← x	20-21 rich;21-23 fair;23-25 rich
25 - 30			x →		25-28 good;28-30 leaner and shorter
30- 35			x		Leaner and shorter
35 - 36			← x		Quite lean
36 - 40			← x		Lean,might give 3%
40 - 45			← x		Same
45 - 50		x			Much leaner
50 - 55		x			About the same
55 - 60		x			
60 - 65			x		Decided improvement
65 - 70			← x		Leaner
70 - 75		x			Very lean
75 - 80		x			Same
80 - 84		x			Note many short veins of fiber
84 - 85		x			Very lean
85 - 90		x →			87-88 good - remainder lean
90 - 95		x			Very lean
95 - 100 100		x →			Fair showing short fiber
100 - 105		x →			Fair showing good length
105 - 106		x →			
106 - 110		← x			Almost barren
110 - 115		← x			Same
115 - 120		← x			Same
120 - 125		x			A little richer perhaps
125 - 130		x			About the same
130 - 135		← x			Almost barren
135 - 140		← x			Slight if any improvement
140 - 145		← x			About same
145 - 150		x			A little better
150 - 153		← x			Very poor
153 - 155		← x			Very poor
155 - 160		x			Improvement noted
160 - 165		← x			Very poor
165 - 170		← x			Very poor
170 - 172		x			Decidedly better
172 - 175		← x			Very lean
175 - 180		← x			Same
180 - 185		← x			Almost barren
185 - 190		← x			Same
190 - 195		← x			Very poor
195 - 200		← x			Almost barren

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 13 1953

DOCKET COPY

August 13, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region VIII

Subject: DMEA Docket No. 2080, Contract Idm-E286 - (Asbestos)
The Ruberoid Company, Hyde Park, Vermont

Mr. J. K. Gilmore, Geologist for the Ruberoid Company, phoned by long distance this morning that drill hole T2-7 will be completed within one or two days at a depth of 1,000 feet. The results from this hole are not indicative of sufficient concentration for an economically successful operation.

The operator requested that Hole T2-8 be authorized on coordinates 48N and 44E on the grid which is attached to Amendment No. 3.

"This office concurred in the request." A confirmation of the phone conversation is being prepared by the operator.

W. T. Millar

W. T. Millar

FILE COPY
SURNAME:
800
Alley
Talbert

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

JUL 22 1953

Mr. W. T. Millar
Executive Officer
DMEA Field Team, Region VIII
Eastern Experiment Station
College Park, Maryland

Re: Idm-E286, DMEA-2080
The Ruberoid Company

Dear Mr. Millar:

In accordance with your telephone request of July 22, 1953, there are returned herewith two copies of the May MF-104 and attachments for the above referenced project.

Sincerely yours,

/s/ E. D. Talbert
For
Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosures

AMAlley/ama
July 22, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

R.G.J.
7-22-53

FILE COPY
SURNAME: 915

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

JUL 15 1953

Robertson
Houk
Chandler
Rubin
Osborne
Selfridge
Fellman

Mr. A. T. Millar
Executive Officer, DMA
Field Team, Region VIII
Bureau of Mines
Eastern Experiment Station
College Park, Maryland

Subject: Docket No. DMA-2050 - Asbestos
The Ruberoid Company
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract No. [illegible]

Dear Mr. Millar:

Herewith find herewith the original and five copies of Amendment No. 2a to the subject contract which have been signed by the Administrator.

If the amendment meets with your approval, present it to the Operator for its approval and signature. If any part of this amendment does not have either your approval or that of the Operator, the original and all copies are to be returned to this office together with the proposed changes for consideration.

After execution of the amendment, the copies are to be distributed in the usual manner.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

Enclosures 6

JTRobertson:gad 7/14/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Larrabee, G-232 GSA Bldg
Dr. Bowles, 3516
Mr. Houk

R.C.G. 7-15-53

mDL

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

Department of the Interior
Defense Minerals Administration
RECEIVED
AUG - 6 1953

DOCKET COPY

June 30, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, Defense Minerals
Exploration Administration
Interior Building
Washington 25, D. C.

Re: Docket No. DMEA-2080 (Asbestos)
The Ruberoid Company
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract No. Idm-E286

Dear Mr. Selfridge:

Reference is made to the subject contract and justification for Amendment No. 2a.

Amendment No. 2a to the subject contract has been prepared to legalize work which had been informally authorized by the Field Team.

Sincerely yours,

W. T. Millar

W. T. Millar, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

C
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P
Y

THE RUBEROID CO.

Hyde Park, Vermont

June 29, 1953

Mr. W. T. Millar, Executive Officer
Bureau Survey Field Team Region VIII
Defense Minerals Exploration
College Park, Maryland

DOCKET DMEA - 2080
CONTRACT IDM - E286

Dear Sir:

This will acknowledge your letter of June 24th regarding disallowance of technical services in the amount of $937.54 for the months of Jan., Feb., March and April 1953 due to the maximum drilling footage being reached, even though the maximum set up for technical services was not exceeded. We do not agree with this disallowance for the following reasons:

(a) When we set up the charges for technical services they were set up on a prorated basis per month to cover the life of the contract which is 1/2 time of our geologist.

(b) The core, after drilling is completed, has to be logged, mapped and drawn up to form eventually a part of the final report and this work cannot stop when the drilling is completed, it has to be done afterwards.

(c) Where you mentioned that in our narrative reports we said the geologist was working on future drilling, we meant that the previous work had to be reviewed, mapped and interpreted so that future drilling could be properly mapped out for your approval before asking for the amendment for the additional drilling.

Frankly, our geologist devoted his time to work on this contract which has to be done after drilling is completed and we feel the charges are justified and in no way violate the contract or the maximum set up.

We request these charges be allowed.

Yours very truly,

THE RUBEROID COMPANY

s/ Michael J. Messel

Michael J. Messel
General Superintendent

College Park, Maryland

June 26, 1953

Mr. Michael J. Messel
General Superintendent
The Ruberoid Company
Hyde Park, Vermont

Subject: Docket DMEA-2080
Contract Idm-E286

Dear Mr. Messel

Please refer to our letter of June 24, relative to subject contract.

In the itemized list of suspensions for technical services, the amount listed for March as $219.19 should have been $211.19, which is an error of $8.00. This changes the total from $945.54 to $937.54 and also changes the figure in paragraph 4 line 4 of our letter.

Very truly yours,

W. T. Millar, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

WTM:rwa

copy for GeoCSelfridge 2
FRKantner
DMEA Files 2

College Park, Maryland

June 24, 1953

Mr. Michael J. Massel
General Superintendent
The Ruberoid Company
Hyde Park, Vermont

Subject: Docket DMA-2080
Contract Ich-286

Dear Mr. Massel:

We are informed by the Auditing Division that the costs submitted under the above contract for technical services for the months of January, February, March, April and May 1953 are not allowable.

These costs were in no way related to the work completed in December 1952 when one of the limiting factors of the contract, namely, maximum allowed footage, was reached. Having attained this maximum, any costs not related to the completed work are not chargeable to the contract. Amendment No. 3 has no bearing on the above as it was not executed nor is any cost allowed other than on a unit cost basis as is specified in the amendment.

The amounts not allowed are itemized as follows:

January	-	Technical	Services	$281.16
February	-	"	"	211.16
March	-	"	"	219.19
April	-	"	"	234.03
				$945.54

The Finance Officer suggests the following method be applied to the first report submitted for operations under Amendment No. 3: On Form MF-104 report under "Drilling" the total on the unit cost basis. After "Technical Services" write "minus" and insert $945.54, which may be substracted from the amount of unit cost drilling and the remainder recorded as a total at the bottom of the form. Note this total does not include technical services for May, which were disallowed.

Bear in mind that this will affect your totals previously reported for technical service and totals to date on Form MF-104 and unit costs and costs to date on Form MF-104A.

Very truly yours,

WTM:HLBurmeister:rwa

copies for GeoCSelfridge
FRKantner
DMEA Files 2

. T. Millar, Executive Officer
Bureau-Survey Field Team
DMEA, Region VIII

FILE COPY
SURNAME:
800

Talbot

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

June 24, 1953

MEMORANDUM FOR FILE:

Re: Idn-1286, DMA-2000
The Ruberoid Company

Mr. Miller, Executive Officer, DMA Field Team, Region VIII, telephoned on June 23, 1953 to request an interim audit of the referenced contract, since the work on an actual cost basis had been completed and future work would be on an "agreed unit costs" basis under Amendment No. 3.

I advised Mr. Miller that we would prefer delaying the audit of this contract, if possible, until completion or termination of the Vermont Copper Company contract Idn-794, DMA-1526, so that all required audits (including the completed Ruberoid contract Idn-723, DMA-1210) in the area could be made on a single trip. He indicated that some definite word on the future plans of Vermont Copper may be expected within the next few weeks. It was agreed, therefor, to delay this audit pending determination of the status of the Vermont Copper project.

We also discussed the Forms MF-104 for January to April 1953, inclusive, in which the Operator has claimed, and been paid for, the salary of an Assistant Geologist, who according to the Operator's narratives was engaged in compiling data and surveying in preparation for the additional work subsequently authorized by Amendment No. 3 dated May 13, 1953, to be performed on an "agreed unit costs" basis. I suggested that these charges may be improper and that a suspension of the total amount involved ([illegible]97.54) should be made on the next MF-104 submitted.

A subsequent review of the file disclosed that the work actually performed did not agree with the work authorized by the contract in the following particulars:

(a) The subcontractor drilled 131' in excess of the "allowable maximum" of 6000';

(b) The Operator drilled 202.7' in excess of the "maximum" total footage of 6000' authorized in Exhibit "A";

(c) The Operator drilled only 2,591' in Area No. 3, whereas, Exhibit "A" requires a "minimum" of 3,000';

(d) The Operator did no drilling in Area No. 4, in which a "minimum" of 1,500' is required by Exhibit "A"; and

(e) The Operator drilled 2,611.7' in Area No. 1, whereas, no drilling other than that performed by the subcontractor was authorized by Exhibit "A".

Mr. Miller was again contacted by telephone and advised of these discrepancies. He stated that he believed all deviations had been informally authorized and that he would check into the matter. I suggested that, if he found that the deviations had been informally authorized, confirming amendments should be made as otherwise disallowances would be required during the audit.

L. D. Talbert, Assistant Chief
Contract Administration and
Audit Division

cc: Mr. Johnson
Mr. Miller
Mr. Houk
Mr. Talbert
Docket
Contract File
Chron. Reading File

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

June 1, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region VIII

Subject: The Ruberoid Company, Hyde Park, Vermont
Docket No. DMEA-2080X - (Asbestos)
Contract Idm-E286

In reference to your letter of May 14, enclosed are the Government, Division and Docket copies of Amendment No. 3 to subject contract, which have been executed by the Ruberoid Company.

W. T. Millar

W. T. Millar

Enclosures - 3

cae
6/2

Mr. Selfridge

College Park, Maryland

DOCKET COPY

May 15, 1953

Mr. Michael J. Messel
General Superintendent
The Ruberoid Company
Hyde Park, Vermont

Subject: Docket No. DMEA-2080X -(Asbestos)
The Ruberoid Company
Vermont Asbestos Mines
Eden & Lowell Townships, Vermont
Contract No. Idm-E286

Dear Mr. Messel:

Enclosed are six copies of Amendment No. 3 to subject contract.

If this amendment meets with your approval please sign all six copies, retain the Operator's copy and return the remaining five copies to this office.

I hope the additional drilling will prove highly successful.

Very truly yours,

W. T. Millar, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

Enclosures - 6

WTM:rwa

copy for GeoCSelfridge, Chrm., Oper. Comm. ✓
DMEA Files - 2

On site audit will be requested as of March 31 upon receipt of the amendment signed by the Operator.
W.T.M.

FILE COPY
SURNAME:

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

Houck
Talbert
Martin
Hefferman

MAY 14 1953

Mr. W. T. Miller
Executive Officer, DMEA
Field Team, Region VIII
Bureau of Mines
Eastern Experiment Station
College Park, Maryland

Subject: Docket No. DMEA-2080 - Asbestos
The Ruberoid Company
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract No. IDm-2286

Dear Mr. Miller:

Please find herewith the original and five copies of Amendment No. 3 to the subject exploration contract which have been signed by the Administrator.

Please present the amendment to the Operator for approval and signature. If any part of this amendment does not have either your approval or that of the Operator, the original and all copies are to be returned to this office together with the proposed changes for consideration.

After execution of the amendment, the copies are to be distributed in the usual manner.

Sincerely yours,

W. S. Martin (JHB)
Chairman, Operating Committee

S.N. 5-14-53

Approved:

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

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

Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Larrabee, G-232 GSA Bldg.
Dr. Bowles, 3516
Mr. Houk

Enclosures 6

JTRobertson:gad 5/8/53

FILE COPY
SURNAME:

Robertson
Houk

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

May 11, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-2080 - Asbestos
The Ruberoid Company
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract No. Idm-E286

Re: Amendment No. 3

Comment and concurrence:

The purpose of this amendment is to enable the company to drill four or five additional exploratory diamond-drill holes from fund remaining after 12,000 feet of holes, called for by the contract, was completed. The amount remaining is about $12,783, and will be used to further explore ground in the Tower No. 2 Area of Area No. 3 indicated on map accompanying this amendment.

The Nonmetallic Minerals Division concurs in the amendment as written.

Jasper T. Robertson
Nonmetallic Minerals Division

Attachments 6

JTRobertson:gad 5/11/53
Copy to: Admr. R. File
Docket File
Mr. Houk

FILE COPY
SURNAME:

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

140

May 7, 1953

n.s. in R & R.

Memorandum

To: The Administrator
Through: L. G. Houk

From: Chief Counsel

Subject: The Ruberoid Company - Docket No. DMEA-2080 - Amendment No. 3

Attached hereto, in satisfactory legal form for execution, is Amendment No. 3 covering the above-mentioned contract, subject to the attachment of the maps referred to therein.

/S/ AEKane
for J. L. Hofflund
Chief Counsel

Attachments

AEKane/ema
cc: Mails & Files
J. L. Hofflund
A. E. Kane
Chron.

Mr. Robertson

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 29 1953

xxxxxxxxxxxxxxxxxx
College Park, Maryland

April 28, 1953

Mr. J. K. Gilmore
Supervisor of Exploration
The Ruberoid Company
Hyde Park, Vermont

Subject: Docket No. DMEA-2080 (Asbestos)
Contract No. Idm-E286

Dear Mr. Gilmore:

This acknowledges your long distance phone call on April 27, pertaining to the request for additional drilling in Area 3, Tower 2, under the subject contract.

The additional information supplied by you on April 9, was reviewed and immediately transmitted through the proper channels for processing. The request for additional drilling under the subject contract involves a technical point which has to be referred to the office of the Chief Counsel. Although there is a balance of funds remaining to the account of the project, the actual work prescribed has been completed. Mr. Meesel is expected in Washington this week and the work under this contract will be discussed with him by DMEA officials in Washington, during his visit.

In reviewing the geologic section received on April 9, it seems advisable to include deepening drill holes JM-11 and T2-2 in Area 3, in the additional drilling, if the request is approved. Your comments on this will be appreciated, also the possibility of reentering these holes.

If you care to call the Washington Office, you may contact Mr. L. G. Houk. The phone number is, Republic 7-1820, Extension 2971.

Very truly yours,

W. T. Millar, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

WTM:rwa

copy for DMEA Files - 2
GeoCSelfridge, Chrm. Oper. Comm.

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

April 13, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 14 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region VIII

Subject: Docket No. DMEA-2080 - (Asbestos)
Ruberoid Company, Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract No. Idm-E286

Transmitted herewith are three sets of data pertaining to subject contract, as requested in your letter of March 25.

Also enclosed are three copies of a letter of April 9, 1953, from Mr. J. K. Gilmore, together with a sketch No. 4-53 showing a very generalized section through Belvidere Mountain.

W. T. Millar

W. T. Millar

Enclosures

C O P Y

C O P Y

The RUBEROID CO.
Hyde Park, Vermont
April 9, 1953

Mr. W. T. Millar, Executive Officer
Bureau - Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

Subject: Docket No. DMEA - 2080
Contract No. IDM - E286

Dear Mr. Millar:

We have supplied the Geological Survey at Montpelier with the information requested in your letter of March 27 and they will forward it to you with their interpretation of the relationship between the geology of the Lowell Quarry and the Tower Area.

We are enclosing our sketch No. 4-53 showing a very generalized section thru Belvidere Mountain. We feel the original ultramafic was intruded along the contact between the amphibolite schist and the sericite schist. The actual structure is more complicated due to local folding in addition to the larger regional folding. The intrusion took place largely below the amphibolite but in places both above and below. Several inclusions of amphibolite have been found in the Lowell Quarry ranging in size up to 70 feet by 250 feet. However we do not know, at the present time, of any relation between the geology and asbestos bearing areas of a serpentine mass.

The serpentine body in which the Lowell Quarry is located is considerably smaller than the main body of the mass in which the Tower Area and Eden Quarry as well as the "C" area are located. While the Lowell Quarry area contains fiber more or less thru out, fiber in commercial quantities is found in pockets in the main body. The Eden Quarry was one of these pockets and the "C" area, where mining operations will begin this year, is another. The "C" area is in the same relative location on the section as the Tower Area.

