UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

~~Terminated (or cancelled)~~ withdrawn Cancelled) without certification. DMEA No. 2017

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

Certificate of Audit (Final).

Interim Audit(s).

Report of Review.

Termination Notice or Agreement.

Recision Notice ✓

Assignment of Contract.

Contract Amendments (latest on top).

Contract with all exhibits and annexes. ✓

Owner's Consent to Lien.

Subordination Agreement ✓

Leases and assignments of leases ✓

Application and attachments ✓

Schedule of Collections.

Operator's monthly reports and all attachments (latest on top).

Right Side

Project summary.

Work completed analysis.

All other material is filed in chronological order with correspondence including the following reports as checked: ✓

Final Field Team Report. (Tab)

Operator's Final Report.

Interim Reports.

On-site Exam Report(s) ✓ (Tab)

Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number 0

Operator's Monthly Reports in folder number 0

gla
Reviewer's Initials

GOVERNMENT'S COPY

NOTICE OF TERMINATION AND RESCISSION OF EXPLORATION PROJECT CONTRACT

To: Strafford Mines, Inc.
Kenneth L. Jones, President
Bristol, New Hampshire

Operator under Exploration Project
Contract Idm-E275, Docket No. DMEA
2017, dated March 17, 1952 (Mica)

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereby terminates and rescinds the contract above referred to on the ground that you have failed to begin or prosecute operations pursuant to the terms of the contract in that you did not start or prosecute the adit at the elevation prescribed by the contract. None of the work performed to date is regarded by the Government as being within the provisions of the contract.

You are further advised that the Government will not approve any vouchers heretofore rendered or to be rendered by you on account of any work performed in or connected with the present adit.

Dated July 11, 1952.

UNITED STATES OF AMERICA

By McKenny Mosier
Executive Officer, DMEA
Field Team, Region VIII

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 14 1952

Inasmuch as the Government has not made or approved any reimbursement to you under this contract, ~~xxx~~ no further accounting or adjustments are necessary.

Dated this * _____ day of June 1952

UNITED STATES OF AMERICA

By_____
McHenry Mosier, Executive Officer
DMEA Field Team, Region IV

NOTICE OF TERMINATION OF EXPLORATION PROJECT CONTRACT, UNDER THE TERMS OF THE CONTRACT, BEFORE THE COMPLETION OF THE WORK

To: Strafford Mines, Inc.

Kenneth L. Jones, President

Bristol, New Hampshire

Operator under Exploration Project Contract I-dm-E 275, Docket No. DMEA- 2017, dated March 17, 1952 (Mica)

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, under the terms of the above-mentioned contract, hereby terminates the contract on the following grounds: 1/

~~(a) [illegible]~~

1. ~~(b)~~ In the opinion of the Government, you have failed to prosecute operations pursuant to the terms of the contract. in that the adit was not started at the proper elevation

2. ~~(c)~~ In the opinion of the Government, operations up to the time of this notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified.

Upon the receipt of this notice, as provided in said contract, you are required to dispose of any remaining materials, supplies, facilities, buildings, fixtures, equipment, or other items, in which the Government has an interest, for the joint account of yourself and the Government; and to render to the Government a full and final accounting of your operations under the contract and of your expenditures of money on account thereof.

Any work prosecuted or costs incurred by you after the receipt of this notice shall be for your sole account, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures,

1/ Strike out any grounds not applicable.

MF-200
(June 1951)

DMEA-2017

Docket No. XXX

Commodity Mica and Beryl

Idm-E-275

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

GOVERNMENT'S COPY

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 17th day of March, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] Strafford Mines, Inc.
Bristol, New Hampshire

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of New Hampshire, County of Grafton described as follows: [3] Known as the Nancy No. 2 mine it is located in North Groton, Grafton County, New Hampshire. Description of the land may be found in Grafton County Register of Deeds, Book 738, page 129. Boundaries are more fully described in Annex I attached hereto.

with respect to which the Operator represents and undertakes: [4]

(*a*) ~~That he is a licensee, in possession, and that the property is subject only to the following~~

(*b*) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] mica and beryl; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] five (5) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage-value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $ 5,760.00, which is 90 percent of the agreed estimated total cost of this project, $ 6,400.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

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

Executed in sextuplicate the day and year first above written.

Strafford Mines, Inc.
(Operator)

By Kurt H. Jan Pecs

THE UNITED STATES OF AMERICA

By C. Mittendorf
Acting Administrator, Defense Minerals Exploration Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

ANNEX I

The following is the description of the property as given in a warranty deed dated November 25, 1944:

"The farm known as the David Tenney farm, formerly taxed to W. F. Gray, said farm containing 250 acres, more or less, bounded and described as follows: - on the south by Ira Cummings farm and Silvester Wheet farm: east by Emma Wheet farm: north by Warren Elliot farm: west by Enoch Diamond land and Ed Peirce. Excepting and reserving that portion conveyed by the late George C. Craig to James Parris by deed recorded in Grafton registry of deeds book 521, page 85."

EXPLORATION PROJECT CONTRACT
STRAFFORD MINES, INC.
DOCKET NO. DMEA-2017

EXHIBIT "A"

Statement of the Work

The purpose of this project is to explore the mica possibilities of a pegmatite dike at a lower depth. The outcrop is partly mined by open-cut methods. It is the intention to drive an adit (5' x 7') a distance of 200 feet at 42 feet lower elevation and to intersect the downward extension of the pegmatite. After the adit intersects the dike, one or two short drifts will be driven 25 feet to 50 feet to test the quality of the ore. The combined footage of adit and drift shall not exceed 250 linear feet. Preliminary to driving the adit an open cut will be made to clear the way for the entrance and portal set. The time required is estimated at 2 to 3 months.

Open-cut extension	2 weeks
Driving adit	5 weeks
Driving drift	1 week

Estimated Costs of the Project

The total cost of the project shall not exceed $6,400.00. The estimated costs of the major items are as follows:

Fixtures and Improvements

None

Operating Equipment

To be rented:

Air compressor rental, including gas and oil		$ 750.00

To be purchased - new equipment:

1—Jackhammer	$365.00	
1—Feedleg	180.00	
200 feet air hose	300.00	845.00

Labor and Supervision		
Number of men:		
1—Foreman, 45 shifts @ $15.00 (regular wage	$675.00	
Foreman, 11 shifts @ $22.50 (overtime)	247.50	
1—Driller, 45 shifts @ $12.00 (regular wage	540.00	
Driller, 11 shifts @ $18.00 (overtime)	198.00	
2—Muckers, 90 shifts @ $8.00 (regular wage	720.00	
Muckers, 22 shifts @ $12.00 (overtime)	264.00	$2,644.50
Workmen's compensation:		
Insurance ($2,644.00) @ $3.57 (per $100.00)	94.00	
F.S.S. ($2,644.00) @ $1.50 (per $100.00)	40.00	
State ($2,644.00) @ $3.00 (per $100.00)	79.00	213.00
Supplies (Expendable)		
Drill steel	175.00	
Throw-away bits	320.00	
Timber	750.00	
Dynamite	455.00	
Blasting caps	44.00	
Miscellaneous	203.50	1,947.50
Rehabilitation and Repairs		
None		
Total estimated cost		$6,400.00

DMA -2017

6

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Grafton, State of New Hampshire, described in a certain Exploration Project Contract dated March 17, 1952, between STRAFFORD MINES INC., the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated Nov. 1, 1950, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this twentyfifth day of September, 1951

The Groton Co.
, by Ruth H. Jan

U. S. GOVERNMENT PRINTING OFFICE 940768

THIS INDENTURE, made this 1st day of November, 1900, by and between The Groton Company of Penacook in the County of Merrimack and State of New Hampshire, party of the first part, and The Strafford Mines, Inc. County of Merrimack and State of New Hampshire, party of the second part,

DMA Docket 2017 K

WITNESSETH:

That the said party of the first part for and in consideration of the sum of one and more dollars to her paid by the said party of the second part, the receipt whereof is hereby acknowledged, and the further payment of royalties, as hereinafter stated, have and by these presents do give, bargain, sell, confirm, demise and LEASE unto the said party of the second part, its successors or assigns, the sole and exclusive right and privilege for the period of ten years from the date hereof to explore, quarry, mine and dig for the Feldspar and Mica and any other ores or minerals, in and upon or under the surface of the following described premises of the said party of the first part:

As per deed recorded Grafton Register of Deeds

Book 738 Page 129

It is agreed that during the continuance of this lease, the said party of the second part, its successors or assigns, agents, or employees, together with their tools and machinery, blasting materials, teams, trucks, supplies and all other things which may be required for the purposes hereinbefore mentioned, shall have ingress, egress and regress to and from said premises for the purposes of carrying on the said operations, including the dumping of waste materials ther on, and removing from the premises the said minerals or ores, and the right to construct, erect, and maintain, and to remove the same, such shops, buildings, bins, tracks, trestles, tanks, and machinery, as may

be desired, or thought useful in the carrying on of the said work, also the right to construct such roads in the location that the parties hereto shall agree to, ditches, tunnels, ponds, or to lay pipes and erect telephone lines, or cable ore conveyors, and such poles as shall be necessary for the conveyance of electric current to the premises for the operation of such machinery and apparatus as shall be used by the party of the second part.

The said party of the first part hereby releasing all claim for damages to said lands caused by said operations.

The party of the second part hereby agrees not to commit any damage to the lands or suffer any damage to be done thereto by its employees, other than may be necessary for the purpose herein mentioned, nor to claim or hold possession of the same for any other purposes whatsoever, nor to cause or suffer any unnecessary waste of the materials or ores procured by the aforesaid operations.

The party of the second part agrees to pay to the party of the first part, the following royalties:

Ten percent of the gross sales of all minerals mined and shipped from the property with a minimum royalty of $500.00 per year.

Payments shall be made on the 15th day of each month for all minerals mined and shipped from said premises up to the last day of the month preceding.

It is further agreed by both parties that all the ores or minerals shall be weighed at the shipping point or such other place as shall be mutually agreed to by both parties hereto.

The party of the second part, its successors or assigns, may terminate this lease at any time by first giving sixty days notice in writing of such intent but it shall be liable for all royalties and rents up to the end of said sixty days.

The party of the first part may terminate this lease at any time after the rental of royalties have been due and unpaid for a period of sixty days by giving said party of the second part notice in writing of their intention to terminate this lease and said party of the second part shall have thirty days (30) from the receipt of such notice in which to pay whatever may be due and if on the expiration of said thirty (30) days, said party of the second part shall not have made the necessary payments, then this lease shall be null and void, the party of the second part, however, having a reasonable length of time thereafter in which to remove its property from said premises.

It is further understood that the property shall be operated in accordance with safe and accespted good mining practices and in such a way that eventually all of the commercial minerals will be removed. No robbing of the pillars or roof or any other part of the mine will be done without the written permission of the party of the first part. The mine shall be timbered as may be necessary to the satisfaction of the party of the first part. Any changes in mining methods or procedures, or the development of the property in a different location shall be mutually agreed upon prior to the work, the party of the first part being privileged to cancel this lease if any provision of this paragraph is violated by the party of the second part. The party of the second part shall waive any claim for damages whatsoever in the event this lease is cancelled.

IN WITNESS WHEREOF, the said parties hereto, have hereunto set their hands and seals.

Party of the First part:

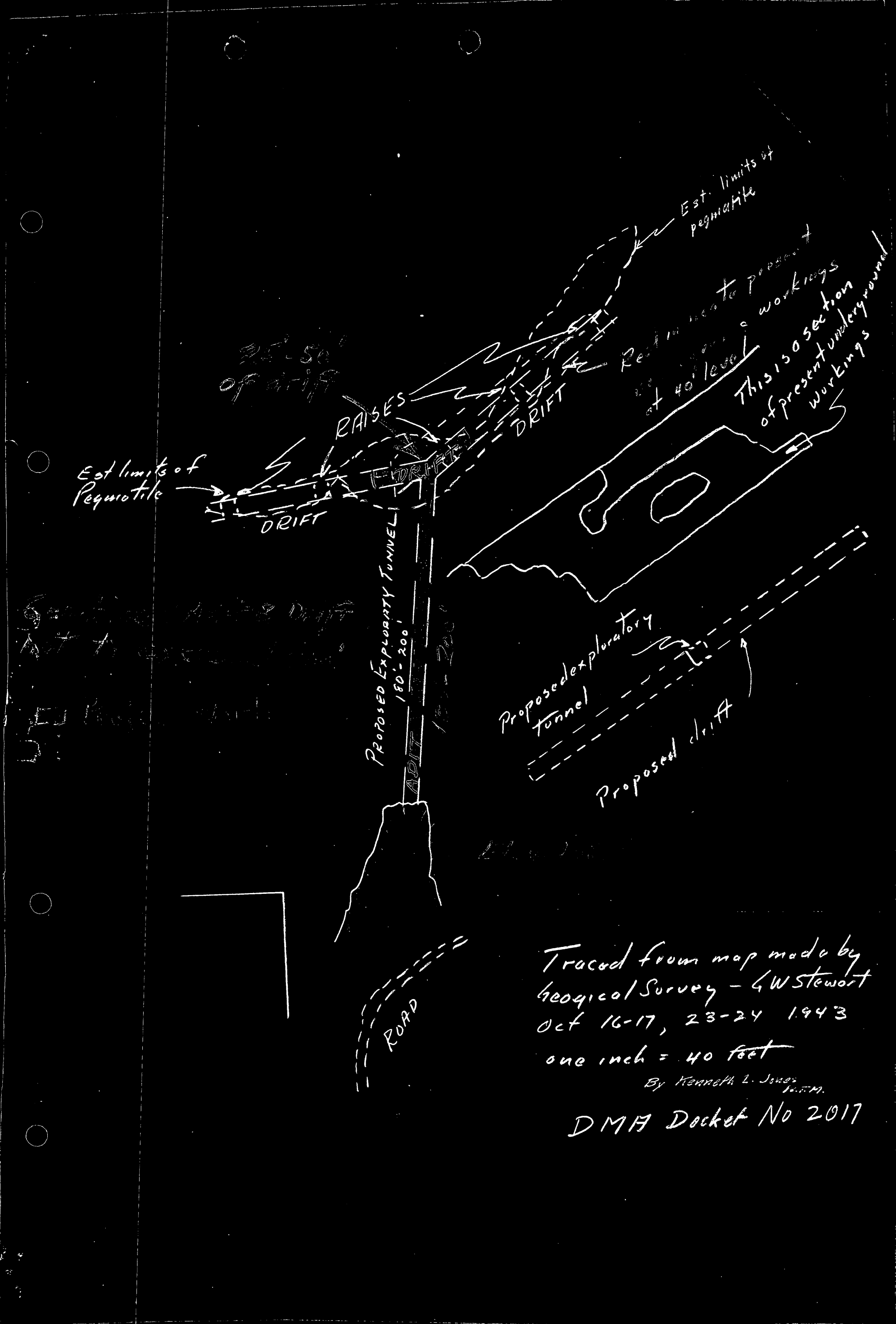
The Groton Company

Kenneth L. Jones

Party of the Second part:

The Strafford Mines, Inc.

Willard J. Hodgen Treas.


