DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Idm-E NO. _____

DMEA NO. 4825

31 OCT 1957

1147

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

- [ ] Project summary (final)
- [ ] 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
- [ ] Final Field Team Report (Tab)
- [ ] 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. _____: Reports

- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] 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

Government's copy

App'd. Sol. Off.

RESCISSION OF EXPLORATION PROJECT CONTRACT BY AGREEMENT BEFORE WORK IS BEGUN

It is agreed this 16th day of July, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government", and Jeter Boone, Homer Boone, Howard Boone, John Phillips and Sam L. Phillips, a partnership, hereinafter called the "Operator", parties to that certain Exploration Project Contract Idm-E1147, Docket No. DMEA-4825, dated October 31, 1957, that said contract shall be and is hereby rescinded, revoked, and cancelled as of the date of the contract, before any actions have been taken or costs incurred thereunder, without any obligation whatever, one party to the other, the same as if said contract had never been entered into.

Witness the following signatures as of the day and year first above written.

THE UNITED STATES OF AMERICA

By C O Mitteuzory
Administrator, Defense Minerals Exploration Administration

Jeter Boone (Partner)
Jeter Boone

Homer Boone (Partner)
Homer Boone

Howard Boone (Partner)
Howard Boone

John Phillips (Partner)
John Phillips

Sam L. Phillips (Partner)
Sam L. Phillips

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DMEA
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DATE	INITIALS	CODE

Government's Copy

MF-200A
(Rev. April 1956)

RECEIVED
NOV 20 1957
D.M.E.A.

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	Commodity	Contract No. Idm-E	County	State
4825	Mica	1147	Upson	Georgia

It is agreed 31 OCT 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Jeter Boone, Homer Boone, Howard Boone, John Phillips and Sam L. Phillips, a partnership

whose mailing address is c/o Sam L. Phillips, Spruce Pine, North Carolina

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before DEC 15 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 8 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $5,696.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $4,272.00, in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: a royalty of 1/8 (one-eighth) on the minerals taken and sold from the land payable to lessors

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows: Consent to Lien and Subordination Agreement of Lessors

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

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

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

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

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

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

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

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

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

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

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

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

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

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

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

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

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

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

.....

.....

.....

.....

.....

.....

Long
Alexander
Anderson
Hunt
Chambers
Selfridge

Executed in sextuplicate the day and year first above written.

By Jeter Boone Partner
Jeter Boone

By Homer Boone Partner
Homer Boone

By Howard Boone Partner
Howard Boone

By John Phillips Partner
John Phillips

By Sam L. Phillips Partner
Sam L. Phillips

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING Administrator, Defense Minerals Exploration Administration

I, ..., certify that I am the ..... secretary of the corporation named as Operator herein; that ....., who signed this contract on behalf of the Operator, was then ..... 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.

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

DMEA
RECEIVED NOV 20 1957
DATE | INITIALS | CODE

EXPLORATION PROJECT CONTRACT
JETER BOONE ET AL.
DOCKET NO. DMEA-4825

ANNEX I

The land referred to in Article 2 of the contract is a 34 acre tract, known as the "Mercer Prospect", situated in Upson County, Georgia, and more particularly described as follows:

> Beginning at an iron stake on the southeast side of the Tryum Mill Road, near a creek, running thence with the said creek south 14 degrees west, 1160 feet to a 2-inch iron pipe, thence east 1200 feet to a 2-inch iron pipe, thence north 4 degrees 30 minutes east 1348 feet to a 2-inch iron pipe on the southeast side of the Tryum Mill Road, thence running with the said road west 575 feet to a stake, thence continuing with said road south 60 degrees west 500 feet to an iron stake, the place of beginning, containing 34 acres. This property is located approximately 6¼ miles northwest of Thomaston, Georgia, on the Tryum Mill Road.

The Operator is in possession by virtue of a lease dated September 4, 1957, from the owners, L. T. Mercer and Essie B. Mercer.

A Consent to Lien and Subordination Agreement, executed September 4, 1957, by the owners, is attached.

MF-20 OFFICIAL FILE COPY
(Combines and supercedes MF-201 and MF-203)
June 1956 DMEA

RECEIVED SEP 9 1957

DATE	INITIALS	CODE

RECEIVED NOV 20

Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 1147
Contract Date 31 OCT 1957

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

~~To the United States of America:~~

Referring to that certain land in the County of Upson, State of Georgia, described as follows: 2/

Beginning on a iron stake on the South East side of the Tryum Mill Road, neara creek running thence with the said creek South 14 West 1160' to a 2"iron pipe, thence East 1200' to a 2" iron pipe, thence North 4° 30 Min. East 1348' to a 2" iron pipe on the South East side of the Tryum Mill Road, thence running with the said road East 575' to a stake, thence continuing with said road South 60 West 500' to airon stake the point of beginning. Containing 34 acres. This property located approximately 6¼ miles North West of Thomaston, Georgia, on the Tryum Mill Road.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: _____ (State "None" or "See Annex No.____")

Dated this 4th. day of September, 1957.

L. T. Mercer	[Seal]	Thomaston Ga	[Address]
Essie B Mercer	[Seal]	Route 4	[Address]
	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

DMEA
RECEIVED NOV 20 1957

DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT
JETER BOONE ET AL.
DOCKET NO. DMEA-4825

Exhibit A

Exploration for concentrations of ~~strategic mica~~ shall be performed in the area indicated on map entitled "Mercer Prospect, Upson County, Georgia, DMEA-4825 (mica)," attached hereto and made a part hereof.

The work is divided into two stages. The Operator shall complete Stage I, and shall perform as much of Stage II work as is approved in writing in advance by the Government.

Stage I

1. Bulldoze two trenches along the strike to properly expose the westerly and easterly limbs of the structure. The dimensions of the trenches shall be: No. 1 (along westerly contact) approximately 120 feet long by 12 feet wide by 5 feet deep aggregating not more than 226 cubic yards of excavation, and No. 2 (along easterly contact) approximately 80 feet long by 12 feet wide by 5 feet deep aggregating not more than 178 cubic yards of excavation.

2. Excavate hand trenches, in addition to the bulldozer trenches, to expose the pegmatite in places where hard rock may limit the effectiveness of bulldozer work. The hand excavated trenches shall be spaced approximately 25 feet apart, normal to the structure, and shall be approximately 2 feet wide by 1 foot deep, aggregating not more than 180 cubic feet of excavation.

Stage II

1. Construct:

(a) A toolhouse, minimum dimensions 7 feet by 8 feet by 10 feet.

(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.

(c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

The toolhouse may be unfloored; shall be made from unfinished lumber, with protective roof covering; and shall be equipped with lock and key.

The powder and exploder magazine shall be boxed on all sides; shall be made from 2-inch hardwood or 3-inch softwood lumber; and shall be braced at the corners. No metal shall be exposed; and the doors shall be equipped with the equivalent of a 5-tumbler jarproof lock.

2. From a site and in a direction and inclination determined by the results of Stage I work, and with the prior approval of the Government, sink a two-compartment vertical or inclined shaft, a distance of not more than 60 feet. From the bottom or near the bottom of the shaft drive 80 feet of crosscut, drift and/or raise to define the down-dip or plunge dimension of any favorable material outlined by the surface work.

The shaft and the drifts and/or crosscuts shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

All work shall be performed on the pegmatite or in as close proximity thereto as possible.

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

ESTIMATED COSTS OF THE PROJECT
Fixed Unit Costs

Stage I		
1. Excavating 444 cubic yards of trench with bulldozer @ $0.30/cu. yd. (rounded)	$133.00	
2. Excavating 180 cubic feet of trench by hand @ $0.15/cu. ft.	27.00	$ 160.00
Stage II		
1. Construct toolhouse[1/]	$ 76.00	
Construct powder magazine[1/]	25.00	
Construct exploder magazine[1/]	15.00	116.00

2. Sink shaft - 60 feet @ $45.00/ft.	$2,700.00
3. Drift, crosscut and/or raise - 80 feet @ $34.00/ft.	2,720.00
Estimated Total Cost of Project	$5,696.00
Government Participation @ 75%	$4,272.00

1/ The completed work constitutes the unit.

Form MF-103
Revised Feb. 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1035.3
Approval expires June 30, 1958

APPLICATION FOR AID IN AN EXPLORATION PROJECT

PURSUANT TO DMEA ORDER I, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

NAME OF APPLICANT (Full legal name and mailing address as it should appear on contract if one is executed)

Jeter Boone
Route #3, Bakersville, N.C.

c/o Sam L. Phillips
Spruce Pine, N.C.

APPLICANT NOT TO USE THIS BLOCK

Docket Number: 4825
Date Received: 9/9/57
Government Participation %:
Region: V
Division Code: 600

BUSINESS ORGANIZATION (Check one)

- Individual [ ]
- Corporation [ ]
- Partnership [X]
- Other (Specify) [ ]

State in which firm is organized: N.C.

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

Name	Address	Title
Jeter Boone	Route #3, Bakersville, N.C.	Partner
Homer Boone	Route 3, Bakersville, N.C.	"
Howard Boone	Route #3, Bakersville, N.C.	"
John Phillips	Spruce Pine, N.C.	"
Sam L. Phillips	Spruce Pine, N.C.	"

RECEIVED SEP 9 1957 D.M.E.A.

Mineral(s) for which you wish to explore: Mica

Estimated Cost of Project: $ $8,350.00

LOCATION OF PROPERTY

Name	County	State
"Mercer Prospect"	Upson County, Thomaston,	Ga.

GENERAL INSTRUCTIONS

Before filling out this application, please read DMEA Order-I, Amended, "Government Aid in Defense Exploration Projects." To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 1, existing mine workings and geology in item 2, and the proposed exploration project in item 4. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 2(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest DMEA Field Office.*

CERTIFICATION

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

9-4-57
Dated

Jeter Boone
BY (*Signature*)

Partner
Title

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. *Applicant's Property Rights:*

(a) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all land adjacent to the proposed project area which you own or control. Describe any part of the project land or workings which should not be subject to Government lien for royalty payments. If the land consists of unpatented claims, state the book and page number for each recorded location notice, including amended locations, and the place where recorded (courthouse, recorder's office, county, and state).

(b) State all the names by which you know the property.

(c) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise. If you are not the owner, submit with this application one exact copy of the lease, contract, or other document (with address of owner) under which you control the property.

(d) Describe all liens, mortgages, or other encumbrances on the property.

2. *Physical Description:*

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the lands, including existing mine workings. Describe all production facilities.

(b) State your interest, if any, in operations stated in 2*(a)*.

(c) State, as far as you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves on the property giving quantities and grades and sampling methods used, supporting your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations, if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you may have, indicating on each whether you require its return to you.

3. *Accessibility of Project:*

(a) To aid DMEA representatives who may be required to examine the property, state the name and address of the person who will meet the DMEA representative; give directions for reaching the property; and describe accessibility of the property including the mine workings.

(b) Name the shipping and supply points and places where employees reside and state the distances between them and the property.

4. *The Exploration Project:*

(a) Describe fully the proposed exploration project giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and longitudinal and cross sections as necessary. Show the location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *property boundaries* or to the closest identifiable corner.

(b) If an access road to the project must be built, show the location on the property map and state the length, type, and construction methods proposed.

(c) In the event that an exploration contract with DMEA is executed, how soon will the work start and how many months will be required to complete it? State your anticipated average daily or monthly rate of progress for each type of work.

5. *Experience:*

State your operating experience and background with relation to your ability to carry out this exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of Costs:*

Furnish detailed estimates of the costs *for each item of the work proposed in 4(a)* under the headings listed below with a total for each heading and the estimated total cost of the project. Costs for any work to be performed by an independent contractor should be shown separately under category *(a)* below. Costs for any work that is not to be performed by an independent contractor should be given in detail under categories *(b)* through *(g)*.

(a) Independent contracts. State the cost of any proposed independent contract for the performance of all or any part of the work, expressed in units of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. *(Note* – If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. For necessary supervision, engineering and geological services, and labor, include an itemized schedule of numbers, classes, rates of wages, salaries or fees, and periods of employment. State whether these technicians and employees are available.

(c) Operating materials and supplies. List items of material and supplies with their cost. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of operating equipment to be used giving specifications and indicating how each item is to be acquired – i.e., rented, purchased, or provided by the applicant. If it is rented or purchased, state the estimated rental or purchase price. If it is to be furnished by the applicant, give its present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of necessary *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings) and movable operating equipment now owned by the applicant, which will be used on the exploration project.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration project stating specifications and cost including labor, materials and supervision.

(g) Miscellaneous. For the operating equipment listed in 6*(d)*, describe the type and estimate the cost of repairs and maintenance expected during project operations. Do not repeat initial repairs listed in 6*(e)*. Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories.

Note – No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes), or any other indirect costs, or work performed or costs incurred before the date of the contract, should be included in the estimate of costs.

7. *(a)* State whether you are prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation stated in Sec. 7 of DMEA Order–I, Amended.

(b) Explain to what extent you propose to furnish your share of the costs by providing money, by use of equipment owned by you, or otherwise.

* * * * *

INT.-DUP. SEC. WASH. D.C. 15539

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DATE	INITIALS	CODE

MR-103 (Continuation Sheet)

1. (a) Description on lease.

   (b) Prospect will be known as "The Mercer Prospect".

   (c) Lessee

   (d) No Lien.

2. (a) This is a new prospect.

   (b) No previous operations.

   (c) No past production.

   (d) There is a significant amount of strategic grade mica in vein material showing.

   (e) Pegmatite vein.

   (f) There is some vein showing, and we believe that with exploration work, we will recover some good ruby mica.

3. (a) Road access will have to be bulldozed to the mine, and Jeter Boone will meet D.M.E.A. representatives at Spruce Pine, N.C., and go with them to the mine, which is located 6¼ miles North West of Thomaston, Ga., on the Tryum Mill Road.

   (b) Road access to be bulldozed, supplies, manpower, and equipment are available.

4. (a) We propose to bulldoze road access, and remove overburden to best locate shaft site, then sink a shaft a depth of 80', then drift with vein a distance of 100'.

   (b) 300 yds. of road access to be bulldozed.

   (c) Work can begin within 15 days after contract is received, and project can be completed within 6 months.