We feel that an ore pocket some 2000 feet long by 400 to 600 feet wide could exist along the contact in the Tower Area. It is true that surface indications are generally poor although in occasional places good fiber indications are evident. Shallow drilling to depths of 200' have not been encouraging. However a good ore intersection of 239' was intercepted in T2-3 starting at elevation 1520,415' below surface. In T2-2 although only 12' to 23' would be of possible ore grade considerable improvement was noted from elevation 1529 to the bottom of the hole at 1411. Core from this zone would average over 1½%. In our experience on this property poor holes such as T2-2 are found in ore zones but no 200 foot section of ore grade, such as logged in T2-3, has been found outside of a consistantly mineralized area.

Continued

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The RUBEROID CO.
Hyde Park, Vermont

April 9, 1953

To: Mr. W. T. Millar Subject: Docket No. DMEA - 2080 - Page 2 -
Contract No. IDM - E 286

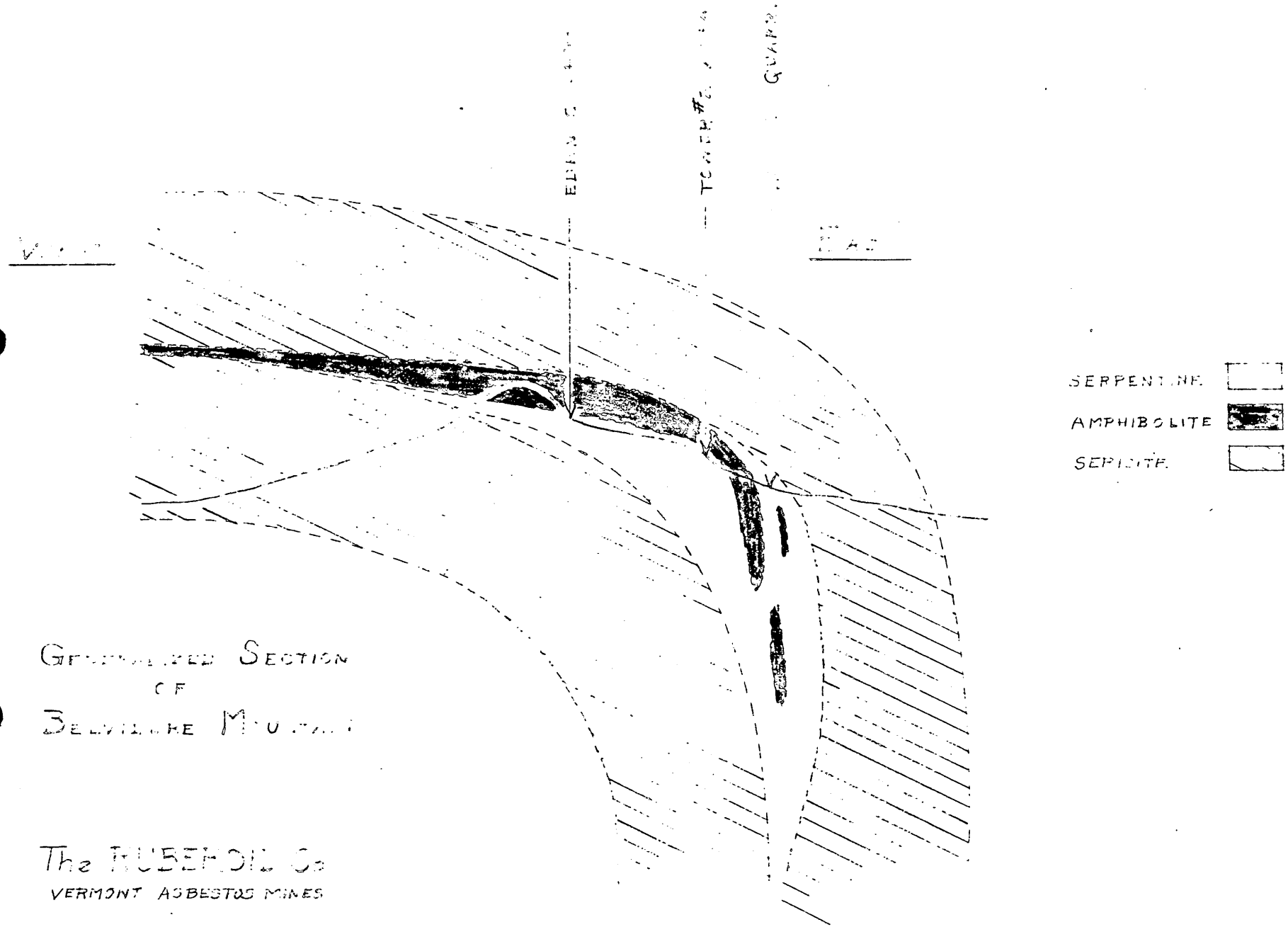
To summarize, although there is no known relation between the geology and the asbestos bearing areas, we feel the Lowell Quarry is geologically closely related to and similar to the Tower Area. The target is a possible ore zone some 2000 feet long by 400 to 600 feet wide lying 300 to 500 feet below the surface. Only four holes have been drilled in the area to a sufficient depth to intercept the ore zone. In these four holes 177' of low grade were intercepted in hole T2-2 and 239' of ore grade were intercepted in T2-3. Holes T2-4 and T2-5 were poor and are outside of the possible ore.

Yours very truly,
THE RUBEROID CO.

/s/ J. K. Gilmore
J. K. Gilmore
Supervisor of Exploration

JKG:p

Enc.



GENERALIZED SECTION
OF
BELVILLE MOUNTAIN

The RUBEROID Co
VERMONT ASBESTOS MINES

SECTION No. 4-53

Traced from Cor. Roll
No. [illegible]

C O P Y

C O P Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey
43 Liberty Street
Montpelier, Vermont

April 6, 1953

Mr. John B. Hanley
U.S.G.S. Building
Agriculture Research Center
Beltsville, Md.

Dear Jack,

The data requested (items 1 and 2) in your letter of March 27, from Jim Gilmore, are enclosed. I have prepared a sketch map and a section combining some of our own work and some of the work of the Ruberoid geologists. These cover items 3 and 4.

Nearly all of the holes drilled within the larger body of ultramafic rock shown on the map except in the proven "C" area averaged less than 1 1/2%. However, T2-3 averaged $4.58 a ton for 239 feet; the detailed log is shown on the section. Nearly all of the holes drilled nearby were stopped at 200-300', while the ore section of T2-3 was found well below this depth. However, the nearest hole (T2-2) shows over 1 1/2% in the lowest 177' (this core has not yet been milled and the mill log of T2-3 is substantially higher than the visual log.)

This data is shown on the map and section. You already have logs of the holes shown on the map in the vicinity of T2-3, so only a portion of them were projected to the section.

Sincerely,

/s/ Wally
Wallace M. Cady

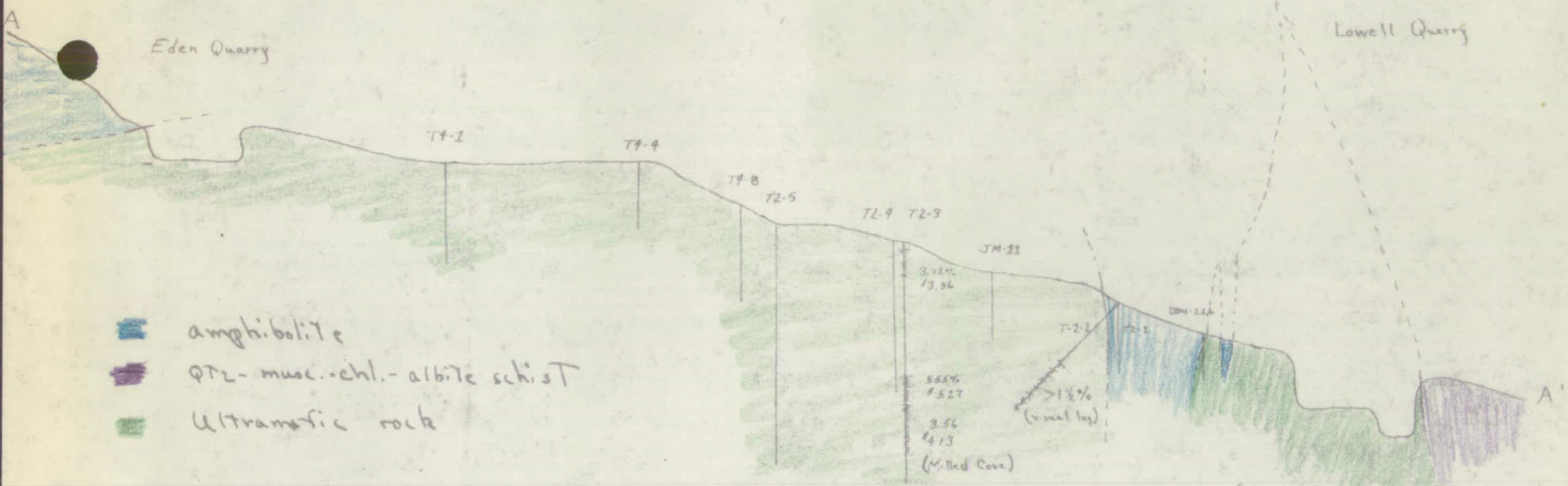
WMC:ala
3 enclosures

P.S. As you have probably already guessed Gilmore is Ruberoid's geologist.

W.

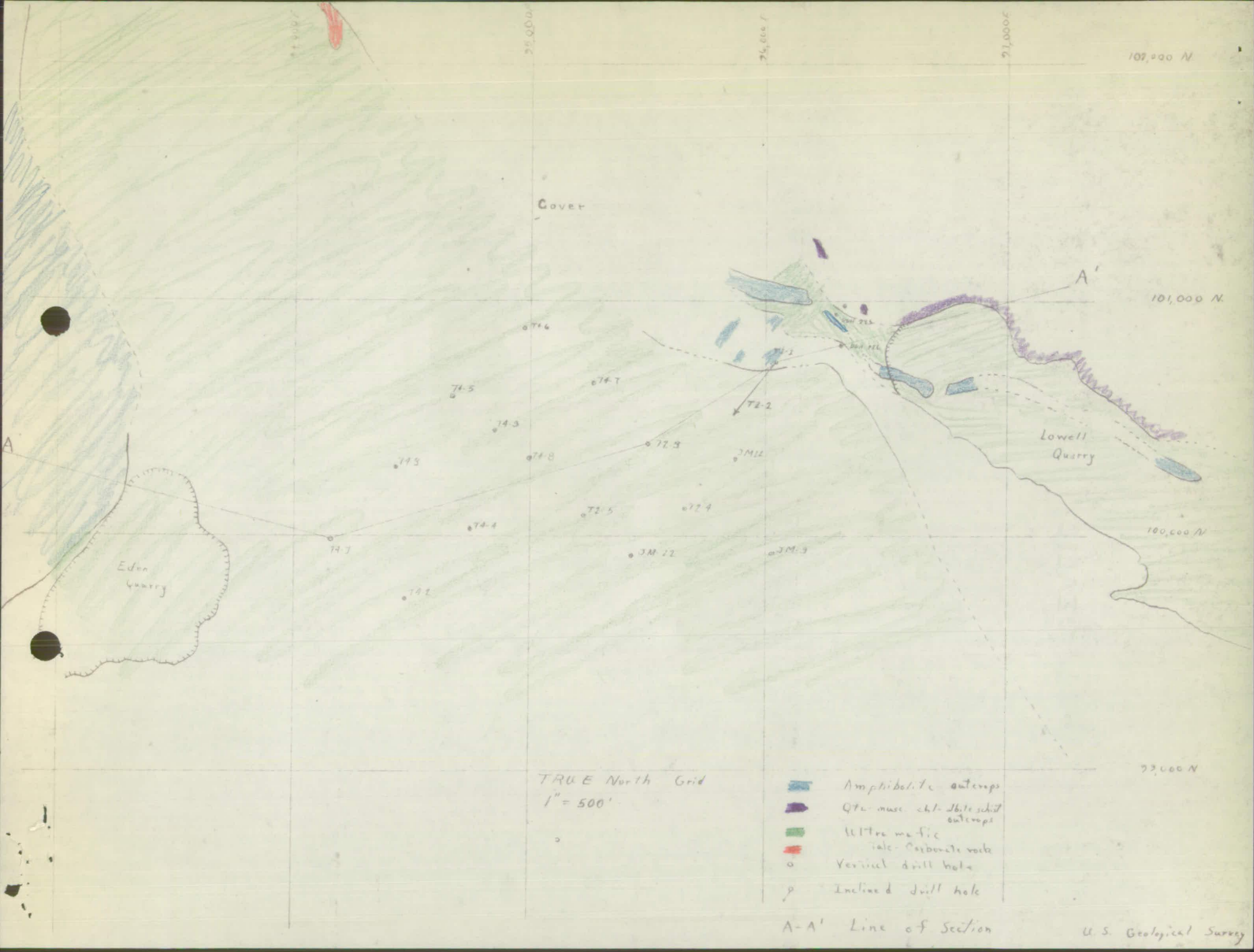
Data received from Ruberoid Company (J. Gilmore); April 3, 1953

Section through Belvidere Mtn. Ultramafic
1" = 500' (vertical & horizontal)



Holes not in line of section (see map) are projected perpendicular to section.

Holes with % not noted are in general <1%.


107,000 N
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Cover
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Lowell Quarry
Eden Quarry
TRUE North Grid
1" = 500'
Amphibolite outcrops
Qtz-musc-chl-biotite schist outcrops
Ultra mafic
talc-carbonate rocks
Vertical drill hole
Inclined drill hole
A-A' Line of Section
U.S. Geological Survey

COPY

College Park, Maryland

March 27, 1953

Mr. J. K. Gilmore
Supervisor of Exploration
The Ruberoid Company
Hyde Park, Vermont

Subject: Docket No. DMEA-2080 - Asbestos
The Ruberoid Company
Vermont Asbestos Mines
Eden & Lowell Townships, Vermont
Contract No. Idm-E286

Dear Mr. Gilmore:

This acknowledges your letter of March 24, confirming our phone conversation relative to your request for additional drilling under contract Idm-E286.

Exploratory work for asbestos under contract Idm-E286 has not been encouraging. Although a balance of approximately $13,000.00 remains in the funds for the estimated cost of contract Idm-E286, the allowable footage to be drilled under this contract has been completed. Further expenditures for drilling an additional 3,000 to 3,500 feet in the Tower Area will require additional information to prove its justification. The area appears to be fairly well explored and the results are negative. At this stage, it is important to determine the size of the geologic target and its possibility of containing an ore body of sufficient size to warrant further exploration.

The following information is required:

1) The elevation at the collars of T2-1, T2-2, T2-3, T2-4 and T2-5.

2) The elevation and drill logs of holes 7, 9 and 11 in the Tower Area No. 2.

3) A map showing the relationship between the geology of the Lowell Quarry and the Tower Area.

Mr. Cady of the Geological Survey at Montpelier, will call at your office early in the week of March 30, for this information.

If favorable action is taken on your request, the time extension is provided for in Amendment No. 2, dated February 5, 1953.

Best regards,
/s/
W. T. Millar, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

WTM:rwa
copy for GeoCSelfridge, Chrm.
Operating Comm.
JBHanley, USGS
DMEA Files 2

FILE COPY
SURNAME:

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

MAR 25 1953

Houk
Selfridge
Hodges
Kinkel
Hottendorf

Mr. W. T. Millar
Acting Executive Officer, DMEA
Field Team, Region VIII
Bureau of Mines
Eastern Experiment Station
College Park, Maryland

Subject: Docket No. DMEA-2080 - Asbestos
Ruberoid Company
Vermont Asbestos Mines
Eden and Lowell Townships, Vermont
Contract No. Idm-8286

Dear Mr. Millar:

Reference is made to your memorandum of March 13, 1953, requesting a decision by the Operating Committee for the use of funds not expended on the subject contract.

The balance of approximately $13,000 which remains may be used to finance additional exploration, provided the geologic target to be explored is of sufficient size to merit additional work.

With the data in hand, it is impossible for this office to evaluate the proposal. It is suggested:

1) That you contact the applicant requesting the elevation of the collars T2-1, T2-2, T2-3, T2-4, and T2-5.

2) With respect to applicant's diamond drill holes 7, 9, and 11 in the Tower 2 area, the elevation of the collars and the legs of the holes should be requested.

3) The northwest edge of the Lowell Quarry appears to be less than 100 feet from the schist serpentine contact of the Tower 2 area. It is suggested that you request a map showing the relationship between the geology of the Lowell Quarry and the Tower 2 area.

4) The Survey geologist should supply us with data showing justification for additional work, this should include a generalized section through DDH's T2-3, T2-2 and T2-1 and the north end of the Lowell Quarry.

Sincerely yours,

George C. Selfridge (GCS)
Chairman, Operating Committee

Approved:

J. B. Hedges (JBH)
Member, Bureau of Mines

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

LGHouk:gad 3/24/53
Copy to: Admr. R. File, Docket File, Operating Committee, Mr. Houk, Mr. Norton, G-232 GSA, Dr. Bowles, 3516

3/25/53

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 13 1953

March 13, 1953

Memorandum

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

From: Acting Executive Officer, DMEA Field Team, Region VIII

Subject: The Ruberoid Company, Hyde Park, Vermont
Contract Idm-E286, Docket DMEA-2080X - (Asbestos)

Attached are the original and two copies of the Field Team's recommendation for work under Contract Idm-E286.

