DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 3434

DO NOT DETACH THIS SLIP

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

This document has been recorded as

Exploration Assistance

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

Cys to USBM, USGS, & Reg.

Routing Slip

To:	600	Date	8/6/54
To:	Open Com	Date	8-25-54
To:	Open Com	Date	10-13-54
To:	Open Com	Date	10-20-54
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DO NOT DETACH

CONTROLLED DOCUMENT

Docket Copy
Surname:
Houk
Kiilsgaard
Selfridge
Hedges
Mendenhall

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

OCT 21 1954

Mr. L. P. Capp, Vice-President
B & M Corp.
Keystone, South Dakota

Re: Docket No. DMEA-3434 - Beryl-Mica
B & M Corp.
Ponca Mine
Pennington County, South Dakota

Dear Mr. Capp:

Reference is made to your application for exploration assistance on the Ponca Mine, DMEA-3434, in Pennington County, South Dakota.

The Defense Minerals Exploration Administration Field Team, after a field examination of the Ponca Mine, reported to this office on October 23, 1951. As a result of this examination the application for exploration assistance was denied on the geological improbability of making a significant discovery. On November 26, 1951, the docket was re-examined at the request of the applicant and the denial was reaffirmed.

The re-examination of the subject mine on September 7, 1954, shows that no work has been done at the property since our previous examination, and there is no new information in the present application to change our previous decision. We must, therefore, reaffirm our previous decision and deny your application for exploration assistance.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:gad 10/19/54
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5227
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

Docket Copy
Surname:
Houk
Newcomb
Dietrich

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

Mr. W. P. Capp, Vice-President
B & M Corp.
Keystone, South Dakota

Re: Docket No. DMEA-3434 - Beryl-Mica
B & M Corp.
Ponca Mine
Pennington County, South Dakota

Dear Mr. Capp:

Reference is made to your application for exploration assistance on the Ponca Mine, DMEA-3434, in Pennington County, South Dakota.

The Ponca Mine was examined by the Defense Minerals Exploration Administration Field Team on October 23, 1951, and was denied on the geological possibility of making a significant discovery. On November 26, 1951, the application was re-examined at the request of the applicant and the denial was reaffirmed.

The re-examination of the subject mine of September 7, 1954, shows that no work has been done at the property since the original applicants, and there is no new information in the present application to change our previous decision. We must, therefore, reaffirm our previous denial of the application for exploration assistance.

Sincerely yours,

Administrator

LGHouk:gad 10/4/54
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5227
Mr. Dietrich, 3061
Mr. Houk

IN REPLY REFER TO:

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

OCT 20 1954

October 19, 1954

Re: DMEA-3434
B. & M. Corp.
(Ponca Mine)
Pennington Co., S. D.
$10,250 - Beryl-Mica

Memorandum

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

From: E. L. Newcomb, U. S. Geological Survey

Subject: Concurrence with Field Team recommendation for denial

The Field Team has reported that the proposed exploration is practically the same as work proposed in Docket No. 2056, an earlier application which was denied on basis of a field examination report.

Inasmuch as no new work has been done on the property since the original field examination there is no apparent reason why exploration is warranted at this time.

I concur with the Field Team's conclusions and recommend the application be denied.

E. L. Newcomb

E. L. Newcomb

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Region V
2908 Colfax Avenue South
Minneapolis 8, Minnesota

September 20, 1954

Memorandum

To: Operating Committee, Defense Minerals Exploration Administration, Washington, D. C.

From: Executive Officer, Field Team, Region V

Subject: Docket 3434 - B & M Corporation, Pennington County, So. Dak.

Reference is made to your transmittal of August 25, 1954, for review of the subject application.

Examination of the above application indicates it to be a resubmission of Docket 2056 application, a field report on which recommended denial.

No work has been done on the property since the 2056 application, and the Field Team is still of the opinion, as in the instance of the Docket 2056, that the property does not warrant exploration.

A copy of the memorandum from a member of our representatives in South Dakota is attached.