5. Now on file with D.M.E.A.

6. Estimate of costs:

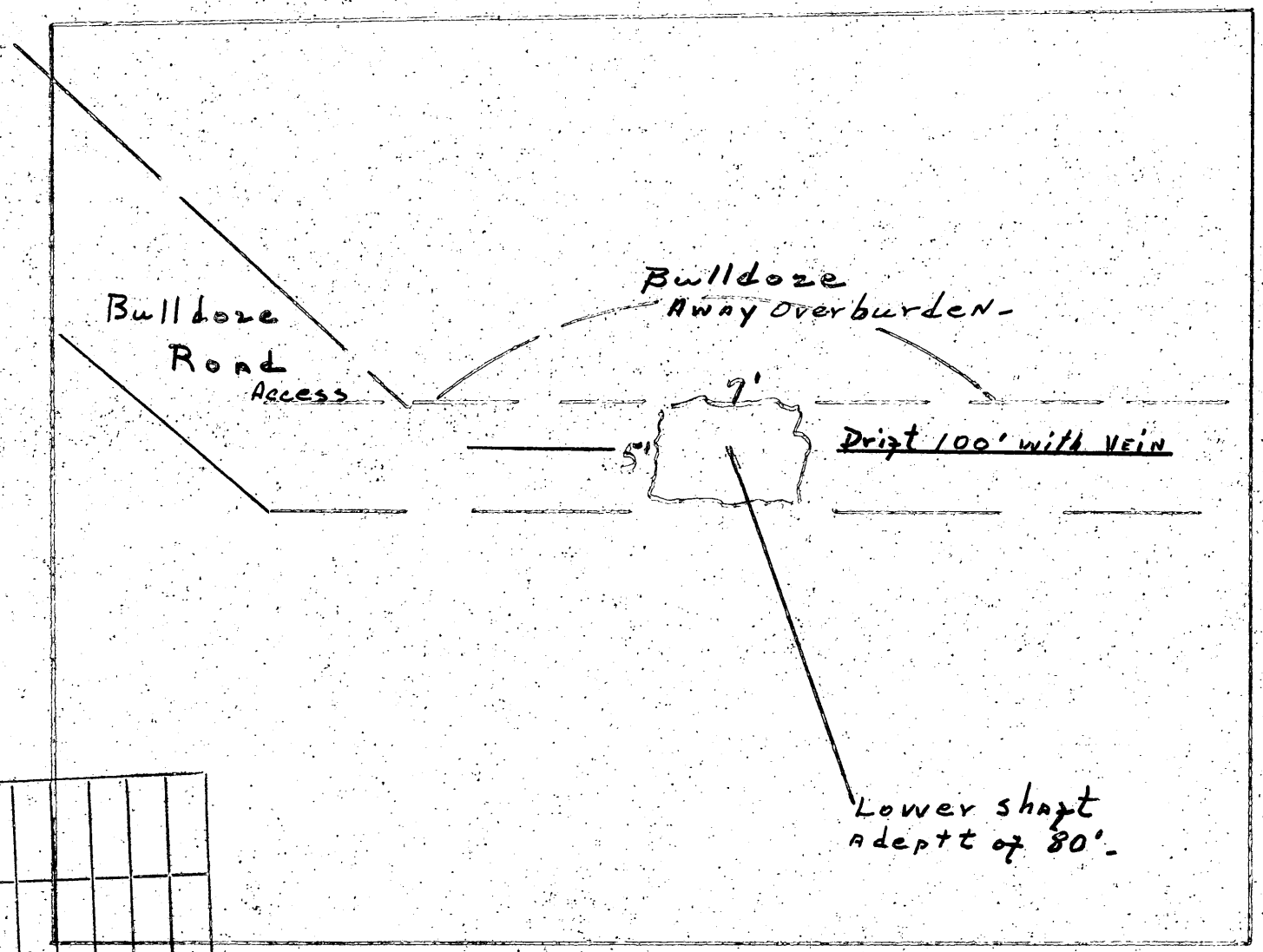
35 hrs. bulldozing @ $10.00 per hour	$ 350.00
80' Shaft @ $50.00 per foot	4000.00
100' Drift @ $40.00 per foot	4000.00
Total estimated cost of project:	$ 8350.00

7. (a) Will share cost of proposed project.

   (b) Money & equipment.

"Mercer Prospect"

Upson County, Georgia



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DMEA
RECEIVED SEP 9 1957
DATE | INITIALS | CODE

RECEIVED SEP 9 1957 D.M.E.A.

MINING LEASE

State of North Carolina Mitchell County:

This indenture made this 4th. day of September, 1957 ~~19~~

between L.T. Mercer and Essie B. Mercer

of Upson County and State of North Carolina as party of the first part, and known as lessor, and Jeter Boone

of Mitchell County and State of North Carolina, party of the second part and known as lessee.

WITNESSETH, That the part of the first part in consideration of One Dollar in hand received and hereby acknowledged by the lessor, and in consideration of the agreements hereinafter contained, on the part of the party of the second part to be performed, hereby bargains, leases and grants to the party of the second part, and his heirs and assigns, for the period of five years from the date of this agreement, the following described real property, for mining purposes, in the County and State first above written to wit:

Beginning on a iron stake on the South East side of the Tryum Mill Road, near a creek running thence with the said creek South 14 West 1160' to a 2" iron pipe, thence East 1200' to a 2" iron pipe, thence North 4° 30 min. East 1348' to a 2" iron pipe on the South East side of the Tryum Mill Road, thence running with the said road East 575' to a stake, thence continuing with said road South 60 West 500' to a iron stake the point of beginning. Containing 34 acres. This property located approximately 6½ miles North West of Thomaston, Georgia, on the Tryum Mill Road.

TO HAVE AND TO HOLD the said lands to him, for mining purposes, the said lessee and his heirs and assigns for the aforesaid period of five years in compliance with the condition of this instrument, for the purpose and with the right to dig, quarry, search, explore for, obtain, and remove any kind of minerals, metals or fossils, and particularly mica, and to conduct the same to any extent the said party of the second part, the lessee, may desire. And it is hereby agreed between the parties to this agreement that the party of the second part is to have the use of any unoccupied buildings on said lands for mining purposes, and that he shall have the right to erect such buildings as he needs to carry on such mining operatins during the period of this lease, and that the party of the second part shall keep the same in as good condition as when received, unavoidable accidents excepted. And it is also agreed by the party of the second part that no unnecessary damage is to be done to the lands herein leased during the period of this lease and the continuance of said lease, but the said party of the second part shall have the right to take from said lands leased to the party of the second part any wood or timber the party of the second part may need to carry on said mining operations or which may be needed to carry on the addition to existing buildings or to erect new buildings or sheds on said lands. (Timber of high or special market value is excepted and shall not be used by the lessee.) And it is hereby agreed that the party of the second part, the lessee, is to have right-of-way of ingress and egress to said mines or land upon which exploration is being conducted.

AND IT IS FURTHER AGREED That the party of the second part, the lessee hereby agrees to pay to the said part of the first part, or his or their heirs or assigns, a rental royalty of 1/8 (One-Eighth)

on the minerals taken and sold from said mines which shall be for the use of the said lands for the aforesaid period of five years. The said amounts shall be payable on the computation of selling bills on the tenth day of each month covering sales made during the previous month. Any minerals other than those set forth above which may be taken and sold shall be paid for and at the usual royalty rate of the minerals taken.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, shall have the option to renew this lease and to extend the period of its running for an additional five years from the date of its present termination. The option shall be exercised by giving formal written notice to the party of the first part or by the continuation of any mining operations then being conducted. The lessor reserve the right to use the land, or convey the same not conflicting with this lease, but under any conveyance the terms of this lease must be recognized by the grantee, purchaser, or assigns thereof. And it is agreed that the lessee may assign this mining lease or any part thereof and that he may sublease.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, is hereby given an option to purchase all the right, title and interest, legal and equitable to and in the real estate described and set forth in this lease for a total purchase price of XXXXXXXXX, said purchase price to be paid in full within three years from the date of this instrument and it is agreed that all rental royalties paid to the party of the first part shall apply toward and be a part of the total purchase price above set forth, and that at such time that the total purchase price is paid in the form of royalties or a lump sum payment or a combination of both, the party of the first part will execute a special warranty deed to the party of the second part and that a tender of the remaining purchase price at any time within the next three years shall entitle the party of the second part to specific performance of this option contract.

BUT IT IS EXPRESSLY AGREED That unless mineral or fossil material of practical value for mining purposes shall be found within a period of two years from the date of this instrument, the lease may be terminated by the lessee at any time thereafter on thirty days notice to the lessor. The lessee agrees that during the period of this lease or the continuance of this lease work in said mines or exploration for new mines within the area leased shall not cease longer than ninety days at any one time, unavoidable accidents excepted.

WITNESS our hands and seals the day and year first above written.

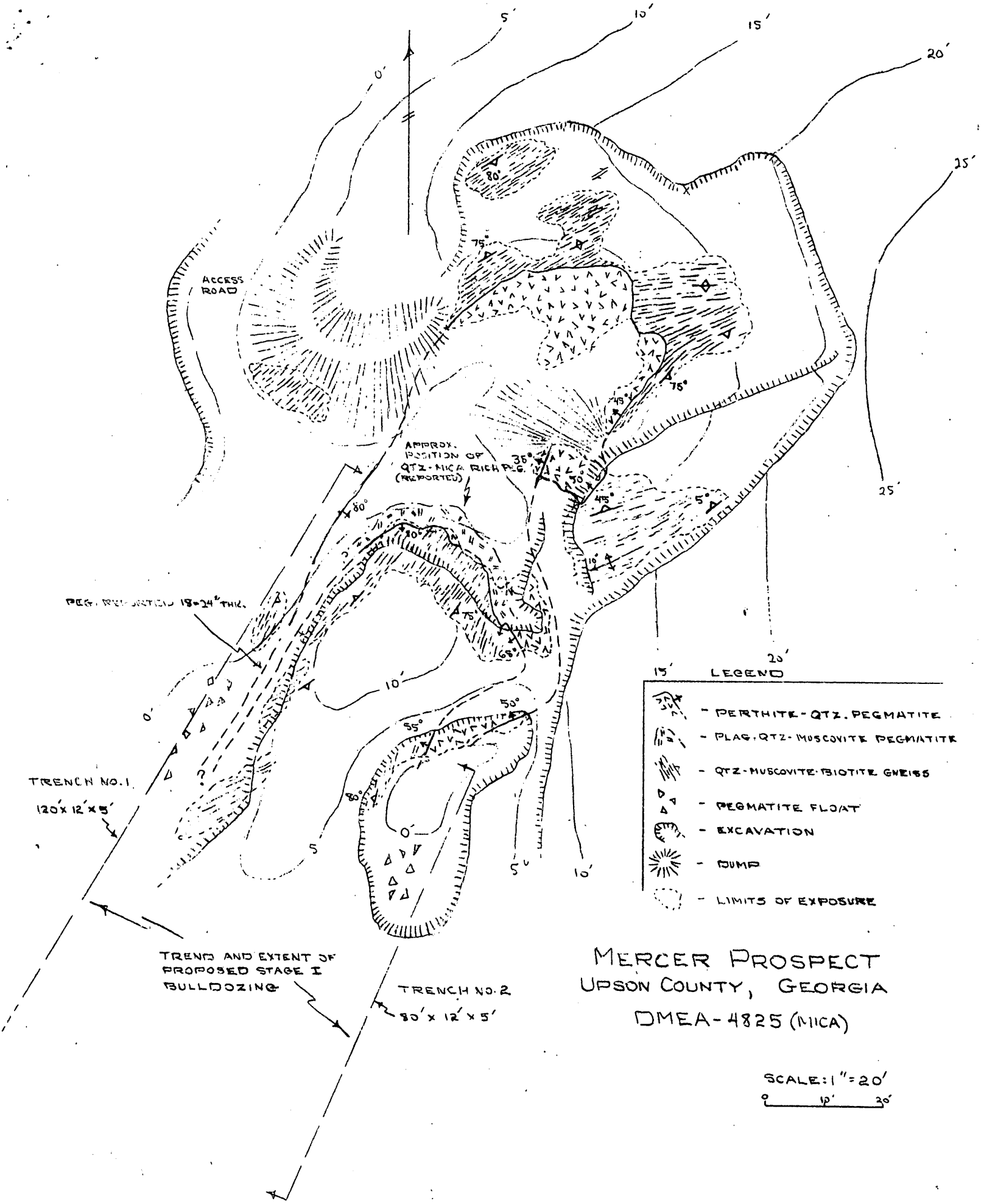
Witness:

x L T Mercer (Seal)

Essie B Mercer (Seal)

Jeter Boone

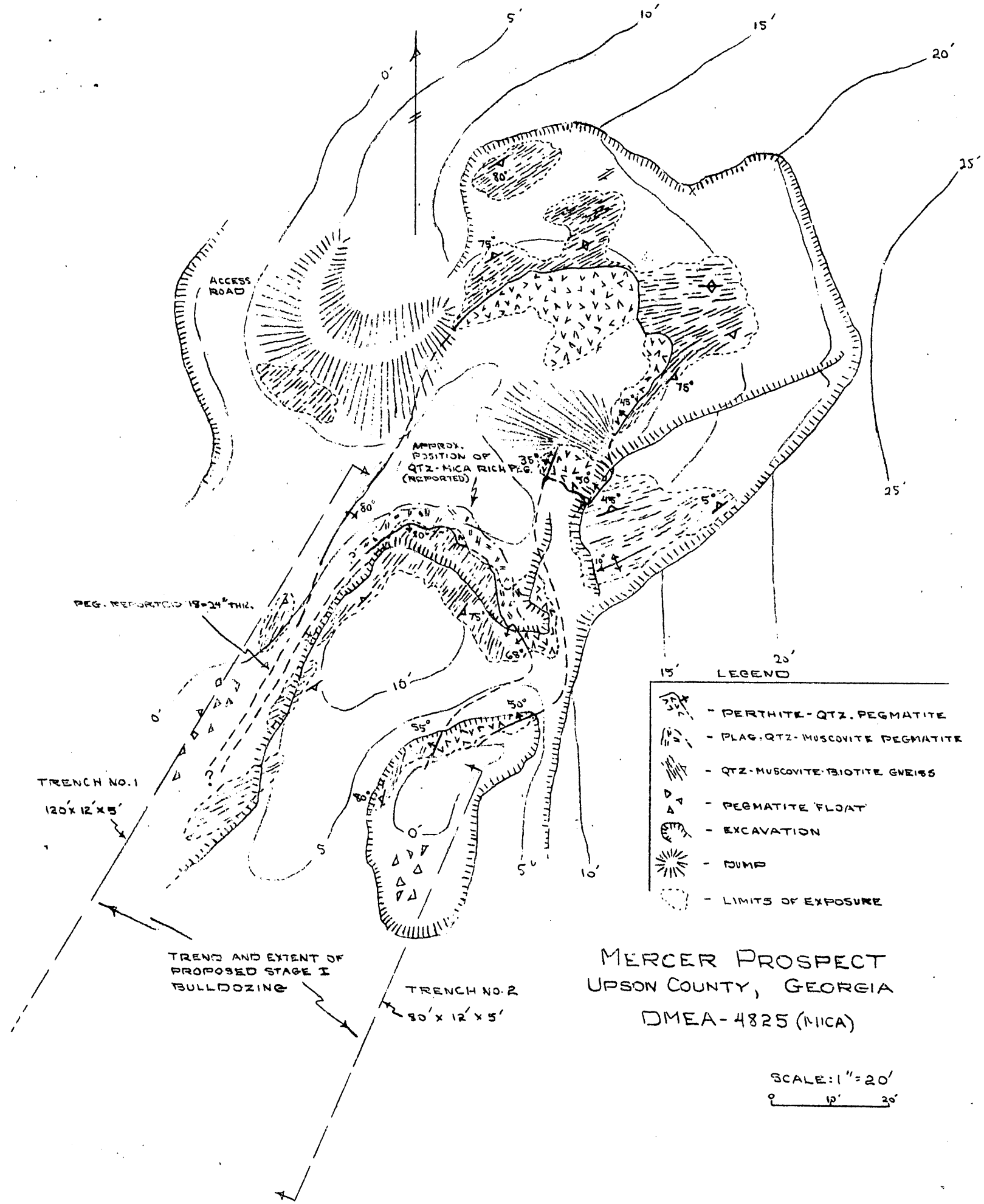
Kenneth R McKinney
Notary Public
My Com Exp 8/29/59