Inasmuch as the footage authorized to be drilled under this contract has been completed, the Field Team considers that additional work under this contract is a decision for the Operating Committee, even though there are sufficient funds remaining to the account of this contract to finance additional work.

W. T. Millar

W. T. Millar

Enclosures - 3

FIELD TEAM'S RECOMMENDATION

March 12, 1953

Docket No. DMEA-2080X - Contract Idm-E286
The Ruberoid Company, Hyde Park, Vermont

(Asbestos)

Please refer to the December 1952 Progress Report by the operator, dated January 15, 1953, under "Summary Report of Progress and Recommendations."

The operator requests permission to conduct additional drilling in Area No. 3 which is the Tower No. 2 Area. This additional exploration amounts to 4 to 6 drill holes which will total 3,000 to 3,500 feet of drilling.

In view of the fact that this area is the only location in which asbestos of commercial grade has been encountered, the Field Team considers it to the advantage of the Government to permit the additional exploratory drilling as proposed in the Summary Report of Progress and Recommendations by the operator, without increasing the total amount of the contract or increasing the total participation by the Government, specified in the contract.

The actual footage of drilling authorized under the contract has been completed but a balance of approximately $13,000.00 remains in the funds allotted for this contract. This balance is estimated to be sufficient to finance the additional exploration requested.

A photostatic copy of a report by Wallace M. Cady to John B. Hanley, Geological Survey members of the DMEA Field Team, is attached.

W. T. Millar

W. T. Millar, Bureau of Mines
Acting Executive Officer
DMEA Field Team

John B. Hanley

John B. Hanley
U. S. Geological Survey
DMEA Field Team

Dated: March 12, 1953

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
43 Liberty Street
Montpelier, Vermont

February 11, 1953

Mr. John B. Hanley
Mineral Deposits Branch, U.S.G.S.
Forest Service Radio Lab, A.R.C.
Beltsville, Maryland

Dear Jack:

Enclosed are the logs of the holes drilled under D.M.E.A. contract Idm-E23, also my report.

With regard to the second contract (Idm-E286).-- I have checked the core from the No. 4 or "Magnetometer" area against the company's logs read by W. B. Millar, their consulting geologist. The rock from these cores appears to be of somewhat lower grade than Millar's estimates of 2.5 to 3.0 percent for CP#1 and 4.75 percent for CP#2. The lower half of CP#9 and all of CP#4, CP#10, and CP#12 had been put through the core mill, and Millar's logs and the yield of the core mill compare as follows:

DDH	Log by W. B. Millar (%)	Core mill results (%)
CP#9 (246'-450')	1.8	1.51
CP#4	1.5	1.35
CP#10	1.1	1.36
CP#12	3.5	1.90

The rock from the Magnetometer Area (Area No. 4) contains lower percentages of fiber than estimated when the core was first logged, and I do not believe that it should be drilled under the D.M.E.A. contract inasmuch as most of the rock already drilled is below ore grade.

The Tower 2 Area (Area No. 3) is the most logical place for the remaining drilling for the reasons stated in the company's recommendations. This area is also the nearest of all the drilling sites to the quarry now producing (Lowell Quarry) and to the proven ore body in the C Area to the southeast. There are no other known areas in northern Vermont as promising as the Tower 2 Area.

Sincerely,

Wally

Wallace M. Cady
Geologist

Enclosure

FILE COPY
SURNAME:

Robertson
Harker

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

February 24, 1953

Memorandum

To: Mr. C. O. Mittendorf, Administrator

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-2080 - Asbestos
Contract No. Idm-E286
The Ruberoid Company
Vermont Asbestos Mines

Re: Amendment No. 2

Comment and concurrence:

Amendment No. 2 as prepared and executed by Mr. W. T. Millar, Executive Officer, DMEA Field Team, Region VIII, is approved by the Nonmetallic Minerals Division.

The purpose of the amendment is to recess the project work over the severe winter season, recessing the work from January 1 to April 30, 1953, and extending completion date an additional four months. The allowable costs remain the same.

The Nonmetallic Minerals Division concurs in the amendment as made.

Jasper T. Robertson
Nonmetallic Minerals Division

JTRobertson:gad
Copy to: Docket File
Admin. R. File
Mr. Houk

RECEIVED
FEB 27 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 12 1953

February 12, 1953

Memorandum

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

From: Acting Executive Officer, DMEA Field Team, Region VIII

Subject: The Ruberoid Company, Hyde Park, Vermont
Contract Idm-E286, Docket DMEA-2080X - (Asbestos)

Transmitted herewith are the original and two carbons of Amendment No. 2 to Contract Idm-E286, which has been executed by the Ruberoid Company.

W. T. Millar

W. T. Millar

Enclosures - 3

coc
2-12-53

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 2 1953

xxxxxxxxxxxxxxxx
College Park, Maryland

January 30, 1953

Memorandum

To: John B. Hanley, U. S. Geological Survey

From: . T. Millar, Acting Executive Officer, DMEA Field Team

Subject: DMEA Contract with The Ruberoid Company
Nos. Idm- E23 and Idm-E286

Contract Idm-E23 has been completed and The Ruberoid Company has submitted their final report. A copy of this report is enclosed for your consideration and use for preparation of the final report by the Field Team.

Also, a Summary Report of Progress and Recommendation for contract Idm-E286, the second contract with The Ruberoid Company, has been received. A copy of this report with a photostatic copy attached for Cady is enclosed.

This contract is complete so far as the estimated footage is concerned but there is a balance of approximately $10,000.00 remaining to the account of this contract. The Ruberoid proposes using this balance for additional drilling but considering the results of this exploration, it is questionable whether additional drilling is justified.

After you have reviewed these reports and probably discussed ~~it~~ them with Cady, a recommendation by the Field Team should be prepared for submittal to the Operating Committee.

I will contact you for a discussion after the reports have been reviewed.

W. T. Millar

Enclosures

WTM:rwa
copy for GeoCSelfridge ✓
DMEA Files - 2

SUMMARY REPORT OF PROGRESS & RECOMMENDATIONS
DMEA 2080 - CONTRACT E286 - JAN. 15, 1953

To date a total of 12,333.7 feet have been drilled on this project. Of this, 7 holes totaling 6,131 feet were completed by a sub-contractor and 18 holes, totaling 6,202.7 feet were completed by company operated machines.

In Area No. 1, the "T" Area, results from the early drilling, while below ore value, were very encouraging. Drilling was continued until 13 holes, totaling 3,611.7 feet were completed. Drilling in an area of this size will frequently show more variation and it was expected that some sections might show considerably lower values while another might be sufficiently high to block out a section of ore. The 13 holes, together with others drilled previously showed a very consistant low grade fibre bearing area which cannot be classed as ore.

Two additional holes, each 1,000 feet deep, were drilled in the northern corner of the area. These exploratory holes were drilled after 5 holes in Area No. 2, had shown no encouragement. They were located midway between the abandoned Eden Quarry where 6,000,000 tons had been mined and the "T" area. It was thought possible an extension of one of the mineralized areas might be found or a connection between the two. Both holes, however, showed very little fibre.

In Area No. 2, the Brown Lot-Quarry Area, 5 holes totaling 4,131 feet were drilled. These holes were drilled to look for extensions in depth of the mineralized area of the abandoned Eden Quarry. The serpentine in all 5 holes was nearly barren. Three of the holes bottomed in sericite schist indicating the serpentine mass was thining out in this area. Contacts were mapped in more detail to the southwest and previous drilling there, together with the information from the 5 holes, indicated only remote possibilities of ore. Only small tonnages could be expected at best. There was no possibility of a sizable ore body.

In Area No. 3, the Tower #2 Area, 5 holes were drilled, totaling 2,591 feet. One hole, T2-3, intercepted an ore section of 239 feet, averaging $4.58/ton of ore. Holes T2-4 and T2-5 were drilled to see if this zone extended southeast or southwest. Drilling was stopped due to winter weather. The ore zone could extend to the west, northwest, or north and drilling to check this is proposed.

In Area No. 4, the magnetometer area, no drilling was done. Previous drilling in this area showed a very highly sheared serpentine with extremely short talcose fibre. Four holes drilled showed values of $1.65, $1.07, $.96 and $.78 per ton of ore. Geological study this summer indicates a series of small anticlines and synclines in the schists in the valley bottom. This thesis is borne out further by the number of small serpentine masses in this area, several more of which have been indicated by the magnetometer and one composed entirely of talc-grit outcropping. If this thesis is correct, probably all of these masses are highly sheared and considerable alteration to talc grit should be expected. This area is located in the valley bottom and nearly all of the masses are buried under 100' to 150' of silt and glacial material. If ore existed it would have to be mined by underground methods and a higher value per ton would be required to classify material as ore. For these reasons, it was felt the chances of favorable results were better in the other areas and drilling has been concentrated there.

Although the 13,000 feet originally estimated has been completed, sufficient funds remain for an additional 3,000 to 3,500 feet of drilling without exceeding any of the allowable maximums or the total estimated cost of the project. A table showing the estimated costs of this additional drilling together with the original amounts estimated and the approximate amounts expended to Dec. 31st, is attached.

We recommend, therefore, and request permission to drill 4 to 6 holes, totalling 3,000 to 3,500 feet in Area No. 3, the No. 2 Tower Area. Depth of the holes would be 500 to 1,000 feet. Possible locations of 5 holes are indicated on

Progress Map 7, which is attached. T2-6 would be drilled first and actual location of the other holes would depend on results.

Final drill footage in the various areas would be as follows:

Area No. 1	The "T" Area	5611.7	ft.
No. 2	Prom Lot or Eden Quarry	1131.0	ft.
No. 3	Tower 2 Area	4591 to 6091	ft.
No. 4	Magnetometer Area	None	
	Totals	11333 to 12833	ft.

2080

xxxxxxxxxxxxxxxxx
College Park, Maryland

January 13, 1953

Mr. Michael J. Messel
General Superintendent
The Ruberoid Company
Hyde Park, Vermont

Subject: Confirmation of telephone conversation of H. L. Burmeister and James K. Gilmore, January 13, 1953

Dear Mr. Messel:

In the above long distance phone conversation with Mr. Gilmore the following matters were discussed:

It is understood that the final report on Contract Idm-523 is in process and will be completed about January 16.

Regarding Contract Idm-5286, Mr. Gilmore's attention was directed to the request made on November 12 that an outline of drilling plans be furnished this office upon Mr. Gilmore's return. This was requested of Mr. Jordan due to the absence of both you and Mr. Gilmore. This outline was mentioned as being in progress in your November Progress Report under date of December 10, but has not been received. Mr. Gilmore states that it will be made at once.

The fact that the No. 1 or "T" area is drilled more than 2,600 feet in excess of the contract maximum for that area and the need for written justification for this was mentioned to Mr. Gilmore.

As no drilling has been done on the "Magnetometer" or No. 4 area, it was requested that this area be included in consideration of a drilling plan.

Also mentioned was the fact that company drilling had on November 30 exceeded by several hundred feet the 6,000 feet specified in this contract.

It is understood that the sub-contract drilling has been completed.

Very truly yours,

H. L. Burmeister
Mining Engineer

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 15 1953

HLB:rwa

copies for FEJohnson - 2
JBHanley - USGS
FRKantner
DMEA Files 2

Call

Mollar as soon as possible so he can telephone Ruberoid before 1:00 P.M.

Ruberoid Idm E 286
2080

Drill 4 areas

Area 1 - Results have been encouraging.
Co has used more than the may footage

Area 2 - Results negative - some footage left over

Area 4 not started

Can this be considered a deviation or how should it be handled?

SK 10:50 AM
11/18/52

LFH.

This is a tel. call
I took 11/18/52
SF
Handled by Hoover

Ruberoid 2nd Idaho 286 2080

Drill 4 areas
max. - min. for each
area

Area 1 they have exceeded
the maps. Been max.

Area 2 ↔

Drill deep under
present work

Map. 5A
Adj. 4131

Results negative

FILE COPY
SURNAME:

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

Hearne
Houk

OCT 13 1952

Mr. Mahlenry Mosier
Executive Officer, DMEA
Field Team, Region VIII
U. S. Bureau of Mines
Eastern Experiment Station
College Park, Maryland

Subject: Docket No. DMEA-2080 - Asbestos
The Ruberoid Company
Eden and Lowell Townships
Vermont
Contract No. Idm-8286

Dear Mr. Mosier:

Reference is made to the subject contract with The Ruberoid Company for asbestos exploration assistance in Eden and Lowell Townships, Vermont.

Enclosed you will find Amendment No. 1 to Contract No. Idm-8286, effective April 1, 1952. The amendment changes the titles of the various labor classifications. One copy is for your files and the other copy is for the Regional Finance Officer.

10-13-52

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee

Approved:

C. H. Johnson (EHB)
Member, Bureau of Mines

G. R. Kinkel, Jr. (EHB)
Member, Geological Survey

LFHearne:gad 10/10/52

Copy to: Adm. R. File
Docket File
Operating Committee (2)
Dr. Bowles, 3516
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

Enclosures 2

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 3 1952

The RUBEROID Co.
500 Fifth Avenue
NEW YORK 36, N.Y.

EXECUTIVE OFFICES

October 2, 1952

Mr. C. O. Mittendorf, Administrator
Defense Minerals Exploration Administration
U. S. Department of Interior
Washington 25, D. C.

Dear Mr. Mittendorf:

Subject: Docket No. DMEA-2080 - Asbestos
The Ruberoid Company
Eden, Vermont
Contract No. Idm-E286

We have your letter of September 30, together with the seven copies of Amendment No. 1 to the above-captioned contract. As requested we are returning herewith six executed copies, retaining the "Operator's Copy" for our files.

Sincerely yours,

The RUBEROID Co.

Stanley Woodward
Executive Vice President

SW:rw

SLS
10/3/52

FILE COPY
SURNAME:

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

Hearne
Houk
Johnson
Mittendorf
JE Johnson

SEP 30 1952

Mr. Stanley Woodward
Executive Vice President
The Ruberoid Company
500 Fifth Avenue
New York 18, New York

Subject: Docket No. DMRA-2080 - Asbestos
The Ruberoid Company
Eden, Vermont
Contract No. Idm-E286

Dear Mr. Woodward:

Enclosed are seven signed copies of Amendment No. 1 to the above-captioned contract. Please execute them all, keep the one marked "Operator's Copy" for your file, and return the remainder to this office.

Sincerely yours,

C. O. Mittendorf
Administrator

9.30.52

Enclosures 7

LFHearne:gad 9/26/52

Copy to: Admin. Reading File
Field Team, Region VIII
Docket File
Dr. Bowles, 3516
Mr. Norton, G-232 GSA Bldg.
Mr. Houk
Operating Committee (2)

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

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

800

SEP 29 1952

BP

Mr. Michael J. Messel
General Superintendent
The Ruberoid Company
Hyde Park, Vermont

Dear Mr. Messel:

Enclosed herewith for your information is a copy of the Audit Certificate and Audit Report resulting from my recent audit of your records pertaining to DMEA Exploration Project Nos. Idm-X23 and Idm-X286, Docket Nos. 1210 and 2080, respectively.

I wish to take this opportunity to express my appreciation for the courteous co-operation extended to me during this audit by you and the other officers and employees of your Company.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Assistant Chief
Contract Administration and
Audit Division

J.N.
9-29-52

Enclosure

EDTalbert/wb
September 29, 1952

Copy to: Mails & Files
Admr. Reading File
Mr. Talbert

Plr, Chambers

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1952

College Park, Maryland

September 26, 1952

Mr. Michael J. Hessel
General Superintendent
The Ruberoid Company
Hyde Park, Vermont

Re: Contract Idm-R23, Docket DMEA-1210
Contract Idm-R286, Docket DMEA-2060X

Dear Mr. Hessel:

In reference to my letter to you under date of August 27, 1952 regarding sub-contracts, the approval of the contract for diamond drilling between the Ruberoid Company and the Joy Manufacturing Company, dated December 21, 1951, is hereby amended to apply not only to contract Idm-R23 but also to contract Idm-R286. Also, approval is extended under contract Idm-R23 to include the sub-contract between the Ruberoid Company and the Joy Manufacturing Company for diamond drilling, dated May 15, 1951.

Very truly yours,

McHENRY MOSLER

McHenry Mosler, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

McHM:rwa

copy for FEJohnson - 3
JayLChambers
DNAnderson
DMEA Files 2

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

COPY

Surname
Talbert

To: Mr. Frank E. Johnson
Deputy Administrator (Date Stamped) Sep 22, 1952

From: E. D. Talbert, Assistant Chief /s/ E. D. Talbert
Contract Administration and Audit Division

Subject: Suggested Amendments to Contracts E-22 and E-286,
Dockets 1210 and 2080, Ruberoid Company -- Asbestos
original in 1210

Reference is made to Mr. Mosier's memorandum of September 9, 1952, recommending an amendment to Contract E-23 to permit the payment of prevailing wage rates, including time and one-half for overtime.