A. B. Needham
A. B. NEEDHAM

Attachment

Reviewed by
DMEA OPERATING COMMITTEE
10-8-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Rapid City Field Office
School of Mines Campus
Rapid City, South Dakota

COPY

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 29 1954

September 15, 1954

10/13/54

Memorandum

To: A. B. Needham, Executive Officer, DMEA Field Team, Region V

From: Field Team, Rapid City Field Office

Subject: Application, Docket 3434, B & M Corp., Ponca Mine Pennington County, S. Dak.

The property, known as the Ponca Mine, was previously owned by A. I. Johnson and J. R. Jurisch, who made an application (Docket 2056X) for exploration of the property in September 1951. The application was denied.

We do not have a copy of the application, Docket No. 2056X, in this office; however, judging from the field team's report of examination, the method and cost of the exploration then proposed is practically identical with the work proposed in the subject application, Docket 3434.

The report of examination dated October 23, 1951, prepared by Glen Walker, mining engineer, and J. A. Redden, the Geological Survey member of the field team, was transmitted to your office on October 24th, and your transmittal letter to Washington is dated October 25, 1951. This report recommends that the application be denied on the basis of insufficient strategic minerals, beryl or sheet mica, to warrant the work then proposed: 300 feet of core drilling, an adit, drift, and raise. Later, the applicant requested that only the first phase of exploration, core drilling, be done; however, this also was denied.

No work has been done on the property since the first application (Docket 2056X) was submitted.

It is possible that a small amount of sheet mica and some beryl can be produced; however, the amount would not support an economic mining operation. It is my opinion that the deposit is a small pod and that the proposed adit may not cut the deposit. In other words, the floor of the present workings is very near the bottom of the deposit and the tonnage of recoverable strategic minerals is even less than was stated in the report of examination.

Reviewed by
DMEA OPERATING COMMITTEE

10-8-54
(date)

In the subject application the location of the property is given as being in section 35, T. 2 S., R. 6 E., B.H.M. In checking I find it actually is in section 14, T. 2 S., R. 6 E., B.H.M., 1/2 mile east of Glendale and 4 miles by road southeast of Keystone.

On September 7, 1954 the Bureau's member of the present field team examined the property and concurs with the recommendations in the report by Walker and Redden--denial of the application. J. A. Redden is still of the opinion that the pegmatite does not warrant exploration and that the application should be denied.

/s/ E. O. Binyon
E. O. Binyon
for
E. O. Binyon and J. A. Redden

cc: Reg. Director, Reg. V
Redden
files

Keystone, S. Dak.
Sept. 4, 1954.

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

Dear Mr. Mittendorf:

We are herewith forwarding copies of the Owner's Consent to Lien form signed by the owners of the property under lease and contract to buy. This is in conjunction with the application of B& M Corp Docket No. DMEA-3434 - Beryl Mica, Ponca Mine, Pennington County, South Dakota.

We desire to have the application processed under the new government participation rate which is 75% of the approved cost.

Very truly yours,

B & M Corp

W. P. Capp

Vice President

W. P. Capp

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

RECEIVED
SEP 13 1954

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of South Dakota, County of Pennington, described as follows:1/ Designated as Ponca and Ponca No. 1- M. S. 1110- Located about 3 miles S. E. of Keystone, S. Dak. in Sec. 35, T. 2 S. R 6 E. BHM

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ B & M Corp.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract or any amendment thereof shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract or any amendment thereof there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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

2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

(OVER)

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

4. Changes and added provisions _____

_____

_____

_____

Dated this 4th day of Sept, 1954.

G. R. Jurisch [Seal]

A. E. Thompson [Seal]

Wm. P. Kapp [Seal]

RECEIVED
SEP 13 1954

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of South Dakota, County of Pennington, described as follows:1/ Designated as Ponca and Ponca No. 1- M. S. 1110- Located about 3 miles S. E. of Keystone, S. Dak. in Sec. 35, T. 2 S. R 6 E. BHM

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ B & M Corp.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

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4. Changes and added provisions _____

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_____

_____

Dated this 4th day of Sept, 1954.