Est. limits of pegmatite
Est limits of Pegmatite
RAISES
DRIFT
DRIFT
DRIFT
Proposed Exploratory Tunnel 160'-200'
ADIT
Proposed exploratory tunnel
Proposed drift
This is a section of present underground workings
ROAD
Traced from map made by Geogical Survey - G W Stewart Oct 16-17, 23-24 1943
one inch = 40 feet
By Kenneth L. Jones
DMA Docket No 2017

MF-200
(June 1951)

Docket No. DMA 2017
Commodity Mica and Beryl

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]

STRAFFORD MINES INC., Bristol, New Hampshire

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of New Hampshire, County of Grafton described as follows: [3]

The Nancy Mine, so-called, full description of which may be found in Grafton County Registry of Deeds Book 738 page 129,

with respect to which the Operator represents and undertakes: [4]

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

(*b*) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within ten days from the date of this contract shall commence work on a project of exploration for [5] mica and beryl; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] 3 to 4 months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

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11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

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13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90% percent of the approved costs incurred; *Provided*, That the aggregate total of all sums paid by the Government under this agreement shall not exceed $ 9341.18, which is 90% percent of the agreed estimated total cost of this project, $ 10,379.08.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

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

Executed in sextuplicate the day and year first above written.

STRAFFORD MINES, INC.

(Operator)

By [signature]

THE UNITED STATES OF AMERICA

By

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

MF-200
(June 1951)

Docket No. DMA 2017
Commodity Mica and Beryl

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]

STRAFFORD MINES INC., Bristol, New Hampshire

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of New Hampshire, County of Grafton described as follows: [3]

The Nancy Mine, so-called, full description of which may be found in Grafton County Registry of Deeds Book 738 page 129.

with respect to which the Operator represents and undertakes: [4]

~~(a) That he is the sole owner in possession and entitled to possession, and that the property is free from all encumbrances, or that the encumbrances are those of record or are those set forth in the subordination agreement attached hereto.~~

(b) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within ten days from the date of this contract shall commence work on a project of exploration for [5] mica and beryl; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] 3 to 4 months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

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Executed in sextuplicate the day and year first above written.

STRAFFORD MINES, INC.

(Operator)

By [signature]

THE UNITED STATES OF AMERICA

By

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

MF-200
(June 1951)

Docket No. DMA 2017
Commodity Mica and Beryl

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]

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1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

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The Nancy Mine, so-called, full description of which may be found in Grafton County Registry of Deeds Book 738 page 129,

with respect to which the Operator represents and undertakes: [4]

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

(*b*) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within ten days from the date of this contract shall commence work on a project of exploration for [5] mica and beryl; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] 3 to 4 months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

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[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

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Executed in sextuplicate the day and year first above written.

STRAFFORD MINES, INC.
(Operator)

By [signature]

THE UNITED STATES OF AMERICA

By

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

MF-200
(June 1951)

Docket No. DMA 2017
Commodity Mica and Beryl

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this ..... day of ....., 195..., between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] .....

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15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

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

Executed in sextuplicate the day and year first above written.

STRAFFORD MINES, INC.
(Operator)

By [signature]

THE UNITED STATES OF AMERICA

By

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

MF-200
(June 1951)

Docket No. DMA 2017
Commodity Mica and Beryl

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and[2] STRAFFORD MINES INC., Bristol, New Hampshire hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of New Hampshire, County of Grafton described as follows:[3] The Nancy Mine, so-called, full description of which may be found in Grafton County Registry of Deeds Book 738 page 129.

with respect to which the Operator represents and undertakes:[4]

~~(a) That he is the owner in possession and entitled to possession, and that the property is subject only to the following liens, mortgages, or encumbrances, a copy of which is attached hereto and made a part hereof:~~

(b) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within ten days from the date of this contract shall commence work on a project of exploration for[5] mica and beryl; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of[6] 3 to 4 months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90% percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $9341.18, which is 90% percent of the agreed estimated total cost of this project, $10,379.08.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

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

Executed in sextuplicate the day and year first above written.

STRAFFORD MINES, INC.

(Operator)

By [signature]

THE UNITED STATES OF AMERICA

By

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

MF-200
(June 1951)

Docket No. DMA 2017
Commodity Mica and Beryl

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]

STRAFFORD MINES INC., Bristol, New Hampshire

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of New Hampshire, County of Grafton described as follows: [3]

The Nancy Mine, so-called, full description of which may be found in Grafton County Registry of Deeds Book 738 page 129.

with respect to which the Operator represents and undertakes: [4]

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

(*b*) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within ten days from the date of this contract shall commence work on a project of exploration for [5] mica and beryl; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] 3 to 4 months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90% percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $ 9341.18, which is 90% percent of the agreed estimated total cost of this project, $ 10,379.08.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

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

Executed in sextuplicate the day and year first above written.

STRAFFORD MINES, INC.
(Operator)

By [signature]

THE UNITED STATES OF AMERICA

By

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

MF-200
(June 1951)

Docket No. DMA 2017
Commodity Mica and Beryl

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Work Copy

DRAFT

EXPLORATION PROJECT CONTRACT[1]

Working Draft Only

It is agreed this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and[2] STRAFFORD MINES, INC: BRISTOL, NEW HAMPSHIRE

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of New Hampshire, County of Grafton described as follows:[3] Known as the Nancy No. 2 Mine it is located in North Groton, Grafton County, New Hampshire. Description of the land may be found in Grafton County Register of Deeds, Book 738, page 129. Boundaries are more fully described in Annex I attached hereto.

with respect to which the Operator represents and undertakes:[4]

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

Five (5)

(*b*) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within Thirty (30) days from the date of this contract shall commence work on a project of exploration for[5] Mica-Beryl; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of[6] Three (3) Months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $5,760, which is 90 percent of the agreed estimated total cost of this project, $6,400.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

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

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

(Operator)

By ----------

By ----------

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

ANNEX I

~~(2) Boundaries~~

The following is the description of the property as given in a warranty deed dated Nov. 25, 1944 "The farm known as the David Tenney farm, Formerly taxed to W. F. Gray, said farm containing 250 acres, more or less, bounded and described as follows: - on the south by Ira Cummings farm and Silvester Wheet farm: east by Emma Wheet farm: north by Warren Elliot farm: west by Enoch Diamond land and Ed Peirce. Excepting and reserving that portion conveyed by the late George C. Craig to James Parris by deed recorded in Grafton registry of deeds book 521, page 85."

EXHIBIT "A"

Description of Project

The purpose of this project is to explore the mica possibilities of a pegmatite dike at a lower depth. The outcrop is partly mined by open-cut methods. It is the intention to drive an adit (5' x 7') a distance of 200 feet at 42 feet lower elevation and to intersect the downward extension of the pegmatite. After the adit intersects the dike, one or two short drifts will be driven 25 feet to 50 feet to test the quality of the ore. The combined footage of adit and drift shall not exceed 250 linear feet. Preliminary to driving the adit an open cut will be made to clear the way for the entrance and portal set. The time required is estimated at 2 to 3 months.

Open-cut extension - - - - - - - - -	2 weeks
Driving adit - - - - - - - - - - - - -	5 weeks
Driving drift - - - - - - - - - - - -	1 week

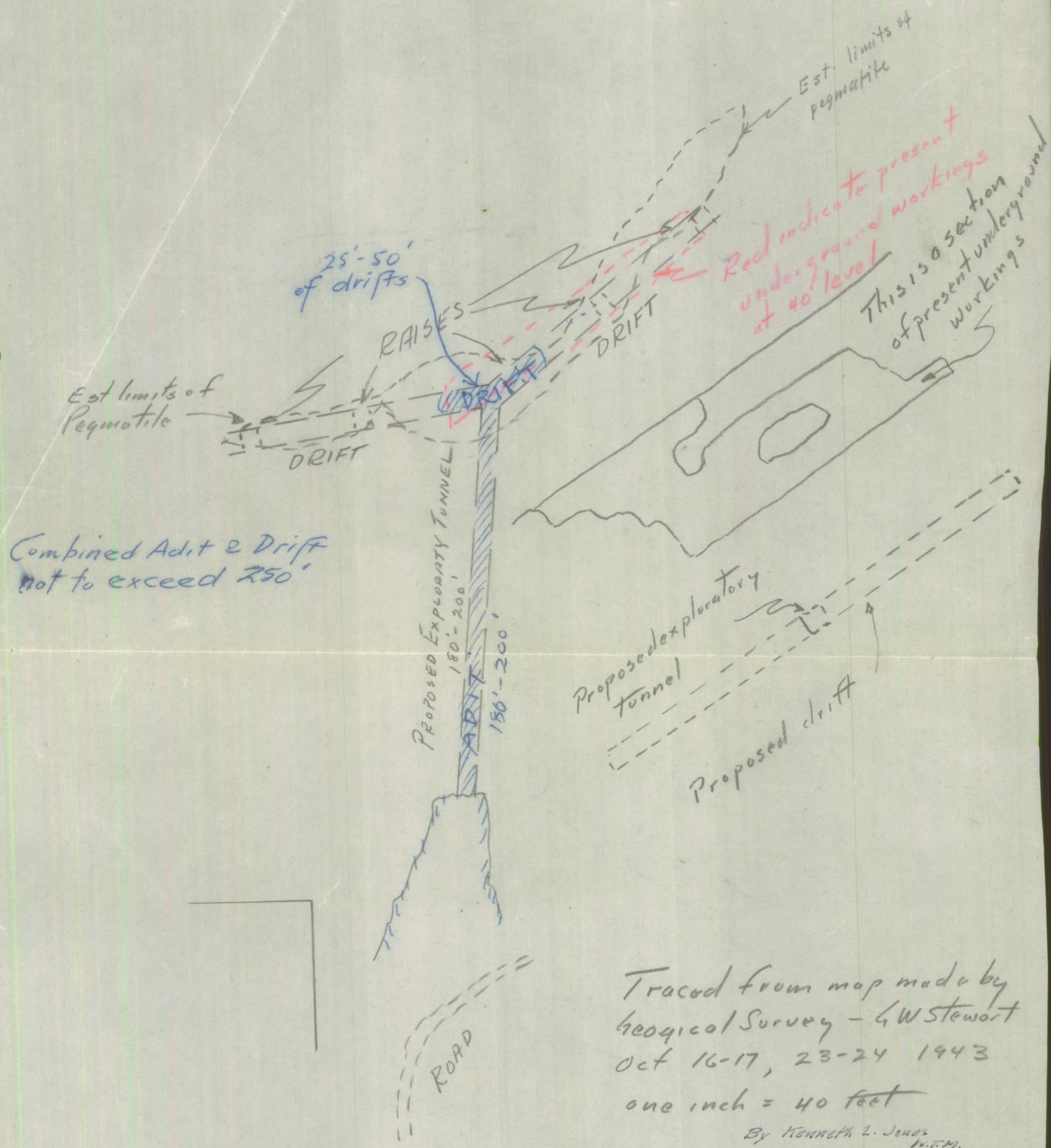
Estimated Cost of Project

The total cost of the project shall not exceed $6400. The estimated cost of the major items is as follows:

Fixtures and Improvements

None

Operating Equipment		
To be rented:		
Air Compressor rental, including gas and oil		$ 750.00
To be purchased - new equipment:		
1 Jackhammer	$ 365.00	
1 Feedleg	180.00	
200 Feet Air Hose	300.00	845.00
Labor and Supervision		
Number of men:		
1 - Foreman 45 shifts @ $15.00 (regular wage)	675.00	
Foreman 11 shifts @ $22.50 (overtime)	247.50	
1 - Drillers 45 shifts @ 12.00 (regular wage)	540.00	
Drillers 11 shifts @ $18.00 (overtime)	198.00	
2 - Muckers 90 shifts @ 8.00 (regular wage)	720.00	
4 Muckers 22 shifts @ 12.00 (overtime) (total)	264.00	2644.50
Workmen's Compensation		
Insurance ($2644) @ $3.57 (per $100.)	94.00	
F.S.S. ($2644) @ 1.50 " "	40.00	
State ($2644) @ 3.00 " "	79.00	213.00
Supplies (Expendable)		
Drill Steel	175.00	
Throw-away bits	320.00	
Timber ~~10 M @ $75.00~~	750.00	
~~20 Cwt~~. Dynamite ~~@ $22.75~~	455.00	
~~2 M~~. Blasting Caps ~~@ $22.00~~	44.00	
Miscellaneous	203.50 ~~189.50~~	1947.50 ~~1927.50~~
Total estimated cost		$ ~~6380.00~~ 6400.00
Rehabilitation Expense		None

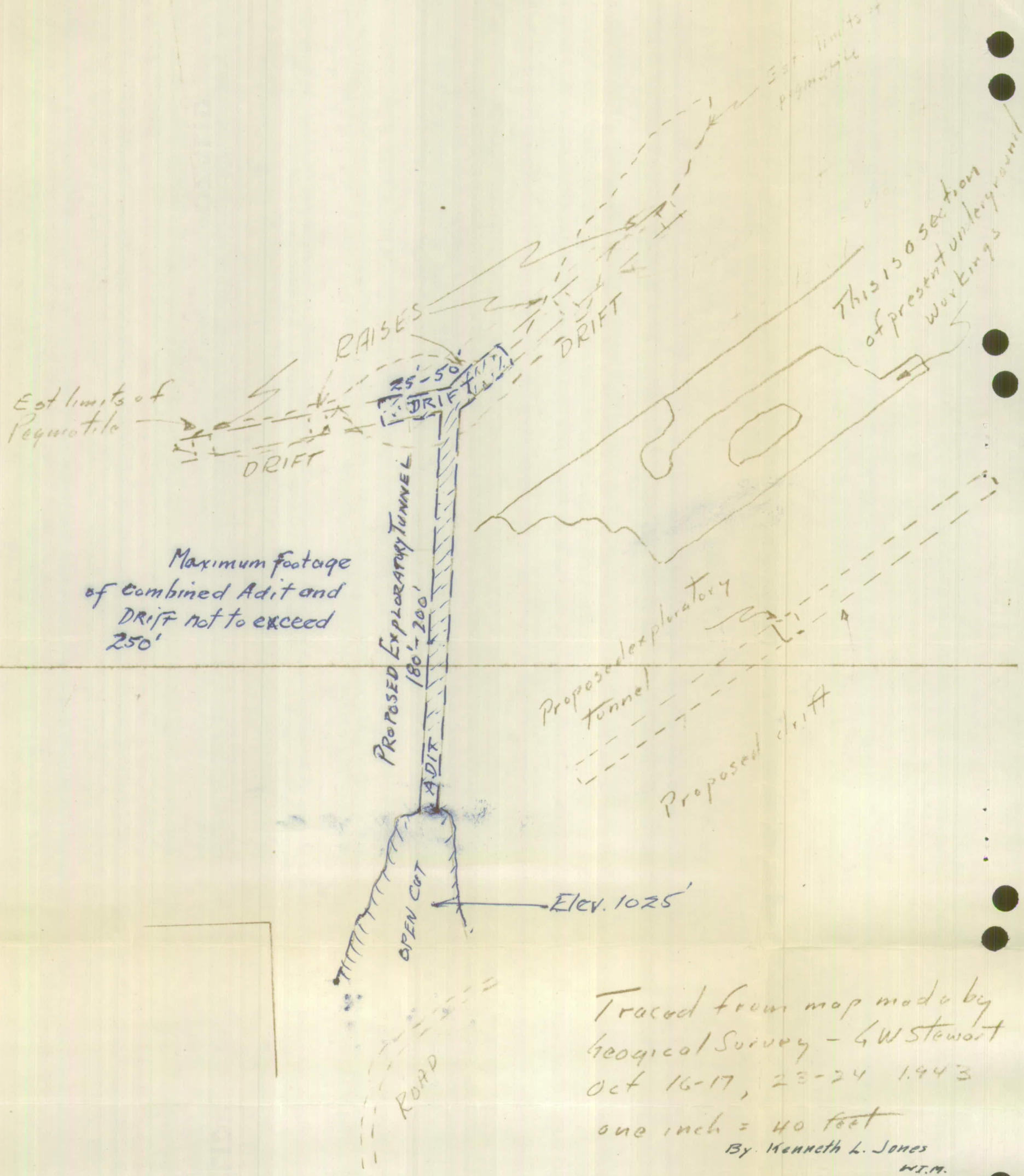


Traced from map made by Geological Survey - G W Stewart Oct 16-17, 23-24 1943

one inch = 40 feet

By Kenneth L. Jones M.T.M.