During the period of September 9 to 12, 1952, I performed an on-site audit of the records pertaining to Contracts E-23 and E-286 with The Ruberoid Company. This audit disclosed that the following wage classifications and rates were in effect in the Company's Exploration Department, which is concurrently performing work on the DMEA projects and Company projects:

Classification	Hourly Rates Effective 11/12/50	Effective 5/4/52
Drill Operator	$1.31	$1.36
Spareman	1.14	1.19
General Laborer	1.07	1.12

Shift diffenentials of $.05 and $.10 and overtime rates of time and one-half are paid in addition to the above rates.

Under Contract E-23, which is on the old form of contract (April 1951), the Exhibit "D" specifically limits the rates to "Maximum wages per hour" of $1.07 for laborers and $1.17 for student helpers and rodmen. (The drill operator is not applicable to this contract.) Taken literally this statement would prevent payment not only for the increased rates effective May 4, but also the customary overtime and shift differentials.

Under Contract E-286, which is on the new form (Rev. Feb. 1952), there is no limitation to the rates. Therefore, the prevailing rates including customary overtime and shift differentials are allowable.

Since all Exploration Department employees are used interchangeably on the two DMEA projects, as well as on Company exploratory work, it is definitely incompatible and inequitable not to allow the increased rates, and the overtime and shift differentials, under Contract E-23. Therefore, I concur with Mr. Mosier's recommendation.

It is recommended, however, that the amendment to Contract E-23 include a restatement of the classifications as "Spareman" and "General Laborer" in lieu of the fictitious classifications of "Laborer", "Rodman" and "Student Helper". This would eliminate the unnecessary maintenance by the Company of time sheets, distribution sheets and cost accounts under the several fictitious classifications and also will facilitate future audits.

It is recommended also, for the same reasons, that Contract E-286 be amended to show the estimates for labor in the classifications of "Drill Operator", "Spareman" and "General Laborer" in lieu of the classifications of "Instrument Man", "Survey Helpers", "Drill Runners", "Drill Helpers", and "Tractor-truck Driver".

It is suggested that the amendment to Contract E-23 be expedited since the Audit Report and Certificate are being prepared on the basis that the payment of the increased rates and the customary overtime has the Administration's approval. In this connection it was found that the Company's supervisor of Exploration had notified the DMEA Executive Officer by letter dated May 20, 1952 that new rates were in effect and stated "I understand approval for the wage increase would be granted by approval of the monthly cost statement." The DMEA Executive Officer's letter of reply dated May 23, 1952, did not mention the change in rates nor did he withhold approval of subsequent MF-1048s, to which were attached payroll transcripts clearly indicating the increased rates. It should be noted that the Company's wage rates are extremely low in comparison with those in effect under other contracts.

EDTalbert/wb
September 19, 1952

Copy to: Mails & Files
Admr. Reading File
Mr. Mosier
Mr. Houk
Mr. Talbert

C C
O O
P P
Y

FILE COPY
SURNAME:

CHAMBERS

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

C C
O O
P P
Y

(Date Stamped)
Aug. 28, 1952

Mr. Michael J. Messel
General Superintendent
The Ruberoid Company
Hyde Park, Vermont

Dear Mr. Messel

Under the terms of Exploration Project Contracts Idm-E23 and Idm-E286, Docket Nos. 1210 and 2080, respectively, it is provided that you "keep suitable records and accounts of operations, which the Government may inspect and audit at any time."

It is anticipated that Mr. E. D. Talbert, an auditor representative of this Division, will visit your office on or about September 10, 1952, for the purpose of certifying the validity and propriety of the Government's payments.

If for any reason the timing of this visit is unappropriate, please advise.

Sincerely yours,

/s/ J. L. Chambers

Jay L. Chambers, Chief
Contract Administration and
Audit Division

EDTalbert/wb
August 27, 1952

Copy to: Mails & Files
Admr. Reading File
Mr. Mosier
Mr. Talbert

C C
O O
P P
Y

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

AUG 25 1952

Division Copy

August 22, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region VIII

Subject: On-site Audits for Projects.

Reference is made to Question 19 of Memorandum No. 8, June 25, 1952, quote, "Ordinarily, an audit should be made by the end of the third month, whenever practicable."

DMA and DMEA projects in Region VIII are in good order and all charges to the various project accounts have been well documented, therefore no requests by this office have been made for on-site audits by the Audit Division.

At this time we have two projects which have been operating for one year and are expected to run 6 to 10 months longer. As a matter of good accounting practice an audit of the following contracts is requested:

1. The Ruberoid Co. - DMA-1210 - Idm-E23 (Asbestos)
2. The Ruberoid Co. - DMEA-2080 - Idm-E286 (Asbestos)
3. Vermont Copper Co.- DMA-1526X - Idm-E94 (Copper)

The Vermont Copper has suspended drilling as of July 31 pending new plans.

The Ruberoid had two contracts and it may simplify auditing to check both contracts at the same time.

McHenry Mosier

McHM:WTMillar:rwa

copy for FEJohnson - 2
COMittendorf - 1
JLChambers - 1
DMEA Files 2

xxxxxxxxxxxxxxxxxx
College Park, Maryland

August 20, 1952

Mr. L. Morgan Potter, Asst. Genl. Supt.
Ruberoid Division - Vermont Asbestos Co.
Hyde Park, Vermont

Re: July Progress Reports
Contract E-23 - DMEA-1810
Contract E-286 - DMEA-2080

Dear Mr. Potter:

It is understood that at the time of Mr. Burmeister's last visit, August 4, it was agreed that the progress of all diamond drill holes would be reported as follows:

Company drilled hole ___No.___, from ___ft. to ___ft. Drilled this period ___ft.
" " " " " " " " " " "

Contract drilled hole ___No.___, from ___ft. to ___ft. Drilled this period ___ft.
" " " " " " " " " " "

A copy of the above was left in your office but this data is not contained in the July Operator's Report for either of the subject contracts. As an example, the June report on Contract E-23 reports only that drill hole DN-14 was started and the July report states it is finished. The footage for each month is not recorded for any month, or for other holes. It is not possible to audit the current account of progress or funds expended if the outlined data is not furnished. This is particularly necessary in the contract drilling in view of the terms of the sub-contract for drilling where the price changes with depth.

The July report on Contract E-286 is correct in all respects except the data requested, which should also justify the expenditure shown on Forms 104 and 104A.

The July report on Contract E-23 is correct except for the data requested and that on Form 104. The same breakdown followed in Contract E-286 should be used on "other" under (3) and "Rental" under (4).

The original of both contracts are being retained in this office for comparison with the revision. All maps and log sections are also being held and will be attached to the revised report when received. With these exceptions the balance of the reports are returned for correction.

Yours very truly,

McHenry Mosier, Executive Officer
DMEA Field Team, Defense Minerals
Exploration Administration, Reg. VIII

cc: DNAnderson
COMittendorf (2) ✓
DMEA
DMEA Engr.

Enclosures

July 29, 1952

Mr. Mahlenry Mosier, Executive Officer,
U. S. Department of Interior,
Defense Minerals Exploration Administration, Region VIII,
College Park, Maryland

Subject: Contract D-286
Docket DMEA-2060
June, 1952 - Report

Dear Mr. Mosier:

Further to your letter of July 24th, 1952 -

Refer to Form MP-104 - Item (1) Drilling - $4,710.00. Attached find contract with Jay Manufacturing Company. The signed copies are in the New York Office.

Contract drilling amounted to 1256 ft. Holes No. EQ-1 and EQ-2. Company drilling amounted to 990 ft. Holes T-27, T-28, T-29 and T-31.

Item (2) Labor was shown as $1985.01. This included labor for operating Company owned drill. This is now shown separate on corrected form. Also the months of April and May are corrected for the accumulated total of labor in connection with operating Company owned drill. Form MP-104 is now correct as you will note, on the accumulated totals for three months under Labor and Labor Company drilling.

Item (3) - Other shown as $967.60.

Vendor			
Company Store	11 Core Bits		$722.55
C. Russell Graves	4# 30 Nails	$ .61	
Charles Millar & Son	1 Cold Chisel, 1/2 x 6)		
" "	1 " " 3/4 x 7½)	1.37	
" "	1 Screwdriver	.55	
" "	1 Pliers	.88	
C. Russell Graves	2 Axes w/handles)		
" "	20# 30 Nails)	15.23	
" "	2# 40 Nails)		
Company Store	Miscellaneous Supplies	196.23	
Ballard Lumber Co.	2 pcs. 8"x8"x14')		
" "	2 " 8"x8"x12')	16.68	
Keuffel & Esser Co.	200 Graph Paper)		
" "	2 Plumb Bobs)	13.50	
" "	" " " Sheaths)		$245.05
			$967.60

Item (h) Depreciation is $226.40.

The equipment included is as follows:

Drilling Machine
2 -Pumps
Rods
Power Wagon
Misc. Equip.
Tractor

We will submit an itemized statement such as the above with each monthly report from hereafter.

Very truly yours,

The RUBEROID Co.

Michael J. Meisel
General Superintendent

MJM:vs

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

July 24, 1952

Mr. Michael J. Messel
General Superintendent
The Ruberoid Company
Hyde Park, Vermont

Subject: Contract E-286
Docket DMEA-2080K
June 1952 Report

Dear Mr. Messel:

In accordance with the allowable maximums specified in Contract E-286 it is impossible to determine how the figures on Form MF-104 and MF-104A for the June Progress Report are obtained.

Refer to Form MF-104 - Item (1) Drilling - $4,710.00.
This contract specifies 6,000 feet under subcontract @ $4.00 per foot, which is the allowable maximum. Also, 6,000 feet of drilling with company owned equipment at actual cost allowing 20 percent depreciation one year on $11,000.00 which is equivalent to $2,200.00 and 10 percent depreciation on $3,000.00 which amounts to $300.00 plus labor, operating material and supplies.

Your narrative for the June Progress Report shows two drills operating under this contract. It is assumed that you operated one contract drill and one company owned drill. If this is the case, it will be necessary to break down the actual operating cost for operating the company owned drill and show the footage by contract drilling and footage by company owned drill, and specify the holes drilled by each.

Item (2) - Labor is shown as $1,925.01.
Does this include labor for operating company owned drill? The allowable maximum for labor to operate the company owned drill is $6,804.00 plus $238.00 for compensation insurance, social security and unemployment insurance.

The labor cost for drilling should be separate from the other holes.

Item (3) - Other shown as $967.60.
Such amounts should be substantiated by an itemized statement.

Item (4) - Depreciation is $226.40.
What equipment is included in this item?

Please supply us with a copy of your contract with Jay Manufacturing Company. Kindly make necessary corrections and return to this office.

Yours very truly,

McHenry Mosier, Executive Officer
Defense Minerals Exploration
Administration, Region VIII

McHM:HLB:rwa
copy for DMEA Files 2

Enclosures - 4

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D. C.~~

College Park, Maryland

April 7, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee, DMEA

From: Executive Officer, Bureau-Survey Field Team, Region VIII

Subject: Docket No. DMEA-2080 - Asbestos
The Ruberoid Company
Lamoille County, Vermont
Contract Idm-E286

In reference to your letter of April 1, enclosing original and five copies of Contract Idm-E286, Docket DMEA-2080, The Ruberoid Company, Lamoille County, Vermont:

The original and three copies of this contract, which have been signed by Walter G. Gowen, are attached.

McHenry Mosier

McHenry Mosier

Enclosures 4

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 8 1952

FILE COPY
SURNAME:

Houk

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

APR 1 1952

Mr. McHenry Mosier
Executive Officer
DMEA Field Team, Region VIII
Bureau of Mines
Eastern Experiment Station
College Park, Maryland

Subject: Docket No. DMEA-2080 - Asbestos
The Ruberoid Company
Lamoille County, Vermont

Dear Mr. Mosier:

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

If the contract meets with your approval forward to Mr. Stanley Woodward, Executive Vice President, Ruberoid Company, 500 Fifth Avenue, New York 18, New York, for his signature and approval. You will notice that this is on the new contract form and, should there be any questions, we will be pleased to answer them.

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

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

Sincerely yours,

(signed) FRANK E. JOHNSON (JHB)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Enclosures 6

Approved:

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

E. P. Thayer (JHB)
Member, Geological Survey

LGHouk:gad 3/31/52
Copy to: Admin. Reading File
Operating Committee
Mr. Norton, G-232, GSA Bldg.
Dr. Bowles, 3522
Mr. Houk
Docket File

The RUBEROID CO.

HYDE PARK, VERMONT

Feb. 29, 1952

Mr. Thomas Chapman,
Room 4635,
Dept. of Interior Bldg.,
Washington 25, D. C.

Asbestos Fibre - Exploration Project No. 2 - DMA-2080-X

Dear Sir:

I have been advised that you require some further information on description of areas involved in above exploration project.

(1) I am attaching herewith, in duplicate, our map No. F2-12 showing the 4 areas included in the above project clearly outlined, together with a description of each area referred to, our property base line B1 & B2. This gives a clear picture and definition for reference of the 4 areas involved which are separated but located in the serpentine belt, and the present ore bodies termed Lowell Quarry and "C" area, are clearly indicated and excluded from the contract.

(2) These 4 areas are all located on property which we own and have title to so there should be no question in this respect on surface or mineral rights.

I trust the above will give you the necessary information.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 3 - 1952

Very truly yours,

The RUBEROID Co.

Michael J. Messel

Michael J. Messel
General Superintendent

MJM:vo

cc: Mr. Miles V. Engelbach
Mr. W. G. Cowan

FILE COPY
SURNAME:

Authors

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

February 19, 1952

Memorandum

To: Acting Administrator

From: Chief Counsel

Subject: The Ruberoid Co., Docket No. DMA-2080, Asbestos

N.R.R.

I am unable to draft a contract from the materials submitted to me in this matter on February 14. I will try to be as helpful as possible in stating here how this material should be organized.

1. I believe that the description of the Operator's property rights, as set forth in Article 2 of the contract form, is insufficient. The exploration is to be performed in four areas which are delineated on a map, and the description of the four areas is to depend upon a reference to the map. It appears from the file that the applicant owns all of the land which appears on the map, but wishes to exclude everything except what is delineated in the four areas. I believe that the applicant should be required to describe these four areas by metes and bounds in addition to delineating them on the map. I suppose it would not be necessary to actually survey the ground in order to describe the four areas by metes and bounds, but a metes and bounds description would be much more certain than a mere delineation on a map.

2. In setting up Exhibit "A" the provisions of the contract form and of any instructions that have been issued with relation to setting forth Exhibit "A", have been completely ignored. There is a "summary" on the last sheet of Exhibit "A", but the items set forth in the summary, with one or two exceptions, cannot be picked up readily from the items of estimates set forth in the preceding part of Exhibit "A". Of course, the summary should be merely a summarization of the items set forth in Exhibit "A", and the total of the detailed items should be the same as the total of summary. I do not doubt but what all of the items and elements necessary for making a complete and sensible statement of Exhibit "A" are included in the rough draft

da

submitted, but I do not think that this office should be required to segregate them and restate them to conform with the requirements of the contract.

I will be glad to cooperate with whoever did this preliminary drafting work, to aid in getting a reasonable statement of Exhibit "A".

J. L. Hofflund

J. L. Hofflund
Chief Counsel

Attachments

JLHofflund/em

Copy to: Mails and Files
J. L. Hofflund
chron.

MF-200
(June 1951)

Docket No. DMA _____
Commodity _____

Idm-E286

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 1st day of April, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] THE RUBEROID COMPANY, A CORPORATION HYDE PARK, VERMONT.

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to ~~Mineral Order 5, entitled "Regulations Governing~~ Government Aid in Defense Exploration Projects," DMEA Order-1.

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of VERMONT, County of LAMOILLE described as follows: [3] IN EAST AND LOWELL TOWNSHIPS, MORE FULLY described by metes and bounds in Annex 1, which is attached to and made a part of this contract.

with respect to which the Operator represents and undertakes: [4]

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

~~(b) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.~~

3. *Exploration project.* The Operator, within 90 days from the date of this contract shall commence work on a project of exploration for [5] asbestos; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] 15 months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

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

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $56,250.00 which is 90 percent of the agreed estimated total cost of this project, $62,500.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By ----------

By ----------

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

Amy 1 To Exploration Contract Docket No. DMA-2080

The area of this project includes all land within the following boundaries; excepting the Lowell Quarry area and the "C" area which are bounded as follows:

Lowell Quarry area.

Beginning at corner marked V, which is approximately 720 feet north and 3890 feet west of Base Line point B-1 and at the common corner of Lots 1 and 2, Range 13, and Lots 1 and 2, Range 14, thence N25°30'E, 1,000 feet to corner W, thence S 52° E 2,720 feet to corner X, thence S 25°30'W 1,000 feet to corner Y, thence N 52° W 2720 feet to corner V the point of beginning. This area is in Lots 1 and 2, Range 13.

"C" area

Beginning at corner marked D, which is approximately 40 feet north and 2280' west of Base Line point B-1, thence S 52° E 1,500 feet to corner E, thence S 25° W 2,250 feet to corner F, thence N 60° 14' W 1,000 feet to corner G, thence N 12° 30' E 2540 feet to corner D, the point of beginning. This area is in Lot 20 Range 12, and Lot 1, Range 13.