MERCER PROSPECT
UPSON COUNTY, GEORGIA
DMEA-4825 (MICA)

EXTRA COPY
D M E A
RECEIVED OCT 10 1957

DATE	INITIALS	CODE



MERCER PROSPECT
UPSON COUNTY, GEORGIA
DMEA-4825 (MICA)

EXTRA COPY
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DATE	INITIALS	CODE

. Government Messenger Envelope

orm No. 65 (Rev. 1/46)

1. Use blocks consecutively, one at a time.
2. Void previous block.
3. Write clearly.

ME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM		NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM	
[illegible] 6216	RUN / STOP		RUN / STOP
[illegible] 6232	RUN / STOP		RUN / STOP
[illegible]	RUN / STOP		RUN / STOP
[illegible] 4456	RUN / STOP		RUN / STOP
	RUN / STOP		RUN / STOP
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us envelopes to
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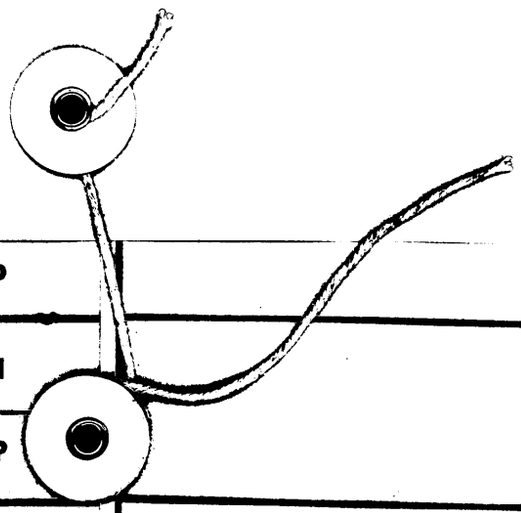
Use other side

Use RUN and STOP only when messenger service between Government buildings in Washington is required.
Your mail room has RUN and STOP information.



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Use other side first

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

July 30, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 1 1958

DATE	INITIALS	CODE
8/1	C	220
8-8	B	215
8/8	Hook	600

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Rescission Agreement - DMEA-4825, Idm-E1147 (mica) Jeter Boone, et al. Mercer Prospect, Upson County, Georgia.

Enclosed are the original and Audit copies of the subject agreement signed by all the partners.

The usual distribution of the other copies has been made.

Robert A. Laurence

Robert A. Laurence

zm

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7/11	Houk	600
	Long	140
	Dwyer	140
7-15	Chmn. Bd.	800
7/16	Martin	130
"	Johnson	110
"	Rittenhouse	100
7/17	H.G.	220
		600

INTERIOR DEPT.
JUL 11 1958
SOLICITOR

JUL 16 1958
600

RECEIVED
JUL 11 1958
ASSOC. SOLICITOR
MINERAL RESOURCES

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

Re: Docket No. DMEA-4825-Mica
Jeter Boone, et al.
Mercer Prospect
Upson County, Georgia
Contract No. Idm-E1147

Dear Mr. Laurence:

Reference is made to your memorandum of July 2, 1958, to the Operating Committee, recommending rescission of the subject contract.

Enclosed are the original and four copies of a proposed rescission agreement signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team. If you approve, please present the proposed agreement to the Operator for signature.

After execution of the rescission agreement, the copies are to be distributed in the usual manner.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee

Approved:

Frank D. Lamb
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

LGHouk:rsi 7/10/58
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

FROM SOLICITOR

Enclosures 7

JUL 14 1958

FOR SIGNATURE

8623

Field Team's Copy

MF-200A
(Rev. April 1956)

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No. Idm–E*	*County*	*State*
4825	Mica	1147	Upson	Georgia

It is agreed 31 OCT 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Jeter Boone, Homer Boone, Howard Boone, John Phillips and Sam L. Phillips, a partnership

whose mailing address is c/o Sam L. Phillips, Spruce Pine, North Carolina

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before DEC 15 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 8 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $5,696.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $4,272.00, in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: a royalty of 1/8 (one-eighth) on the minerals taken and sold from the land payable to lessors

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows: Consent to Lien and Subordination Agreement of Lessors

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

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

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

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

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

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

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

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

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

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

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

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

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

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

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

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

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

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

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Executed in sextuplicate the day and year first above written.

By Peter Boone Partner
Peter Boone

By Homer Boone Partner
Homer Boone

By Howard Boone Partner
Howard Boone

By John Phillips Partner
John Phillips

By Sam L. Phillips Partner
Sam L. Phillips

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING Administrator, Defense Minerals Exploration Administration

I, ..., certify that I am the ..... secretary of the corporation named as Operator herein; that ....., who signed this contract on behalf of the Operator, was then ..... 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.

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

EXPLORATION PROJECT CONTRACT
JETER BOONE ET AL.
DOCKET NO. DMEA-4825

ANNEX I

The land referred to in Article 2 of the contract is a 34 acre tract, known as the "Mercer Prospect", situated in Upson County, Georgia, and more particularly described as follows:

> Beginning at an iron stake on the southeast side of the Tryum Mill Road, near a creek, running thence with the said creek south 14 degrees west, 1160 feet to a 2-inch iron pipe, thence east 1200 feet to a 2-inch iron pipe, thence north 4 degrees 30 minutes east 1348 feet to a 2-inch iron pipe on the southeast side of the Tryum Mill Road, thence running with the said road west 575 feet to a stake, thence continuing with said road south 60 degrees west 500 feet to an iron stake, the place of beginning, containing 34 acres. This property is located approximately 6½ miles northwest of Thomaston, Georgia, on the Tryum Mill Road.

The Operator is in possession by virtue of a lease dated September 4, 1957, from the owners, L. T. Mercer and Essie B. Mercer.

A Consent to Lien and Subordination Agreement, executed September 4, 1957, by the owners, is attached.

MF-205
(Combines and supercedes MF-[redacted] MF-203)
June 1956

[redacted]vernment's Use Only
EXPL[redacted]N PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 1147
Contract Date 31 OCT 1957

RECEIVED SEP 9 1957 D.M.E.A.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Upson, State of Georgia; described as follows: 2/

Beginning on a iron stake on the South East side of the Tryum Mill Road, neare creek running thence with the said creek South 14 West 1160' to a 2"iron pipe, thence East 1200' to a 2" iron pipe, thence North 4° 30 Min. East 1348' to a 2" iron pipe on the South East side of the Tryum Mill Road, thence running with the said road East 575' to a stake, thence continuing with said road South 60 West 500' to airon stake the point of beginning. Containing 34 acres.This property located approximately 6½ miles North West of Thomaston, Georgia, on the Tryum Mill Road.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: _____ (State "None" or "See Annex No.____")

Dated this 4th. day of September, 1957.

L. J. Mercer	[Seal]	Thomaston Ga	[Address]
Essie B Mercer	[Seal]	Route 5	[Address]
	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]

I, _____ certify that I am the _____ (Secretary, etc.) of the corporation named herein; that _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

EXPLORATION PROJECT CONTRACT
JETER BOONE ET AL.
DOCKET NO. DMEA-4825

Exhibit A

Exploration for concentrations of strategic mica shall be performed in the area indicated on map entitled "Mercer Prospect, Upson County, Georgia, DMEA-4825 (mica)," attached hereto and made a part hereof.

The work is divided into two stages. The Operator shall complete Stage I, and shall perform as much of Stage II work as is approved in writing in advance by the Government.

Stage I

1. Bulldoze two trenches along the strike to properly expose the westerly and easterly limbs of the structure. The dimensions of the trenches shall be: No. 1 (along westerly contact) approximately 120 feet long by 12 feet wide by 5 feet deep aggregating not more than 226 cubic yards of excavation, and No. 2 (along easterly contact) approximately 80 feet long by 12 feet wide by 5 feet deep aggregating not more than 178 cubic yards of excavation.

2. Excavate hand trenches, in addition to the bulldozer trenches, to expose the pegmatite in places where hard rock may limit the effectiveness of bulldozer work. The hand excavated trenches shall be spaced approximately 25 feet apart, normal to the structure, and shall be approximately 2 feet wide by 1 foot deep, aggregating not more than 180 cubic feet of excavation.

Stage II

1. Construct:

(a) A toolhouse, minimum dimensions 7 feet by 8 feet by 10 feet.

(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.

(c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

The toolhouse may be unfloored; shall be made from unfinished lumber, with protective roof covering; and shall be equipped with lock and key.

The powder and exploder magazine shall be boxed on all sides; shall be made from 2-inch hardwood or 3-inch softwood lumber; and shall be braced at the corners. No metal shall be exposed; and the doors shall be equipped with the equivalent of a 5-tumbler jarproof lock.

2. From a site and in a direction and inclination determined by the results of Stage I work, and with the prior approval of the Government, sink a two-compartment vertical or inclined shaft, a distance of not more than 60 feet. From the bottom or near the bottom of the shaft drive 80 feet of crosscut, drift and/or raise to define the down-dip or plunge dimension of any favorable material outlined by the surface work.

The shaft and the drifts and/or crosscuts shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

All work shall be performed on the pegmatite or in as close proximity thereto as possible.

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

ESTIMATED COSTS OF THE PROJECT
Fixed Unit Costs

Stage I

1. Excavating 444 cubic yards of trench with bulldozer @ $0.30/cu. yd. (rounded)	$133.00	
2. Excavating 180 cubic feet of trench by hand @ $0.15/cu. ft.	27.00	$ 160.00

Stage II

1. Construct toolhouse[1/]	$ 76.00	
Construct powder magazine[1/]	25.00	
Construct exploder magazine[1/]	15.00	116.00

2. Sink shaft - 60 feet @ $45.00/ft.	$2,700.00
3. Drift, crosscut and/or raise - 80 feet @ $34.00/ft.	2,720.00
Estimated Total Cost of Project	$5,696.00
Government Participation @ 75%	$4,272.00

1/ The completed work constitutes the unit.

Operator's Copy

MF-200A
(Rev. April 1956)

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No. Idm–E*	*County*	*State*
4825	Mica	1147	Upson	Georgia

It is agreed 31 OCT 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Jeter Boone, Homer Boone, Howard Boone, John Phillips and Sam L. Phillips, a partnership

whose mailing address is c/o Sam L. Phillips, Spruce Pine, North Carolina

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before DEC 15 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 8 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $5,696.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $4,272.00, in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title or interest is subject only to the following claims, liens, or encumbrances: a royalty of 1/8 (one-eighth) on the minerals taken and sold from the land payable to lessors

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows: Consent to Lien and Subordination Agreement of Lessors

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

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

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

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

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

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

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

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

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

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

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

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

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

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

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

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

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

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

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ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

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Executed in sextuplicate the day and year first above written.

By Jeter Boone Partner
Jeter Boone

By Homer Boone Partner
Homer Boone

By Howard Boone Partner
Howard Boone

By John Phillips Partner
John Phillips

By Sam L. Phillips Partner
Sam L. Phillips

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING Administrator, Defense Minerals Exploration Administration

I, ..., certify that I am the ..... secretary of the corporation named as Operator herein; that ....., who signed this contract on behalf of the Operator, was then ..... 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.

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

EXPLORATION PROJECT CONTRACT
JETER BOONE ET AL.
DOCKET NO. DMEA-4825

ANNEX I

The land referred to in Article 2 of the contract is a 34 acre tract, known as the "Mercer Prospect", situated in Upson County, Georgia, and more particularly described as follows:

> Beginning at an iron stake on the southeast side of the Tryum Mill Road, near a creek, running thence with the said creek south 14 degrees west, 1160 feet to a 2-inch iron pipe, thence east 1200 feet to a 2-inch iron pipe, thence north 4 degrees 30 minutes east 1348 feet to a 2-inch iron pipe on the southeast side of the Tryum Mill Road, thence running with the said road west 575 feet to a stake, thence continuing with said road south 60 degrees west 500 feet to an iron stake, the place of beginning, containing 34 acres. This property is located approximately 6¼ miles northwest of Thomaston, Georgia, on the Tryum Mill Road.

The Operator is in possession by virtue of a lease dated September 4, 1957, from the owners, L. T. Mercer and Essie B. Mercer.

A Consent to Lien and Subordination Agreement, executed September 4, 1957, by the owners, is attached.

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 1147
Contract Date 31 OCT 1957

EXTRA COPY
DMEA
RECEIVED SEP 9 1957

DATE	INITIALS	CODE

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Upson, State of Georgia, described as follows: 2/

Beginning on a iron stake on the South East side of the Tryum Mill Road, neara creek running thence with the said creek South 14 West 1160' to a 2"iron pipe, thence East 1200' to a 2" iron pipe, thence North 4° 30 Min. East 1348' to a 2" iron pipe on the South East side of the Tryum Mill Road, thencerrunning with the said road East 575' to a stake, thence continuing with said road South 60 West 500' to airon stake the point of beginning. Containing 34 acres.This property located approximately 6½ miles North West of Thomaston, Georgia, on the Tryum Mill Road.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: _____ (State "None" or "See Annex No.____")

Dated this 4th. day of September, 1957.

L. T. Mercer	[Seal]	Thomaston Ga	[Address]
Essie B. Mercer	[Seal]	Route 5	[Address]
	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]

I, _____ certify that I am the _____ (Secretary, etc.) of the corporation named herein; that _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

EXPLORATION PROJECT CONTRACT
JETER BOONE ET AL.
DOCKET NO. DMEA-4825

Exhibit A

Exploration for concentrations of strategic mica shall be performed in the area indicated on map entitled "Mercer Prospect, Upson County, Georgia, DMEA-4825 (mica)," attached hereto and made a part hereof.

The work is divided into two stages. The Operator shall complete Stage I, and shall perform as much of Stage II work as is approved in writing in advance by the Government.

Stage I

1. Bulldoze two trenches along the strike to properly expose the westerly and easterly limbs of the structure. The dimensions of the trenches shall be: No. 1 (along westerly contact) approximately 120 feet long by 12 feet wide by 5 feet deep aggregating not more than 226 cubic yards of excavation, and No. 2 (along easterly contact) approximately 80 feet long by 12 feet wide by 5 feet deep aggregating not more than 178 cubic yards of excavation.