G. R. Gunisch [Seal]

A. Johnson [Seal]

Wm. P. Capp [Seal]

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

SEP 13 1954

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of South Dakota, County of Pennington, described as follows:1/ Designated on Fonco and Fonco No. 1- U. S. 1110- Located about 3 miles S. E. of Keystone, S. Dak. in Sec. 33, T. 2 S. R 6 E. BHM

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ R & M Corp.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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(OVER)

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4. Changes and added provisions _____

_____

_____

_____

Dated this 4th day of Sept., 1954

G. P. Jurisich [Seal]

C. J. Johnson [Seal]

Wolf Kapp [Seal]

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of _____, County of _____, described as follows:1/ _____

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_____

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2/ _____

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_____

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4. Changes and added provisions _____

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_____

Dated this 4th day of Sept., 1954.

G. R. Jamisch [Seal]

C. E. Johnson [Seal]

Ora P. Lapp [Seal]

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

SEP 13 1954

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of _____, County of _____, described as follows:1/ _____

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4. Changes and added provisions _____

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_____

Dated this 4th day of Sept, 1954.

G. R. Jungisch [Seal]

C. J. Johnson [Seal]

Wm. P. Sapp [Seal]

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of _____, County of _____, described as follows:1/ _____

_____

_____

_____

_____

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2/ _____

_____

_____

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4. Changes and added provisions _____

_____

_____

_____

Dated this 4th day of September, 1954.

G. R. Gurich [Seal]

A. J. Johnson [Seal]

Wm. P. Lapp [Seal]

Docket Copy
Surname:
Houk
Martin
F. J. Mason

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

AUG 2 0 1954

Mr. A. B. Needham
Executive Officer, DMEA
Field Team, Region V
2908 Colfax Avenue, South
Minneapolis 8, Minnesota

Subject: Docket No. DMEA-3434 -
Beryl-Mica
B and M Corp.
Ponca Mine
Pennington County, South Dakota

Dear Mr. Needham:

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

This application was submitted through the Office of Senator Karl E. Mundt of South Dakota in behalf of Mr. W. P. Capp, Vice President of the B and M Corp., of Keystone, South Dakota.

Copies of memoranda from the Geological Survey, dated August 10, 1954, and from the Bureau of Mines, dated August 20, 1954, are enclosed for your information.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee (LHB)

Approved:

J. H. Hedges
Member, Bureau of Mines (LHB)

s/ Thor N. Kilsgaard (LHB)
Member, Geological Survey

Enclosures 4

LGHouk:gad 8/24/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kilsgaard, 5227
Mr. Houk

R

Docket Copy
Surname:
Houk
Mentzer
Kilsgaard
Hedges
LGHouk

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

AUG 25 1954

Mr. W. P. Capp, Vice President
B & M Corp.
Keystone, South Dakota

Re: Docket No. DMEA-3434 - Beryl-Mica
Ponca Mine
Pennington County, South Dakota

Dear Mr. Capp:

Your application for exploration assistance, DMEA-3434 for Beryl-Mica on the Ponca Mine, Pennington County, South Dakota, has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. A. B. Needham, Executive Officer, DMEA Field Team, Region V, 2908 Colfax Avenue, South, Minneapolis 8, Minnesota, for further consideration and possibly a field examination.

We are enclosing seven copies of Owner's Consent to Lien form. Please fill out and submit six copies signed by Messrs. A. I. Johnson and G. R. Jurisch.

Please advise if you desire to have your application processed under the new Government participation rate which is 75 percent of the approved cost.

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

Sincerely yours,

C. O. Mittenderf

Administrator

Enclosures 7
LGHouk:gad 8/24/54
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Dietrich, 3061
Mr. Kilsgaard, 5227
Mr. Houk

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

August 24, 1954

Memorandum for the files

Subject: Docket No. DMEA-2056 - Mica-Beryl
A. I. Johnson and G. R. Jurisch
Ponca Mine
Pennington County, South Dakota

Docket No. DMEA-3434 - Mica-Beryl
B & M Corp.
Ponca Mine
Pennington County, South Dakota

An application for exploration assistance on the subject mine was submitted on September 4, 1951, by A. I. Johnson and G. R. Jurisch owners of the subject mine.

