DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
~~Defense Minerals Exploration Administration~~
Office of Minerals Exploration

OFFICIAL DOCKET FILE ~~Idm-2~~ NO. 2002 14-23-090 ~~DMEA NO.~~ OME 6020

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [x] Closing Letter
- [x] Cost Audits 3-14-60
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes dtd 6-16-59
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments 3-12-59

Right Side

- [x] Project summary (final)
- [x] Work Completed analysis (final) 2-7-61
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semi-Annual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab) Jan.1960
- [x] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab) 7-1-58
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

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

Right Side

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

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

Folders No. _____ : Settlement Sheets

Folders No. _____ : Drill Logs

Folders No. _____ : Royalty material

3/17/37 Accepted 12 AK

17963

MME F
(10

OFFICIAL FILE COPY

Date	Surname	Code
3/31	Fernald	500
4/1	Talbot	800
4/1	Selfridge	120
		110
4-1	gad	,220
		500

APR 1 1960

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

Re: Docket No. OME-6020 (Zinc-Lead-Copper)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

Dear Mr. Beers:

Reference is made to your completed exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of possible production under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract. Your attention, however, is called to the provisions of the contract which require the operator to keep and preserve certain records for the periods indicated.

We appreciate your interest and participation in the OME exploration program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

cc: Hartford Accident and Indemnity Company
Asylum Street, Hartford, Connecticut

WRGriswold/gla
3-31-60
cc to: Director's Reading File
CA&A Division
OME Field Team, Region V (2)
Docket
Chron

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/31	Franed	500
4/1	Talbot	800
4/1	Selfridge	120
		110
4-1	gad	220
		500

APR 1 1960

Mr. Thomas J. Flanigan
Attorney-in-Fact
Hartford Accident and Indemnity Company
Asylum Street
Hartford, Connecticut

Re: Docket No. OME-6020 (Zinc-Lead-Copper)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

Dear Mr. Flanigan:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the above-cited contract.

The property as set forth in the contract is covered by your Performance Bond, dated June 16, 1959, under the captioned name and contract number.

In the absence of certification, the Government retains no claim against the bonding company that assumed the responsibility for performance under the contract.

Sincerely yours,

(signed) FRANK E. JOHNSON (bh)

Acting Director

Enclosure

WRGriswold/gla
3-31-60
cc to: Director's Reading File
CA&A Division
OME Field Team, Region V (2)
Docket
Chron

4/19/60 Returned by P.O.
4/20/60 Resent to 30 Lodge St. Albany, N.Y. gs

43683

MME FORM 6 REFERENCE SLIP

REV. 2-59 OFFICE OF MINERALS EXPLORATION

TO:	DATE	INITIALS
1. Mr. Johnson	3/15	JJ
2. Mr. Selfridge		
3. ~~Mr. Griswold~~		
4.		
5.		
FROM: E. D. Talbert	3/15	

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

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

pertaining to Exploration Project Contract No. 14-23-000-2002, OME No. 6020, including Amendments Nos. 1, 2, and 3, for September 1959, October 1959, and January 1960, covering a zinc-lead-copper project at the Myers Prospect, Smyth County, Virginia.

My review included an examination of the Monthly Reports (Form MR-104) and supporting documents, comparison of the claimed costs with the contract and pertinent schedules, verification of work performed by reference to Field Team reports and correspondence, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the reason that:

> All of the acceptable costs were under a contract provision for contribution by the Government on the basis of fixed unit costs of work performed.