DMA Docket No 2017



Traced from map made by Geogical Survey - G W Stewart Oct 16-17, 23-24 1943

one inch = 40 feet

By. Kenneth L. Jones

W.I.M.

DMH Docket No 2017

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

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

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

DO NOT FILL IN THIS BLOCK

Docket No. DMA 2017

Date received 8-29-51

Participation

STRAFFORD MINES, INC.
Bristol, New Hampshire

Name and address of applicant

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C. AUG 29 10 05 AM '51

Date August 8, 1951

FILL IN THIS BLOCK

Date of application August 8, 1951

Estimated cost

Mineral or metal mica and beryl

Percentage of Government participation 90%

Location of mine North Groton, New Hampshire

Date of filing MF-100

DMA Docket Number, if available 2017

INSTRUCTIONS

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

THE APPLICANT

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

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

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

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

16—64067-1

THE PROPERTY

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

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

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

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

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

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

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

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

*16. History:

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

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

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

*17. Production:

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

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

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

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

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

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

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

THE EXPLORATION

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

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

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

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

THE REQUIREMENTS AND COSTS

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

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

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

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

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

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

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

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

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

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

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

CERTIFICATION

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

STRAFFORD MINES, INC.
(Name of company)

By [signature]
(Signature of authorized official)

August 8, 1951
(Date)

President
(Title)

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

*Same as footnote on page 1.

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

Kenneth L. Jones, Pres.

Willard J. Hodges, Treas.

STRAFFORD MINES INC.

BRISTOL, NEW HAMPSHIRE

August 8, 1951

THE APPLICANT

1. Corporation.

2.

3. Ezra A. McQuen, Rochester, N. H.) All directors
Willard J. Hodges, Wellesley, Mass.) and stockholders
Kenneth L. Jones, Penacook, N. H.)

4. (a) and (b) - Kenneth L. Jones, President of the Company has been interested in mica mining and beryl mining for the past ten years.

5. We are the lessee.

6.

7. At the present time, we are operating under the terms of a verbal lease, pending final details of formal lease.

8.

Cash - $316.24		$ 316.24
Accounts receivable		2426.25
Inventory of raw, semi-finished and finished mica		5215.00
Equipment		2015.00
		$ 9972.49
Accounts payable	$1888.66	
Officer's note	1000.00	2888.66
Net worth		$ 7083.83

9. We are prepared to pay 10% of the proposed exploratory work, either with cash or rental value of equipment we now own. With further explanation, we refer you to information given under 23 (g).

We would suggest that full value for the work already done as explained in 16 (c) be applied as payment toward our contribution.

Kenneth L. Jones, Pres.

Willard J. Hodges, Treas.

STRAFFORD MINES INC.
BRISTOL, NEW HAMPSHIRE

August 8, 1951

THE PROPERTY

10. (a) Nancy Mine #2, North Groton, New Hampshire.

(b) Same.

11. Nancy Mine #2, North Groton, New Hampshire.

12. The Nancy Mine is located in the Town of Groton, N. H., which is approximately 16 miles north of Bristol, N. H., and 5 miles west of Rumney, N. H. Railroad facilities are available at Rumney, N. H. and excellent trucking facilities at Bristol, N. H. North Groton can be reached by a tar road from Bristol and from North Groton to the mine approximately one-half mile of private road which is fairly good gravel, this being a stretch of road built by the Government during World War II, under their Defense Excess Road program. Most of our material will be shipped from the factory in Bristol.

13. The only water needed is for radiators of equipment and for wet drilling operations to lay the dust as the property being developed is under ground. The natural drainage of the mine to the sump is more than ample water supply.

14. We have available an air compressor which will be used in the exploratory work.

15. The ore is shipped to Bristol with private trucks for processing and there shipped by overland express to the ultimate customer.

16. (a) The property was first opened in 1942 and was a large producer of strategic mica during the war. The old workings consisted of a 40 foot vertical shaft and approximately 100 foot drift 30 feet high. This drift was made by driving a heading and a series of six foot overhand shots and the balance was benched down to the 40 foot level. The drift is timbered approximately 10 to 12 feet above the 40 foot level. The mica bearing zone is consistent on the floor at the 40 foot level for its entire length, both as to quality and quantity. The mica produced from a ton to a ton and a quarter a week and the property was shut down when the Government stopped their mica-buying program in 1945. This property was visited and mapped frequently by the geological survey during the war. These maps and their records are no doubt available to you. As our strategic mica was sold to Colonial Mica Corporation, which was a sub-division of the Government at that time, their records of the amount and quality of our strategic mica are also available to you.

Kenneth L. Jones, Pres.

Willard J. Hodges, Treas.

STRAFFORD MINES INC.
BRISTOL, NEW HAMPSHIRE

August 8, 1951

THE PROPERTY (Cont'd)

16. (b) On the general strike of the Nancy #2 in one direction it is the old Palermo and in the opposite direction the old Valencia. Both of these properties date back many decades and have been very large producers of quality mica, and beryl. There also have been numerous small developments in the immediate area

(c) There have been numerous investigations, examinations and underground mapping of this property made by the Government engineers and geologists during the war. None of this information is in our possession with the exception of a map entitled, "Nancy Mica Deposits, Groton, N. H., dated October 16, 17, 23, 24, 1943, Plane Table Survey made by G. W. Stewart and N. K. Flint," being a part of the Strategic Minerals Investigation, by the Geological Survey.

It was an almost unanimous recommendation of these men that this proposed exploratory work covered by this application be done. However, as the end of the program was in sight, we did not feel justified in going ahead at that time. The initial steps to go forward with this exploratory have been taken on our own, with the result, which is quite evident from our financial statement incorporated herein, that this has caused a very serious drain on our cash position. Therefore, we urgently request that the work already completed be given due consideration as an important part of the exploratory project which this application covers and that this be applied as part of our 10% contribution.

17. (a) Our present production is approximately one ton per week. We figure this mica is worth about $250 per ton delivered at our Bristol, New Hampshire shop.

Feeling that the tabulation given under your printed form for question 17 did not apply to this particular type of ore, we have answered it to the best of our ability as above.

18. (a) I wish to call attention to the map above mentioned under 16 (c) with particular reference to that part entitled, "Nancy #2". The Nancy #2 pegmatite has a northeasterly, southwesterly strike. As you can see, the surface contacts with the country rock are not too definite. However, our underground workings at that point have shown Stewart's estimated contact as being substantially correct. The dip of this dike has varied from almost vertical to 40 to 45 degrees. The mica bearing zone has been very constant, both as to quality of the material and quantity, with occasional pockets of beryl. This covers the dike from the 40 foot level up. The proposed exploratory tunnel is designed to determine whether or not the vein persists to the 90 foot level. If so, a considerable body of mica will be blocked out.

Kenneth L. Jones, Pres.

Willard J. Hodges, Treas.

STRAFFORD MINES INC.
BRISTOL, NEW HAMPSHIRE

August 8, 1951

THE PROPERTY (Cont'd)

18. (b) We refer you to 16 (c), none of which is in our possession and all of which was government work and is available to your use.

(c) As you very well know, it is impossible to estimate the tonnage of mica involved with any accuracy in any blocked out ore. //If this exploratory tunnel interceps the vein at the 90 foot level, we will have approximately 50 feet of mica bearing zone over our head to develop.// If this zone is as consistent as it has been in the past, a very considerable tonnage of high grade mica will be present.

19. We have endeavored in the foregoing answers to give you as complete a report of the project as possible and any further information which might be needed will be gladly given upon request or when the property is examined.

Kenneth L. Jones, Pres.

Willard J. Hodges, Treas.

STRAFFORD MINES INC.
BRISTOL, NEW HAMPSHIRE

August 8, 1951

THE EXPLORATION

20. This exploration work will be conducted to determine if our present mica and beryl bearing pegmatite persists at the 90 foot level, with the resultant recovery of mica and beryl.

21. Enclosed you will find an overlay on the map referred to in 16(c) and 18(a) covering the proposed exploratory tunnel. Briefly, the work is a small access tunnel 180 to 200 feet long, which we expect will intercept the mica and beryl bearing pegmatite at approximately 90 foot level. It is further proposed to drift about 100 feet each way on the vein with occasional 20 to 30 foot raises at intervals so that the consistency and value of the ore can be tested at several points.

    We estimate that this work can be completed in three to four months.

22. I have talked with several geologists and mining engineers who were in Government employ at the time when the mine was last in operation and it is their opinion with regard to this proposed work that it is very likely that the vein should persist beyond the point where we intend to explore.

Kenneth L. Jones, Pres.

Willard J. Hodges, Treas.

STRAFFORD MINES INC.
BRISTOL, NEW HAMPSHIRE

August 8, 1951

THE REQUIREMENTS AND COSTS

23. I have discussed the cost element of this exploratory work with several qualified mine operators and mining men in general. They estimate the cost of this kind of work in the ground in which we will have to operate to be from $15 to $30 a foot. We feel that we should be able to do it for $20 a foot. As you know, estimating tunnelling costs is very difficult since there are several factors involved,- (1) the ease of drilling; (2) how the rock breaks (the size of muck and over-breakage); and (3) the amount of timbering necessary, if any. This rock is a fast drilling rock and appears to break well in open cut. On the surface it is quite seamy, appears to be tightening up at depth, making it impossible to tell if timbering will be necessary.

200 ft. tunnell	@ $20. per ft.	$ 4,000.00
200 ft. drifts	" " " "	4,000.00
150 ft. raises	" " " "	3,000.00
	Total	$ 11,000.00

24. We propose to do this work in conjunction with our mine operation which would tend to make this operation more efficient and cut costs due to more efficient utilization of labor.

This work can be completed in 3 to 4 months.

Kenneth L. Jones, Pres. Willard J. Hodges, Treas.

STRAFFORD MINES INC.

BRISTOL, NEW HAMPSHIRE

Revised Requirements August 8, 1951

THE REQUIREMENTS AND COSTS (Supplementary Sheet)

23. Estimated Cost of Work

Mining labor

Foreman	$ 15.00 per day	
Drillers	12.00 " "	
Muckers(Two)	16.00	
	$ 43.00	

We estimate the work will take ~~84~~ 56 working days.

Cutto
425 days
11 days

70 Regular days	43.00	$ 3020.00	3917.00
14 Overtime days	64.50	903.00	
Workmen's Compensation			
Insurance, $3923 @ 3.57 per 100		140.05	
Federal Social Security 3923. @ 1.50		58.84	315.80
State Unemployment Ins. @ 3.00		117.69	
		~~4239.58~~	
		4229.58	4228.80

2644.50 × 3.57
2644.50 × 1.50
2644.50 × 3.00

2644.50
215.00

Air Compressor, including gas and oil, will be furnished at $4. per hour actual operating time estimated 588 hrs. @ 4.00 ~~2352.00~~

392 hrs. @ 4.00 = 1568.

Supplies

	Drill steels	250.00		
15	20 carbide bits	320.00		
	~~200 ft. air hose~~	~~300.00~~		
	Timbers 10M @ 75	750.00		
20	30 CWT dynamite @ 22.75	682.50		~~2546.50~~
	2 M caps @ 22.00	~~440.00~~	44.00	~~2942.50~~
	Miscellaneous	~~500.00~~	427.70	~~3242.50~~

1927.50

2574.20

Rails and mine car will be furnished by the operator at no charge.

23(c) New equipment to be purchased.

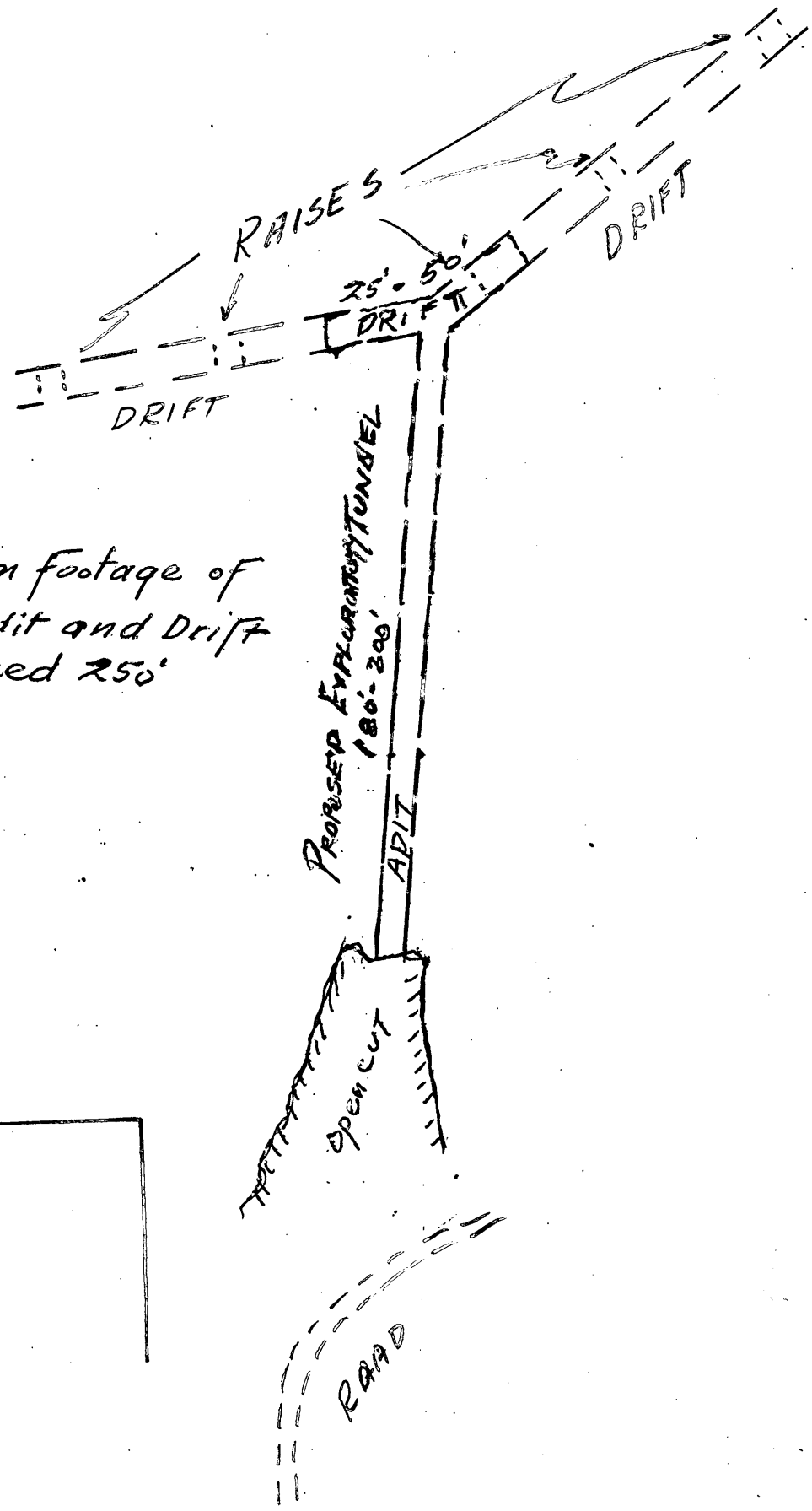
Jackhammer	365.00		300
Feedleg	180.00		545.00
Air Hose 200ft	300.00	Total	$10,379.08

845.