An examination was made on October 23, 1951, by our field team. The application was denied on the geologic possibility of making a significant discovery. The keel of the pegmatite is not observed from the mine workings but is believed that the western edge of the mine workings is within three feet of the keel. The muscovite is mostly scrap variety but apparently 78.68 lbs. valued at $393.40 was sold to the Colonial Mica Corporation between May 12, 1943, and October 22, 1943. Inasmuch as the application was denied because of lack of geologic evidence, it is not believed that a re-examination of the property is justified. On November 26, 1951, Mr. Johnson asked that the denied application be reconsidered, sending a copy of the settlement sheets of the Colonial Mica Corporation. On January 7, 1952, Mr. Johnson was informed that the denial was reaffirmed.

LGHouk:gad 8/24/54
Copy to: Mr. Houk

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

August 20, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3434 (mica and beryl)

Applicant: B & M Corp.

Name and Location of Property: Ponca Mine
Pennington County, South Dakota

Date Application Rec'd. by Ceramic & Fertilizer Mtls. Br.: August 8, 1954

Comments:

1. No data available in this office on subject mine.

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

adams

DMEA-3434

AUG 16 1954

Hon. Karl E. Mundt
United States Senate
Washington 25, D. C.

My dear Senator Mundt:

This will acknowledge your letter dated August 5, 1954, in which you enclosed an application on Forms MF-103 from the B & M Corporation, Keystone, South Dakota, requesting financial assistance on an exploration project for mica.

Please be advised that this application was assigned Docket No. DMEA-3434 and an acknowledgment was made to the B & M Corporation. Copies of the application were immediately distributed to the appropriate commodity members of the Bureau of Mines and Geological Survey, and to the Nonmetallic Minerals Division of this Administration for preliminary evaluation.

Everything possible will be done to expedite the processing of this application.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

REAdams/la/8-9-54

Copy to: Nonmetallic Minerals Division, DMEA
Administrator
Adm. Reading File
~~Mails~~ and Files

NDT
MA H DAKOTA
W. E. O'BRIEN
ADMINISTRATIVE ASSISTANT
MADISON, SOUTH DAKOTA
R. L. McCAUGHEY
EXECUTIVE SECRETARY
ABERDEEN, SOUTH DAKOTA

United States Senate

WASHINGTON, D. C.

MEMBER:
APPROPRIATIONS COMMITTEE
AGRICULTURE COMMITTEE
COMMITTEE ON
GOVERNMENT OPERATIONS
SENATE INVESTIGATIONS
SUBCOMMITTEE

August 5, 1954

Defense Minerals Administration
RECEIVED
AUG 6 - 1954

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

Dear Mr. Mittendorf:

I am enclosing herewith four copies of completed Forms MF-103 with proper attachments as submitted to me by Mr. William Capp, vice president of the B & M Corporation of Keystone, South Dakota.

Also enclosed is a copy of the lease agreement between the lessee, the B & M Corporation, and the lessors, Mr. G.R. Jurisch and Mr. A.I. Johnson of Keystone, South Dakota.

I would appreciate it if you would put this application into the proper channels, and if you would do whatever you can to expedite its handling.

With best wishes, I am

Cordially yours,

Karl E. Mundt

Karl E. Mundt
U.S. Senator

KEM: bmw

IN REPLY REFER TO:

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

August 10, 1954

Memorandum

REVIEW OF APPLICATION DMEA-3434 (beryl-mica)

To: Lawrence G. Houk, Defense Minerals Exploration Administration
From: R. D. Trace, U. S. Geological Survey
Applicant's name and address: B & M Corporation, Keystone, S. Dak.
Name of property: Ponca Mine.
Location of property: Sec. 35, T. 2 S., R. 6 E., B.H.M., Pennington County, South Dakota
Summary of applicant's proposal:
1) Diamond drill 2 holes in the pegmatite
2) Drive adit 115' and raise 100' to surface.
Sources of information on applicant's property: None
Comments: The Geological Survey's Prof. Paper 247 does not mention a Ponca mine nor does it indicate that we have examined a pegmatite in sec. 35, T. 2 S., R. 6 E., B.H.M. Also we were unable to find any unpublished information in our files regarding the applicant's mine.

The fact that mica has been produced from the property suggests that a Field Team examination is warranted.

RECOMMENDATION: Refer to Field Team.