Beginning at a stone bound marked 1, which is the northwest corner of the Brown Lot, which is approximately 755 feet north and 8100 feet west of Base Line point B-1, thence S 30°51'W, 5,020 feet, to corner 2, which is the southwest corner of the Brown Lot, thence S 61° E, 6,785 feet to corner 3, which is the southwest corner of Lot 18, Range 12, thence N 25° E 3570' to corner 4

which is the southwest corner of Lot 20, Range 11, thence, S 65° 30' E, 2,840 feet to corner 5, which is the southeast corner of Lot 20, Range 11, thence, N. 25° E., 1,805 feet to corner 6, which is the northeast corner of Lot 20, Range 11, thence, N. 64° 30' W 90 feet to corner 7, which is the southeast corner of Lot 1, Range 12, thence, N. 25° 30' E., 5,210 feet to corner 8, which is the northeast corner of Lot 3, Range 12, thence, N. 64° 30' W, 2,610 feet to corner 9, which is the northwest corner of Lot 3, Range 12, thence, S. 25° 30' W, 480 feet to corner 10, which is the northeast corner of Lot 3, Range 13, thence, N. 65° W., 2,660 feet to corner 11, which is the northwest corner of Lot 3, Range 13, thence, S. 25° 30' W., 1,070 feet to corner 12, which is the northeast corner of Lot 2, Range 14, thence, N. 61° 30' W. 2640 feet to corner 13, which is the northwest corner of Lot 2, Range 14, thence S 23° W, 1,630 feet to corner 14, which is on the west end line of Lot 2, Range 14, thence S. 19° W. 2,145 feet to corner 15 which is the northeast corner of the Brown Lot, thence, S. 66° 09' E., 1,430 feet to corner 1, the point of beginning.

The Rutherford Company
Hyde Park Vermont
DMA Docket No. 2090
"Exhibit A"

Statement of Work

The work on this (as area Nos. 1-4) project is to be done on the 4 designated areas and the Operator's drawing no. #2-12, which is attached hereto, ~~within the confines of area~~ owned by the Rutherford Company, near Hyde Park, Vermont, on the property described in annexed. Asbestos ore is being mined ~~within~~ in the vicinity of these areas ~~area~~ at the present time.

~~The accompanying map~~ Operator's drawing No. #2-12 shows the approximate location of the proposed drill holes. The actual points of drilling will be dependent on geological study, geophysical work and results from previous holes drilled, as agreed to in advance ~~by~~ the Government.

About ½ of the holes will be drilled by a sub contract ~~to an outside drilling company~~ and the balance will be drilled by the operator with a machine owned by it ~~the company which will be furnished~~ on a depreciation basis.

The following areas will be drilled under sub contract:

The "T" Area, in Eden Township (area no. 1). This drilling will consist of 8 to 12 holes averaging between 200 to 300 feet in depth per hole ~~with a~~ The minimum drilling for all holes ~~2,000 feet and~~ shall be the ~~a~~ maximum ~~of~~ shall be 3,000 feet.

The Brown Lot or Eden Quarry area in Eden and Lowell Townships (area no. 2). This drilling will

consist of 4 to 8 holes averaging from 500 to 1,000 feet in depth per hole, to be drilled in or near the Eden Quarry. ~~with a~~ The minimum drilling for all holes shall be 3,000 feet and ~~a~~ the maximum shall be 5,000 feet.

The balance of drilling consisting of approximately 22 holes, with a ~~total~~ minimum drilling for all holes of 6,000 feet, will be drilled ~~with a drill owned~~ by the Operator, in the following areas:

The Power 2 Area, Eden and Lowell Townships (area No. 3).

This drilling will consist of 12 to 16 holes averaging 100 to 300 feet in depth per hole, ~~with~~ The minimum drilling for all holes shall be 3000 feet and the ~~a~~ maximum shall be 4,000 feet.

The Magnetometer Area, Eden and Lowell Townships (area No. 4). The drilling will consist of 9 to 12 holes averaging 100 to 300 feet in depth per hole, ~~with~~ a The minimum drilling for all holes shall be ~~of~~ 1,500 feet and the maximum shall be ~~of~~ 3000 feet.

~~This project, with Geological work, Geophysical work and diamond drilling, is estimated to cost $2,500.00~~

~~As indicated in section 4 of the contract, all sub-contracts are subject to written approval by the Government.~~

Estimated Cost of the Project.

(wherever an * appears after an item below, it indicates the allowable minimum above which the Government will not contribute).

(6.) New Buildings, Improvements & Installations

None.

~~Operating Equipment~~

~~Nonrentals~~

(7) Transportation.

Vehicles to be furnished by Operator for transportation of geologists and survey parties at 6 cents per mile including gas, oil, maintenance, and all other costs, ~~and~~ driver's pay.

Estimated 5000 miles at 6 cts. 300.00*

(4) Operating Equipment (no rentals or purchases)

incident → Equipment furnished by Operator

Drilling Machine, Replacement Value	$3,200.00	
2 Pumps. " "	2,000.00	
Rods. " "	1,500.00	
1 Power wagon " "	3,000.00	
Miscellaneous. " "	1,300.00	
Total replacement value	11,000.00	
Depreciation, 1 year. 20%.		2,200.00*
1 Tractor, Replacement Value.	3,000.00	
Depreciation 10%		300.00*
Total depreciation, Operator equipment.		2,500.00*

ESTIMATED COSTS OF THE PROJECT, Contd.

(2) LABOR, ~~AND~~ SUPERVISION, CONSULTANTS

SURVEY PARTY (6 MONTHS IN THE FIELD)

1 - INSTRUMENT MAN, (12 MONTHS FIELD & OFFICE)
2,400 HOURS AT $1.74 PER HR. 4,176.00

3 - SURVEY HELPERS, 3,600 HOURS,
(6 MONTHS), AT $1.16 PER HR. 4,176.00

2 - DRILL RUNNERS, (USING OPERATORS DRILL)
2,400 HOURS AT $1.42 PER HOUR 3,408.00

2 - DRILL HELPERS, 2,400 HOURS AT $1.24 per hr. 2976.00

1 - TRACTOR - TRUCK DRIVER, 240 HRS. AT $1.75 per hr. 420.00

1 - CORE TESTER, 920 HOURS AT $1.87
PER HOUR 1,720.00

1 - ASSISTANT GEOLOGIST (HALF TIME)
AT $400.00 PER MONTH, 6 MONTHS 2,400.00 *

1 - LABORER, 1,200 HOURS AT $1.16 PER HOUR 1,392.00

1 - MINE GEOLOGIST, PART TIME, 12 MONTHS
AT $80.00 PER MONTH 960.00 *

1 - CLERK, PART TIME, 12 months AT $60.00 PER MONTH 720.00

COMP. INS., SOC. SEC., UNEMPLOYMENT INS. 782.00

Consulting Geologist 1,200.00 *

[illegible]

Total ~~for~~ Labor, ~~and~~ Supervision, CONSULTANTS $24,330.00

[illegible]

(5) Rehabilitation and Repairs.
None.

[illegible]

(3) Operating Materials and Supplies.

70 diamond drill bits supplied by operator at cost less recoverable value. $5,250.00
Core Barrels, Liners, etc. 1,220.00
Pipe, casing, Power and maintenance supplies, Tools, cord-boxes, Office and drafting supplies, miscellaneous 4,900.00
Total Supplies. 11,370.00

(1) Independent Contract

Diamond Drilling on Contract.
6,000 feet at $4.00 per foot. 24,000.00*

Total cost of ~~Operation~~ Project. 62,500.00

Estimated Cost of Drilling with Operators Equipment

Labor.	6,804.00
Comp. Ins, Soc. Sec, Unemployment Ins.	238.00
Depreciation.	2,500.00
Operating Material and supplies.	11,400.00
Total	20,942.00

6,000 feet Cost per foot @ $3.49 per ft.

~~Maps showing the monthly progress of the exploration~~ together with results of samples taken concurrently from the diamond drill holes, are to be included in the progress report required under ~~Section 12~~ of the present contract. Incase such maps are not submitted, the Govt. at its discretion may have the necessary work performed and charge the same to contract

DESCRIPTION OF AREAS INCLUDED IN EXPLORATION PROJECT No. 2 DMA-2000-X

The following descriptions of the areas on our property are described from points established on the ground and referenced to a permanent base line. The permanent base line is marked by monuments established at each end, B1 and B2. The monuments are 5' lengths of 5" pipe filled with concrete and have a piece of drill steel in the center of the top end. The monuments are buried in the ground so that the top end is approximately 6" below the surface. Their location is marked by a tripod signal over the monuments. The distance between the monuments is 2893.3' and the bearing of the line from B2 to B1 is true north. Other permanent and semi-permanent stations have been established by triangulation at various places on the property and are referenced to this base line.

Area No. 1 - "T" Area:

Starting at a point, A5, marked by a steel pin driven into a crevice in the ledge which is located approximately 1553' south of B1 and approximately 5176' west of B1 and proceeding N 60-14 W a distance of 800' to the northwest corner, thence S 29-46 W a distance of 2719' to the southwest corner, thence S 35-14 E a distance of 2224' to the southeast corner, thence N 44-46E a distance of 3800' to the northeast corner, thence N 60-14 W a distance of 2200' to the point of beginning; An area of approximately 178 acres.

Area No. 2 - Brown Lot - Quarry Area:

Starting at a stone bound on the northeast corner of the Brown Lot approximately 168' north of B1 and approximately 6782' west of B1 and proceeding N 30-51 E a distance of 1100' to the northwest corner, thence S 59-09 E a distance of 1000' to the northeast corner, thence S 30-51 W a distance of 3300' to the southeast corner, thence N 59-09 W a distance of approximately 2440' to a point on the west line of the Brown Lot, thence N 30-51 E along the west line of the Brown Lot a distance of approximately 2050' to a stone bound at the northwest corner of the Brown Lot, then S 66-09 E along the north line of the Brown Lot a distance of approximately 1430' to the point of beginning. An area of approximately 146 acres.

Area No. 3 - Tower No. 2 Area:

Starting at a point, B16, marked by a cross cut in the ledge approximately 1101' south of B1 and 3372' west of B1 and proceeding N 14° - 15' W a distance of 2600' to the northeast corner, thence S 75-45 W a distance of 1300' to the northwest corner, thence S 14-15 E a distance of 2600' to the southwest corner, thence N 75-45 E a distance of 1300' to the point of beginning. An area of approximately 78 acres.

Area No. 4 - Magnetometer Area:

Starting at a point, B1, marked by a 5" pipe filled with concrete and proceeding N 8-30 E a distance of 2220' to the northeast corner, thence N 81-30 W a distance of 1300' to the northwest corner, thence S 8-30 W a distance of approximately 6627' to a point on the south line of Lot 20, Range 11 in Eden Township, thence S 65-30 E along the south line of Lot 20, Range 11 a distance of approximately 1352' to the southeast corner of Lot 20, Range 11, which is marked by a 12" Maple tree and stones, thence N 8-30 E approximately 4780' to the point of beginning. An area of approximately 203 acres.

The RUBEROID CO.

HYDE PARK, VERMONT

February 14, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
FEB 20 1952
DMEA-2080

Mr. Thomas Chapman,
Room 4635,
Department of Interior Bldg.,
Washington, D. C.

Dear Sir:-

This letter is to confirm our telephone conversation of this morning.

Referring to question 23 (g) of our application for DMA funds for an exploration project on our property, we suggest the following in place of the $3.00 per foot rental charge for our Core Drill.

(a) A fixed charge of 75 cents per foot to cover depreciation, insurance, maintenance and repairs of the equipment used in drilling. This equipment would consist of such items as drill, pump or pumps, drill rods, water line, miscellaneous drill equipment, tools, tractor (used in moving equipment) and a 4-wheel drive truck (used in trucking supplies).

(b) Bits used in drilling will be charged at cost to the project. It is estimated that this cost will not exceed 75 cents per foot.

(c) Operating supplies will be charged at cost to the project. These will include gas, oil, casing and drive pipe, core barrels and parts, core boxes, cement (when required), etc. It is estimated that the cost of these supplies will not exceed 75 cents per foot.

This gives a total maximum charge of $2.25 per foot or a sum, for 6,000 feet of drilling, of $13,500 exclusive of labor which is provided for in question 23 (a) of the application.

Very truly yours,

The RUBEROID Co.

J. K. Gilmore

J. K. Gilmore
Supervisor of Exploration

JKG:vo

cc: Mr. Miles V. Engelbach
Mr. M. J. Messel

IN REPLY REFER TO:

G-MD-JJN

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

February 6, 1952

DMEA 2080

Memorandum

To: Lawrence G. Houk, DMEA

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

Subject: Review of data from field team, applicant, and other sources on the Ruberoid Company's application, DMA-2080, for asbestos exploration in northern Vermont.

Comments: In response to your recent request, I have examined the data in correspondence from the field team. It seems clear that this project is one of the most meritorious that has been reviewed by us. I have no specific comments to make.

Action Suggested: Follow field team's recommendations.

I concur
Oliver Bowles

J. J. Norton
J. J. Norton

DESCRIPTION OF AREAS INCLUDED IN
EXPLORATION PROJECT No. 2 DMA-2080-X

The following descriptions of the areas on our property are described from points established on the ground and referenced to a permanent base line. The permanent base line is marked by monuments established at each end, B1 and B2. The monuments are 5' lengths of 5" pipe filled with concrete and have a piece of drill steel in the center of the top end. The monuments are buried in the ground so that the top end is approximately 6" below the surface. Their location is marked by a tripod signal over the monuments. The distance between the monuments is 2893.3' and the bearing of the line from B2 to B1 is true north. Other permanent and semi-permanent stations have been established by triangulation at various places on the property and are referenced to this base line.

Area No. 1 - "T" Area:

Starting at a point, A5, marked by a steel pin driven into a crevice in the ledge which is located approximately 1553' south of B1 and approximately 5176' west of B1 and proceeding N 60-14 W a distance of 800' to the northwest corner, thence S 29-46 W a distance of 2719' to the southwest corner, thence S 35-14 E a distance of 2224' to the southeast corner, thence N 44-46E a distance of 3800' to the northwast corner, thence N 60-14 W a distance of 2200' to the point of beginning; An area of approximately 178 acres.

Area No. 2 - Brown Lot - Quarry Area:

Starting at a stone bound on the northeast corner of the Brown Lot approximately 168' north of B1 and approximately 6782' west of B1 and proceeding N 30-51 E a distance of 1100' to the northwest corner, thence S 59-09 E a distance of 1000' to the northeast corner, thence S 30-51 W a distance of 3300' to the southeast corner, thence N 59-09 W a distance of approximately 2440' to a point on the west line of the Brown Lot, thence N 30-51 E along the west line of the Brown Lot a distance of approximately 2050' to a stone bound at the northwest corner of the Brown Lot, then S 66-09 E along the north line of the Brown Lot a distance of approximately 1430' to the point of beginning. An area of approximately 146 acres.

Area No. 3 - Tower No. 2 Area:

Starting at a point, B16, marked by a cross cut in the ledge approximately 1101' south of B1 and 3372' west of B1 and proceeding N 14° - 15' W a distance of 2600' to the northeast corner, thence S 75-45 W a distance of 1300' to the northwest corner, thence S 14-15 E a distance of 2600' to the southwest corner, thence N 75-45 E a distance of 1300' to the point of beginning. An area of approximately 78 acres.

Area No. 4 - Magnetometer Area:

Starting at a point, B1, marked by a 5" pipe filled with concrete and proceeding N 8-30 E a distance of 2220' to the northeast corner, thence N 81-30 W a distance of 1300' to the northwest corner, thence S 8-30 W a distance of approximately 6627' to a point on the south line of Lot 20, Range 11 in Eden Township, thence S 65-30 E along the south line of Lot 20, Range 11 a distance of approximately 1352' to the southeast corner of Lot 20, Range 11, which is marked by a 12" Maple tree and stones, thence N 8-30 E approximately 4780' to the point of beginning. An area of approximately 203 acres.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
College Park, Maryland

Received by Oscar Operating Com. 11/28/51 [illegible]

November 26, 1951

Memorandum

To: Tom Lyon, Chairman
Coordinating Committee

From: Executive Officer
Bureau-Survey Field Team
Region VIII

Subject: Docket No. DMA-2080X - Asbestos
Ruberoid Company
Eden and Lowell Townships, Vermont

Attached in quadruplicate is the Field Team's report on the Ruberoid Company, Docket No. DMA-2080X, together with four copies each of the map indicating the proposed drilling and geophysical survey, the letter from a diamond core drilling contractor confirming the estimated cost of core drilling on this project and a revised estimate of cost of this exploratory work by the applicant.

The letter which the Joy Manufacturing Company supplied The Ruberoid Company, Hyde Park, Vermont is somewhat ambiguous especially in the fourth paragraph where it is stated, "A price of $4.25 per foot for holes drilled from the surface to a depth of 1000 feet", disregards the rate of $3.50 per foot from the surface to 500 feet.

However, the letter indicates that the rate specified in the application is approximately correct.

W. T. Millar

W. T. Millar for
McHenry Mosier

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
Nov 27 8 47 AM '51

Attachments

DMA FIELD TEAM REPORT
DMA - 2080X - ASBESTOS
Nov. 2, 1951

Summary and Conclusions

Preliminary drilling by the applicant under a long range annual budget system is similar to what has been previously termed as "Spot Drilling" by Government agencies.

The core from this drilling was exhibited and indicates sufficient values to warrant further exploratory drilling. The Field Team considers that additional core drilling is necessary to determine the existence of a deposit of sufficient size and grade to justify development in the areas proposed for exploratory work. Also, the proximity of areas indicated, to a successful asbestos mining and milling operation is assurance of more immediate production of asbestos if the exploratory work is successful.