2. Excavate hand trenches, in addition to the bulldozer trenches, to expose the pegmatite in places where hard rock may limit the effectiveness of bulldozer work. The hand excavated trenches shall be spaced approximately 25 feet apart, normal to the structure, and shall be approximately 2 feet wide by 1 foot deep, aggregating not more than 180 cubic feet of excavation.

Stage II

1. Construct:

(a) A toolhouse, minimum dimensions 7 feet by 8 feet by 10 feet.

(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.

(c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

The toolhouse may be unfloored; shall be made from unfinished lumber, with protective roof covering; and shall be equipped with lock and key.

The powder and exploder magazine shall be boxed on all sides; shall be made from 2-inch hardwood or 3-inch softwood lumber; and shall be braced at the corners. No metal shall be exposed; and the doors shall be equipped with the equivalent of a 5-tumbler jarproof lock.

2. From a site and in a direction and inclination determined by the results of Stage I work, and with the prior approval of the Government, sink a two-compartment vertical or inclined shaft, a distance of not more than 60 feet. From the bottom or near the bottom of the shaft drive 80 feet of crosscut, drift and/or raise to define the down-dip or plunge dimension of any favorable material outlined by the surface work.

The shaft and the drifts and/or crosscuts shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

All work shall be performed on the pegmatite or in as close proximity thereto as possible.

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

ESTIMATED COSTS OF THE PROJECT
Fixed Unit Costs

Stage I

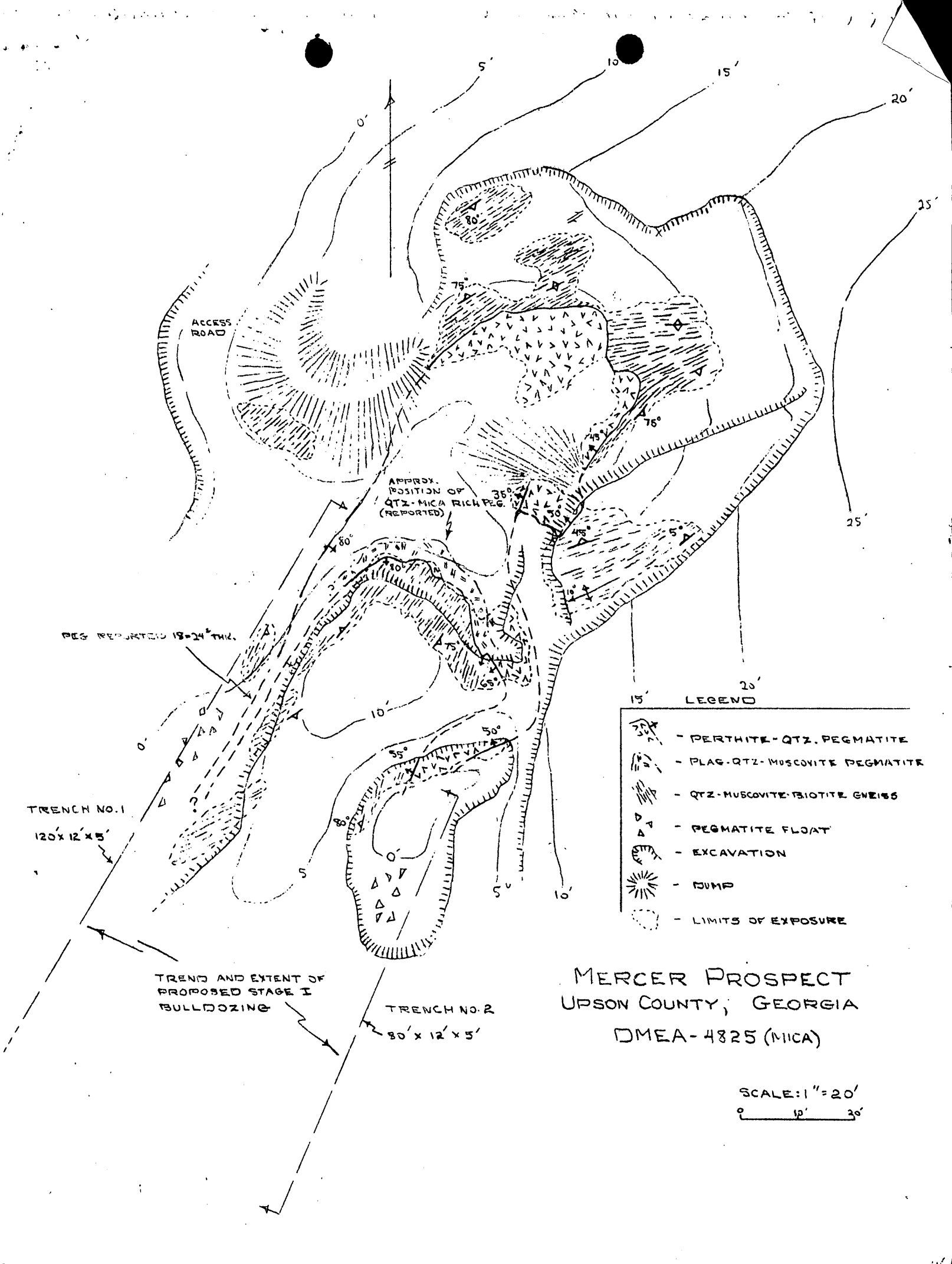
1. Excavating 444 cubic yards of trench with bulldozer @ $0.30/cu. yd. (rounded)	$133.00	
2. Excavating 180 cubic feet of trench by hand @ $0.15/cu. ft.	27.00	$ 160.00

Stage II

1. Construct toolhouse[1/]	$ 76.00	
Construct powder magazine[1/]	25.00	
Construct exploder magazine[1/]	15.00	116.00

2. Sink shaft - 60 feet @ $45.00/ft.	$2,700.00
3. Drift, crosscut and/or raise - 80 feet @ $34.00/ft.	2,720.00
Estimated Total Cost of Project	$5,696.00
Government Participation @ 75%	$4,272.00

1/ The completed work constitutes the unit.



MERCER PROSPECT
UPSON COUNTY, GEORGIA
DMEA-4825 (MICA)

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DATE	REMARKS	CODE

Extra Copy

Reg II

MF-200A
(Rev. April 1956)

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No. Idm–E*	*County*	*State*
4325	Mica	1147	Upson	Georgia

It is agreed 31 OCT 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Jeter Boone, Homer Boone, Howard Boone, John Phillips and Sam L. Phillips, a partnership

whose mailing address is c/o Sam L. Phillips, Spruce Pine, North Carolina

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before ....., and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 6 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $5,600.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $4,272.00, in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: a royalty of 1/8 (one-eighth) on the minerals taken and sold from the land payable to lessors

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows: Consent to Lien and Subordination Agreement of Lessors

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

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

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(a) Operator's records.—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine all pertinent books, documents, papers, and records of the Operator.

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

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

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

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

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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

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

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

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

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

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

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

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

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

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

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *Notices to be given by the Government* may be delivered to the Operator or may be sent by registered mail addressed to the Operator at the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 10. *Changes and added provisions.*—

.....

.....

.....

.....

.....

.....

Executed in sextuplicate the day and year first above written.

By _____ Partner
Jeter Boone

By _____ Partner
Homer Boone (Operator)

By _____ Partner
Howard Boone

By _____ Partner
John Phillips

By _____ Partner
Sam L. Phillips

THE UNITED STATES OF AMERICA

By _____
Frank E. Johnson
ACTING Administrator, Defense Minerals Exploration Administration

I, _____, certify that I am the _____ secretary of the corporation named as Operator herein; that _____, who signed this contract on behalf of the Operator, was then _____ 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.

_____

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

EXPLORATION PROJECT CONTRACT
JETER BOONE ET AL.
DOCKET NO. DMRA-4825

ANNEX I

The land referred to in Article 2 of the contract is a 34 acre tract, known as the "Mercer Prospect", situated in Upson County, Georgia, and more particularly described as follows:

> Beginning at an iron stake on the southeast side of the Tryum Mill Road, near a creek, running thence with the said creek south 14 degrees west, 1160 feet to a 2-inch iron pipe, thence east 1200 feet to a 2-inch iron pipe, thence north 4 degrees 30 minutes east 1348 feet to a 2-inch iron pipe on the southeast side of the Tryum Mill Road, thence running with the said road west 575 feet to a stake, thence continuing with said road south 60 degrees west 500 feet to an iron stake, the place of beginning, containing 34 acres. This property is located approximately 6½ miles northeast of Thomaston, Georgia, on the Tryum Mill Road.

The Operator is in possession by virtue of a lease dated September 4, 1957, from the owners, L. T. Mercer and Essie B. Mercer.

A Consent to Lien and Subordination Agreement, executed September 4, 1957, by the owners, is attached.

EXPLORATION PROJECT CONTRACT
JETER BOONE ET AL.
DOCKET NO. DMEA-4825

Exhibit A

Exploration for concentrations of strategic mica shall be performed in the area indicated on map entitled "Mercer Prospect, Upson County, Georgia, DMEA-4825 (mica)," attached hereto and made a part hereof.

The work is divided into two stages. The Operator shall complete Stage I, and shall perform as much of Stage II work as is approved in writing in advance by the Government.

Stage I

1. Bulldoze two trenches along the strike to properly expose the westerly and easterly limbs of the structure. The dimensions of the trenches shall be: No. 1 (along westerly contact) approximately 120 feet long by 12 feet wide by 5 feet deep aggregating not more than 226 cubic yards of excavation, and No. 2 (along easterly contact) approximately 80 feet long by 12 feet wide by 5 feet deep aggregating not more than 178 cubic yards of excavation.

2. Excavate hand trenches, in addition to the bulldozer trenches, to expose the pegmatite in places where hard rock may limit the effectiveness of bulldozer work. The hand excavated trenches shall be spaced approximately 25 feet apart, normal to the structure, and shall be approximately 2 feet wide by 1 foot deep, aggregating not more than 180 cubic feet of excavation.

Stage II

1. Construct:

(a) A toolhouse, minimum dimensions 7 feet by 8 feet by 10 feet.

(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.

(c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

The toolhouse may be unfloored; shall be made from unfinished lumber, with protective roof covering; and shall be equipped with lock and key.

The powder and exploder magazine shall be boxed on all sides; shall be made from 2-inch hardwood or 3-inch softwood lumber; and shall be braced at the corners. No metal shall be exposed; and the doors shall be equipped with the equivalent of a 5-tumbler jarproof lock.

2. From a site and in a direction and inclination determined by the results of Stage I work, and with the prior approval of the Government, sink a two-compartment vertical or inclined shaft, a distance of not more than 60 feet. From the bottom or near the bottom of the shaft drive 80 feet of crosscut, drift and/or raise to define the down-dip or plunge dimension of any favorable material outlined by the surface work.

The shaft and the drifts and/or crosscuts shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

All work shall be performed on the pegmatite or in as close proximity thereto as possible.

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

ESTIMATED COSTS OF THE PROJECT
Fixed Unit Costs

Stage I

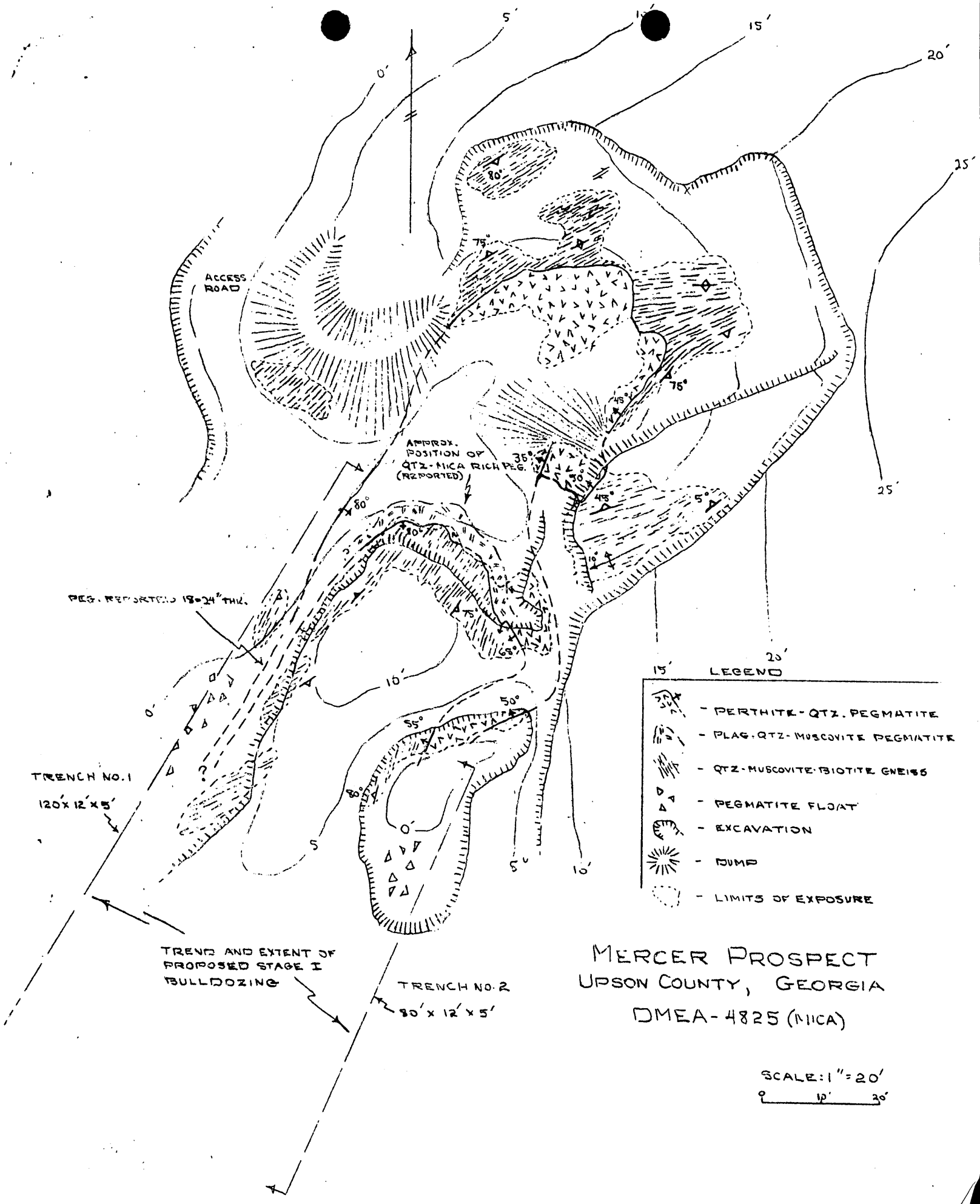
1. Excavating 444 cubic yards of trench with bulldozer @ $0.30/cu. yd. (rounded)	$133.00	
2. Excavating 180 cubic feet of trench by hand @ $0.15/cu. ft.	27.00	$ 160.00

Stage II

1. Construct toolhouse[1/]	$ 76.00	
Construct powder magazine[1/]	25.00	
Construct exploder magazine[1/]	15.00	116.00

2. Sink shaft - 60 feet @ $45.00/ft.	$2,700.00
3. Drift, crosscut and/or raise - 80 feet @ $34.00/ft.	2,720.00
Estimated Total Cost of Project	$5,696.00
Government Participation @ 75%	$4,272.00

1/ The completed work constitutes the unit.