R. D. Trace

R. D. Trace

August 6, 1954

B & H Corp.
Keystone
South Dakota

Subject: DMEA-3434
Re: Exploration Assistance
Ponca Mine

Gentlemen:

The receipt of your application dated July 24, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3434 and referred to the Non-Metallic Minerals Division.

Kindly refer to in any future correspondence relating to your application.

Sincerely yours,

Lease Agreement

This agreement made this 24th day of July 1954, by and between the Owners of the Ponca Mine, G. R. Jurisch and A. I. Johnson of Keystone, S. Dak. parties of the first part, hereinafter designated Lessors, and the B & M Corp., hereinafter designated Lessee:

Witnesseth: That the Lessors for and inconsideration of the payment of a 15% royalty of the gross sales of minerals produced from the mine do hereby lease and sell to the B & M Corp, the Ponca and Ponca No. 1 Lode Claims designated as M. S. 1110, Located in Pennington County, South Dakota, under the following conditions to noted: That the price to be paid for the two claims shall be $7,500.00. That all royalties paid shall be credited to the purchase price. That the comapny shall have the right at any time to pay the full amount of the purchase price to complete the agreement and acquire complete title to the property. That the lease agreement may be extended from year to year upon a 30 day notice prior to the yearly expiration date by the Lessee of such intention to continue the lease. That if the company, designated as Lessee, at any time prior to the time it has completed its payment of the $7,500.00 shall forfeit its lease the Lessors shall consider all payments made under this lease as forfeited damages and said property revert to the Lessors free of all encumbrances unless otherwise previously stipulated.

That said agreement can be extended from year to year on the basis of a satisfactory performance of the agreements herein entered into.

That said Lessee shall enter upon the said premises and work same in a good and workman like manner in conformity with good and economical mining practice.

In Testimony whereof, the parties hereto have set their hands and seals,

G. R. Jurisch Seal

A. I. Johnson Seal

Lessors

Wm. P. Kapp Seal

V.P. B & M Corp - Lessee

State of South Dakota,
Pennington County.

On this 25th day of July 1954 before me a Notary Public personnaly appeared G. R. Jurish and A. I. Johnson, to me known to be the same persons described in and who executed the within instrument and who acknowledges the same to be his free act and deed.

My commission expires June 14, 1956

James Halley Jr
Notary Public

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. 3434
Metal or Mineral Beryl-Mica
Date Received
Estimated Cost $10,250
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: B & M Corp.
Keystone, S. Dak.
Officers: Arthur I. Johnson, President- Keystone, S. Dak., W. P. Capp, Vice-President Presho, S. Dak., Ed. Schilling, Hastings, Nebraska, Secretary Treas.

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

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

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract
Exploration of Pegmatite Dike on M. S. 1110 Located about 3 miles S. E. of Keystone S. Dak. in Section 35, T. 2 S. R 6 E, BHM

(*b*) State any mine name by which the property is known. Ponca Mine

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

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes.

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

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

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

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

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

.....

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc.

(*c*) The work will start within Immediately days and be completed within 7 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

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

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

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

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)?

(*b*) How do you propose to furnish your share of the costs?

☐ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated July 24, 1954

B & M. Corp.
(Applicant)

By Urup. Kapp Vice Pres.

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

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

B & M Corp
Keystone, S. Dak.

Application for Aid in an Exploration Project, Pursuant to DMEA Order No. 1, Under the Defense Production Act of 1950 as amended.

4.- Physical Description.--

(a) The dike has been partially exposed by an open cut at the surface contact which exposes the dike over a length of 45 feet and a width of 35 feet. From these operations production has included beryl, sheet mica, scrap mica and feldspar. Mostof this work was done during the last war for beryl and sheet mica by the owners of the property. Since that time dozing operations have been initiated at a level some 100 feet from the contact and a tunnel started to contact the Dike at that point but this work has not been completed.

The mine is accessible for examination.