The applicant has a technical staff well experienced in exploration and development of asbestos deposits, also has a core testing laboratory completely equipped with modern equipment for all necessary sampling, and a modern plant for beneficiation of asbestos ore.

This application is considered favorably by the Field Team which feels that the Government's participation in this exploration is justified.

General Discussion

The Vermont Asbestos Mines Division of the Ruberoid Company, Hyde Park, Vermont, was investigated by the DMA Field Team, Wallace M. Cady of the Geological Survey and W. T. Millar of the Bureau of Mines, to obtain additional information pertinent to its application for Government participation in exploratory work for asbestos.

Answers to questions listed in the letter of October 1, 1951, directed to Mr. McHenry Mosier are as follows:

1. (a) Detailed geologic and geophysical mapping is contemplated in the areas indicated on the map by cross-hatching. This work is to precede drilling.

(b) Maps will be made at intervals as the data are completed for the area in which work is being conducted and will be submitted with the monthly report as the maps become available.

(c) Locations of proposed drill sites are shown on the accompanying maps. These locations are for the initial drilling and are subject to changes depending on data obtained from drilling as the work progresses.

(d) All drilling proposed in this application is considered exploratory work as outlined in MO-5. Cores from previous "spot" drilling were exhibited and indications are considered favorable for exploration to determine the economic possibilities.

2. The wages specified in the application are realistic and are in accord with the prevailing wage rates. However, certain changes may be made for meritorious work but the company is prepared to take care of the situation when necessary. The instrument man @ $1.27 per hour is on the present payroll of the company and his work is very satisfactory.

3. A revised estimate of the payroll showing taxes and insurance separately is attached.

4. A letter from a reliable contractor confirming the approximate contract rate for diamond core drilling is attached.

5. Rental of vehicles by the operator may be a four-wheel drive, pick-up or other type of vehicle suitable for the transportation of the field parties and best suited for road or trail conditions at the time. The price of 6¢ per mile includes oil, fuel, repairs, operator and any other expense which may arise. It is optional with the Government to accept 6¢ per mile for 5,000 miles or $25.00 per month for 12 months. The Field Team considers the mileage rate the most applicable in this case because there are times during the winter season when it may be impossible to work in the field. Also 6¢ per mile is considered a very low operating rate for off-highway travel and the project is charged only for actual mileage.

6. The applicant's proposal to charge $3.00 per foot rental for a diamond drill appears reasonable. The rate of $3.00 per foot includes bits, fuel, lubrication, repairs, tractor and driver for moving, delivery of water to the drill site, and any other items which may be required to keep the project operating. This rate plus wages for a driller and driller's helper is equivalent to approximately $4.00 per foot drilled. The area in which drilling is to be conducted is subject to severe winter spells during which time core drilling cannot be conducted economically. Due to the circumstances, the rate per foot appears to be the most advantageous for the project.

7. The attached memorandum by the geologist of the Field Team is self-explanatory.

Wallace M. Cady

Wallace M. Cady,
Geological Survey

W. T. Millar

W. T. Millar,
Bureau of Mines

COPY

JOY MANUFACTURING COMPANY
900 Woodland Avenue
Michigan City, Ind.

October 26, 1951

The Ruberoid Company
Hyde Park, Vermont

Attention: Mr. J. K. Gilmore, Supervisor of Exploration

Dear Mr. Gilmore:

This will acknowledge receipt of your letter dated October 17th from which we note that you require an estimate of the cost per foot for certain core drilling to be done during the year 1952.

We note that you plan to drill from four to eight holes ranging in depth from 500 to 1000 ft., minimum footage 4000 ft. and maximum footage of 5000 ft. The holes to be drilled in or in the vicinity of the old Eden quarry, where we have done some drilling during the year of 1940.

We also note that you plan to drill from eight to twelve holes ranging in depth from 200 to 300 ft., minimum footage 2000 ft. and maximum footage of 3000 ft. The holes to be located in the so-called "T" area, where we did some drilling during the year of 1941 at Eden or Lowell, Vermont.

We estimate a per foot price of $3.50 for drilling at the first location for holes to depths of 500 ft., and a price of $4.25 per foot for holes drilled from surface to a depth of 1000 ft. We will furnish water for drilling purposes up to a maximum depth of 1500 ft. provided that the holes are spotted near an adequate source of water for drilling purposes. If however, the holes are spotted more than 1500 ft. from an adequate source of water, then the cost of furnishing such water will be for your account. We will move the drilling equipment at our own expense and furnish all necessary labor and equipment with the exception of core boxes.

On such holes which will be drilled below a depth of 500 ft. and up to a depth of 1000 ft., we would expect you to pay us for an reaming, casing and cementing which may be done on such deep holes. The time incurred while reaming and casing would be invoiced to you at the rate of $30.00 per 8-hour shift and plus cost of materials used up, such as gasoline and oil for the drill and pump engines, cement, bortz reaming bits and core bits, and any other expense incidental to such special work.

We estimate a per foot price of $3.50 for holes that will be drilled to maximum depths of 300 ft. at the second location. We will furnish water for drilling purposes up to a distance of 1500 ft., but beyond that would be at actual cost, the same as mentioned above covering drilling at the first location. We would furnish all labor and material with the exception of core boxes. We would move the drilling equipment between holes at our expense.

The prices quoted for the drilling at both of the locations is based on the condition that we can use the drills and drill crew that are now engaged on similar work for you at Eden and Lowell, Vermont. As and when you definitely decide to proceed with this drilling, we will then review the situation and quote you firm prices at that time.

Yours very truly,

JOY MANUFACTURING CO.

W. J. Pilarski, Mgr.
Contract Drill Division

WJP:et

COPY

THE RUBEROID COMPANY
Hyde Park, Vt.

October 16, 1951

Mr. McHenry Mosier, Executive Officer,
U. S. Department of Interior,
Defense Minerals Administration,
Region VIII,
College Park, Maryland.

Dear Mr. Mosier:-

Mr. Millar was here last week in regard to our application for D.M.A. funds, and requested that we forward you an estimated of payroll taxes and insurance separate from base rates and wage totals.

In looking over our estimate for question number 23, Form MF-103, we find some errors and omissions were made in transcription. The following is a corrected estimate, together with the breakdown for taxes and insurance requested. The total sum of money for question number 23 remains the same.

(23)		Wages	Taxes & Ins.
(a)	Survey Party (6 mos. full time in field)		
	1 Instrument Man (12 mos. field & office) 2400 man-hours @ 1.74, the approx. average hourly rate including overtime	$4176.00	$147.00
	3 Laborers, 3600 man-hours @ 1.16, approx. average hourly rate, including overtime	4176.00	147.00
	Core Drilling (6 mos. full time)		
	2 Drill Runners, 2400 man-hours @ 1.42 approx. average hourly rate	3408.00	119.00
	2 Drill Helpers, 2400 man-hours @ 1.24 approx. average hourly rate	2976.00	104.00
	Core Testing		
	1 Core Tester, 920 man-hours @ 1.87 approx. average hourly rate	1720.00	60.00

V/S money for Contract Drilling

(23) continued -

	Wages	Taxes & Ins.
(a) **Geological Work**		
1 Assistant Geologist (working half-time throughout the year). Approx. salary including overtime, $400 per month	$2400.00	$ 84.00
1 Laborer, 1200 man-hours @ 1.16, approx. average hourly rate including overtime	1392.00	49.00
Office		
1 Clerk, part time @ $60.00 per month	720.00	25.00
(b) Consulting Geologist Part time @ $100 per month	1200.00	
Mine Geologist Part time @ $80 per month	960.00	33.00
Total	$23128.00	$768.00
	768.00	
Total (Question 23)	$23896.00	

Breakdown of Taxes & Insurance:

		%
Federal Old Age Tax	$ 329.00	1.423
State Unemployment Tax	219.00	0.947
Federal Unemployment Tax	66.00	0.285
Workman's Compensation Insurance	145.00	0.627
Public Liability Insurance	9.00	0.039
	$ 768.00	3.321

Mr. Millar also requested an estimate of the cost per foot for diamond drilling from the Contractor. We have written a Contractor requesting this and will forward it to you as soon as it is received.

Very truly yours,

VERMONT ASBESTOS MINES,
Div. of The RUBEROID CO.

/s/ (Michael J. Messel)
Michael J. Messel
General Superintendent

MJM:vo

The RUBENSTEIN CO
500 FIFTH AVENUE
New York, N. Y.

GEOLOGIC BASIS FOR A DMA PROJECT ON THE PROPERTY OF VERMONT ASBESTOS MINES

The serpentine rocks and asbestos fiber occurrences on the property of Vermont Asbestos have been studied in more detail than has been possible elsewhere in northern Vermont. This does not mean that all the problems in connection with them have been satisfactorily solved, but it does mean that the search for new ore-bodies can be guided with greater skill along the slopes of Belvidere Mt. than in the more remote areas where geologic information is scanty and where the significance of detailed magnetometer work is less understood. The writer therefore holds the opinion that for some time to come the most favorable place to search for new asbestos deposits is on the Vermont Asbestos property where a good deal of accumulated experience can be brought to bear on the problem, and also because it is in general a sound plan to do exploration work close to well mineralized areas. That outside areas of potential merit should not be disregarded goes without saying and at the present time the company has such work in progress in conjunction with DMA.

The four areas for exploratory work which have been included in the new DMA application for contributory funds are all of considerable interest and geologically any one of them can be considered as favorably located. In the "T Area" preliminary drilling has shown ore grade core intersections 2100' apart with the intervening area largely covered by overburden and lying along a contact with the country rock schists which has a major flexure in it is always of special significance to the asbestos prospector.

The "Tower 2 Area" abuts the present operating quarry (Lowell Mine) and shows some well sheared serpentine outcrops carrying asbestos. Similar fiber-bearing serpentine can be seen where mining is now in progress in the Lowell Mine. The preliminary drilling in the area was encouraging with D. H. 11 having a fiber content of 2.47%.

In the "Brown Lot - Quarry Area" two types of exploratory drilling are justified. In one, the area below the old Eden Quarry floor will be examined, and in the other the twisting contact zone will be studied. The preliminary test holes

The RUBEROID Co.
500 FIFTH AVENUE
New York, N. Y.

along this contact carried asbestos but not up to ore grade except for short sections.

The "Magnetometer Area", so named because there are no serpentine outcrops and the contacts were located by surface magnetometer surveys, has three serpentine bodies large enough to be of interest. One of these in Lot 1, Range 12 was drilled without finding a minable ore zone, although the serpentine was well sheared and fairly well mineralized in some of the holes. Nothing is known concerning the remaining two serpentine bodies and a drill program for them is thus indicated.

It is interesting to note in conclusion that the airborne magnetic survey of the Vermont Asbestos property clearly indicated the probability that the best fiber areas on the property would be found in a circular ring (annulus) having as its approximate center the point (or small area) where the maximum magnetic "pull" (total field intensity) was recorded. All the four areas under discussion are located in this ring. Much more data remains to be compiled in connection with magnetic surveys over asbestos orebodies, but insofar as the work on and over Belvidere Mt. is concerned some useful information is already available to guide prospecting into the most favorable zones.

W. B. Miller
Consulting Geologist

August 23, 1951

WBM;vo

FILE COPY
SURNAME:

Barr
Moon

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

370

OCT 1 1951

Mr. M. D. Rehre, Secretary
Ruberoid Company
500 Fifth Avenue
New York 18, N. Y.

Subject: DMA-2060X - Asbestos
Vermont Asbestos Mine Div.

Dear Mr. Rehre:

Your application is being referred to Mr. McHenry Cosier, Executive Officer, DMA Field Team, Region VIII, Eastern Experiment Station, College Park, Maryland, for further information.

Sincerely yours,

SIGNED S.F. 10-1

Tom Lyon, Director
Supply Division

RWASKEY:mp
9-24-51
cc: Field Team, Region VIII (2)
DMA Docket File
Mr. Barr

FILE COPY
SURNAME:

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

370

Wasson
Park
Fayer

1951

Mr. McHenry Mosier, Executive Officer
DMA Field Team, Region VIII
Eastern Experiment Station
College Park, Maryland

Subject: DMA-2080X - Asbestos

Dear Mr. Mosier:

File is attached on application of the Ruberoid Company, Vermont Asbestos Mines Division, for Exploration Aid on asbestos deposits at Eden and Lowell, Vermont. Please review subject application, arrange suitable field examination and report thereon, particularly with reference to the following:

1. The proposed exploration program should be outlined in more detail as follows:

(a) Is detailed geologic and geophysical mapping contemplated and on what areas?
(b) It would be desirable that applicant agree to furnish copies of maps prepared under (a) above in addition to the usual monthly progress reports.
(c) Cannot definite location of at least some of the drilling proposed be agreed upon in advance and shown on applicant's maps?
(d) Will all of the proposed drilling qualify under MO-5 as exploration? Where some drilling has already been accomplished the applicant should be asked to show the results so that it may be established that additional drilling qualifies as <u>exploration</u>.

2. Are the wage scales proposed realistic? For example, is applicant sure that a competent Instrument Man can be hired for $1.27 per hour?

3. Payroll taxes and insurance should be estimated and reported separately from base rates and wage totals.

4. Diamond drilling contract rate should be supported by a commitment letter from a reliable contractor.

5. Rental of vehicles by operator should be more specific as to type of vehicle and as to whether the rate includes fuel, lubrication, driver, repairs, etc. It would be desirable if a monthly rate rather than a mileage rate could be quoted.

6. Applicant's proposal to charge rental on a diamond drill on a $3.00 per foot basis should be closely examined. Does this rate include fuel, repairs, etc., and would it result in an approximately $4.00 per foot total cost as estimated by applicant. It would be desirable that applicant supply an alternative proposal based on a monthly rate.

7. Any comments and recommendations you care to make.

Sincerely yours,

Tom Lyon, Chairman
Coordinating Committee

U. S. Geological Survey

U. S. Bureau of Mines

RWASKEY:mp
9-24-51
cc: Field Team, Region VIII
DMA Docket File
Mr. Barr

IN REPLY REFER TO:
G-ED-JJN

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

September 21, 1951

Memorandum

To: Robert Waskey, Defense Minerals Administration

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

Subject: Application DMA-2080 from the Ruberoid Company for asbestos exploration in Eden and Lowell Townships, Vermont.

The Ruberoid application, DMA-2080 for a $67,196 exploration project for asbestos in Vermont should be referred to the field team. We have no file data here in Washington to use in evaluating the merits of this proposal. Mr. W. M. Cady and A. H. Chidester, U. S. Geological Survey, 160½ Main Street, Montpelier, Vermont, have worked on asbestos in this area, and undoubtedly have a large amount of information that will be of use in evaluating the Ruberoid proposal. I am sending them a copy of the Munitions Board's specifications for chrysotile asbestos to provide them with necessary background information.

J. J. Norton

JJNorton:jeh/hhp
G-9/20/51
copy to: Director's Reading file, 4212
Branch " " "
DMA files
Norton G-230

Mr. K. H. Rehre, Secretary
Ruberoid Company
500 Fifth Avenue
New York 18, New York

Subject: DMA-2080
Re: Exploration Loan
Vermont Asbestos Mines

My dear Mr. Rehre:

This will acknowledge receipt of your application dated August 27, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMA- 2080 and referred to the Industrial Minerals Branch.

Kindly refer to DMA- 2080 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams

Robert E. Adams, Chief
Reports and Records Unit

2463

The RUBEROID Co.
500 Fifth Avenue
NEW YORK 18, N.Y.

EXECUTIVE OFFICES

September 13, 1951

DMA-2080

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

Gentlemen:

We enclose herewith application for aid for an exploration project pursuant to Mineral Order 5 which covers a project separate from that covered by Contract No. I-DMA-E 23, dated June 26, 1951.