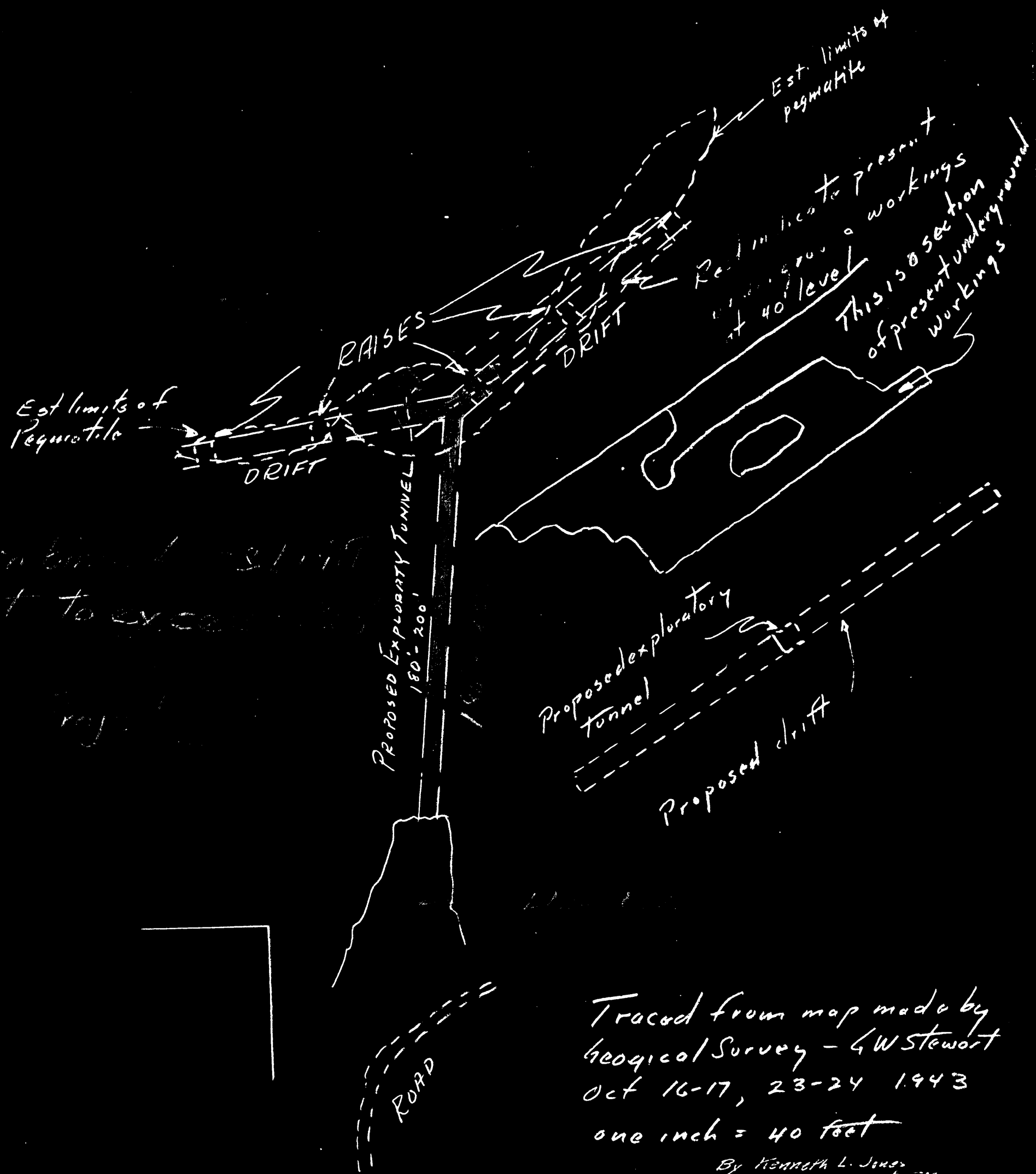
24. Supplementing item 24 on original application, if there is no mining activity at the time this tunnel is driven or if we decide to put two shifts on for greater speed, the foreman's wages mentioned in item 23 will be $150. per week. It is understood that the above figures are merely estimates and may vary with conditions as long as the total cost of the project stays within the estimate.

2644.50
215.00
1568.00
1927.50
845.00

Total Cost $12000.00



Maximum Footage of combined Adit and Drift not to exceed 250'



Traced from map made by Geogical Survey - G W Stewart Oct 16-17, 23-24 1943

one inch = 40 ~~feet~~

By Kenneth L. Jones Jr. E.M.

DMA Docket No 2017

Form MF-100
(May 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. _____

Date received _____

STRAFFORD MINES INC.
Bristol, New Hampshire

Name and address of applicant

Date September 4, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☒ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
Refer to 3, Form NF-103							
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$ 6,000.00		$ no par	60	none paid
Preferred stock	$ none	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					4 to 5 tons
2. Quantity of product processed (specify unit of measure and type of process)					" " " "
3. Quantity and grade of product sold or shipped (specify units of measure)					2000 to 2500 lbs.

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. strategic sheet mica.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)					

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

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

STRAFFORD MINES INC. (Name of company)

By [signature] (Signature of authorized official)

September 4, 1951 (Date)

President (Title)

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

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

Kenneth L. Jones, Pres.

Willard J. Hodges, Treas.

STRAFFORD MINES INC.
BRISTOL, NEW HAMPSHIRE

September 4, 1951

Pursuant to your suggestion under "Instructions" to refer to questions already answered by reference, you will note herein reference in several instances to Form No. MF-103, dated August 8, 1951 which we have already filed with you.

- - - - - - - -

GENERAL TECHNICAL DATA

1. (a) Sheet mica.
   (b) Beryl and scrap mica.

2. Refer to 16(a) Form No. MF-103.
   The mine is not flooded.

3. Refer to 12 Form No. MF-103.

4. Property is now being operated by Strafford Mines Inc. under lease.

5. The mine was reopened in 1951.

6. Refer to 4 Form No. MF-103.

7. Refer to 16(a) (b) and (c).

8, 9, and 10. are answered on the printed form herewith No. MF-100

11. Yes. If this exploratory work shows the vein persists at the 90 foot level, we will feel free to go ahead and expand our operations with an estimated production of 25 tons per month of run of mine mica which will give an estimated yield of 10,000 pounds of strategic sheet mica per month.

12. Refer to 18(a) (b) and (c) and 16(a), (b) and (c) Form No. MF-103.

12. (b) Refer to 16(c) and 18(c) Form No. MF-103; also 17(a) same fo

13. Refer to 12 Form No. MF-103.

14. Refer to 13 Form No. MF-103.

15. No electric power used.

16. 1 Superintendent; 2 foremen; 2 miners; 2 muckers; 4 shop help.

17. The only equipment now owned and available for this operation i one compressor.

18. Refer to 19 Form No. MF-103.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF DEFENSE MOBILIZATION
WASHINGTON 25, D. C.

DMEA 3017

OFFICE OF THE DIRECTOR

Mr. Kenneth L. Jones
President
Strafford Mines, Inc.
Bristol, New Hampshire

SEP 16 1954

Dear Mr. Jones:

At the meeting in my office on July 20, arranged by Mr. Raymond K. Perkins of Senator Bridges' office, I requested that my staff review the problem you came to discuss with me.

Such review has now been completed. The staff has informed me that you had received consideration by the Defense Minerals Exploration Administration in 1952 previous to your filing of an application for a loan of $41,500 with the Emergency Procurement Service on March 12, 1954. The exploration contract with the Defense Minerals Exploration Administration was subsequently cancelled and the loan application submitted to the Emergency Procurement Service was denied on July 2, 1954.

As above indicated, your project has been considered by several agencies of the government, but if you still feel that present conditions warrant another study, I suggest that you place another application through the proper channels and I assure you that it will again receive consideration.

Sincerely yours,

Arthur S. Flemming
Director

cc: C. O. Mittendorf, Interior-DMEA

FILE COPY
Surname:
Anderson
Houk
Curtin
Hollund
Johnson

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

600

MAY 19 1954

Mr. Clarence A. Fredell, Acting Chief
Expansion Branch, Materials Division
Emergency Procurement Service
General Services Administration
Washington 25, D. C.

Re: Docket No. DMEA-2017 - Mica-Beryl
Strafford Mines, Inc.
Nancy No. 2
Grafton County, New Hampshire
Contract No. Idm-E275

Dear Mr. Fredell:

Pursuant to your request of May 11, 1954, we are enclosing a copy of notice to Strafford Mines, Inc., Bristol, New Hampshire, to terminate and rescind Contract No. Idm-E275.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

WCAnderson:gad 5/17/54
Copy to: Admr. R. File
Docket File
Field Team, Region VIII
Mr. Houk
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.

R.C.J.

Defense Minerals Administration
MAY 12 1954

GENERAL SERVICES ADMINISTRATION

Emergency Procurement Service
Washington 25, D. C.

May 11, 1954

Mr. C. O. Mittendorf
Administrator
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Strafford Mines, Inc.
DMEA-2017 - Mica

Dear Mr. Mittendorf:

We would appreciate receiving a copy of your notice to Strafford Mines, Inc., Bristol, New Hampshire, to terminate and rescind contract E-275.

Very truly yours,

Clarence A. Fredell

Clarence A. Fredell
Acting Chief
Expansion Branch

SURNAME COPY
Adams

Defense Minerals Exploration Administration
Robert E. Adams
2017

14X3923.970, Working Fund, Interior, DMEA
January 7, 1953
2:45 p.m.

W.H.King, Executive Officer, Region IV, 224 New Customhouse Bldg., Denver 2, Colorado

Assignment of Contract Number

REFERTEL 1-7-53 ADVISES ASBESTOS CORPORATION, DMEA 2005, CONTRACT NUMBER

IDM-E473 ASSIGNED THIS CONTRACT.

N.S. in R.S.R.

C. O. Mittendorf

ADMINISTRATOR

READAMS/meb
cc to: Adm.Reading File
Mails & Files Br.
Audits Division
Miss Curtin

SENT
JAN 7 1953
Clerical Service Section

Mr. C. O. Mittendorf
January 7, 1953
10:30 A.M.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 7 1953

90 a/o

DN 235 BUREAU MINES 1-7-53 81XXX8-18 AM

C O MITTENDORF

PLEASE ASSIGN A NU XXX NUMBER TO CONTRACT COVERING DOCKET NUMBER DMEA 2005, METATE ASBESTOS CORPORATION, AN ARIZONA CORPORATION, P. O. BOX 1506, GLOBE, ARIZONA. PROPERTY IN GILA COUNTY, ARIZONA. COMMODITY ASBESTOS. GOVERNMENT PARTICIPATION $2745.00, TOTAL AMOUNT OF CONTRACT $3050.00. CONTRACT DATED JANUARY 7,1953.

JOHN F SHACBFOR W H KING

Denver, Colo.

473

JAN 7 11 24 AM '53
BUREAU OF MINES
MAIL ROOM
WASHINGTON, D. C.

FILE COPY
SURNAME:

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

JUL 10 1952

Mr. McHenry Mosier
Executive Officer
DMEA Field Team, Region VIII
Bureau of Mines
Eastern Experiment Station
College Park, Maryland

Re: Termination and Recission Form
Docket DMEA-2017, Idm-E275
Strafford Mines, Inc.

Dear Mr. Mosier:

Attached you will please find a copy of a memorandum from Counsel to me and a draft of a form to be used to terminate the subject contract. I am sure that you will find both self-explanatory.

I believe some explanation is due you for the delay which has occurred in bringing this matter to a head. At the time Counsel first considered the matter it was his opinion that a special type of termination notice should be drafted and, furthermore, that it should be signed here in Washington. In those circumstances it was my opinion that I should have a well documented justification of the proposed action and, therefore, we requested the memo which you so kindly furnished under date of June 24. In the meantime, other cases of a similar nature have come to my attention, and upon further discussion with Counsel he has agreed that this particular type of action is permissible for the Executive Officers to execute under their delegated powers. We have, therefore, found it necessary to retype the forms, setting them up for your signature.

Sincerely yours,

C. O. Mittendorf (fw) cc 7/10/52

Acting Administrator

Enclosures -7

COMittendorf/fw/pa 7-10-52

cc: Admr. Reading File
Mails & Files

Mr. Houk
Mr. Mittendorf
Mr. Hofflund

140

FILE COPY
SURNAME:

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

July 9, 1952

Memorandum

To: Acting Administrator

From: Chief Counsel

Subject: Termination and Rescission of Exploration Project Contract with Strafford Mines, Inc., Docket No. DMEA-2017, Idm-E275

Attached hereto is a form for the use of the Executive Officer, DMEA Field Team, Region VIII, in terminating and rescinding the subject contract.

After further study of this matter, and contrary to my previous statements to you, I have decided that this is a suitable action for the Field Team Executive Officer to take under his delegated powers. However, none of the three forms attached to DMEA Circular 22 exactly fit this situation, and it is preferable that this form attached be used.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

N.S
R+R

Attachment

JLHofflund/mef
cc to: Mails and Files
J. L. Hofflund
L. G. Houk
Chron.

Plymouth, N.H.
July 8, 1952

file

DMEA-2017

Mr. Ned E. Nelson
U. S. Geological Survey
Room 4216, General Service Bldg.
Washington 25, D. C.

Dear Ned:

After much thought I find that I cannot contribute much factual data to your request of July 1 regarding the Nancy No. 2, but what I have may be of some assistance. I was not present at all of the conversations between Millar and Jones, but I can confirm most of them.

It is my belief that Jones called me the evening of the day that he received the contract for driving the adit at the Nancy No. 2. I told him that I could not participate in his request for establishing any elevations at the Nancy No. 2, but that I could furnish him with the elevations of points determined by the plane table survey. The following day I made an overlay map and located the points and gave the elevations, the base point outside the portal of the adit, the spike in the timber above the portal, and if I remember correctly, the elevation of a spike in a stump east of the portal.

The other point of confirmation is the bearing on the direction of the adit. I checked the bearing on the adit with Mr. Millar in the presence of Mr. Jones. At this time Mr. Millar suggested a method of correction.

Mr. Jones saw me later in the day in Bristol where I had stopped for dinner. He said that it was too bad that he had started at the wrong elevation, but that he couldn't do much about it now that he had driven so far. I told him that it was too bad because he would lose that much footage of pegmatite above the adit.

If there are other data that I should supply, please let me know.

Sincerely yours,

Glenn W. Stewart
Geologist

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

July 3, 1952

Memorandum

To: Acting Administrator

From: Chief, Non-Metallic Minerals Division

Subject: Termination of Contract - Nancy II, Strafford Mines, Inc., Bristol, New Hampshire, Docket No. DMEA-2017, Contract No. Idm-E275.

It is recommended that the subject contract be terminated because the operator has failed to do the work pursuant to the terms of the contract.