(b) From sales records there was sold the following amounts of sheet mica:

Date	Buying sheet No.	Quality	Grade	Pounds	Value
	Colonial Mica Corp				
5/12-43	258	1 & 2	Sheet	40.75	$203.75
7/17-43	508	"	"	4.43	22.15
8/21-43	711	"	"	9.25	46.25
8/26-43	743	2	"	9.00	45.00
8/31-43	776	1 & 2	"	14.00	70.00
10/22-43	1152	"	"	1.25	6.25
		Total pounds of sheet		78.68	$393.40

It is estimated that some 100tons of feldspar and 1.5 tons of beryl have been produced from the small area opened up at the surface contact.

As only a small portion of the dike outcrops- estimated at some 15 feet out of the ground and some 30 feet in length it is impossible to estimate ore reserves and the purpose of the proposed project is to explore the dike and determine its value. The production given above is from the exploration on the surface contact and further operations on this level would necessitate sinking a shaft and hence the proposed project to explore the possibilities of the dike. The property is not now being operated.

(c) The deposit is a pegmatite dike which has a contact zone containing sheet mica, scrapmica, beryl and an inner zone carrying feldspar. In view of the amount of sheet mica and beryl produced from the small area exposed we feel that an exploration of the dike is warranted. Aside from the production of strategic minerals additional values could be realized from production of feldspar as a by-product.

(d) The mine is situated about one half mile from a graded county highway but some work would be necessary to repair the road from the mine to its junction with this highway. The mine is situated about 3½miles from Keystone which is on the CB&Q R.R.

(e) Manpower is available now; materials andsupplies are also available. It would be necessary to use either diesel or gasoline power drivnn equipment.

B & M Corp.
Keystone, S. Dak.

Application for Aid in an exploration Project, Pursuant to DMEA Order No. 1, Under the Defense Production Act of 1950 as Amended.

5. The Exploration Project:-

(a) We wish to explore for sheet mica and beryl.

(b) A section of the dike is submitted which shows the proposed work together with a plat. It is proposed to diamond drill the dike with two holes to determine the nature of the deposit and on the basis of this work to drive a drift and raise to further explore the dike.

(c) The work can start immediately

(d) The company has previously operated the Sitting Bull Dike and supervision of the work will be underthe direction of A. I. Johnson Mining Engineer.

6

B & M Corp
Keystone, S. Dak.

Application for Aid in an exploration project, pursuant to DMEA Order No. 1, under the Defense Production Actof 1950, as amended.

6. (a) Independent contracts:

155 ft. of diamond drilling @ $5.00 per ft.	$775.00	
Core boxes	25.00	
Supervision and engineering	200.00	
Total	$1,000.00	$1,000.00
225 feet of drifting @ $25.00/ft	5,625.00	
Supervision and engineering	1,125.00	
Total	$6,750.00	6,750.00
100 feet of raise @ $20.00/Ft	2,000.00	
Supervision and engineering	500.00	
Total	$2,500.00	2,500.00
Grand total		$10,250.00

(b) Labor, supervision, consultants:

Supervision and engineering-	diamond drilling project	$ 200.00
" "	Drifting project	1,125.00
" "	Raising	500.00
	Total	$1,825.00

(c) Operating equipment to be furnished by contractor

(d) Operating materials andsupplies to be furnished by contractor

(e) No Rehabilitation and repairs necessary.

(f) No buildings and installations contemplated

(g) Not applicable.