MERCER PROSPECT
UPSON COUNTY, GEORGIA
DMEA-4825 (MICA)

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D M E A
RECEIVED OCT 10 1957

DATE	INITIALS	CODE

Mercer

EXPLORATION PROJECT CONTRACT
JETER BOOKE ET AL.
DOCKET NO. DMEA-4825

ANNEX I

The land referred to in Article 2 of the contract is a 34 acre tract, known as the "Mercer Prospect", situated in Upson County, Georgia, and more particularly described as follows:

> Beginning at an iron stake on the southeast side of the Tryum Mill Road, near a creek, running thence with the said creek south 14 degrees west, 1160 feet to a 2-inch iron pipe, thence east 1200 feet to a 2-inch iron pipe, thence north 4 degrees 30 minutes east 1348 feet to a 2-inch iron pipe on the southeast side of the Tryum Mill Road, thence running with the said road west 575 feet to a stake, thence continuing with said road south 60 degrees west 500 feet to an iron stake, the place of beginning, containing 34 acres. This property is located approximately 6½ miles northwest of Thomaston, Georgia, on the Tryum Mill Road.

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EXPLORATION PROJECT CONTRACT
JETER BOONE ET AL.
DOCKET NO. DMEA-4825

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ESTIMATED COSTS OF THE PROJECT
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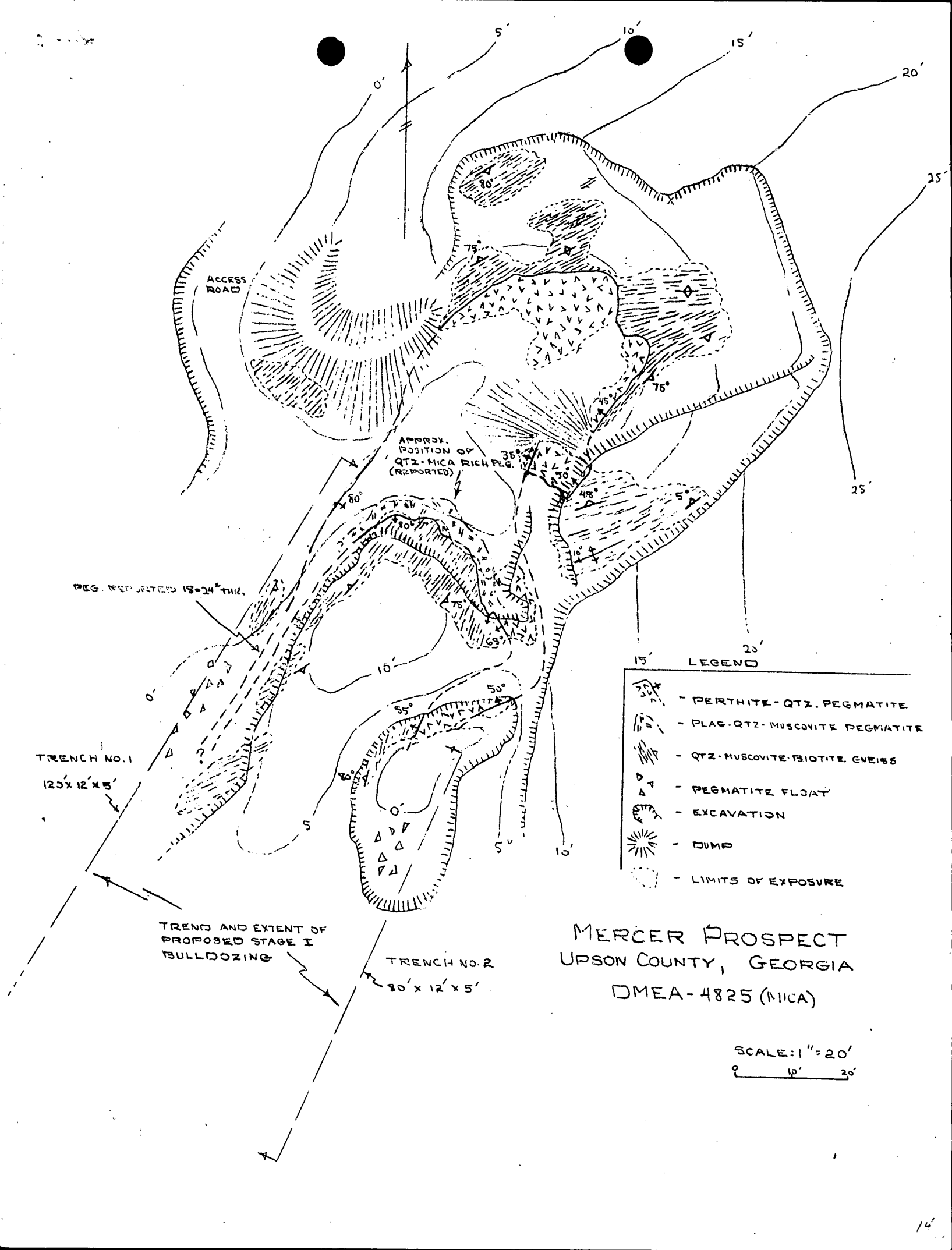

MERCER PROSPECT
UPSON COUNTY, GEORGIA
DMEA-4825 (MICA)

Date of Contract: Oct. 31, 1957

Work to begin on or before Dec. 15, 1957

EXPLORATION PROJECT CONTRACT
JETER BOOKE ET AL.
DOCKET NO. DMEA-4825-I dME-1147

ANNEX I

The land referred to in Article 2 of the contract is a 34 acre tract, known as the "Mercer Prospect", situated in Upson County, Georgia, and more particularly described as follows:

> Beginning at an iron stake on the southeast side of the Tryum Mill Road, near a creek, running thence with the said creek south 14 degrees west, 1160 feet to a 2-inch iron pipe, thence east 1200 feet to a 2-inch iron pipe, thence north 4 degrees 30 minutes east 1348 feet to a 2-inch iron pipe on the southeast side of the Tryum Mill Road, thence running with the said road west 575 feet to a stake, thence continuing with said road south 60 degrees west 500 feet to an iron stake, the place of beginning, containing 34 acres. This property is located approximately 6½ miles northwest of Thomaston, Georgia, on the Tryum Mill Road.

The Operator is in possession by virtue of a lease dated September 4, 1957, from the owners, L. T. Mercer and Essie B. Mercer.

A Consent to Lien and Subordination Agreement, executed September 4, 1957, by the owners, is attached.

EXPLORATION PROJECT CONTRACT
JETER BOONE ET AL.
DOCKET NO. DMEA-4825

Exhibit A

Exploration for concentrations of strategic mica shall be performed in the area indicated on map entitled "Mercer Prospect, Upson County, Georgia, DMEA-4825 (mica)," attached hereto and made a part hereof.

The work is divided into two stages. The Operator shall complete Stage I, and shall perform as much of Stage II work as is approved in writing in advance by the Government.

Stage I

1. Bulldoze two trenches along the strike to properly expose the westerly and easterly limbs of the structure. The dimensions of the trenches shall be: No. 1 (along westerly contact) approximately 180 feet long by 12 feet wide by 5 feet deep aggregating not more than 226 cubic yards of excavation, and No. 2 (along easterly contact) approximately 80 feet long by 12 feet wide by 5 feet deep aggregating not more than 178 cubic yards of excavation.

2. Excavate hand trenches, in addition to the bulldozer trenches, to expose the pegmatite in places where hard rock may limit the effectiveness of bulldozer work. The hand excavated trenches shall be spaced approximately 25 feet apart, normal to the structure, and shall be approximately 2 feet wide by 1 foot deep, aggregating not more than 180 cubic feet of excavation.

Stage II

1. Construct:

(a) A toolhouse, minimum dimensions 7 feet by 8 feet by 10 feet.

(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.

(c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

The toolhouse may be unfloored; shall be made from unfinished lumber, with protective roof covering; and shall be equipped with lock and key.

The powder and exploder magazine shall be boxed on all sides; shall be made from 2-inch hardwood or 3-inch softwood lumber; and shall be braced at the corners. No metal shall be exposed; and the doors shall be equipped with the equivalent of a 5-tumbler jarproof lock.

2. From a site and in a direction and inclination determined by the results of Stage I work, and with the prior approval of the Government, sink a two-compartment vertical or inclined shaft, a distance of not more than 60 feet. From the bottom or near the bottom of the shaft drive 80 feet of crosscut, drift and/or raise to define the down-dip or plunge dimension of any favorable material outlined by the surface work.

The shaft and the drifts and/or crosscuts shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

All work shall be performed on the pegmatite or in as close proximity thereto as possible.

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

ESTIMATED COSTS OF THE PROJECT
Fixed Unit Costs

Stage I

1. Excavating 444 cubic yards of trench with bulldozer @ $0.30/cu. yd. (rounded)	$133.00	
2. Excavating 180 cubic feet of trench by hand @ $0.15/cu. ft.	27.00	$ 160.00

Stage II

1. Construct toolhouse[1/]	$ 76.00	
Construct powder magazine[1/]	25.00	
Construct exploder magazine[1/]	15.00	116.00

2. Sink shaft - 60 feet @ $45.00/ft.	$2,700.00
3. Drift, crosscut and/or raise - 30 feet @ $34.00/ft.	2,720.00
Estimated Total Cost of Project	$5,696.00
Government Participation @ 75%	$4,272.00

1/ The completed work constitutes the unit.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
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		200
		220

600

July 10, 1958

Memorandum

To: Mr. Allen S. Dakan, Director,
Operations Control and Statistics Division

From: Lawrence G. Houk, Director
Division of Nonmetallic Minerals LGH

Subject: Rescission of contract - Idm-E1147
Docket No. DMEA-4825-Mica
Jeter Boone, et al.
Mercer Prospect
Upson County, Georgia
Contract No. Idm-E1147

Pursuant to recommendation by the Field Team and letter of July 1, 1958, to the Field Team from Mr. Sam L. Phillips, one of the partners of the subject exploration project, stating that the Operators have been unable to get clear title to the land, we are rescinding the subject contract.

LGHouk:rsi 7/10/58
Copy to: Admr. R. File
Mr. Houk

8623

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

July 2, 1958

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 7 1958

DATE	INITIALS	CODE
7/7	C	220
7/7	[illegible]	600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4825, Idm-E1147 (mica) Jeter Boone, et al., Spruce Pine, N. C. Mercer Prospect, Upson County, Georgia.

Enclosed are the Field Team, Operator's and three extra copies of the subject contract, and a letter from the Operator explaining why work on this project cannot be done.

We recommend rescission of the contract. No funds have been expended.

The Finance Office copy will be returned by Mrs. Miller when she receives notice of rescission.

Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA - Reg.V

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

1-Files

Spruce Pine, North Carolina
July 1, 1958

Mr. Robert A. Laurence, Executive Officer
D.M.E.A., Region V.
Room 13, Post Office Building
Knoxville 2, Tennessee

Re: DMEA - 4825 (Mica)
Jeter Boone, et al.
Mercer Prospect, Upson Georgia
Contract No. Idm-E 1147

Dear Mr. Laurence:

With reference to your letter dated June 24, 1958. We have contacted our attorney and he is satisfied that the title for the property in the aboved named prospect is alright, however, we have been unable to satisfy the other parties, therefore, we are returning the contract.

We wish to thank you for your cooperation.

Sincerely yours,

Sam L. Phillips

Sam L. Phillips

P/bjg
Enclosures

RECEIVED
JUL 2 - 1958
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

ing Form.

OFFICIAL FILE
DMEA
RECEIVED JUN 26 1958

DATE	INITIALS	CODE
6-26	H.G.	225
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6/30	[illegible]	600

June 24, 1958

Mr. Jeter Boone
c/o Mr. Sam L. Phillips
Spruce Pine, North Carolina

Re: DMEA-4825 (Mica)
Jeter Boone, et al.
Mercer Prospect
Upson County, Georgia
Contract No. Idm-E1147

Dear Mr. Boone:

The cited contract calls for completion of the work on or before June 30; however, work was not started because of the question of ownership.

I understand that you have been unable to secure satisfactory evidence of title. Please advise me whether you still intend to do this exploration. Otherwise, it is probable that the contract should be rescinded.

Sincerely yours,

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

RAL/mg
cc - Operating Committee (2)
Mr. V. J. Lynch
File

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

WASHINGTON 25, D.C.

December 5, 1957

SPECIAL FILE COPY
DMEA
RECEIVED DEC 9 1957

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Mr. Jeter Boone
c/o Sam Phillips
Spruce Pine, N. C.

Re: DMEA-4825, Idm-E1147-mica.
Jeter Boone et al
Mercer Prospect
Upson County, Georgia

Dear Mr. Boone:

On December 2, Mr. Mittendorf wrote Mr. Phillips explaining that DMEA will not participate in any costs incurred under the Mercer Prospect contract until such time as the ownership of mineral rights in the property has been clarified.

Please send me, at your earliest convenience, a document from the County Recorder's office at Thomaston, Georgia showing that ownership of the mineral rights in the land leased is vested in the Lessors, L. T. and Elsie B. Mercer. If any work is done before this is received, it may subsequently be approved if we receive the acceptable evidence of ownership.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA-Reg.V

RAL/sm

r. Com.-2
ch

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 113 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

WASHINGTON 25, D.C.

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December 5, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4825, Idm-E1147 (mica) Jeter Boone, et al. Spruce Pine, N. C. Mercer Prospect, Upson County, Georgia.

Reference is made to your letter of December 2, 1957.

While in Spruce Pine last week, Mr. Laurence and Mr. Feitler discussed this and related projects with Mr. Phillips, Mr. Medford, and Mr. John C. McBee, Attorney, who is representing the Operators in the legal aspects of these projects.

The Operators were told that any work done under contracts, Idm-E1147 and Idm-E1150 would not be reimbursed until they could prove their lease to be valid. They replied that they intended to hold up work on the Mercer (DMEA-4825), but would go ahead on the Mathis (DMEA-4828). It was Mr. McBee's opinion that Mrs. Loughridge does not own the disputed mineral rights because, (1) J. E. Burleson Mica Company was dissolved in 1921, and Mr. Burleson's will was not written until 1922, and (2) the Burleson "deed" was actually an invalid lease, with no beginning or ending date.

As to the other properties mentioned in Owen J. Adams' letter of November 20, 1957, it is Mr. McBee's contention that he acquired all these leases from a bank which had foreclosed the holdings of J. E. Burleson at the time of his death.

So far as we know, neither Southern Mining Company, nor John C. McBee have ever made application to DMEA. Mr. McBee did own land and also mineral leases in Upson County, Georgia, but says he has recently disposed of all his Georgia holdings.