1. He has claimed reimbursement for bulldozer rental and preparatory work for adit portal where there is no evidence that such work was performed.

2. He started work on the old adit at the wrong elevation seven feet above the elevation shown in the contract.

A summary of other irregularities may be noted in the concluding paragraph of McHenry Mosier's memorandum.

The application was received 8/29/51. Under Question 9, MF-103, the following appears: "We would suggest that full value for the work already done as explained in 16 (c) be applied as payment toward our contribution." Under 16 (c) the following is quoted: "The initial steps to go forward with this exploratory have been taken on our own, with the result, which is quite evident from our financial statement incorporated herein, that this has caused a very serious drain on our cash position. Therefore, we urgently request that the work already completed be given due consideration as an important part of the exploratory project which this application covers and that this be applied as part of our 10% contribution."

Under 18 (a) the applicant states: "The proposed exploratory tunnel is designed to determine whether or not the vein persists to the 90 foot level."

Under 18 (c) "If this exploratory tunnel intercepts the vein at the 90 foot level, we will have approximately 50 feet of mica bearing zone over our head to develop."

In Form MF-100, submitted September 4, 1951, under Question 17, the operator states: "The only equipment now owned and available for this operation is one compressor."

Comments on application and the following is quoted from a letter of August 28, 1951, from McHenry Mosier to Kenneth L. Jones: "In your application you 'suggest that full value for the work already done be applied as payment toward our contribution.' Unfortunately, the rules relative to appplication deny this suggestion. No work done prior to signing a contract for exploration can be credited toward the required contribution by the owner or lessee."

September 20, 1951, memorandum from W. R. Griffitts to Robert Waskey, last paragraph: "It is noted that the applicant has no written lease. Kenneth L. Jones, the president of the company, states that he is the owner, however."

The Field Team recommended cutting down the floor of the open-cut to an elevation of 1015 feet elevation and extending open-cut northward. Then 200 foot drift to the pegmatite.

On February 6, 1952, this office inquired of Mr. Jones why the necessity of renting an air compressor for 588 hours at $4.00 per hour when the previous application stated the company had a compressor. In a letter from Kenneth L. Jones, dated February 16, 1952, to the DMEA: "Due to the long delay it was necessary to move to another property therefore the compressor is not available now. and it will be necessary to rent a compressor."

A contract was entered into March 17, 1952, for $6,400, Government participation $5,760. Exhibit "A" of the contract: "The purpose of this project is to explore the mica possibilities of a pegmatite dike at a lower depth. The outcrop is partly mined by open-cut methods. It is the intention to drive an adit (5' x 7') a distance of 200 feet at 42 feet lower elevation and to intersect the downward extension of the pegmatite." "Preliminary to driving the adit an open-cut will be made to clear the way for the entrance and portal set."

The lease is signed by Kenneth L. Jones as party of the first part for the Groton Company, and by Willard J. Hodges, Treasurer of the Strafford Mines, Inc., party of the second part.

On April 17, 1952, McHenry Mosier wrote Kenneth L. Jones stating the responsibility for setting grade stakes was not the responsibility of the Government that Jones should hire a local surveyor to do the work. Jones submitted vouchers for April to Mosier at College Park in person.

In the meantime, Millar of the College Park, Bureau of Mines, found that the work was started 35 feet below the old workings instead of 42 feet below the old workings. Mosier thereupon on May 20 wrote Jones that his April expenditures could not be certified as the work could not qualify for payment under an exploration contract. He requested they withdraw their vouchers and stated in the concluding paragraph: "Should you desire to proceed with the adit at the proper location as specified in the contract, you may do so without any penalty on account of the delay."

Attached hereto is memorandum from McHenry Mosier captioned: Irregularities in Conducting Project Docket No. DMEA-2017, Contract No. Idm-E275.

Lawrence G. Houk

Lawrence G. Houk, Chief
Non-Metallic Minerals Division

Attachment

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

June 24, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee, DMEA

From: Executive Officer, DMEA Field Team, Region VIII

Subject: Strafford Mines, Inc., Bristol, New Hampshire
Docket No. DMEA-2017, Contract No. IdmE-275 - (Mica)

In reference to the proposed termination of Contract IdmE-275, Docket No. DMEA-2017 - (mica), a rough draft of the proposed Notice of Termination to Mr. Kenneth L. Jones, President, Strafford Mines, Inc., Bristol, New Hampshire, is attached for your consideration and approval before release from College Park. Also enclosed is a review or historical sketch of the irregularities in Mr. Jones' conduct of above contract.

Before taking further action in respect to Mr. Jones and this contract, further specific instructions from you will be awaited.

McHenry Mosier

McHenry Mosier

Attachments

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JUN 25 1952

RECEIVED
JUN 30 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

S 15
6-25-52

College Park, Md.
June 24, 1952

ROUGH DRAFT

VIA REGISTERED MAIL

NOTICE OF TERMINATION OF EXPLORATION PROJECT CONTRACT, UNDER THE TERMS OF THE CONTRACT, BEFORE THE COMPLETION OF THE WORK

To: Strafford Mines, Inc.
Kenneth L. Jones, President
Bristol, New Hampshire

Operator under Exploration Project
Contract Idm-E275, Docket No. DMEA-2017,
dated March 17, 1952 - (Mica)

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, under the terms of the above-mentioned contract, hereby terminates the contract on the following grounds:

In the opinion of the Government, you have failed to prosecute operations pursuant to the terms of the contract, in that the adit was not started at the proper elevation.

In the opinion of the Government, operations up to the time of this notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified.

In as much as the Government has not made or approved any reimbursement to you under this Contract, no further accounting nor adjustments are necessary.

Dates this 24th day of June, 1952.

UNITED STATES OF AMERICA

By _____
McHenry Mosier, Executive Officer
Defense Minerals Exploration
Administration, Region VIII

College Park, Md.
June 24, 1952

Irregularities in Conducting Project
Docket No. DMEA-2017, Contract No. Idm-E275

An inspection of the Nancy No. 2 mica deposit operated by the Strafford Mines, Inc., Bristol, New Hampshire, Docket No. DMEA-2017, Contract No. Idm-E275, was made by W. T. Millar during the week of May 12 to 17, 1952.

Millar and G. W. Stewart, USGS, met in Bristol, New Hampshire on May 13 and had a brief interview with Kenneth L. Jones, President of the Strafford Mines, Inc. before visiting the project. Webster, a local geologist, met Jones at the same time. During the interview, Jones described how he bulldozed the snow off the access road to the mine in three days, then started his exploratory work. All four men started to the mine. Upon approaching the mine it was noted that there was no open cut preparatory to starting the adit. Work on the adit is a continuation of the work started prior to filing the application for Government participation in exploratory work for mica.

Millar asked Jones if he had employed a geologist. Jones replied, "No, he is looking for a job." Then a discussion on the adit ensued. The adit is a continuation of the work started previously by Jones and is at an elevation of 1,025 feet instead of 42 feet below the old workings as it should have been. (See 18 in application. It is stated the tunnel is to cut the dyke at the 90 foot level. Also, see 20, Exploration).

Elevation of bench marks established by Stewart when a planetable survey was made in November 1951 were given to Jones at his request before the project work was started under this contract. When the examination was made in October, and prior to the survey, Millar told Jones that it is doubtful if the portal of the adit he had started is 50 feet below the old workings. He was aware of the 50 foot depth below the old workings which is referred to in the application as the 90 foot level.

A spike in a timber above the portal was used as a reference point. The elevation of the spike, which is 1,046, was supplied by Jones. He knew the elevation and could have started the adit correctly. The distance from the spike to the tram rail below was measured. Then the distances to the face of the adit and to the toe of the slope were measured from a point plumbed to the rail from the spike. Jones held the zero end of the tape on these measurements. A compass bearing of the adit was taken as N. 2°W. Jones was advised that the bearing should have been N. 5°E and a method for correcting the direction of the adit 1.74 feet per degree per 100 feet, was suggested. Also, he was advised that the adit was started at the wrong elevation.

When Millar visited this project he was not aware that Jones had called at College Park Office on May 9 to make out his April Progress Report, which was approved and copies forwarded to the Washington and Pittsburgh Offices. Millar phoned me from Plymouth, New Hampshire on May 14 and reported irregularities in conducting the project including driving the adit at the wrong elevation, the failure to do the specified preparatory for which $754.80 had been claimed in the April Rrogress Report and charging rental for his personal compressor.

All copies of the April Progress Report were recalled because I could not certify the report to be correct.

Jones advised this office by letter dated April 21 that work on the project started March 29. Jones requested a Government engineer to establish the elevation and bearing for the adit. On April 17 he was advised by letter that it is not the Government's responsibility to set grade stakes nor to establish center lines for tunnels and if engineering assistance is required, he should employ a local surveyor. (Jones is a graduate civil engineer and experienced contractor).

Millar visited the project again on May 15. The number of shifts worked in the adit were requested but this information was denied. Jones was told that he reported starting the project on March 29 and as of May 13 he could claim only 43 feet advance in the adit. There is no open cut, grading or preparatory work other than bulldozing snow from the access road; the timbering is about the same as it was in October 1951, therefore, the progress is not satisfactory. Also, he was told that the compressor looked to be the same compressor that was on the property in October 1951 and he admitted that it is but it is his personal property and is renting it to the Strafford Mines at $4.00 per hour.

Millar suggested a unit basis on per foot advance in the adit for this contract in case the Government elected to continue the contract, which was considered favorably with the operator's priviledge of rejecting such a contract. After a unit basis had been worked out and approved by Jones, it was mailed to this office; Jones offered his objections. An invoice for compressor rental was obtained but Jones refused to include the dates or period and rate for the rental.

Jones was advised by letter dated May 20 that he could withdraw his April Progress Report and start the adit at the specified elevation without penalty on account of the delay.

The payroll submitted covered the period from March 29 to May 2 and shows 547 hours regular time and 85 hours overtime, which is equivalent to 79 man-shifts, assuming that 3 men and the foreman worked seven days to and including May 12 there were 107 man-shifts worked. The actual progress was, 43 feet advanced in the adit .

Summary of Irregularities:

(1) Failure to prepare specified preparatory work for starting the proposed adit.
(2) Resuming work on the old adit for which credit had previously been denied.
(3) Claiming bulldozer rental and preparatory work for which there is no evidence that it was performed.
(4) Charging rental for personal compressor which was reported to have been moved off the property.
(5) Charging full time for personal service as foreman while part time is spent operating his rifting plant.
(6) Over time in the payroll look questionable.

McKinney Moore

UNITED STATES 140
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

June 23, 1952

Memorandum

To: Acting Administrator

From: Chief Counsel

Subject: Strafford Mines, Inc., Docket No. DMEA-2017, Contract No. I-dm-E275

Attached hereto for your signature is a notice ~~of rescis-~~ sion of the subject contract.

I have discussed this matter with Mr. Mosier by telephone. The case does not fall within the provisions of our DMEA Circular 22 on the subject of "Termination and Rescission". I prefer to take the position that the Operator never did enter upon any of the work described in the contract, and that the contract is therefore a suitable one for rescission by unilateral action on the part of the Government.

As previously discussed with you, the "Statement of the Work" in Exhibit "A" is not as explicit as it might be in supporting Mr. Mosier's position that the Operator has not driven the adit at the proper elevation. I think that his position is sufficiently supported, however, by a reasonable construction of the "Statement of the Work", and in particular by this sentence in the statement: "Preliminary to driving the adit an open cut will be made to clear the way for the entrance and portal set." I understand from Mr. Mosier that the adit was started from an existing portal which had previously been pointed out to the Operator as unsatisfactory with respect to elevation. Having used the existing portal, I suppose that the Operator would have a hard time to show compliance with the quoted provision.

Although Field Team Executive Officers are authorized to terminate exploration project contracts under the provisions of the contract, they are not authorized to rescind them by unilateral action of the Government, and I think that this instrument should be executed by you rather than by the Field Team Executive Officer.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

NOTICE OF RESCISSION OF EXPLORATION PROJECT CONTRACT

To: Strafford Mines, Inc.

Kenneth L. Jones, President

Bristol, New Hampshire

Operator under Exploration Project
Contract I-dm-E275, Docket No.
DMEA-2017, dated March 17, 1952 (Mica)

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereby terminates and rescinds the contract above referred to on the ground that you have failed to begin or prosecute operations pursuant to the terms of the contract in that you did not start or prosecute the adit at the elevation prescribed by the contract. None of the work performed to date is regarded by the Government as being within the provisions of the contract.

You are further advised that the Government will not approve any vouchers heretofore rendered or to be rendered by you on account of any work performed in or connected with the present adit.

Dated ~~June~~ July ____, 1952.

UNITED STATES OF AMERICA

By _____
~~Acting Administrator, Defense~~
~~Minerals Exploration Administration~~
Executive Officer, D.M.E.A.
Field Team, Region 2

FILE COPY
SURNAME:

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

MAY 29 1952

Mr. McHenry Mosier
Executive Officer, DMEA
Field Team, Region VIII
Bureau of Mines
Eastern Experiment Station
College Park, Maryland

Subject: Docket No. DMEA-2017 - Mica & Beryl
Strafford Mines, Inc.
North Groton, New Hampshire
Exploration Project Contract
No. Idm-E275 $6,400.00

Dear Mr. Mosier:

The following is an excerpt from a report received in this office on May 22, 1952, from Mr. George A. Purcell, Mica Consultant, General Services Administration, Federal Supply Service, Unit 2, 7th Floor, 34 Exchange Place, Jersey City, New Jersey:

"Nancy II - DMEA-2017 Sample 2 pieces well prepared. Color: Ruby. Quality somewhat wavy. Sample would indicate acceptable stockpile quality obtainable from this source."

Sincerely yours,

(signed) FRANK E. JOHNSON (HB)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

E. H. Hedges (HB)
Member, Bureau of Mines

D. M. Lemmon (HB)
Member, Geological Survey

LGHouk:gad 5/26/52

Copy to: Admin. Reading File
Operating Committee (2)
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

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

May 26, 1952

Mr. C. O. Mittendorf
Acting Administrator
Defense Minerals Exploration
Administration
Washington 25, D. C.

Subject: Docket No. DMEA-2017-Mica & Beryl
Strafford Mines, Inc.
North Groton, New Hampshire
Exploration Project Contract
No. Idm-E275 $6,400.00

Dear Mr. Mittendorf:

Many thanks for your letter of May 23, enclosing two copies of the April 1952 Operator's Monthly Progress Report.

This report was withdrawn and canceled before payment had been made through Pittsburgh. Notification of this action was given to Mr. Kenneth L. Jones on May 20, copy of which is attached to show justification of my refusal to accept the Operator's report.

Yours very truly,

McHenry Mosier

McHenry Mosier, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

Enclosure

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
JUN 2 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
College Park, Maryland

May 20, 1952

Mr. Kenneth L. Jones, President
Strafford Mines, Inc.
Bristol, New Hampshire

Re: Docket No. DMEA 2017

Dear Mr. Jones:

In reference to your exploration project contract Idm E275, Docket DMEA 2017:

Your first progress report, which is for the month of April, 1952, has been under serious consideration since you filed it at College Park May 9. In the meantime Mr. W. T. Millar of this office and Messrs. N. F. Nelson and Glenn H. Stewart of the Federal Geological Survey have visited your project. It now develops that you have performed the work in a different place from that specified in the contract in that the adit was started at 35 feet below the old workings instead of the 42 feet mentioned in the contract and also as stated by you on your visit to this office on May 9; and in that the bearing of the adit was 7° in error. Consequently the expense totaling $1,802.22, of which the Government's share would have been $1,622.54, can not be certified as a true charge against this contract.