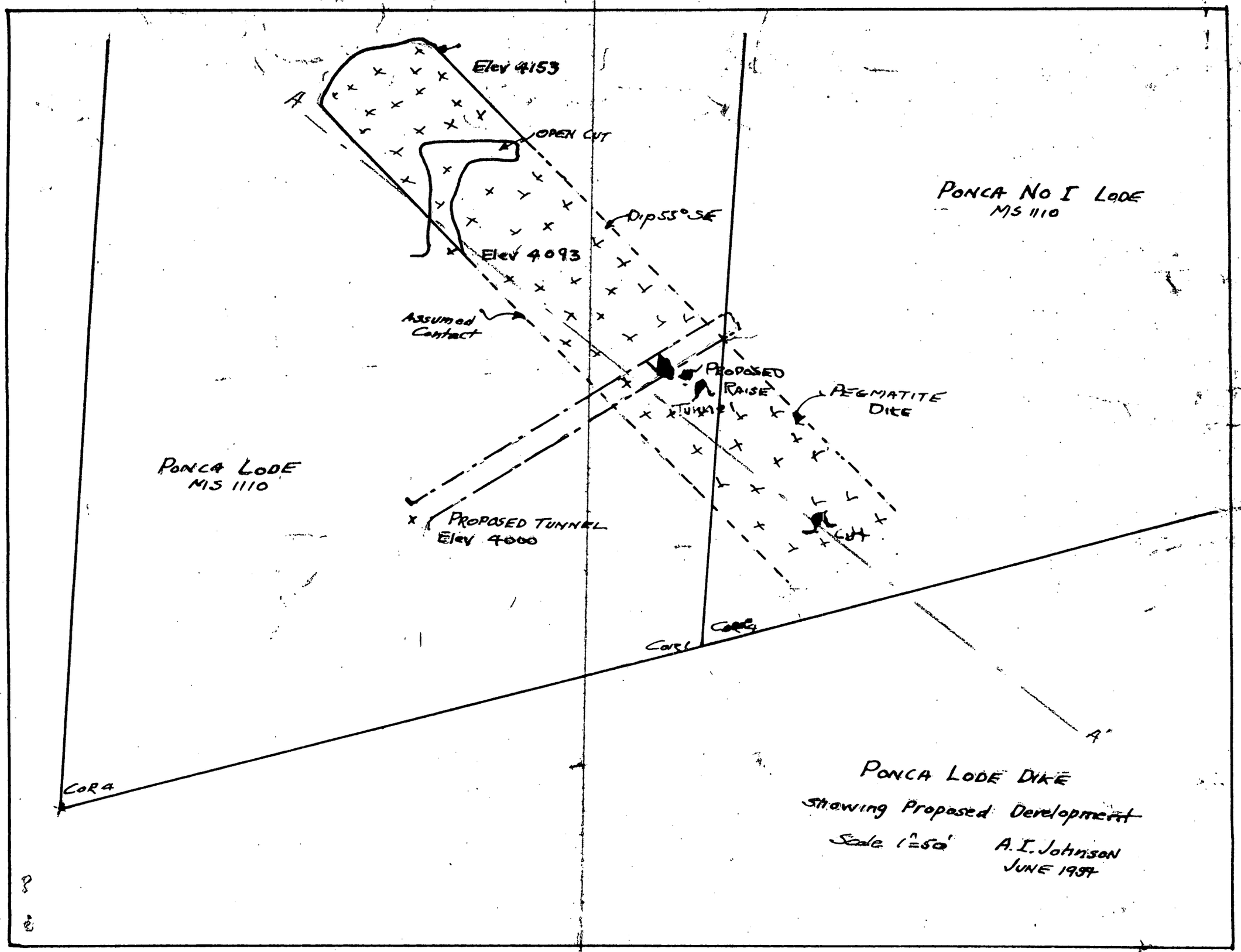
(h) None

B & M Corp
Keystone, S. Dak.