As suggested in the last paragraph of your letter, we have forwarded Mr. Mittendorf's letter of December 2 to Mr. Phillips.

We are also writing the Operator's of the other Georgia projects as suggested in the last paragraph of your letter.

Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA
Field Team, REgion V

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

DMEA
RECEIVED NOV 27
DATE INITIALS
11/27 gb 220
11/27 800
12/2 Hoyle 600

Spruce Pine, North Carolina
November 22, 1957

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

Re: DMEA-4825, Idm-E 1147 (Mica)
Jeter Boone, el al
Mercer Prospect
Upson County, Georgia

Dear Mr. Laurence:

We are delaying the work on the above named prospect.

Mr. McBee, Sr., Lawyer in Spruce Pine, has searched Mr. Mercer's title to the ownership of this land, and he states that Mr. Mercer has had a warranty deed to the property in question for nine years. I have asked Mr. McBee to secure a certified copy of Mr. Mercer's deed to the property, also I am in the process of contacting Mr. Mercer's Lawyer in Georgia to determine what action he is going to take to remove the cloud from the title, if there is a cloud to the title. Mr. McBee, is of the opinion for several reasons that Mr. Mercer is the owner in fee.

Will keep you posted.

Sincerely yours,

Sam L. Phillips

Sam L. Phillips

P/bj

RECEIVED
NOV 25 195
U. S. Geological Survey
Geologic Helens
Energy Center

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/29	Anderson	600
		140
		140
11/29	Selfridge	130
11/29	P. F. Yopes	130
		130
		110
"	Mittendorf	100
12/2		220

11/29 W. P. Williams (130)
600

600

DEC 2 1957

Mr. Sam L. Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-4803-Mica
Howard Boone, et al.
Medford Prospect
Upson County, Georgia

Docket No. DMEA-4825-Mica
Jeter Boone, et al.
Mercer Prospect
Upson County, Georgia
Contract No. Idm-E1147

Dear Mr. Phillips:

Reference is made to the Contract, DMEA-4825, Idm-E1147, on a 34 acre tract in Upson County, Georgia, leased to Jeter Boone, one of the partners, by L. T. Mercer and Elsie B. Mercer.

This office has received a copy of a letter addressed to the Knoxville Field Office from Mr. Owen J. Adams, dated November 20, 1957, a copy of which was also sent to you. This is notice to you that the DMEA will not participate in any of the costs incurred under the contract until such time as the ownership of the mineral rights in the property has been clarified.

Processing of application DMEA-4803 will be held in abeyance pending clarification of this ownership.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

LGHouk:gad 11/22/57
Rewritten
FEJohnson:rsi 11/29/57
Copy to: Admr. R. File
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/22	Houk	600
		140
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11/27	Selfridge	130
11/27	Frank D. Lamp	130
11/27	W. P. Williams	130
		110
		100
		220

600

Mr. Sam E. Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-4803-Mica
Howard Boone, et al.
Medford Prospect
Upson County, Georgia

Docket No. DMEA-4825-Mica
Jeter Boone, et al.
Mercer Prospect
Upson County, Georgia
Contract No. Idm-E1147

Dear Mr. Phillips:

Reference is made to the Contract, DMEA-4825, Idm-E1147, on a 34 acre tract in Upson County, Georgia, leased to Jeter Boone, one of the partners, by L. T. Mercer and Elsie B. Mercer.

This office has received a copy of a letter addressed to the Knoxville Field Office from Mr. Owen J. Adams, dated November 20, 1957, a copy of which was also sent to you. This is notice to you that the DMEA will not participate in any of the costs incurred under the contract until such time as the time as the ownership of the property has been clarified.

Processing of application DMEA-4803 will be held in abeyance pending clarification of the ownership.

Sincerely yours,

Administrator

LGHouk:gad 11/22/57
Copy to: Admr. R. File
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/29	Anderson	600
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		140
11/29	[illegible]	130
"	Johnson	110
"	[illegible]	100
12/2	[illegible]	220
		600

DEC 2 1957

600

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

Subject: Docket No. DMEA-4825-Mica
Jeter Boone, et al.
Mercer Prospect
Upson County, Georgia
Contract No. Idm-E1147

Docket No. DMEA-4828-Mica
Lee Medford
Mathis Prospect
Upson County, Georgia
Contract No. Idm-E1150

Dear Mr. Laurence:

Reference is made to the letter of November 20, 1957, from Mr. Owen J. Adams to you, stating that Mrs. Viola B. Laughridge is the owner of the mineral rights in the land leased by L. T. and Elsie B. Mercer to Jeter Boone. Mr. Adams also states that there may be a prior title to lands claimed by Southern Mining Co., John C. McBee, and Lee Medford who, he states, have also obtained Government loans for the purpose of mining the affected lands. We are unable to identify the contracts which involve the Southern Mining Co., and John C. McBee. No payments may be made under DMEA-4828, Idm-E1150, and if we have other contracts on disputed lands in this area no payments should be made until the affected lands' ownership is clarified.

In this case the various Lessees, Jeter Boone (4825), Lee Medford (4828), Howard Boone (4803), and possibly Homer Boone (4534) should be required to get from the county recorder's office a document showing that ownership of the mineral rights in the land leased is vested in the lessors.

You will find enclosed a letter to Mr. Sam L. Phillips, under today's date, to be forwarded by you, which gives him notice under the Contract Idm-E1147 that the DMEA will not participate in any of the costs incurred in the contract until ownership of the property has been clarified. Receipt is acknowledged of a copy of a letter of November 21, 1957, to Mr. Sam L. Phillips.

Sincerely yours,

Approved:

P. F. Yopes (HB)
Member, Bureau of Mines

W. P. Williams (HB)
Member, Geological Survey

George C. Selfridge
Chairman, Operating Committee (HB)

LGHouk:gad 11/26/57
Rewritten
FEJohnson/LGHouk:gad 11/29/57

Enclosure

Copy to: Admr. R. File
Operating Committee
Mr. Killsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/26	Houk	600
		140
		140
11/27	George C. Selfridge	130
		110
		100
		220

600

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

Subject: Docket No. DMEA-4825-Mica
Jeter Boone, et al.
Mercer Prospect
Upson County, Georgia
Contract No. Idm-E1147

Docket No. DMEA-4828-Mica
Lee Medford
Mathis Prospect
Upson County, Georgia
Contract No. Idm-E1150

Dear Mr. Laurence:

Reference is made to the letter of November 20, 1957, from Mr. Owen J. Adams to you, stating that Mrs. Viola B. Laughridge is the owner of the mineral rights on the land leased by L. T. and Elsie B. Mercer to Jeter Boone. Mr. Adams also states that there may be a prior title to lands claimed by Southern Mining Co., John C. McBee, and Lee Medford who, he states, have also obtained Government loans for the purpose of mining the affected lands. We are unable to identify the contracts which involve the Southern Mining Co., and John C. McBee. No payments may be made under DMEA-4828, Idm-E1150, and if we have other contracts on disputed lands in this area no payments should be made until the affected lands ownership is clarified.

In this case the various lessees, Jeter Boone (4825), Lee Medford (4828), ~~and~~ Howard Boone (4829), and possibly Homer Boone (4534) should be required to get from the county recorder's office a document showing that ownership of the land leased is vested in the lessors ~~and in addition require the lessees to produce a photostat or certified copy of the 1957 property tax receipt.~~

You will find enclosed a letter to Mr. Sam L. Phillips, under today's date, to be forwarded by you, which gives him notice under the Contract Idm-E1147 that the DMEA will not participate in any of the costs incurred in the contract until ownership of the property has been clarified. Receipt is acknowledged of a copy of a letter of November 21, 1957, to Mr. Sam L. Phillips.

Sincerely yours,

Approved:

Frank D. Lamb
Member, Bureau of Mines

George C. Selfridge
Chairman, Operating Committee

W. P. Williams
Member, Geological Survey

LGHouk:gad 11/26/57

Enclosure

Copy to: Admr. R. File
Operating Committee
Mr. Killsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DEC 2 1957

600

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region 7
Room 13, Post Office Bldg.
Knoxville 4, Tennessee

Subject: Docket No. DMEA-4825-Miss
Jeter Boone, et al.
Mercer Prospect
Upson County, Georgia
Contract No. Idm-E1147

Docket No. DMEA-4828-Miss
Lee Medford
Mathis Prospect
Upson County, Georgia
Contract No. Idm-E1150

Dear Mr. Laurence:

Reference is made to the letter of November 21, 1957, from Mr. Owen J. Adams to you, stating that Mrs. Viola M. Laughridge is the owner of the mineral rights in the land leased by L. T. and Elsie B. Mercer to Jeter Boone. Mr. Adams also states that there may be a prior title to lands claimed by Southern Mining Co., John C. McBee, and Lee Medford who, he states, have also obtained Government leases for the purpose of mining the affected lands. We are unable to identify the contracts which involve the Southern Mining Co., and John C. McBee. No payments may be made under DMEA-4828, Idm-E1150, and if we have other contracts on disputed lands in this area no payments should be made until the affected lands' ownership is clarified.

In this case the various lessees, Jeter Boone (4825), Lee Medford (4828), Howard Boone (4803), and possibly Homer Boone (4534) should be required to get from the county recorder's office a document showing that ownership of the mineral rights in the land leased is vested in the lessors.

You will find enclosed a letter to Mr. Sam L. Phillips, under today's date, to be forwarded by you, which gives him notice under the Contract Idm-E1147 that the DMEA will not participate in any of the costs incurred in the contract until ownership of the property has been clarified. Receipt is acknowledged of a copy of a letter of November 21, 1957, to Mr. Sam L. Phillips.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

P. F. Yopes
Member, Bureau of Mines

W. P. Williams
Member, Geological Survey

Enclosure

LGHouk:gad 11/26/57
Rewritten
FEJohnson/LGHouk:gad 11/29/57

Copy to: Admr. R. File
Operating Committee
Mr. Killgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/25	Houk	600
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		140
		130
		110
		100
		220

600

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

Subject: Docket No. DMEA-4825-Mica
Jeter Boone, et al.
Mercer Prospect
Upson County, Georgia
Contract No. Idm-E1147

Docket No. DMEA-4828-Mica
Lee Medford
Mathis Prospect
Upson County, Georgia
Contract No. Idm-E1150

Dear Mr. Laurence:

Reference is made to the letter of November 20, 1957, from Mr. Owen J. Adams to you, staing that Mrs. Viola B. Laughridge is the owner of the mineral rights on the land leased by L. T. and Elsie B. Mercer to Jeter Boone. Mr. Adams also states that there may be a prior title to lands claimed by Southern Mining Co., John C. McBee, and Lee Medford who, he states, have also obtained Government loans for the purpose of mining the affected lands. We are unable to identify the contracts which involve the Southern Mining Co., and John C. McBee. No payments may be made under DMEA-4828, Idm-E1150, and if we have other contracts on disputed lands in this area no payments should be made until the affected lands ownership is clarified.

The Field Team should verify the ownership at the local county seat at the time of the examination to avoid situations such as this. This is not to be construed as a title search, but merely a check at the county recorder's Office to see that the ownership is vested in the signer of the lease. An additional check may be made at the county treasurer's Office to determine who is paying taxes on the property. This procedure should be followed in all cases on subsequent applications.

You will find enclosed a letter to Mr. Sam L. Phillips, under today's date, to be forwarded by you, which gives him notice under the Contract Idm-E1147 that the DMEA will not participate in any of the costs incurred in the contract until ownership of the property has been clarified.

Approved:

Sincerely yours,

Member, Bureau of Mines

Chairman, Operating Committee

Member, Geological Survey

LGHouk:gad 11/25/57

Enclosure

Copy to: Admr. R. File
Operating Committee
Mr. Kilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

NOV 25 1957

Memorandum

To: The Administrator, DMEA
Attention: Mr. L. G. Houk

From: Associate Solicitor, Division of Mineral Resources

Subject: Docket No. DMEA-4825, Jeter Boone, et al., Contract Idm-E1147 (Mica)
Docket No. DMEA-4828, Lee Medford, Contract Idm-E1150 (Mica)

1. We approve of the letters of notification to Mr. Laurence and to Sam Phillips to the effect that the Government will not participate in payments where the right to possession of the land has been placed in doubt.

2. However, in the second paragraph of the proposed letter to Laurence a policy question is raised concerning requirements of the Field Team to "check" at the county recorder's office to determine that the title to the property is vested in the lessor; and to make an additional check at the county treasurer's office to determine who is paying the land taxes. This procedure is to be followed in all future cases.

In view of the recital in paragraph 2 of DMEA Circular 20, Revised, to the effect that the Government does not examine titles, and since the proposed requirements do constitute a partial title examination, it is suggested that this procedure receive administrative approval before it is approved here. Moreover, if it is to be adopted as procedure, it would seem that the proper way to adopt it would be to revise DMEA Circular 20, Revised.

Robert P. Dwyer

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

ROOM 1-P POST OFFICE BLDG.

OFFICIAL FILE COPY
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RECEIVED NOV 25 1957

DATE	INITIALS	CODE
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11/26	[illegible]	600

November 21, 1957

Mr. Sam L. Phillips

Spruce Pine, N. C.

Re: DMEA-4825, Idm-E1147-mica
Jeter Boone, et al
Mercer Prospect, Upson County,
Georgia

Dear Mr. Phillips:

I have just received a letter from Owen J. Adams, Attorney, Thomaston, Georgia, a copy of which was also sent to you by Mr. Adams.

Under the circumstances, it is advisable to delay work until this matter is clarified. Do you have any documentary evidence to support Mr. L. T. Mercer's claim of ownership?

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/xm
cc
Opr. Com.-2
Lynch
Files

RECEIVED
NOV 21 1957
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

Southern Minerals Exploration Administration
U. S. Department of Interior
Post Office Building
Knoxville, Tennessee

Gentlemen:

I am informed that one S. L. Phillips has applied for and received approval on a government loan for the purpose of working certain mineral rights under a pretended lease from one Tom Mercer on approximately 34 acres of land in the 10th Land District of Upson County, Georgia.

This is to give you formal notice of the prior claim and ownership of the mineral rights on this land by my client, Mrs. Viola B. Laughridge, under authority of a conveyance recorded on February 1st, 1919, in office of the Clerk of Superior Court, Upson County, Georgia, in Deed Book 37, pages 1 and 2; said conveyance being in favor of J. E. Burleson Mica Company from the then owner of said land, and having passed by will to Mrs. Viola B. Laughridge.

I am now in the process of completing an examination of the title to all of the land conveyed by the last mentioned instrument, and it further appears that certain lands now claimed by Southern Mining Company, John C. McBee and Lee Medford, all of Spruce Pine, N. C., are also affected by this prior conveyance; and, I believe these latter parties have also obtained a government loan for the purpose of mining the affected lands.