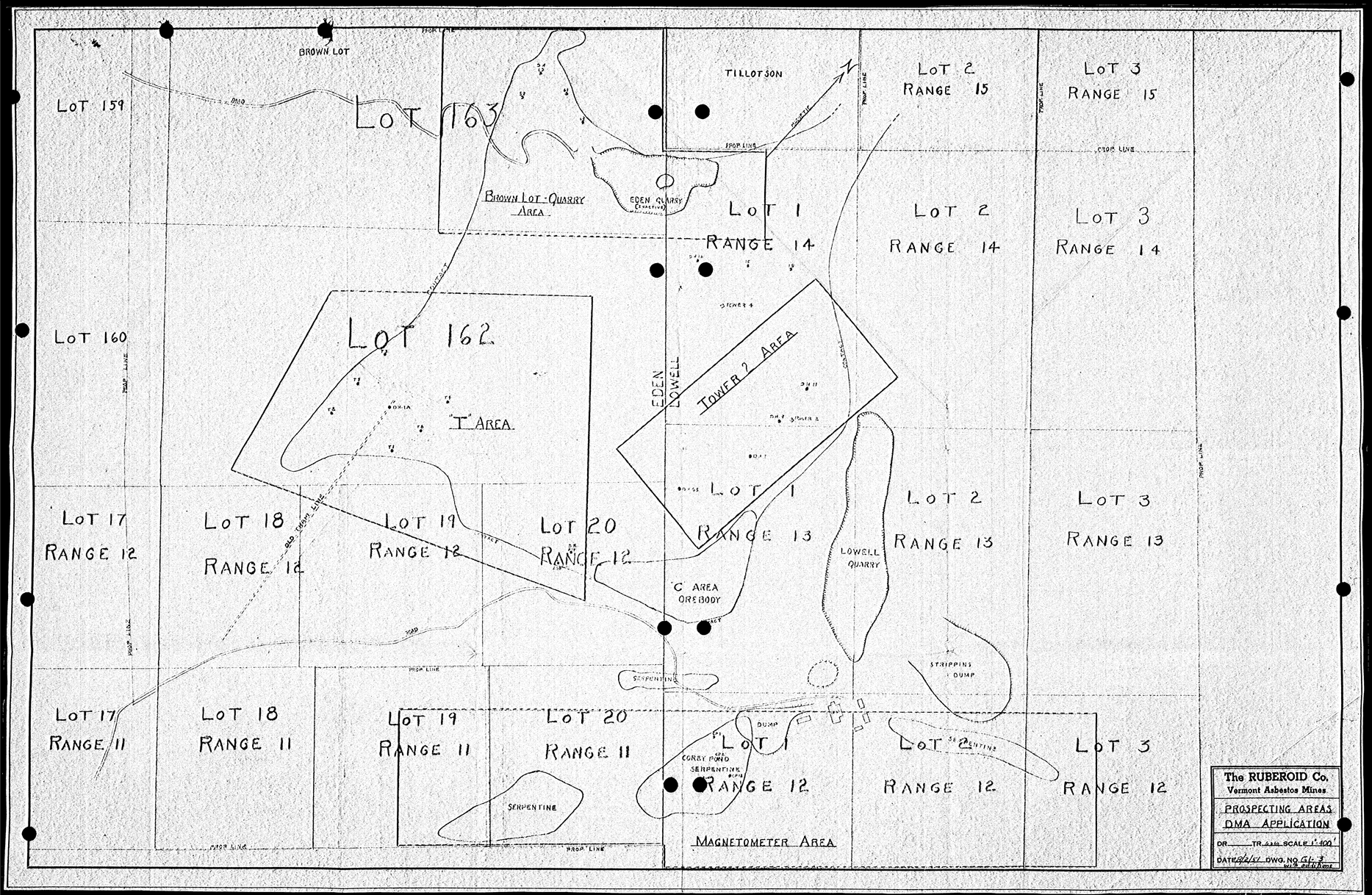
Yours very truly,

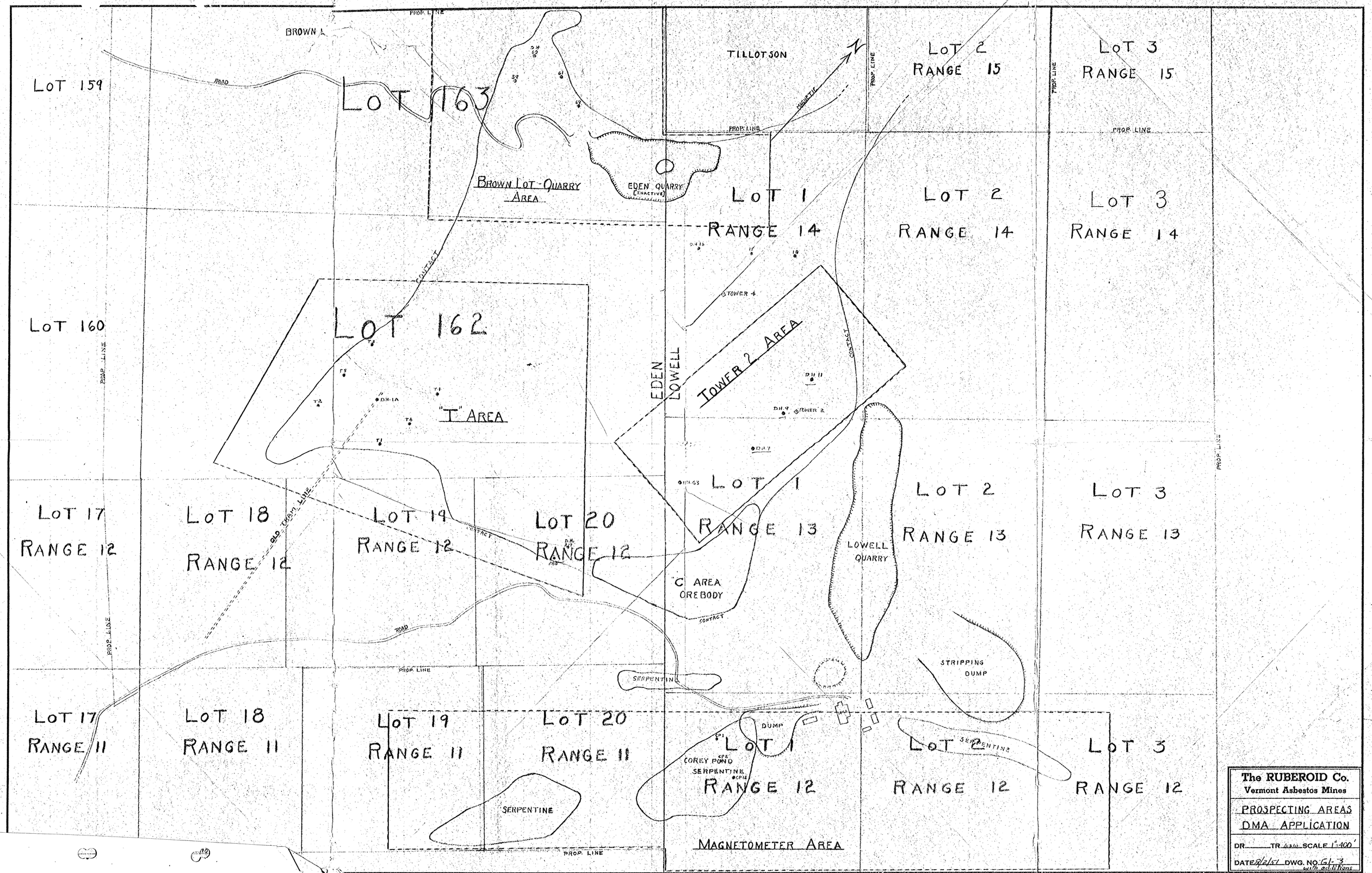
The RUBEROID Co.

K. H. Behre
Secretary

KHB:hvm

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 17 1951


BROWN LOT
LOT 159
LOT 163
TILLOTSON
LOT 2
RANGE 15
LOT 3
RANGE 15
BROWN LOT QUARRY AREA
EDEN QUARRY
LOT 1
RANGE 14
LOT 2
RANGE 14
LOT 3
RANGE 14
LOT 160
LOT 162
"T" AREA
TOWER 2 AREA
EDEN
LOWELL
LOT 1
RANGE 13
LOT 2
RANGE 13
LOT 3
RANGE 13
LOT 17
RANGE 12
LOT 18
RANGE 12
LOT 19
RANGE 12
LOT 20
RANGE 12
"C" AREA
ORE BODY
LOWELL QUARRY
STRIPPINS DUMP
SERPENTINE
LOT 17
RANGE 11
LOT 18
RANGE 11
LOT 19
RANGE 11
LOT 20
RANGE 11
DUMP
CORBY POND
SERPENTINE
LOT 1
RANGE 12
LOT 2
RANGE 12
LOT 3
RANGE 12
SERPENTINE
MAGNETOMETER AREA
PROP LINE
ROAD
The RUBEROID Co.
Vermont Asbestos Mines
PROSPECTING AREAS
DMA APPLICATION
DR TR. SCALE 1" 400'
DATE 9/6/51 DWG. NO GL-3