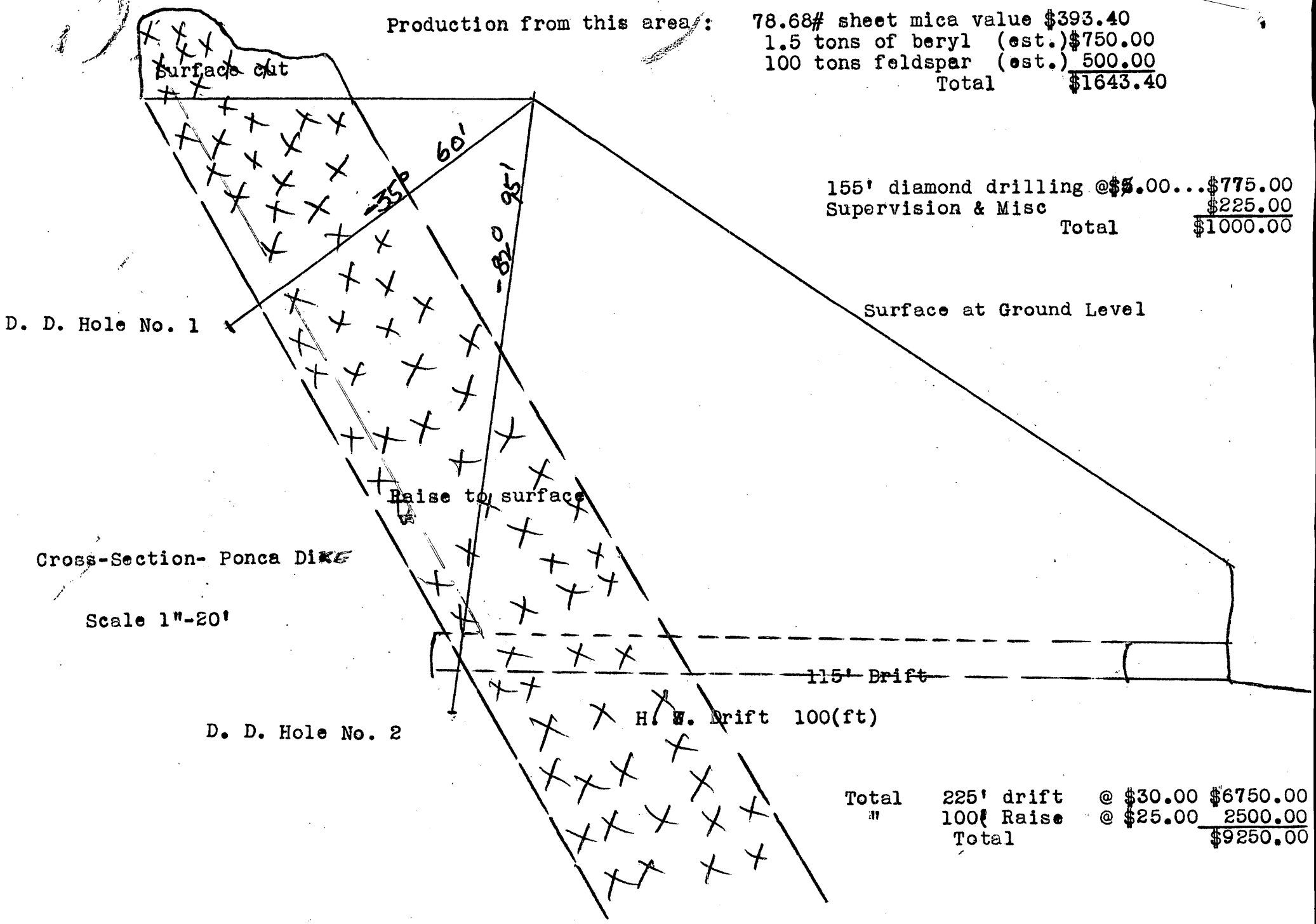
Application for Aid in an exploration Project, Persuant to DMEA Order 1, Under the Defense Production Act of 1950, as amended.

7. (a) We are prepared to furnish our share of the cost.

(b) We are prepared to furnish costs (our share) by supervision and cash.


Elev 4153
A
OPEN CUT
Dip 55° SE
Elev 4093
Assumed Contact
PROPOSED RAISE
TUNNEL
PEGMATITE DIKE
PONCA NO I LODE
MS 1110
PONCA LODE
MS 1110
PROPOSED TUNNEL
Elev 4000
CUT
COR 3
COR 2
COR 4
A'
PONCA LODE DIKE
Showing Proposed Development
Scale 1"=50'
A. I. Johnson
JUNE 1997

Production from this area: 78.68# sheet mica value $393.40
1.5 tons of beryl (est.) $750.00
100 tons feldspar (est.) 500.00
Total $1643.40



155' diamond drilling @$5.00...$775.00
Supervision & Misc $225.00
Total $1000.00

Cross-Section- Ponca Dike

Scale 1"-20'

Total	225' drift	@ $30.00	$6750.00
"	100' Raise	@ $25.00	2500.00
	Total		$9250.00

PUBLIC DOCUMENT

FREE

Karl Mundt
U.S.S.

UNITED STATES SENATE
PUBLIC DOCUMENT

FREE

Karl Mundt
U.S.S.

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

~~SOUTH DAKOTA.~~

~~SOUTH DAKOTA.~~