One of the most vital considerations in arriving at this decision is that an adit only 35 feet below an oreshoot 150 feet in length is predominantly development and therefore could not qualify for payment under an exploration contract. Further, you elected to accept the sole responsibility for performing this work in the proper location because you were thus advised in my letter to you under date of April 17, 1952, a copy of which is attached.

In view of the foregoing, perhaps you would like to withdraw your progress report for April 1952 together with its attached invoices, and certified true copy of the payroll.

Should you desire to proceed with the adit at the proper location as specified in the contract, you may do so without any penalty on account of the delay.

Yours very truly,

McHenry Mosier, Executive Officer
Bureau-Survey Field Team, Defense
Minerals Exploration Administration,
Region VIII

copy for FrankJohnson (2)
NedNelson
HPGreenwald
PMAmbrose
CPMDMEA (2)

McHM:rcs

FILE COPY
SURNAME:

Houk

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

MAY 23 1952

Mr. McHenry Mosier
Executive Officer, DMEA
Field Team, Region VIII
Bureau of Mines
Eastern Experiment Station
College Park, Maryland

Subject: Docket No. DMEA-2017 - Mica & Beryl
Strafford Mines, Inc.
North Groton, New Hampshire
Exploration Project Contract
No. Idm-1275 $6,400.00

Dear Mr. Mosier:

Transmitted herewith are two copies of the April 1952 "Operator's Monthly Progress Report" which you requested by telephone on May 21st.

Please note that Mr. Kenneth Jones has not supplied a narrative section with his MF-104, nor has he indicated the footage of adit crosscut driven during the month.

Sincerely yours,

C. O. Mittendorf (for) cc 5/23

Acting Administrator
Defense Minerals Exploration
Administration

Enclosures 2
LGHouk:gad 5/22/52
Copy to: Admin. Reading File
Docket File
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

Houk
Mittendorf

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

C O P Y

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region VII
Room 13, Post Office Building
Knoxville 1, Tennessee

Subject: DMEA-1955, Winters Prospect
DMEA-2327, May Mine
DMEA-2414, Doublehead Mine
Mica

Dear Mr. Laurence:

Receipt is acknowledged of samples of mica from DMEA-1955 the Winters Prospect, DMEA-2327 the May Mine, and DMEA-2414 the Doublehead Mine.

The following samples were shipped to Mr. George A. Purcell as of today, and you will be supplied with the results when they become available:

DMEA No.	Name of Mine
1388	Huskins Mine
1955	Winters Prospect
2017	Nancy II
2249	Luther Mine
2327	May Mine
2414	Doublehead Mine
2429	Carpenter Mine
2430	Bumgardner Mine
2431	Glen Mead Mine

Sincerely yours,

RS 5-21-52

Acting Administrator
Defense Minerals Exploration
Administration

LGHouk:gad:mp 5/20/52
Copy to: Admin. Reading File
Docket File
Mr. Dietrich, 3526
Mr. Norton, G-232, GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

Houk
Mittendorf

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

Mr. George A. Purcell
Federal Supply Service
General Services Administration
Harborside Warehouse
Jersey City, New Jersey

Dear Mr. Purcell:

Transmitted herewith are samples received in this office for evaluation as to color and acceptability for stockpiling.

While I realize that some of these samples are in very poor preparation they are the best obtainable samples. The following list of samples are being transmitted:

DMEA No.	Name of Mine
1388	Huskins Mine
1955	Winters Prospect
2017	Nancy II
2249	Luther Mine
2327	May Mine
2414	Doublehead Mine
2429	Carpenter Mine
2430	Bumgardner Mine
2431	Glen Mead Mine

We would appreciate having the samples returned, if it is convenient for you to do so.

LGHouk:gad 5/20/52

Sincerely yours,

Copy to: Admin. Reading File
Docket File
Mr. Dietrich, 3526
Mr. Norton, G-232, GSA Bldg.
Mr. Houk

Signed 5-20-52
Lawrence G. Houk, Chief
Non-Metallic Minerals Division
Defense Minerals Exploration
Administration

Enclosures 9

P.S. Shall we send our mica samples to the nearest mica buying stations for evaluation when they begin operations?

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

May 13, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator, DMEA

From: Executive Officer, Field Team, Region VIII

Subject: April Progress Report, Idm-E-275, Docket DMEA-2017

Attached are two copies of the Operator's Progress Report from the Strafford Mines, Inc., Nancy No. 2 mine, Merrimack County, New Hampshire, for the month of April 1952. This has been approved and is being sent to the Finance Officer, Region VIII, for payment of the Government's share. Mr. L. T. Millar, Mining Engineer, is scheduled to visit the property during the week of May 12.

McHenry Mosier

McHenry Mosier

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 13 1952

College Park, Maryland

April 24, 1952

Mr. Kenneth L. Jones, President
Strafford Mines, Inc.
Bristol, New Hampshire

Dear Mr. Jones:

Contribution by the Government to the costs of the work under your Exploration Project Contract No. Idm-E-275, necessarily depends upon some suitable evidence of the various items of cost to which the Government contributes. Generally, this evidence should be in the form of original or certified copies or certified transcripts of invoices, purchase orders, purchase contracts, or payrolls, for all costs to which the Government is to contribute. Such documentary evidence of each item of cost should be attached to each monthly report on Form MF-104, setting forth costs for contribution by the Government.

If all costs are supported by suitable documentary evidence, in many cases the Government's contribution can be paid in full, currently, as the costs are incurred. As to any items for which such suitable documentation is not provided, auditing of the operator's accounts by the Government, with consequent delay in payment and withholding of final settlement and payment by the Government, will be necessitated.

The certification on such supporting documents may be simply: "Certified true copy (or transcript)," followed by the signature of the operator.

Very truly yours,

Mellenry Monier, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

copy for WChamberlain
DNAnderson, Pgh.
DMEA Files 2

C O P Y

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

April 17, 1952

Mr. Kenneth L. Jones, President
Strafford Mines, Inc.
Bristol, New Hampshire

Re: Docket No. DMEA-2017

Dear Mr. Jones:

In reference to your letter of April 15 regarding procedure in preparing Operator's Monthly Progress Reports, attached are twenty-five copies of Form MF-104 which contains instructions for preparation and submission. The first report is due after the complete calendar month of operation, for instance, if you start on the 15th of April the first report would cover the period, April 15 to May 31, and if you started March 28 the initial period would end April 30.

It is not the responsibility of the Government to set grade stakes nor to establish center lines for tunnels. If you need help for this engineering work you should employ a local surveyor.

If you will advise me of the exact date on which you started work on the project, an engineer from this office will endeavor to call on you at the mine prior to the date for submitting your first Operator's Monthly Progress Report.

Yours very truly,

(S) McHenry Mosier, Executive Officer
Bureau-Survey Field Team
Defense Minerals Exploration
Administration, Region VIII

Enclosures

McH:rwa

copy for DMEA files

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

~~WASHINGTON 25, D. C.~~

College Park, Maryland

April 7, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee, DMEA

From: Executive Officer, Bureau-Survey Field Team, Region VIII

Subject: Docket No. DMEA-2017 - Beryl-Mica
Strafford Mines, Inc.
Nancy No. 2 Mine
Grafton County, New Hampshire
Contract Idm-E-275

In reference to your letter of March 17, enclosing original and five copies of Contract Idm-E-275, covering the subject exploration project, the original and three copies of this contract, which have been signed by Kenneth L. Jones, are attached.

McHenry Mosier

McHenry Mosier

Enclosures 4

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 8 1952

FILE COPY
SURNAME:

Robertson

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

600

MAR 17 1952

Mr. McHenry Mosier
Executive Officer, Region VIII
Bureau of Mines
Eastern Experiment Station
College Park, Maryland

Subject: Docket No. DMEA-2017
Beryl-Mica
Strafford Mines, Inc.
Nancy #2 Mine
Grafton Co., New Hampshire

Dear Mr. Mosier:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by this office for the Government with register number and effective date.

If the contract meets with your approval, present it to the Operator for his approval and signature. If any provisions are unsatisfactory to the Operator, return all copies to this office along with suggested changes for consideration.

After signing of the contract, one copy is to be given to the Operator, one copy retained for your files, and the remaining copies, including the original, are to be returned to this office as soon as possible.

A copy of the contract required by the Regional Finance Office will be forwarded directly by the Washington Finance Section.

Sincerely yours,

3/17

(signed) FRANK E. JOHNSON
(JB)

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Enclosures - 6

LGHouk:mp 3/13/52
Copy to: Admin. Reading File
Operating Committee
Docket File
Mr. Dietrich, 3526
Mr. Norton, G-228, GSA Bldg.
Mr. Houk

Approved:

C. H. Johnson (JB)
For Bureau of Mines

T. P. Thayer (JB)
For Geological Survey

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

C O P Y

College Park, Maryland

May 13, 1952

Memorandum

To: D. M. Anderson , Finance Officer, Region VIII

From: Executive Officer, Field Team, Region VIII

Subject: April Progress Report, Idm-E-275, Docket DMEA-2017

Attached is one copy of the Operator's Progress Report from the Strafford Mines, Inc., Nancy No. 2, mine, Merrimack County, New Hampshire, for the month of April 1952, which has been checked by H. L. Burmeister and approved by me. You will note that the amount approved for payment this month by the Government is $1,622.54.

McHenry Mosier

Enclosures:

Invoice of 4/3/52 - A.S. Woodward, Contractor Bulldozing & trucking - 3/25/52 thru 4/3/52	$110.50
Strafford Mines, Inc. certified inventory of explosives, 4/18/52, supported by invoices Nos. 29174 & 28458 of 9/5/51 and 29319 of 9/18/51, from New Hampshire Explosives & Machinery Co., Inc.	411.40
Scott Machinery, Inc. -	
Invoice No. 2814 of 11/3/51 - Drill steel	12.20
Invoice No. 3329 of 4/30/52 - Drill bits & rods	29.66
Boston & Maine Railroad	
Invoice No. 3266 of 4/4/52 - Track spikes	29.20
Certified true copy of payroll Week ending 3/29/52 thru week ending 5/2/52	927.14

C O P Y

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

March 10, 1952

Memorandum

To: Acting Administrator

From: Chief Counsel

Subject: Strafford Mines, Inc., exploration project — Docket No. DMEA-2017

The attached seven copies of a draft of an exploration project contract in this case are in satisfactory legal form subject to the attachment of the requisite maps and subordination agreements.

Your file in this case is returned.

J. L. Hofflund
Chief Counsel

Attachments

Kenneth L. Jones, Pres. Willard J. Hodges, Treas.

STRAFFORD MINES INC.
BRISTOL, NEW HAMPSHIRE

February,16,1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 25 1952

Mr.Laurence G.Houk,Acting Chief
Nom-metallic minerals division
Defense minerals exploration administration

Dear Mr.Houk,

In reply to your letter dated Feb.6th you will find the information you requested.

DMEa-2017

(1)Compressor

When this application was made out rental value of owned equipment was allowed as a cost see section 11 MO 5 dated April 6,1951.This was changed some time after the application had been sent in and the time the field team made their visit to inspe ct the property. During the field teams visit the matter was discussed at length and the price of 4.00 was aggreed upon as be ing only actual cost of owning and operating a compressor under the conditions that would prevail.Due to the long delay it was necessary to move to another property therefore the compressor is not available now.and it will be necessary to rent a compressor.

(2) Boundries

The following is the description of the property as given in a warranty deed dated Nov.25,1944." The farm known as the David Tenney farm,Formerly taxed to W.F.Gray,said farm containing 250 acres ,more or less,bounded and described as follows:- on the south by Ira Cummings farm and Silvester Wheet farm:east by Emma Wheet farm:north by Warren Elliot farm: west byEnoch Diamond land and Ed Peirce. Excepting and reserving that portion conveyed by the late George C.Craig to James Parris by deed recorded in Grafton registry of deeds book 521 page 85."

(3) Sample of mica

Enclosed you will find sample requested.These samples do not necessarily represent the bigest or the best mica the mine will produce as they are all that is available now.

This mine has,in the past,produced large quantities of high grade ruby mica,and as we have some substantial commitments for that kind of mica in very vital electronic components for the defense program,we therefore request that this application be acted upon without further delay. Trusting that the above answers fully your needs I remain,

Very truly yours,

Kenneth L. Jones

FILE COPY
SURNAME:

Robertson
Houk
Mott

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

FEB 6 1952

Mr. Kenneth L. Jones
President, Strafford Mines, Inc.
Bristol, New Hampshire

Subject: Docket No. DMEA-2017
Strategic Mica
Nancy No. 2 Mine
Groton, New Hampshire

Dear Mr. Jones:

Referring to your application Docket No. DMEA-2017, we find it necessary to ask for the following additional information.

(1) Concerning Compressor:

Your revised list of costs show the item - Air Compressor - as a rental item, 588 hours @ $4.00 including gas and oil. However, the application states the company owns a compressor. No rental allowance is allowed on operator's own equipment, but a depreciation allowance of 1/60 of replacement value is allowed for each months use. Please revise this cost figure or explain the reason why a rented compressor is needed.

(2) Concerning Property Boundries:

Please send boundary description of property, and an estimate of total acreage.

(3) Concerning Samples of Mica for Color Determination:

Please send ten pieces of mica of quality and size such as to represent pieces of the best and largest obtainable. If possible, they should be 100% trimmed and 30-40 mils thick.

On receipt of your reply, we will be able to proceed with the processing of this case.

Sincerely yours,

JTRobertson:gad 2/4/52
Copy to: Admin. Reading File
Docket File
Mr. Norton, G-228 GSA Bldg.
Mr. Dietrich, 3526
Mr. Houk

2-6-52
F.D.

Lawrence G. Houk, Acting Chief
Non-Metallic Minerals Division
Defense Minerals Exploration
Administration

IN REPLY REFER TO:

Edenton. 4685

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

December 18, 1951

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMA-2017

To: Lawrence Houk, Defense Minerals Exploration Administration
From: J. J. Norton, U. S. Geological Survey
Commodities: Mica, beryl
Applicant: Strafford Mines, Inc., Nancy No. 2 Mine.
Location of property: Merrimack County, New Hampshire.
Field team's recommendation: Exploration by adit and drifts.
Comments: 1. If the keel plunges 50-60°, as stated, then the intersection of adit and pegmatite shown on map will be very near the keel. If plunge decreases, the adit could miss pegmatite entirely.

2. The report indicates that a considerable amount of underground work was done in 1950-1951. I presume that that the applicant has provided production figures and possibly other data on this work to show that further exploration is justified. If not, should he provide such data? I can't help but be a little leery of recent mine workings that are under water.

ACTION SUGGESTED:

Follow field team's recommendations, with any modification necessary in accordance with comments made above.

J. J. Norton

J. J. Norton

Concur: W. F. Dietrich

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

December 6, 1951

Memorandum

To: Frank E. Johnson, Chairman
Operating Committee, DMEA

From: Executive Officer
Bureau-Survey Field Team
Region VIII

Subject: DMA Docket No. 2017, Nancy No. 2 Mine, Merrimack Co., N. H.
Strafford Mines, Inc.

Submitted herewith is the Field Team's report recommending approval of the subject application.