I understand plans are under-way to begin work under the Mercer-Phillips lease within about two weeks; this is to give notice of intention to file an injunction and suit for damages should such work actually be commenced. This matter should be clarified before any work is started. Copies of this notice are being posted to all affected parties as formal notice of the prior title.

Very truly yours,

Owen L. Adams

OLA:fsm

Copies to:

Dept. of Interior
Washington, D. C.

S. L. Phillips
Spruce Pine, N. C.

John C. McBee
Spruce Pine, N. C.

Southern Mining Co.
Spruce Pine, N. C.

Lee Medford
Spruce Pine, N. C.

Mrs. V. B. Laughridge
Spruce Pine, N. C.

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 21 1957

DATE	INITIALS	CODE
11/21	C	220
11/21	gab	600

OWEN J. ADAMS
ATTORNEY AT LAW
BARRON BUILDING
THOMASTON, GEORGIA

DMEA
4825
4828
4803

November 20, 1957

Defense Minerals Exploration Administration
U. S. Department of Interior
Post Office Building
Knoxville, Tennessee

Gentlemen:

I am informed that one S. L. Phillips has applied for and received approval on a government loan for the purpose of working certain mineral rights under a pretended lease from one Tom Mercer on approximately 34 acres of land in the 10th Land District of Upson County, Georgia.

This is to give you formal notice of the prior claim and ownership of the mineral rights on this land by my client, Mrs. Viola B. Laughridge, under authority of a conveyance recorded on February 1st, 1919, in office of the Clerk of Superior Court, Upson County, Georgia, in Deed Book 37, pages 1 and 2; said conveyance being in favor of J. E. Burleson Mica Company from the then owner of said land, and having passed by will to Mrs. Viola B. Laughridge.

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Very truly yours,
Owen J. Adams
Owen J. Adams

OJA:fca

Copies to:

Dept. of Interior
Washington, D. C.

S. L. Phillips
Spruce Pine, N. C.

John C. McBee
Spruce Pine, N. C.

Southern Mining Co.
Spruce Pine, N. C.

Lee Medford
Spruce Pine, N. C.

Mrs. V. B. Laughridge
Spruce Pine, N. C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 313 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

November 18, 1957

DMEA RECEIVED NOV 20 1957		
DATE	INITIALS	CODE
11/20	gb	220
11/21	K.B.	215
		600

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Signed Contract - DMEA-4825, Idm-E1147(mica) Jeter Boone, et al. Mercer Prospect, Upson County, Georgia

Attached are two copies of the subject signed contract.

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

Robert A. Laurence

Robert A. Laurence

zm.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
10/30	Anderson	600
10/30	Houk	600
10-30	Chambers	800
10/30	[illegible]	130
"	Johnson	110
		~~100~~
10/31	C	220
		600

600

B

OCT 31 1957

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

Re: Docket No. DMEA-4825-Mica
Jeter Boone, et al.
Marcer Prospect
Upson County, Georgia

Dear Mr. Laurence:

Enclosed are the original and four copies of a proposed short-form contract signed by the Administrator for the Government. It consists of the form, Annex I (1 page), Exhibit A (3 pages), and one map. Also enclosed are two extra copies of Annex I, Exhibit A, and the map for Field Team use.

If the proposed contract meets with your approval, present it to the Applicants for execution. Please explain to the Applicants that the contract is a firm commitment to complete the work outlined at the agreed cost. Copies of the executed contract are to be distributed in the usual manner.

If any part of this proposed contract does not have either your approval or that of the Applicants and cannot be amended within your delegated authority, then the original and all copies of the contract and the two extra copies of Annex I, Exhibit A and the map are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

Approved:

Frank D. Lamb (2/B)
Member, Bureau of Mines

W. P. Williams (2/B)
Member, Geological Survey

George C. Selfridge
Chairman, Operating Committee (2/B)

Enclosures 11

WCAnderson:gad 10/30/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

P.S. Copies of memoranda dated October 16 and 18, 1957, by Mr. Milford L. Skow, USBM, and Mr. W. P. Williams, USGS, respectively, relating to the project are enclosed.

Consents to Lien and Subordination Agreements were attached to the contract and sent to the field.

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 21 1957
IN REPLY REFER TO:

DATE	INITIALS	CODE
10/21	C.	220
10/22		600

Memorandum October 18, 1957

To: L. G. Houk, Defense Minerals Exploration Administration

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

Subject: Review of Field Examination Report, DMEA 4825 (mica), Jeter Boone, Mercer prospect, Upson County, Georgia.

The examining team report the presence, on the applicant's property, of a gently plunging, trough-shaped pegmatite. The pegmatite has been partially exposed by shallow open-pit work.

Sales records show that the mica that has been produced from the property is well above average in over-all quality and ratio of sheet to block mica.

The pegmatite appears to have good continuity, and the field examiners conclude that further exploration is warranted. They recommend approval of a DMEA project that would provide for surface trenching, shaft sinking, and drifting at a total estimated cost of $6,040.

I agree with the recommendations of the examining team because the proposed project seems to have a good chance for success.

W. P. Williams

W. P. Williams

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

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 17 1957

DATE	INITIALS	CODE
10/17	C	220
		600

October 16, 1957

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Acting Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4825 (mica)

Applicant: Jeter Boone

Name and Location of Property: Mercer Prospect, Upson County, Georgia

Date of Field Team Report: 10/8/57

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 10/14/57

Field Team Recommendation: Recommend DMEA assistance be granted for a two-stage exploration program.

Comments:

1. Applicant wishes to explore a pegmatite, exposed for 100 feet along strike, from which mica has been recovered in past operations.

2. This prospect is geologically favorable for the production of strategic mica.

3. Exploration proposed by applicant is consistent with local practices and in line with unit-cost estimates for other DMEA projects.

Recommendation:

I concur with the recommendation of the field team that DMEA assistance be granted.

Milford L. Skow

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

October 8, 1957

OFFICIAL FILE COPY DMEA RECEIVED OCT 10 1957		
DATE	INITIALS	CODE
10/10	C	220
10/14	[illegible]	130
10/15	C	220
10/15	[illegible]	600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report - DMEA-4825-Mica
Jeter Boone, R#3, Bakersville, North Carolina
Mercer Prospect, Upson County, Georgia

Transmitted are three copies of the subject examination report and 8 extra copies of the map.

The field team concurs with the examiners in their recommendation for a two stage unit cost contract as set forth in the report.

We understand the Applicant submitted a map, showing the tie-in of the prospect, directly to the Washington office.

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

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

Reviewed by
DMEA OPERATING COMMITTEE
10-14-57
(date)

On-Site Exam Rpt.

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 10 1957

DATE	INITIALS	CODE
10/14	2/B	130
		220

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT

DMEA-4825, Mica - MERCER PROSPECT
Upson County, Georgia

S. C. Bergman and F. G. Lesure, Geologists
Geological Survey

Stanley A. Feitler, Mining Engineer
Bureau of Mines

October 7, 1957

Reviewed by
DMEA OPERATING COMMITTEE
10-14-57
(date)

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT

DMEA-4825, (mica) MERCER PROSPECT
(Corley Mine)
Upson County, Georgia

Applicant: Jeter Boone, Route # 3, Bakersville, North Carolina

SUMMARY

The Mercer Prospect was formerly known as the Corley Mine and is described on pp.338-340 of USGS Professional Paper 248-F, Mica Deposits of the Southeastern Piedmont. It was worked originally in 1920-21, for 8 months in 1944, and two weeks in 1956. The pegmatite is a concordant to discordant, asymmetrically developed trough-shaped structure which is thickened along its gently south-southwest plunging keel. It is exposed for about 100 ft along strike and 30 ft across the keel of the trough. Strategic muscovite has been produced along a thin plagioclase-quartz muscovite zone adjacent to the hangingwall contact, from the axis of the structure in both directions along the limbs. As far as is known no operations were carried more than a few feet below the level of the existing cut. Mr. Lee Medford removed about a ton of block muscovite, mostly from the western limb of the structure, from which 120.49 lbs of sheet valued at $2276.74 was recovered. The various sales averaged $18.74 per pound and contained an average 64% good-stained and better grades. It is suggested that a two-stage exploration project be set up, first to expose the strike-continuity of the limbs of the structure by bulldozing and hand trenching, then to explore the downdip dimension with inclined shaft and drift work.

INTRODUCTION

Location:

The Prospect site is about 200 ft south-southeast of the Triune Mill Road, 4.14 airline miles S70°E of the intersection of U.S. Route 19 and State Routes 3,36, and 74 in the center of Thomaston, Upson County, Georgia. It is near the east bank of a branch of Little Swift Creek and is located along the east central edge of the east-central 1/9th of the Thomaston, Georgia Quad.USGS Ed. 1939, 1:24,000.

Examination

The property was examined on September 19, 1957, over a period of about 1 1/2 hours time. The examiners were accompanied by Mr. Lee Medford, the last operator of the property, and Howard, Jeter, and Homer Boone, of Spruce Pine, North Carolina. Mr. Medford would supply at least part of the equipment and one or the other of the Boone brothers would be a foreman-miner on any possible contract work. All parties are highly experienced in Southeastern mica-mining and the quality of their work has been comparatively very good.

The prospect site is on moderately rolling and fairly open scrub timberland. It is within 150 ft of a permanent water supply, and a short and fairly level (250 ft) dirt road connects the open cut with a good all-weather road leading directly into Thomaston. At present, there are no buildings or equipment at the site. An irregular opencut has been excavated 70 x 90 feet across and to a maximum depth of about 15 ft below the original surface. At least three generations of workings are superimposed upon each other with the original shallow adit and incline now completely removed. Recent shallow trenching followed the western limb of the structure for at least 80 ft southwest from the western edge of the main cut. A roughly parallel trench has followed the eastern limb of the pegmatite southwest about 50 ft from the southeastern corner of the main cut.

Previous Work

A description of the Corley Mine and its history is given on pp.338-340 of USGS Professional Paper 248-f, Mica Deposits of the Southeasten Piedmont. Additional information is contained in USGS open file reports by M.R. Klepper and E. Wm. Heinrich, dated February and September, 1944 respectively.

According to these reports, the mine was first discovered and worked in 1920 and 1921 by J. E. Burleson. The mine was idle until 1944, when it was worked between January and September of that year by the Burgess Mining Company of Spruce Pine, N. C., The only other known operations was two weeks of bulldozing and trenching by Mr. Lee Medford of Spruce Pine, N. C., in the summer or fall of 1956. GSA sales receipts were seen by the Examiners which totaled 120.49 lbs of full trimmed muscovite, with a value of $2,276.74. This reportedly represents about a ton of block, most of which was recovered from the western limb of the pegmatite. This indicates a recovery of 6% of sheet out of the block with an average value per ound of $18.74 and an average content of 64% good-stained or better grades.

GEOLOGY

The surface trace of exposed pegmatite at this site is in the shape of an inverted "U" with its open end to the south-southwest and with an axial trend of N30°E. It is a trough-shaped structure whose thickened keel plunges gently to the south-southwest. Pegmatite has been intermittently exposed for at least 100 ft along strike and for about 30 ft across the keel. The western limb of

the structure has reportedly been exposed by the last operator for about 100 ft southwest of the main exposure. Pegmatite float and shallow mud-filled trenching are the only present indications of the continuity of this limb. This structure reportedly contained most of the muscovite recovered during the last operations. It has an indicated and reported attitude of N30°E80°SE, and is described as being about 8 ft thick near the junction with the main pegmatite mass, tapering to a thickness of 18 to 24 inches at its southwest extremity. The eastern limb is somewhat contorted with an attitude of N15°W65°SW to N24-65°E50°-55°NW. It ranges in thickness from 6 to 8 feet and is exposed for about 40-feet southwest of the main pegmatite mass. The structure appears to be essentially concordant along the western limb, but is definitely discordant around the keel, hangingwall crest and eastern limb. The country rock is a finely banded and contorted quartz-muscovite-biotite gneiss with some interlayered fine-grained granitic alteration material. Both pegmatite and country rock are only slightly weathered where exposed in the cut.

Pegmatite is composed of medium to coarse grained perthitic microcline and minor interstitial quartz. Relatively thin 1-to probably 3-foot thick zones of fine to medium-grained plagioclase, quartz, and muscovite occur discontinuously along the hangingwall contact at the crest and along both limbs of the structure as well as in a zone up to a foot thick along the footwall contract of the eastern side of the pegmatite. The continuous and symmetrical

zoning as outlined in the wartime report could not be discerned with the present exposures.

The wartime production was principally along the eastern limb near its junction, with the main pegmatite mass. Muscovite was found to be abundant at this point, but of uncertain quality. Books were recovered from the muck during the examination up to 3 x 5 inches across and 1 inch thick. Books up to 18 inches across are reported from the wartime work. They are hard and very flat reddish brown books with some cracking, ruling, minor fine biotite and quartz intergrowths and isolated reeving. A very fine grey to greenish specking or mottling is commonly found across the books and is believed to be a color alteration rather than a mineral intergrowth. The muscovite for which sales receipts were seen, was reportedly recovered from the western limb of the structure, along which no production or occurance was reported during the wartime work, although very little of that limb was exposed in that period.

CONCLUSION AND RECOMMENDATIONS

A gently southwest plunging trough-like shaped pegmatite has been fairly well exposed by shallow open pit work. Discontinuous muscovite-rich zones occur along the hangingwall contact near or at the crestal portion of the structure as well as along both limbs. Statistics received from recent sales indicate that the contained muscovite is well above average in overall quality and recovery of sheet out of the block. Because of the very flat plunge of the structure, the limbs appear to have good strike length continuity

along the surface although they are not presently well exposed.

It is recommended that a two-stage program of exploration be set up:

Stage I should consist of two(one along each limb of the structure) strike length bulldozer trench 5 x 12 feet in cross-section. Both trenches are to contain not more than 444 cu.yds. Hand trenching is recommended to supplement the bulldozing by cleaning the surface of the trenches and to expose the pegmatite in places where hard rock may limit the effectiveness of bulldozer work. A total of 180 cu.ft. in hand trenches, 2 ft wide by approximately 1-foot deep, normal to the structure and spaced approximately 25 ft apart is recommended.

Stage II - is recommended as consisting of 60 ft of inclined shaft at a point determined by the results of Stage I, and 80 ft of drift and/or crosscut and/or raise to define the downdip or plunge dimension of any favorable material outlined by the surface work.

Estimated Costs:

Stage I : Excavate not more than 444 cu.yds in 2 strike length bulldozer trenches 5 x 12 ft in cross section.