BROWN L.
ROAD
LOT 159
LOT 163
PROP. LINE
TILLOTSON
MAGNETIC
LOT 2
RANGE 15
LOT 3
RANGE 15
BROWN LOT - QUARRY AREA
EDEN QUARRY (INACTIVE)
LOT 1
RANGE 14
LOT 2
RANGE 14
LOT 3
RANGE 14
CONTACT
TOWER 4
LOT 160
LOT 162
"T" AREA
EDEN
LOWELL
TOWER 2 AREA
TOWER 2
LOT 1
RANGE 13
LOT 2
RANGE 13
LOT 3
RANGE 13
LOT 17
RANGE 12
LOT 18
RANGE 12
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RANGE 12
LOT 20
RANGE 12
OLD TRAM LINE
"C" AREA
OREBODY
LOWELL QUARRY
STRIPPING DUMP
SERPENTINE
DUMP
LOT 17
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COREY POND
SERPENTINE
LOT 1
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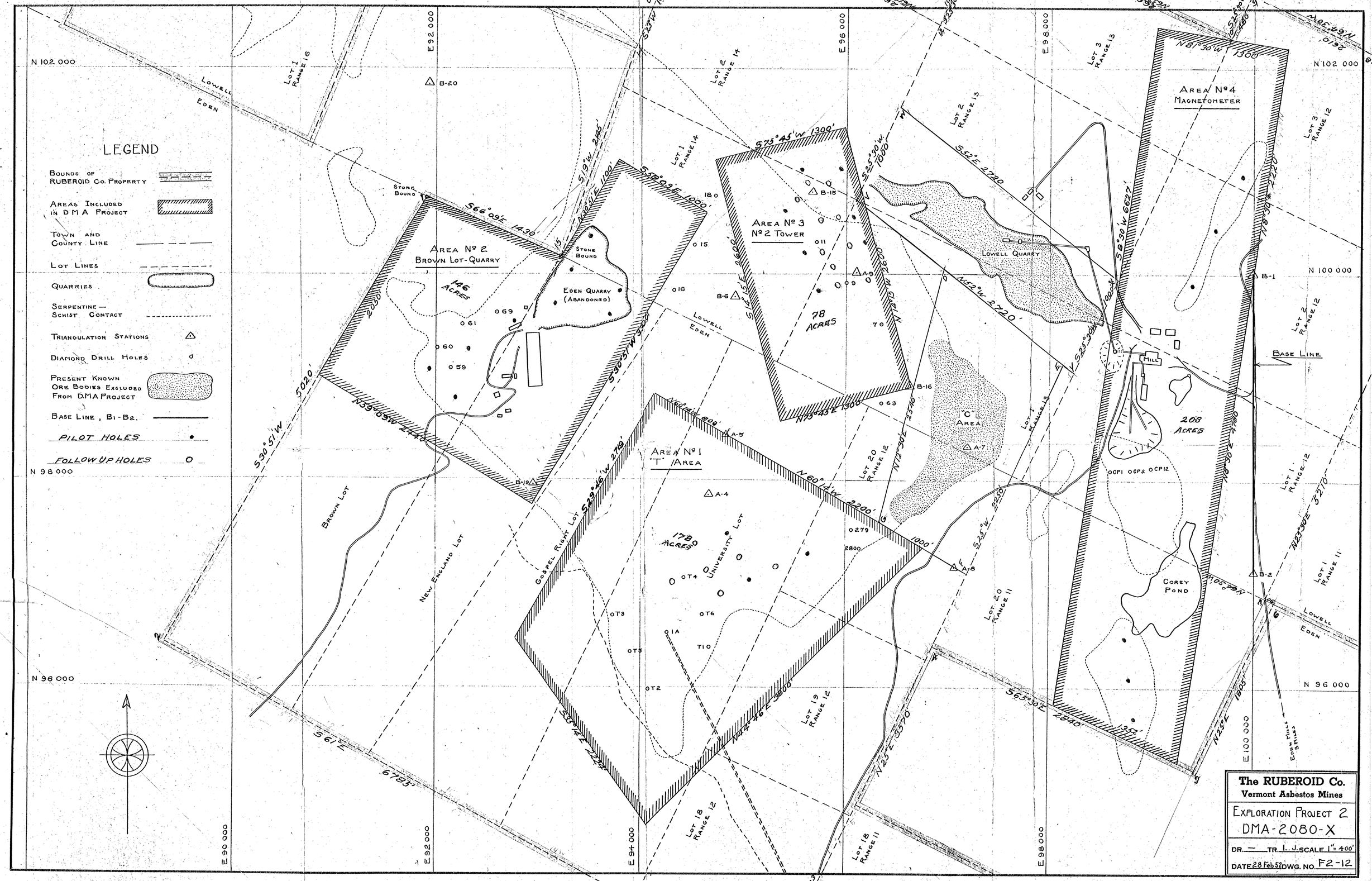
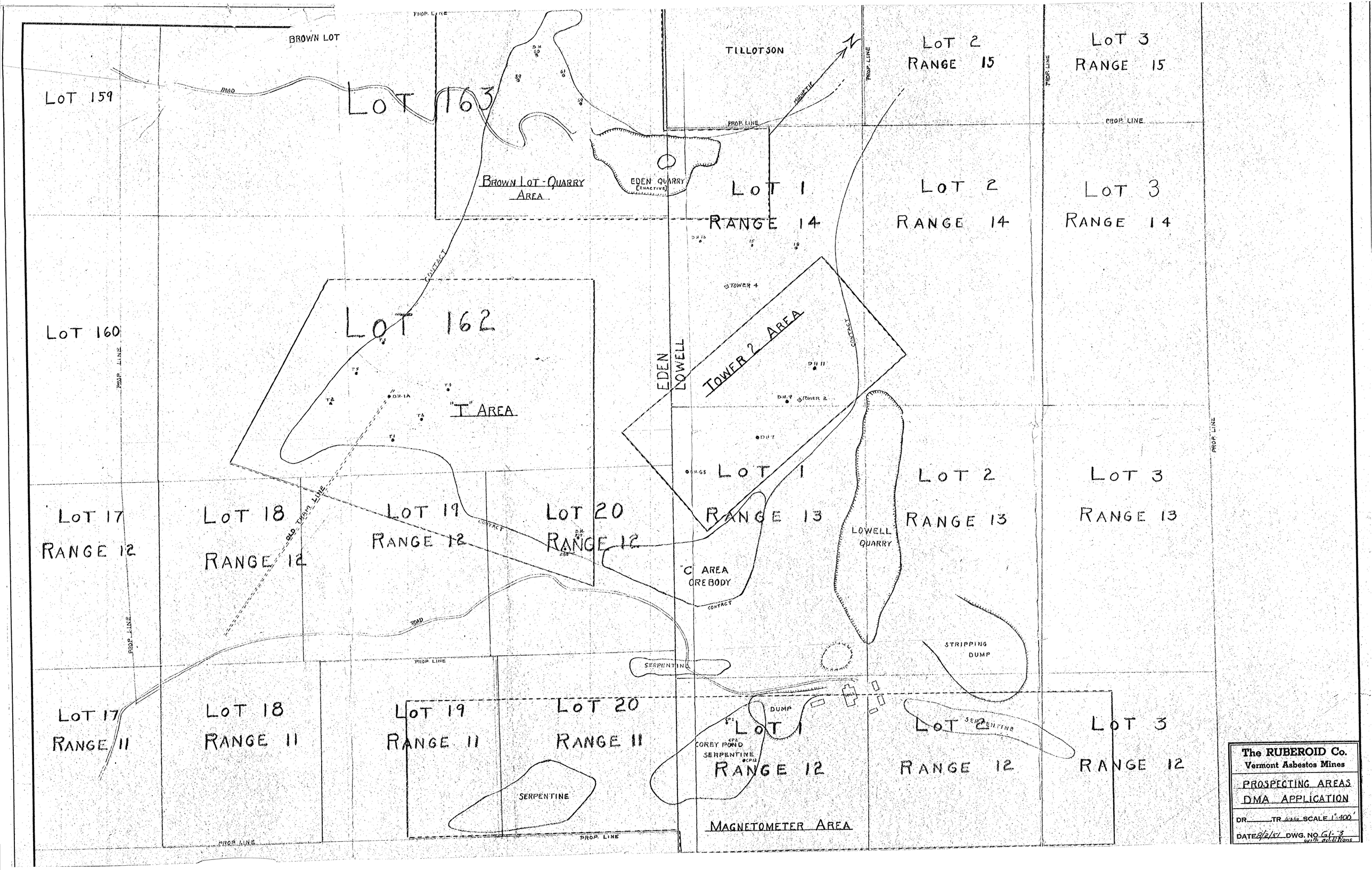
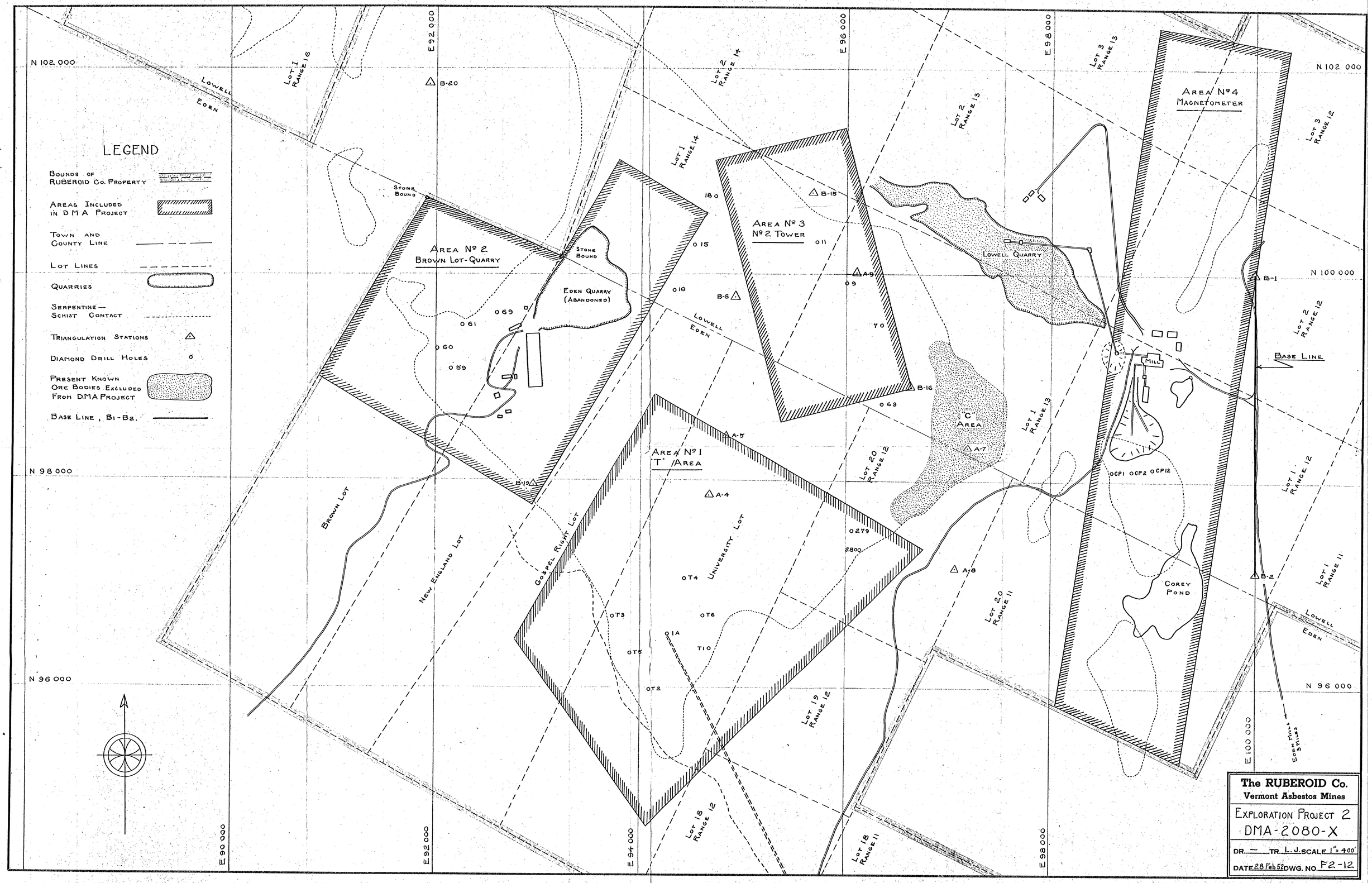
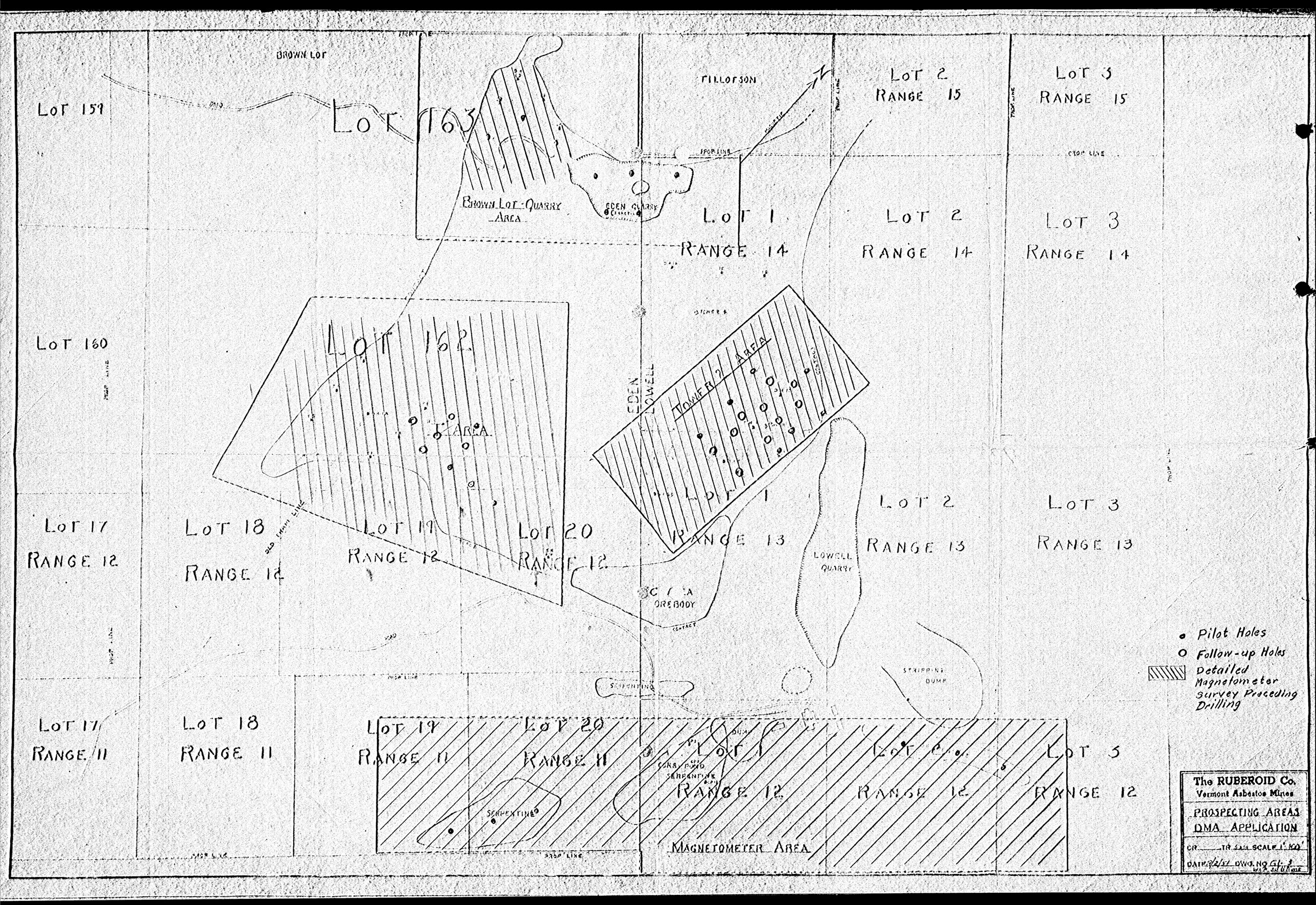
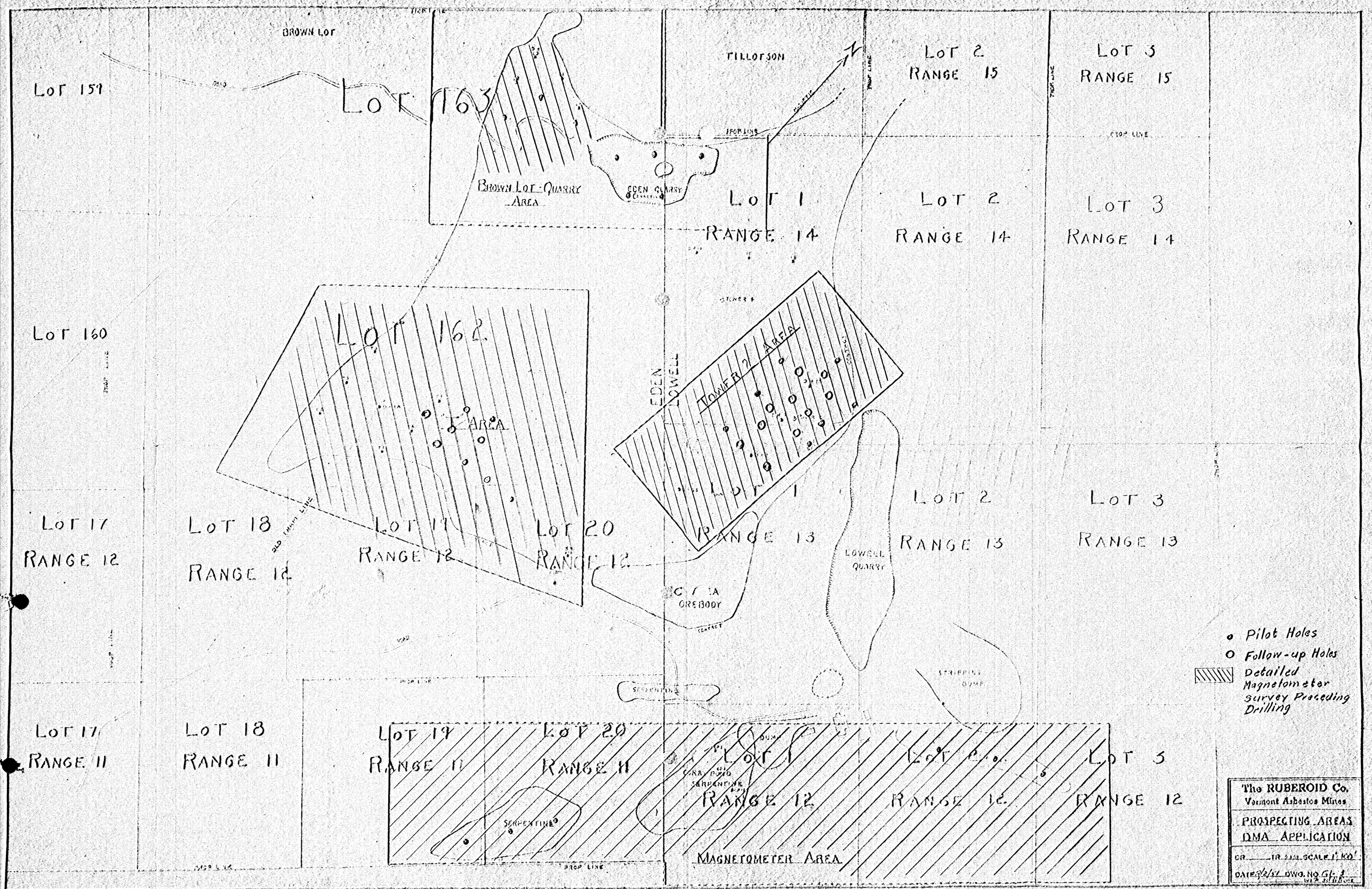
LOT 2
RANGE 12
LOT 3
RANGE 12
MAGNETOMETER AREA
The RUBEROID Co.
Vermont Asbestos Mines
PROSPECTING AREAS
DMA APPLICATION
DR. TR. SCALE 1"=400'
DATE 8/2/57 DWG. NO. G-3
with additions


LEGEND
Bounds of Ruberoid Co. Property
Areas Included in DMA Project
Town and County Line
Lot Lines
Quarries
Serpentine — Schist Contact
Triangulation Stations
Diamond Drill Holes
Present Known Ore Bodies Excluded From DMA Project
Base Line, B1-B2.
PILOT HOLES
FOLLOW UP HOLES
Area Nº 1 "T" Area
178.0 Acres
Area Nº 2 Brown Lot-Quarry
146 Acres
Eden Quarry (Abandoned)
Area Nº 3 Nº 2 Tower
78 Acres
Lowell Quarry
"C" Area
Area Nº 4 Magnetometer
208 Acres
Mill
Corey Pond
Base Line
Lowell
Eden
Brown Lot
New England Lot
Gospel Right Lot
University Lot
Stone Bound
N 102 000
N 100 000
N 98 000
N 96 000
E 90 000
E 92 000
E 94 000
E 96 000
E 98 000
E 100 000
The RUBEROID Co.
Vermont Asbestos Mines
Exploration Project 2
DMA-2080-X
DR. — TR. L. J. SCALE 1" = 400'
DATE 28 Feb 52 DWG. NO. F2-12


BROWN LOT
TILLOTSON
LOT 159
ROAD
LOT 163
PROP. LINE
MAGNETIC
BROWN LOT - QUARRY AREA
EDEN QUARRY (INACTIVE)
LOT 2 RANGE 15
LOT 3 RANGE 15
LOT 1 RANGE 14
LOT 2 RANGE 14
LOT 3 RANGE 14
CONTACT
LOT 160
LOT 162
"T" AREA
TOWER 4
TOWER 2 AREA
EDEN
LOWELL
TOWER 2
LOT 17 RANGE 12
LOT 18 RANGE 12
LOT 19 RANGE 12
LOT 20 RANGE 12
LOT 1 RANGE 13
LOT 2 RANGE 13
LOT 3 RANGE 13
OLD TRAM LINE
"C" AREA OREBODY
LOWELL QUARRY
STRIPPING DUMP
SERPENTINE
LOT 17 RANGE 11
LOT 18 RANGE 11
LOT 19 RANGE 11
LOT 20 RANGE 11
DUMP
COREY POND
LOT 1 RANGE 12
LOT 2 RANGE 12
LOT 3 RANGE 12
MAGNETOMETER AREA
The RUBEROID Co.
Vermont Asbestos Mines
PROSPECTING AREAS
DMA APPLICATION
DR. TR. SCALE 1" = 400'
DATE 8/2/51 DWG. NO. G1-3
with additions


LEGEND
Bounds of Ruberoid Co. Property
Areas Included in DMA Project
Town and County Line
Lot Lines
Quarries
Serpentine — Schist Contact
Triangulation Stations
Diamond Drill Holes
Present Known Ore Bodies Excluded From DMA Project
Base Line, B1-B2.
N 102 000
N 100 000
N 98 000
N 96 000
E 90 000
E 92 000
E 94 000
E 96 000
E 98 000
E 100 000
Lowell
Eden
Lot 1 Range 16
Lot 1 Range 14
Lot 2 Range 14
Lot 2 Range 13
Lot 3 Range 13
Lot 3 Range 12
Lot 2 Range 12
Lot 1 Range 12
Lot 1 Range 11
Lot 2 Range 11
Lot 1 Range 13
Lot 20 Range 12
Lot 19 Range 12
Lot 18 Range 12
Lot 18 Range 11
Brown Lot
New England Lot
Gospel Right Lot
University Lot
Area Nº 1 "T" Area
Area Nº 2 Brown Lot-Quarry
Area Nº 3 Nº 2 Tower
Area Nº 4 Magnetometer
"C" Area
Stone Bound
Eden Quarry (Abandoned)
Lowell Quarry
Mill
Corey Pond
Base Line
Eden Mills 3 Miles
B-20
B-15
B-6
B-16
B-19
B-1
B-2
A-9
A-5
A-4
A-7
A-8
OCP1 OCP2 OCP12
OT4
OT6
OT3
OT5
OT2
T10
The RUBEROID Co.
Vermont Asbestos Mines
Exploration Project 2
DMA-2080-X
DR. — TR. L. J. SCALE 1" = 400'
DATE 28 Feb 52 DWG. NO. F2-12


BROWN LOT
LOT 159
LOT 163
BROWN LOT QUARRY AREA
EDEN QUARRY
TILLOTSON
LOT 2
RANGE 15
LOT 3
RANGE 15
LOT 1
RANGE 14
LOT 2
RANGE 14
LOT 3
RANGE 14
LOT 160
LOT 162
AREA
EDEN
LOWELL
TOWER 2 AREA
LOT 1
RANGE 13
LOT 2
RANGE 13
LOT 3
RANGE 13
LOWELL QUARRY
LOT 17
RANGE 12
LOT 18
RANGE 12
LOT 19
RANGE 12
LOT 20
RANGE 12
C / A OREBODY
STRIPPING DUMP
SERPENTINE
LOT 17
RANGE 11
LOT 18
RANGE 11
LOT 19
RANGE 11
LOT 20
RANGE 11
LOT 1
RANGE 12
LOT 2
RANGE 12
LOT 3
RANGE 12
SERPENTINE
MAGNETOMETER AREA
Pilot Holes
Follow-up Holes
Detailed Magnetometer Survey Preceding Drilling
The RUBEROID Co.
Vermont Asbestos Mines
PROSPECTING AREAS
DMA APPLICATION
SCALE 1" = 100'
DATE 8/2/51


BROWN LOT
LOT 159
LOT 163
TILLOTSON
LOT 2
RANGE 15
LOT 3
RANGE 15
BROWN LOT QUARRY AREA
EDEN QUARRY
LOT 1
RANGE 14
LOT 2
RANGE 14
LOT 3
RANGE 14
LOT 160
LOT 162
AREA
EDEN
LOWELL
TOWER 2 AREA
LOT 1
RANGE 13
LOT 2
RANGE 13
LOT 3
RANGE 13
LOT 17
RANGE 12
LOT 18
RANGE 12
LOT 19
RANGE 12
LOT 20
RANGE 12
LOWELL QUARRY
ORE BODY
CONTACT
STRIPPING DUMP
SERPENTINE
LOT 17
RANGE 11
LOT 18
RANGE 11
LOT 19
RANGE 11
LOT 20
RANGE 11
LOT 1
RANGE 12
LOT 2
RANGE 12
LOT 3
RANGE 12
SERPENTINE
MAGNETOMETER AREA
Pilot Holes
Follow-up Holes
Detailed Magnetometer Survey Preceding Drilling
The RUBEROID Co.
Vermont Asbestos Mines
PROSPECTING AREAS
DMA APPLICATION
DATE 9/2/57 DWG. NO GL-3