Enclosed are:

4 Copies of the Field Team's report with maps attached, one map by the applicant and one map of the planetable survey by Government engineers.

4 Copies of the deed to the subject property.

4 Copies of the estimated cost of exploration revised.

6 Copies of Exploration Contract, Form MF-200, signed by the applicant.

McHenry Mosier

McHenry Mosier

Attachments

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 7 1951

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM
REGION VIII

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 7 1951

DMA Docket 2017

Nancy No. 2 Mine, Merrimack County, New Hampshire

Strafford Mines, Inc.

(Mica-Beryl)

W. T. Millar, Mining Engineer
U. S. Bureau of Mines

Glenn W. Stewart, Geologist
U. S. Geological Survey

November 29, 1951

ON-SITE EXAM. REPORT

SUMMARY AND RECOMMENDATION

The Nancy No. 2 deposit is located in the town of Groton, Grafton County, New Hampshire. From past records and geological indications it is considered a potential producer of strategic mica and beryl.

The proposed adit tunnel (see Fig. 1) will utilize the natural advantage of the terrain. It will gravity drain the working places and also be the cheapest mode of removing broken rock from the mine. Less construction and equipment are required and it appears to be the most feasible and economic means of exploring this deposit.

The Field Team recommends this application for acceptance.

INTRODUCTION

The Nancy No. 2 mine is located 300 feet northwest of the Nancy No. 1. Both are in the town of Groton, Grafton County, New Hampshire. To reach the mine from the village of North Groton, take a graveled road for 0.2 mile northeast, past a church, to a mine access road on the left. Turn onto the access road and follow for 0.5 mile to the mine.

The mine was examined on October 9, 1951 by the DMA Field Team comprised of W. T. Millar, Bureau of Mines and Glenn W. Stewart, U. S. Geological Survey. They were accompanied by Mr. K. L. Jones, President of the Strafford Mines, Inc., the applicant.

As a result of a temporary suspension of operations the lower workings were flooded and inaccessible. On October 29 - 30, 1951 Stewart and W. Barton of the U. S. Geological Survey made a plane table survey of the site. Five trenches were made in the muck-covered floor of the lower workings to expose the mica-bearing zone for examination.

Most of the surface geology was taken from two maps, prepared by Stewart in 1943 and 1944.

MINE WORKINGS

The mine consists of two open pits and underground workings at two levels. The mine was first worked as an open pit, which at present is 60 to 65 feet long, 10 to 20 feet wide, and 5 to 35 feet deep. A 30-foot timbered shaft was made in the open pit but the timbers have been removed. Drifts have been made eastward from the open pit along the strike of the pegmatite. The upper workings are approximately 70 feet long and have an average width of 8 feet. The floor of these workings ~~are~~ is timbered from the entrance to a point about 36 feet eastward from the open pit. These workings are connected to the lower workings by an incline, the upper portions of which are inaccessible. The lower workings consist of a drift along the strike of the pegmatite for over 100 feet. The back ranges from

5 to 8 feet above the floor and the average width is about 10 feet. Between August and December 1944 an open pit 35 feet long, 10 to 15 feet wide from 15 to 20 feet deep was made at the northeast end of the pegmatite.

At the time the mine was closed in 1945 the drifts were about 30 to 40 feet long. Most of the underground work has been done during intermittent operations which began in the fall of 1950.

WALL ROCK

The wall rock is the Littleton quartz-mica-sillimanite schist in which most of the sillimanite has been interbedded with layers of quartzite as much as 2 inches thick. The foliation strikes N. 20° - 40° E. and dips southeast from 70° to 90°.

GEOLOGIC SUMMARY

The pegmatite is exposed for 165 feet along the strike and is 3 to 27 feet thick. It strikes N. 35° - 75° E. and in most places dips steeply northwest, but there are local reversals of dip. The wall rock wraps completely around the pegmatite at the southwest end of the open pit. In this area the pegmatite appears to plunge from 50° to 60° northeast and is shown to bend sharply into a northwest direction along the line of Section C-C'. A more logical interpretation might indicate a wedge of schist separating the pegmatite outcrops at the surface. The pegmatite is continuous along the floor of the lower workings. Although accurate measurements could not be made, it is believed that the keel of the schist wedge, which separates the pegmatite in the northeast end of the underground workings, plunges northeast. The pegmatite contacts are discordant to the wall rock foliation in some places and concordant at others.

The pegmatite is separated from the unaltered wall rock in many places by a layer of aplitic rock that ranges from 0 to 15 feet thick. It is composed of quartz albite, fine-grained muscovite, and accessory tourmaline, garnet, biotite and apatite. Alignment of biotite, narrow bands of garnet and tourmaline crystals, and fine-grained muscovite in the aplitic rock, present a marked foliation that is essentially parallel to the foliation of the wall rock. In places small lens-shaped xenoliths of partly unaltered wall rock, which occur in the aplitic rock, reach a maximum of 1 foot in length and 4 inches in thickness. The foliation of the aplitic rock and xenoliths is unbroken at the contacts. The contacts between the unaltered wall rock and aplitic rock are sharp in places, gradations in others, and are commonly very irregular. Medium-grained lenses of pegmatite as much as 6 feet long and 1 foot thick, with the long dimensions commonly parallel to the foliation of the unaltered wall rock, are present in this aplitic rock.

The following pegmatite zones have been recognized:

(1) Border zone

(2) Wall zone

(3) Core margin, or intermediate zone

(4) Quartz core, discontinuous

The fine-grained border zone, 1 to 2 inches thick, is adjacent to the aplitic rock in a few places. It is composed of albite, quartz, muscovite, and accessory tourmaline, garnet and apatite. The contact between the pegmatite and aplitic rock is locally gradational.

The wall zone, 1 to 4 feet thick, is discontinuous in the upper and wider parts of the pegmatite, and in places along the wedge of wall rock exposed in the lower workings. It is composed of albite, smoky quartz, scattered books of sheet-bearing muscovite, small amounts of biotite, and accessory tourmaline, garnet, apatite and pyrite. This zone merges with the core-margin zone in the narrower parts of the pegmatite in both workings. In places where the core and core-margin zones are absent, it forms the center of the pegmatite.

The core-margin, 1 to 3 feet thick, is discontinuous. It is composed of sheet-bearing muscovite, smoky quartz, albite, and accessory torumaline, garnet, apatite and pyrite. In places where the quartz core is absent, this zone forms the center of the pegmatite.

The quartz pegmatite core has a maximum thickness of 5 feet, but is discontinuous. Most of the quartz is smoky, but milky quartz is present in the upper parts of the pegmatite and at the surface. Subhedral and anhedral perthite crystals, as much as 12 by 12 by 8 inches, occur in some of the quartz bodies in the upper 3 to 5 feet of the pegmatite. Aggregates of graftonite, triphylite and vivianite, as much as 4 inches in diameter, have been recovered from the core.

GENERAL DESCRIPTION AND OCCURRENCE OF SHEET-BEARING MUSCOVITE

Most of the sheet-bearing muscovite is light to medium rum-colored and is in the core-margin zone. The books are hard, flat and compact. They are slightly ruled and stained averaging 4 by 4 inches or larger. A herringbone structure may be found on the outer parts of some large books. Tourmaline, magnetite, or garnet inclusions, quartz films along cleavages, or other structural imperfections are not abundant. Some of the muscovite recovered from the northeast pit is light green colored. It is ruled and stained.

SUMMARY AND CONCLUSIONS

Much of the above information is contained in unpublished reports submitted by Glenn W. Stewart for the strategic mineral investigations of

the U. S. Geological Survey during World War II.

Some of the conclusions made in earlier reports should be modified because recent mining has exposed the mica-bearing zone for at least 100 feet along the strike of the pegmatite. The extension of the mica-bearing zone down dip remains unknown. However, it is a reasonable assumption that the zone will extend down dip for half the strike distance.

The plunge of the pegmatite cannot be determined accurately, but the present exposures along the contact in southwest pit, where the wall rock wraps completely around the pegmatite, suggests that the pegmatite plunges steeply northeast; possible 50° - 60°. In the upper workings the pegmatite was mined along the strike until the mica-bearing zone terminated and the pegmatite thinned to approximately 1 foot. The workings are inaccessible at this place, but observations in the lower workings suggest that the northeast end of the upper workings approximates the end of the pegmatite at that level, and the pegmatite plunges steeply northeast.

The best quality and most productive area of sheet bearing muscovite will probably continue to be the core-margin zone. This zone extends beyond the segments of the discontinuous quartz core, but is absent in places. Five trenches were made in the muck-covered floor of the lower workings to expose the mica-bearing zone. In general, the mica-bearing zone is nearer the hanging wall contact and the aplitic rock along the hanging wall is much thicker than in other parts of the pegmatite.

Accurate records for the mine run mica recovered from the Nancy No. 2 have never been available but an estimate of 8 percent recovery of run of mine mica is considered conservative.

The following calculations are based on the geological data.

Length of the pegmatite, 100 feet
Estimated average thickness, 8 feet
Amount of pegmatitic material above the floor
of the proposed tunnel is 42 feet

100 x 8 x 42 = 33,600 cubic feet
Assuming 11.5 cubic feet of pegmatite in place
equals one ton
33,600 ÷ 11.5 = 2,922 of pegmatite
Estimated 8% mine-run mica
2,922 x 8 = 233.76 tons of mine-run mica

The applicant indicated the sheet mica recovery to be
20 percent. So 233.7 x 20 = 46.75 tons of sheet mica

Assuming the average value of sheet mica to be $2.00
per pound 93,500 pounds x $2.00 = $187,000

or assuming the average value of min-run mica to be
$1,000 a ton, 233.76 tons would yield $233,760

THE RECOMMENDED EXPLORATION PROGRAM

Cut down floor of the open-cut, located 200 feet south of the present mine workings and northwest of the access road at the bend, to elevation 1015. Extend open-cut northward. Start adit whenever there is a sufficient back. Run crosscut on water grade under center of the present mine workings, approximately 200 feet. When pegmatite is encountered run drifts northeast and southwest from the crosscut to the limits of the deposit, possibly 90 feet in each direction.

PROBABLE COST OF EXPLORATION

Extension of open-cut excavation:	
5 x 10 x 70 @ $20/ft.	$ 560.00
Adit:	
5 x 7 x 200 @ $20/ft.	4000.00
Drifts:	
5 x 7 x 180 @ $30/ft.	5400.00
Clerical work, surveying, sampling and analyses	437.08
Total Exploration -	$10397.08

Probable time schedule of Exploration:

Open-cut extension	-	2 weeks
Adit	-	5 weeks
Drifts	-	5 weeks
Total	-	3 to 4 months

REPAYMENT OF LOAN

The loan can probably be repaid from the mica values taken from the block being explored. Then as a reserve there is an undeterminable content of beryl, which should yield a fair return.

CONCLUSION

It is the consensus of the Field Team that this application for aid for an exploration project pursuant to MO-5, DMA Docket 2017, be approved.

Glenn W Stewart

Glenn W. Stewart
U. S. Geological Survey

W. T. Millar

W. T. Millar
U. S. Bureau of Mines

Nancy No. 2 mine - DMA Docket 2017

Answers to Reviewers Questions -

1 - O.K.
2 - O.K.
3 - O.K.
4 - Fair - 100 feet of good mica showing in floor of lower workings should continue down at least 50 feet.
5 - O.K.
6 - Copies of lease herewith. Time O.K.
7 - Subordination agreements said to have been mailed to Woskey.
8 - (a) O.K.
(b) Some equipment to be purchased.
(c) Accessible
(d) Water O.K.
(e) Power - Air - O.K. for present, may need electricity later for underground operation.
9 - O.K.
10 - (a) O.K.
(b) O.K.
(c) O.K. - Yes
(d) Yes
(e) Yes
(f) O.K.
(g) Completed
11 - (a) O.K. - No structures needed only mining equipment as listed.
(b) O.K.
(c) Completed
12 - (a) O.K.
(b) O.K.
(c) Yes
(d) Completed
13 - (a) O.K.
(b) O.K.
(c) No
(d) O.K.
(e) Completed
14 - (a) O.K.
(b) O.K.
(c) O.K.
(d) Completed
15 - Yes
16 - Yes
17 - Completed

FILE COPY
SURNAME:

Waskey
Barr

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION 370
WASHINGTON 25, D. C.

OCT 3 1951

A.E.C.

Mr. Kenneth L. Jones, President
Strafford Mines Inc.
Bristol, New Hampshire

Subject: DMA-2017 - Mica & Beryl

Dear Mr. Jones:

Receipt is acknowledged of Landlord's Subordination Agreement, Form MP-372. It will also be necessary to furnish a copy of the lease agreement involved and state that the lease is in good standing.

As you were advised in our letter of September 24, 1951, subject application has been referred to our Field Team, Region VIII. As soon as a report is received from the Field Team, processing will proceed as rapidly as possible.

Sincerely yours,

SIGNED

James A. Barr, Jr., Chief
Industrial Minerals Branch

JF 10-8

RWASKEY:mp
10-5-51
cc: Field Team, Region VIII
DMA Docket File
Mr. Barr

FILE COPY
SURNAME:

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

370

Wosley
Barr
Thayer
Moon

OCT 1 1951

Mr. Kenneth L. Jones, President
Strafford Mines, Inc.
Bristol, New Hampshire

Subject: DMA-2017X, Mica-Beryl
Nancy Mine #2

Dear Mr. Jones:

Your application is being referred to Mr. McHenry Mosier, Executive Officer, DMA Field Team, Region VIII, Easter Experiment Station, College Park, Maryland, for further information.

Sincerely yours,

SIGNED ca 10/1/51

Tom Lyon, Director
Supply Division

RWASKEY:mp
9-24-51
cc: Field Team, Region VIII (2)
DMA Docket File
Mr. Barr

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

370

OCT 1 1951

Mr. McHenry Mosler, Executive Officer
DMA Field Team, Region VIII
Eastern Experiment Station
College Park, Maryland

Subject: Nancy Mine #2,
North Groton, N. H.

Dear Sir:

We attach "Review of Application for Exploration Assistance" on:

Applicant Strafford Mines, Inc., Bristol, N. H.

Docket No. DMA 2017X

Commodity Mica-Beryl

Amount $ 11,000

Please expedite the consideration of this application with particular reference to the points raised in the attached "Review".

Very truly yours,

Tom Lyon, Chairman
Coordinating Committee

For Bureau of Mines

For Geological Survey

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. 2017

Commodity Mica - Beryl

Total Amount $11,000

Govt. Participation 90%

1. Name and Address of Applicant Stratford Mines, Inc.
Bristol, New Hampshire

2. Location of Property North Groton, N.H.

3. Mineral or metal Mica - Beryl Is it listed in Section 9 of MO-5?
If not, application will be rejected. YES

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good

b) Poor

c) None

d) Don't know—needs field examination See Memo Attached

e) Is there an alternative and favorable project?
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes, Lessee
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? NO

Does the lease have sufficient time to run to cover a future productive period? Insufficient data

*question numbers are those of MF-103

7. Are subordination agreements necessary? Applicant must supply copy

a) MF-201? of lease & Forms MF-202 executed or as

b) MF-202 We understand president of Applicant Corporation is owner he may apply to have contract in his name—in either event a clearer legal description is needed—

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower yes

b) Equipment and supplies yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* yes

d) Water (question 13)* yes

e) Power (question 13)* yes

Is a field check needed on any of these points? yes, all of them

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* yes

Is a field check needed on this point? NO

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? yes

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? NO — a better map should be furnished

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? At least in part.