Bulldoze 444 cu.yds. @ $0.30/cu.yd.....	$133.20	
Hand trench 180 cu.ft. @ $0.15/cu.ft....	27.00	
Total Stage I		$160.20

StageII:

Sink 60 ft of shaft 5' x 7' in cross-section with timbered manway

Estimated costs cont'd

Construct:

Toolhouse	$75.00	
Powder magazine	25.00	
Cap Magazine	15.00	115.00

Labor:

1 - foreman-miner @ $14/shift
1 - hoistman @ $12/shift
1 - laborer @ $8/shift

Total per 8 hr. shift- $34.00
Total labor - 40 shifts..... 1360.00 1292.00
38 = 1.6 ft/shift

Equipment Rental:

1 -Compressor, 105 cfm @ $150/Mo.	$300.00	
1 - Hoist (gas) @ $50/Mo.	100.00	
1 -Rock drill w/hose @ $40/Mo.	80.00	
1 - Sump pump @ $40/Mo.	80.00	
Total rental		560.00 × 475.00

$250 Month - 38 shifts
250 × 38
00

Supplies:

Gasoline and oil	135.00	
Explosives	195.00	
Drill steel	108.00	
Timber 3 M b.f.	195.00	
Small tools & Miscellaneous	120.00	
Sales Tax	23.00	154.85
Soc. Sec. & Liability Ins	163.00 ×	
Total supplies		939.00 × 930.85

Drift and/or crosscut and/or raise 80 feet 5' x 7' in cross section. use $45/ft

959 × 47.65 = 2697.85 / 44.969 Round to 44.95

Labor:

1-Foreman-Miner @	$14/shift	
1-Hoistman @	12/shift	
1-Laborer @	8/shift	
Per 8 hour shift.....	$34 /shift	
Total labor - 40 shifts ×		1360.00 × 1292.00

38

6) 2859.00 / 47.6

$250 mo — 38/20 x 250

Equipment Rental:

1 - Compressor, 105 CFM @ $150/mo.	$300.00	
1 - Hoist, gas, @ $50/Mo.	100.00	
1 - Drill, rock with hose @ $40/Mo.	80.00	
1 - Sump Pump @ $40/Mo.	80.00	
1 - Jackleg @ $25/Mo.	50.00	
Total equip. rental		610.00

1360 x 475.00

Supplies:

Gasoline and oil	140.00	
Explosives	260.00	
Drill steel	120.00	
Timber 2M b.f. @ $65/M	130.00	
Small tools & Misc.	100.00	
Social Sec. & Insurance	163.00	
Sales tax 38/40 x 163.00	23.00	936.00

x 154.85

80) 2694.85 / 33.686

x 927.85

2906 x 36.32

use 34/ft

Total estimated cost of project.... $6,040.20

Summary of Estimates

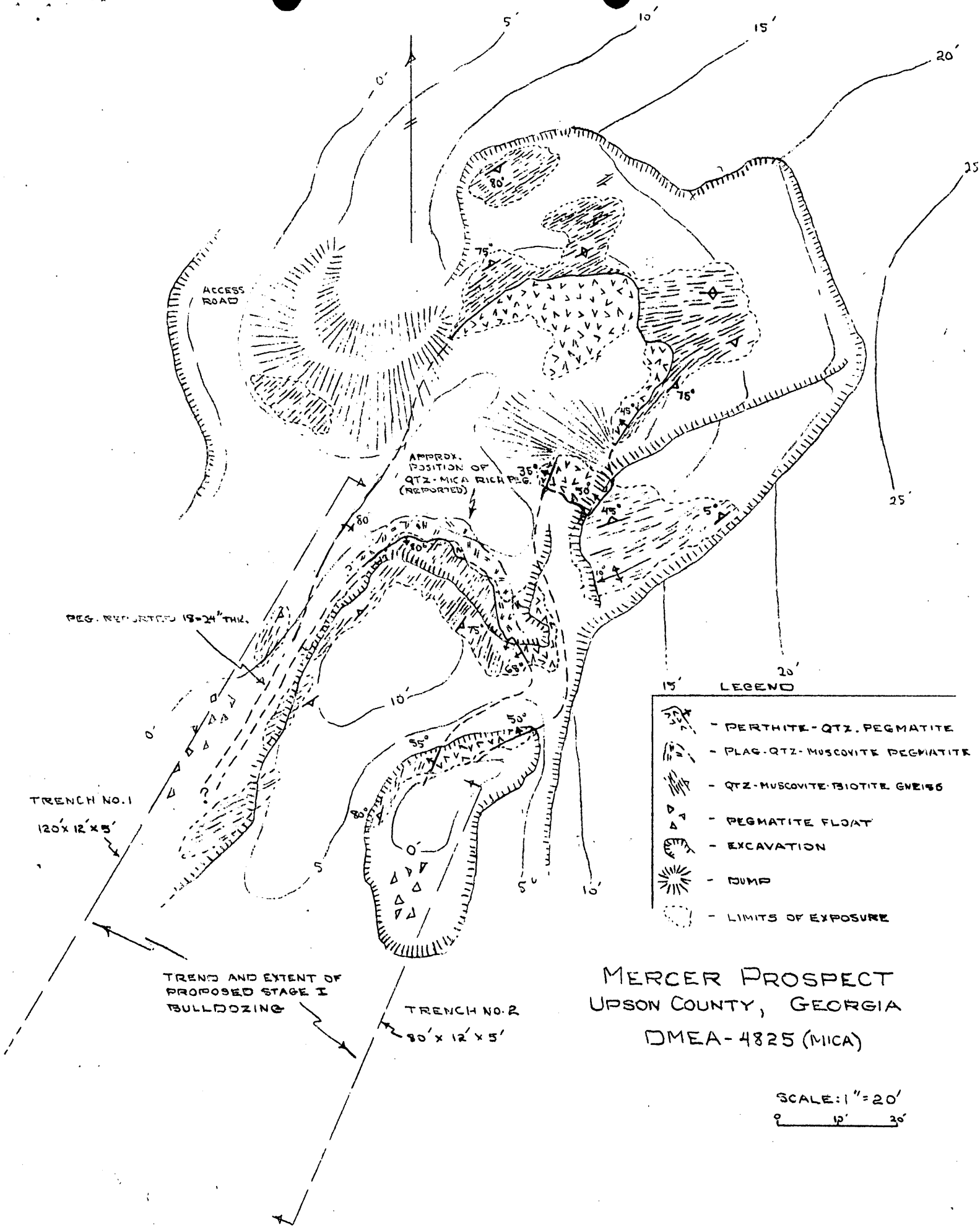
Estimated cost per foot of shaft--$47.65
Estimated cost per foot of drift--$36.32

Stage I		
	Trenching	$160.20
Stage II		
	Construction	115.00
	Shaft	2,859.00
	Drift	2,906.00
	Total Esti. costs..	$6,040.20

S. C. Bergman & F. G. Lesure
Geologists, Geological Survey

Stanley A. Feitler, Mining Engineer
Bureau of Mines

z



MERCER PROSPECT
UPSON COUNTY, GEORGIA
DMEA-4825 (MICA)

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 10 1957

DATE	INITIALS	CODE

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9/20	Hough	600
9/20	Gillespie	130
9/20	Lopez	130
9/26	Nelson	130
		~~110~~
9/23	B	220
		600

600

SEP 20 1957

Mr. Jeter Boone
c/o Mr. Sam L. Phillips
Spruce Pine, North Carolina

Re: Docket No. DMEA-4825-Mica
Jeter Boone, et al.
Mercer Prospect
Upson County, Georgia

Dear Mr. Boone:

Your application for assistance in exploring the subject property has been reviewed by the Division of Nonmetallic Minerals of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

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

Sincerely yours,

Frank E. Johnson
by [illegible]
ACTING Administrator

LGHouk:gad 9/17/57
Copy to: Admr. R. File
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9/20	Houk	600
9/20	Selfridge	130
"	Johnson	110
		220

600

SEP 20 1957

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

Re: Docket No. DMEA-4825-Mica
Jeter Boone, et al.
Mercer Prospect
Upson County, Georgia

Dear Mr. Laurence:

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

Copies of memoranda dated September 10 and 19, 1957, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed. There is also enclosed a copy of the application with attachments for the use of the Field Team.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (SHB)

Approved:

P. F. Yopes (SHB)
Member, Bureau of Mines

N. E. Nelson (SHB)
Member, Geological Survey

Enclosures 5

LGHouk:gad 9/20/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 19 1957

DATE	INITIALS	CODE
9/20	B	220
		600

~~September 19, 1957~~

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: W. F. Dietrich, Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4825 (mica)

Applicant: Jeter Boone, et al. (a partnership)

Name and Location of Property: Mercer Prospect, Upson County, Ga.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 9/9/57

Comments:

1. This is a new prospect.

2. Applicants claim strategic grade mica is showing in an exposed pegmatite vein.

3. Initial request for $8,350 may be a little excessive.

4. Description of lease is in error. Traverse does not close--fourth leg should probably read "West 575 feet" rather than "East 575 feet."

Recommendation

It is recommended that the field team visit this mine when in that vicinity to ascertain if an exploration project is justified. If so, the field team and applicant should agree on a definite plan of exploration on a unit-cost basis.

W. F. Dietrich

W. F. Dietrich

OFFICIAL FILE COPY
D M E A
RECEIVED SEP 16 1957

DATE	INITIALS	CODE
9-16	C	220
		600

Spruce Pine, North Carolina
September 12, 1957

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
U.S. Dept. of the Interior, D.M.E.A.
Washington 25, D.C.

Dear Mr. Houk:

Enclosed you will find book and page number for two prospects in Upson County, Georgia, listed as follows: "Mercer Prospect", DMEA #4825, recorded in book #107, at page #129. "Mathis Prospect", DMEA #4828, recorded in book #77 at page #423.

Sincerely yours,

Sam L. Phillips

Sam L. Phillips

P/bjg

IN REPLY REFER TO:

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

September 10, 1957
Re: DMEA 4825
Jeter Boone, et al
Mercer Prospect
Upson County, Georgia
$8,350.00 - Mica

Memorandum

To: L. G. Houk, Defense Minerals Exploration Administration

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

Subject: Review of application

The applicants request assistance in exploring a 'new' pegmatite showing, by bulldozing, an 80-foot shaft sinking, and 100 feet of drifting.

No information concerning the showing is given other than there appears to be a significant amount of strategic grade mica in the vein material showing.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 11 1957

DATE	INITIALS	CODE
9-11	C	220
9/12	Houk	600

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 9 1957

DATE	INITIALS	CODE

Spruce Pine, North Carolina
September 4, 1957

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
U.S. Dept. of the Interior, D.M.E.A.
Washington 25, D.C.

Dear Mr. Houk:

I do not have the book and page number of the property on which the Mercer Prospect is located as recorded in the Register of Deeds Office. I have written for this information and I will forward it to you just as soon as I can.

Sincerely yours,

Sam L. Phillips

Sam L. Phillips

P/bj

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

September 9, 1957

Mr. Jeter Boone
Route 03
Bakersville, N.C.

Subject: DMEA 4825

Dear Mr. Boone,

Your application for exploration assistance, dated September 4, 1957 submitted to our office at Washington, D.C. has been assigned Docket Number 4825 and referred to the Division of Nonmetallic Minerals in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Director
Operations Control and
Statistics Division

Copy to:
Region V

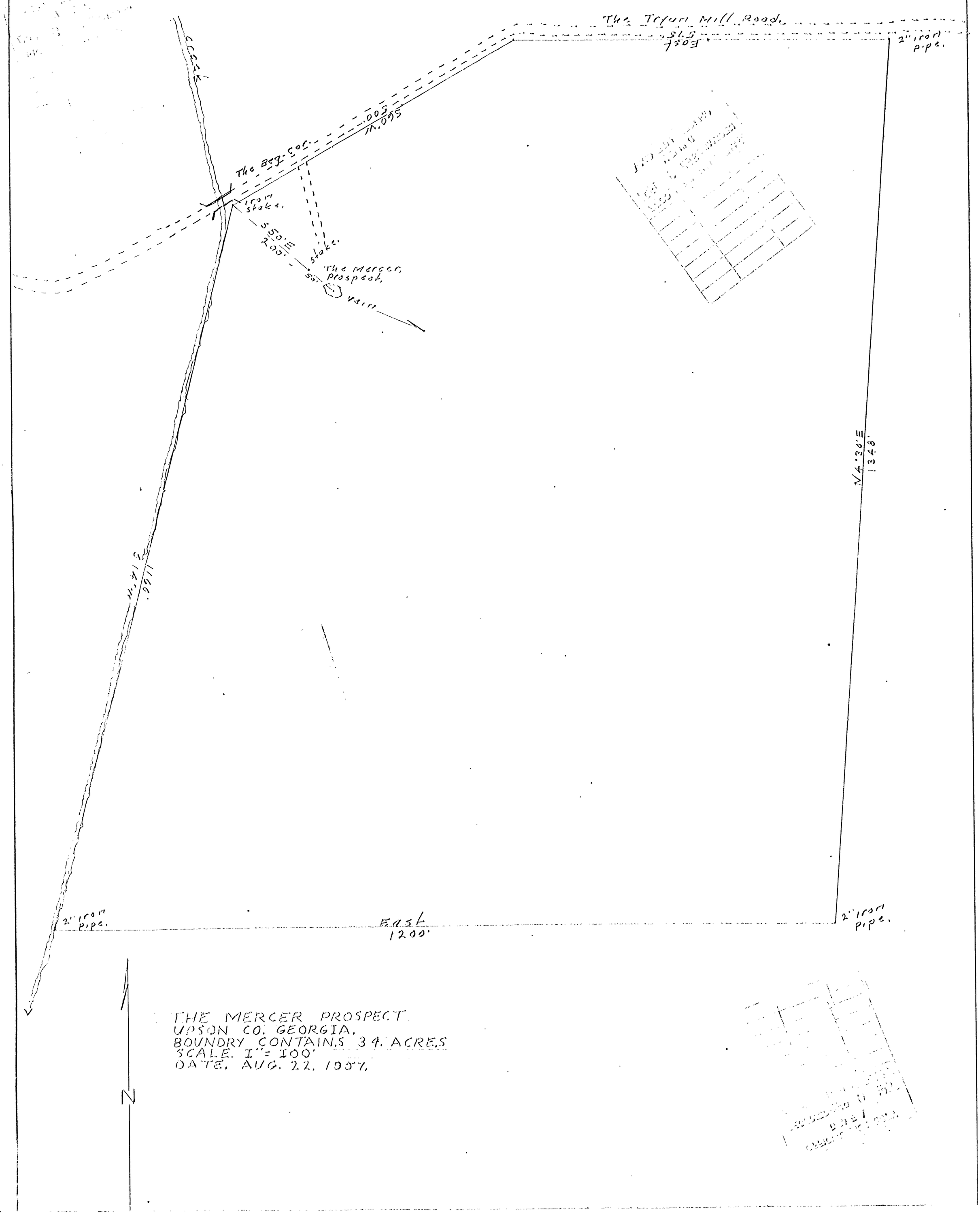
For government copy of contract

MERCER PROSPECT
UPSON COUNTY, GEORGIA
DMEA-4825 (MICA)

For government copy

EXTRA COPY
D M E A
RECEIVED OCT 10 1957

DATE	INITIALS	CODE



THE MERCER PROSPECT.
UPSON CO. GEORGIA.
BOUNDRY CONTAINS 34. ACRES
SCALE. 1" = 100'
DATE. AUG. 22. 1957.