If not, what part of it is? Crosscut and drifts probably would qualify — Raises need some additional justification — It may be desireable to alter the program by conference in Field—

Is this part a worthwhile exploration project? Field Team Decide

d) Are the cost estimates detailed? NO

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? NO If so, attach a draft.

e) Are the cost estimates reasonable? Appear so

f) Should more information be requested from applicant? By Team

g) Is a field examination necessary to complete Exhibit A? Yes

11. Exhibit B (question 23-d)*

a) Is it applicable? Apparently Not

b) If so, are sufficient data furnished? NO If so, attach a draft.

c) Is a field check needed? Yes

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Insufficient data

b) Sufficient data? NO If so, attach a draft.

c) Are rents and charges reasonable? Insufficient data

d) Is a field check needed? Yes - Supply all data needed for Contract exhibits

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? NO

b) Is the schedule adequate for the work proposed? Insufficient data

c) Is the schedule excessive for the work proposed? ✓ ✓

d) Are the proposed wages and salaries reasonable? ✓ ✓

e) Is a field check needed? Yes

14. Exhibit E (question 23-c)*

a) Is it applicable? Probably Not

b) Sufficient data? NO

c) Reasonable? Unknown

d) Field check needed? Yes

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? If examination produces data to justify exploration then secure agreement with applicant on exact nature of work to be done and supply all necessary data for contract exhibits including a sketch map showing work to be done

Reviewed by [illegible]

Date 9/21/57

Rept

97692

Kenneth L. Jones, Pres.

Willard J. Hodges, Treas.

STRAFFORD MINES INC.
BRISTOL, NEW HAMPSHIRE

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
OCT 3 8 59 AM '51

Sept.29,1951

Defense Minerals Adm.
3538 New Interior Bldg.
Washington,D.C.

Re Exploration loan DMA 2017

Gentlemen: Attention Robert Waskey

Enclosed please find landlords subordination form.I hope that this makes everything in order.

It has been two weeks since I visited you in Washington. At that time the above-noted loan was in the Survey and had been approved there and was going back to your office. Will you please advise when I can expect to have your field team up here to look over the ground? Also,assuming a favorable report by them how much longer will it be to complete the contract so that we may start work on the tunnel and reopen the mine which we shut down when you people told us that any work done before the signing of the contract could not be considered as part of the work?

Very truly yours,

OFFICIAL FILE COPY

To	Init.	Date
370		10/3/51
370		

IN REPLY REFER TO:

G-MD-WRG

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

September 20, 1951

Memorandum

To: Robert Waskey, Defense Minerals Administration

From: W. R. Griffitts, U. S. Geological Survey

Subject: Application DMA-2017 from Strafford Mines, Inc., for exploration of the Nancy No. 2 Mine, New Hampshire.

This application for $11,000 should be referred to the field team.

A report prepared in 1945 states that most of the sheet-bearing muscovite occurs along the margins of the quartz core segment in fine-grained pegmatite. It also states that the dike narrows downward and may pinch out a short distance below the workings. A map, dated June 28, 1944, shows that the southwestern end of the dike was exposed in the open cut at that time. The plunge of the deposit is not known. If it is to the northeast, even at a very steep angle, a tunnel at 90 feet depth might well miss the dike. If the plunge is vertical or to the southwest, a tunnel might be useful.

It is thought, therefore, that a 150 to 200 foot tunnel would be ill-advised unless there is some evidence that the dike continues to the proposed place of intersection.

The application should be referred to the field team. The team should look for some indication of the direction and angle of plunge and to determine the practicability of exploring the deposit by sinking a 40-50 foot shaft in pegmatite. In a deposit that may lack persistence this would be far safer than driving the tunnel in country rock. The shaft sinking could be stopped above the 90-foot level if the pegmatite body bottoms above 90 feet whereas the tunnel would have to be completed before the persistence or lack of persistence could be determined.

It is noted that the applicant has no written lease. Kenneth L. Jones, the president of the company, states that he is the owner, however.

W R Griffitts

W. R. Griffitts

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

DMA-2017

September 10, 1951

Memorandum

To: Tom Lyon, Chairman
Coordinating Committee

From: Executive Officer
Region VIII

Subject: Strafford Mines, Inc.
Bristol, New Hampshire
(Beryl and Scrap Mica)

Transmitted herewith in quadruplicate is Form MF-100 relating to the above mines. This should complete the application for which Form MF-103 was transmitted by this office on August 28, 1951.

McHenry Mosier

Attachments

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

August 28, 1951

DM A-2017

Memorandum

To: Tom Lyon, Chairman
Coordinating Committee

From: Executive Officer
Bureau-Survey Field Team
Region VIII

Subject: Application for aid for exploration project, Nancy Mine #2, Grafton County, New Hampshire. (Mica and Beryl)

Attached is application noted above from Kenneth L. Jones, President, Strafford Mines, Inc., Bristol, New Hampshire. I have acknowledged this application and in my letter to Mr. Jones requested that he submit Form MF-100 in addition to MF-103.

McHenry Mosier

Attachments

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
AUG 29 11 05 AM '51

[illegible]
College Park, Maryland

August 28, 1951

DMA-2017

Mr. Kenneth L. Jones, Pres.
Strafford Mines, Inc.
Bristol, New Hampshire

Dear Mr. Jones:

In reference to your letter of August 8, enclosing four signed copies of MF-103 in connection with application for exploration at the Nancy Mine #2, North Groton, New Hampshire:

These forms are being transmitted to Washington so that your application will not be delayed. However, Form MF-100 must also be executed. If you will complete these forms in quadruplicate I shall be glad to transmit them for you.

In your application you "suggest that full value for the work already done be applied as payment toward our contribution." Unfortunately, the rules relative to application deny this suggestion. No work done prior to signing a contract for exploration can be credited toward the required contribution by the owner or lessee.

Yours very truly,

McHenry Mosier
Executive Officer
Bureau-Survey Field Team
Defense Minerals Administration
Region VIII

Enclosures

c collection

copy for [illegible] File 2
[illegible]
[illegible], working for
[illegible]

Mr. Kenneth L. Jones, President
Strafford Mines, Inc.
Bristol New Hampshire

Subject: DMA-2017
Re: Exploration Loan
Nancy Mine

My dear Mr. Jones:

This will acknowledge receipt of your application dated August 8, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMA-2017 and referred to the Industrial Minerals Branch.

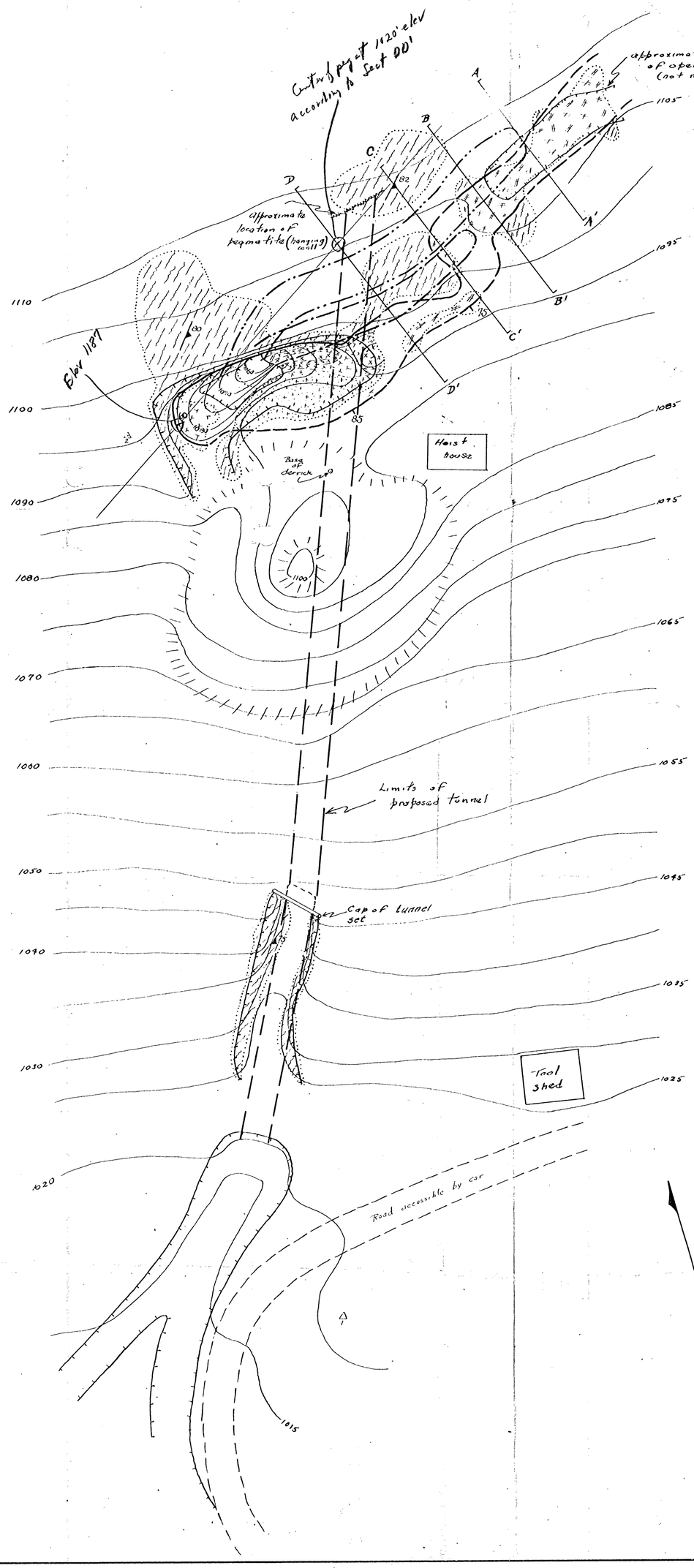
Kindly refer to DMA-2017 in any future correspondence relating to your application.

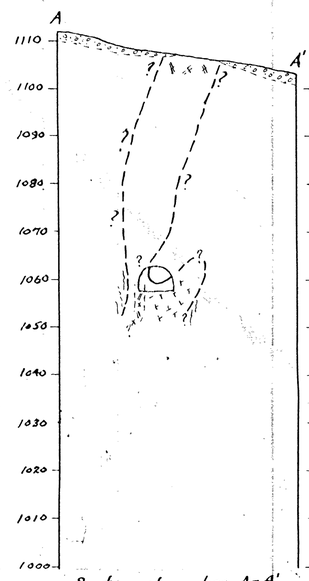
Sincerely yours,

Robert E. Adams

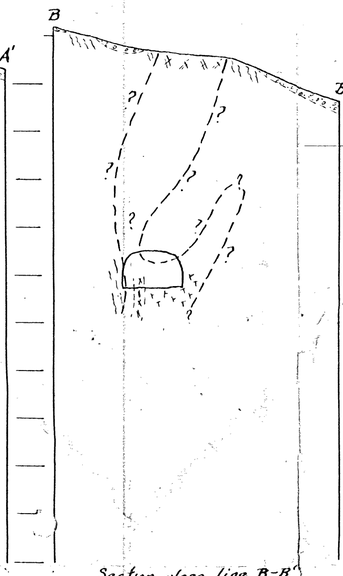
Robert E. Adams, Chief
Reports and Records Unit

2463





Section along line A-A'



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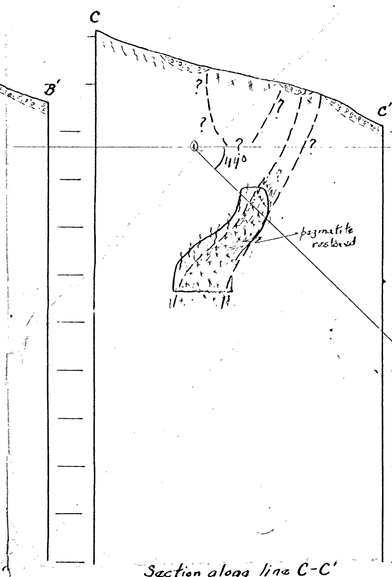

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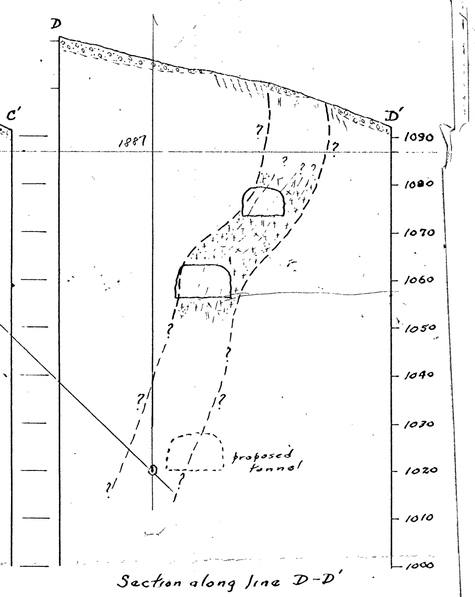
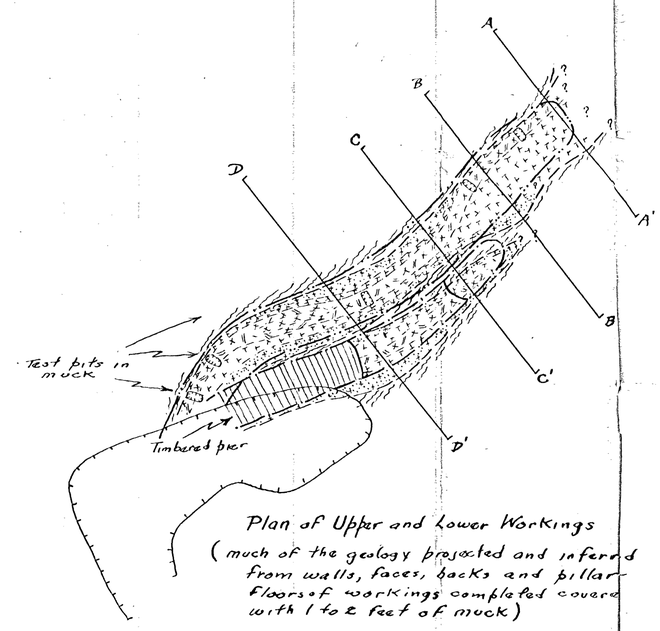


Section along line D-D'



Plan of Upper and Lower Workings
(much of the geology projected and inferred from walls, faces, backs and pillar floors of workings completed covered with 1 to 2 feet of muck)

EXPLANATION

- Overburden
- Pegmatite, undivided
- Quartz pegmatite
- Muscovite-quartz pegmatite
- Albite-quartz-muscovite pegmatite
- Aplitic rock
- Quartz-mica-sillimanite schist
- Strike and dip of foliation
- Contact showing dip; dashed where approximate
- Contact between pegmatite zones
- Rim of excavation
- Limit of workings in upper level
- Limit of workings in lower level
- Edge of dump
- Limit of exposure

Scale

0 20 40 60 feet

Contour interval five feet

Datum plane assumed

-17° True North

Source of Data

Plane table survey by Glenn W. Stewart and N.K. Flint, October 16-17, 23-24, 1943

Progress map by Glenn W. Stewart and N.K. Flint, June 28, 1944 (Confidential - for government use only)

Plane table and chain and compass surveys by Glenn W. Stewart and W. Barton, October 29-30, 1951

November 8-9, 1951

DMM Docket 2017

NANCY No. 2 MINE

Groton, N.H.