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

Total cost claimed by Operator		$6,963.73
Exceptions:		
Prior to this review	$81.00	
Herewith	-0-	81.00
Total acceptable cost		$6,882.73

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

Payable on audited claim	$3,441.38
Paid to date	3,303.32
Balance due Operator	$ 138.06

R. D. Talbert, OME Auditor

March 14, 1960

14-23-090-2002 Roland F. Beers, Inc. OMB-6920

Exceptions prior to this review:

Drilling in excess of allowable maximum for Stage I, claimed by Operator as Stage II, which was not approved 25' @ $3.24 ..... $ 81.00

Acceptable costs:

Drilling (8 holes):				
Overburden	86'			
NX	99'			
AX	1,842'			
BX	63'	2,050'		
Less: Excess		25	2,025' @ $3.51	$6,702.75
Core boxes			60 @ 3.00	180.00
Total				$6,882.75

Government's Copy

EXPLORATION CONTRACT
ROLAND F. BEERS, INC.
DOCKET NO. OME-6020

J. Lynch
Hoffman
App'd. Sol. Off.
Jaffurd
Selfridge

AMENDMENT NO. 3

It is agreed this 1st day of March, 1960, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, and Roland F. Beers, Inc., a corporation, that Exploration Contract No. 2002 (Docket No. OME-6020), dated June 16, 1959, as amended, hereinafter called the "Contract," is further amended, effective June 16, 1959, as follows:

On page one of Exhibit "A" of the Contract, under the heading Stage I, the sentence which begins with the words "Drill holes", is deleted and the following substituted:

> "Drill hole intersections with the target horizon will not be closer than 100 feet from any other such intersections."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of Minerals Exploration

ROLAND F. BEERS, INC.

By Roland F. Beers

Title President

February 29, 1960

Docket No. OME-6020 (Zinc-Lead-Copper)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

JUSTIFICATION FOR AMENDMENT NO. 3

With Field Team approval, one inclined hole was drilled from a collar location about 50 feet from another hole--though the contract specified 100-foot location spacing. The actual point of intercept of the target maintained the 100-foot spacing requirement. The amendment is made since the Field Team approved the hole in question and since the hole actually did fulfill the essence of the contract, though not the letter. The really significant feature of any drill hole is its point of intersection of the target, not the location of the collar.

W. R. Griswold

Government's Copy

J. Lynch
Hoffland
App'd. Sol. Off.
Forwarded
Fisher
Selfridge

EXPLORATION CONTRACT
ROLAND F. BEERS, INC.
DOCKET NO. OME-6020

AMENDMENT NO. 2

It is agreed this 18th day of December, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, and Roland F. Beers, Inc., a corporation, that Exploration Contract No. 2002 (Docket No. OME-6020), dated June 16, 1959, as amended, hereinafter called the "Contract," is further amended, effective June 16, 1959, as follows:

In Exhibit "A" of the Contract, Description of the Work, the following sentence is added at the end of Stage I:

> "EX size drilling may be done when necessary to complete a hole which would otherwise have to be abandoned."

The same sentence is likewise added at the end of Stage II.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of
Minerals Exploration

ROLAND F. BEERS, INC.

By Roland F. Beers

Title President

December 17, 1959

Docket No. OME-6020 (Zinc-Lead-Copper)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

JUSTIFICATION FOR AMENDMENT NO. 2

In a memorandum of December 7, the Field Team requests an amendment to permit EX drilling on the referenced project.

On all contracts involving diamond drilling to any substantial depth, it is our policy (even though AX size drilling may be specified) to permit EX drilling in instances where it may be necessary to complete a hole. Assuming that a hole of, say, 800-ft. depth, was giving trouble, it would be stupid to abandon it if it could be continued with EX bits and get adequate core.

However, shallow holes seldom give much trouble and when the referenced contract was prepared no provision was made for EX work. But it is stated that on one hole a large cavern was encountered and it became necessary to use EX to finish the hole.

On our larger contract we generally have received quotations for the EX drilling and such prices have usually been about 20 cents per foot less. However, in this instance, we are informed that the Operator actually paid the contractor the same price as for AX work because of cavern problem and, therefore, we have no reason to differentiate in the contract allowance.

W. R. Griswold

W. R. Griswold

Government's copy

Linowitz
Selfridge
Talbutt

EXPLORATION CONTRACT
ROLAND F. BEERS, INC.
DOCKET NO. OME-6020

AMENDMENT NO. 1

It is agreed this 17th day of July, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, and Roland F. Beers, Inc., a corporation, that Exploration Contract No. 2002 (Docket No. OME-6020), dated June 16, 1959, is amended as follows:

In Article 1 the date for beginning the work is changed from August 1, 1959, to September 15, 1959, and the date for completing the work is changed from six months from the date of the Contract to eight months from the date of the Contract.

This Amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Office of
Minerals Exploration

ROLAND F. BEERS, INC.

By Roland F. Beers

Title President

Government's copy

JUN 29 1959
O.M.E.

MME Form 51
Feb. 1959

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

EXPLORATION CONTRACT
(Short Form)

Docket No.	Commodity	Contract No.	County	State
OME 6020	Zinc-Lead-Copper	14-23-090- 2002	Smyth	Virginia

It is agreed 1 6 JUN 1959 (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

Roland F. Beers, Inc.

whose mailing address is P.O. Box 1019, Troy, New York, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before August 1, 1959 (Date) and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within six months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $ 12,990.00 The Government will contribute 50 percent of the total fixed unit costs of the work performed, not in excess of $ 6,495.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest computed annually at the rate of 6 3/8 percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

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

ARTICLE 2. Operator's rights in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

none

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

Performance Bond

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

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

(b) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

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

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

(b) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 6. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the ~~XXXXXXX~~ gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal, or equivalent), at the point of delivery (the f.o.b. point); except, that charges of the buyer arising in the regular course of business and shown as deductions on the buyer's settlement sheets (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the Operator)), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. No costs of the Operator are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(2) The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be.

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

(e) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

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

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

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

(d) The determinations of the Government are subject to appeal under Article 11.

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

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

ARTICLE 10. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.

The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, Office of Minerals Exploration," as used herein includes his duly authorized representative.

ARTICLE 12. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

ARTICLE 14. Changes and added provisions.--

J. Lynd Hoffman
App'd. Sol. Off.
Talbut
Selfridge

Executed in quintuplicate the day and year first above written.

ROLAND F. BEERS, INC.

By Roland F. Beers

Title President

THE UNITED STATES OF AMERICA

By Frank C. Johnson
Acting Director, Office of
Minerals Exploration

I, John S. Bakos (Name), certify that I am the Assistant secretary of the corporation named as Operator herein; that Roland F. Beers (Name), who signed this contract on behalf of the Operator, was then President (Title) of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

John S. Bakos
Assistant Secretary

[CORPORATE SEAL]

INT.-DUP. SEC., WASH., D.C. 52375

EXPLORATION PROJECT CONTRACT
ROLAND F. BEERS, INC.
DOCKET NO. OME-6020

ANNEX I

The land referred to in the contract consists of three tracts of land held under lease with option to purchase and are specifically described in the application dated May 1, 1958. The tracts are as follows:

Cullop Property - 14 acres
(Thomas B. Cullop and Alverdia Cullop)

Myers Property - 41 acres
(J. E. Myers and Effie F. Myers)

Meek Property - 93 acres
(Robert Lynn Meek and Gergia F. Meek)

The properties are shown on the attached map entitled "Property Maps, Myers Prospect, Smyth County, Virginia." The cited map is hereby made a part of this contract.

EXPLORATION PROJECT CONTRACT
ROLAND F. BEERS, INC.
DOCKET NO. OME-6020

EXHIBIT "A"

Description of the Work

The purpose of the project is to explore for ores of copper, lead and zinc by diamond drilling plus necessary overburden drilling; work will be divided into two stages, as follows:

STAGE I

Not to exceed 2025 feet of diamond drilling will be done, using AX size, or larger, coring bits, the drilling is to be done in approximately ten holes. The locations of such holes are roughly indicated on the attached map entitled "Property Maps, Myers Prospect, Smyth County, Virginia" but the actual locations, directions, and inclinations will be subject to the prior approval of the Government. Drill holes will not be located at a spacing of less than 100 feet from another hole. No hole may be drilled to a depth in excess of 500 feet.

STAGE II

Dependent upon the results obtained under Stage I and subject to the prior approval of the Government, additional drilling may be done, using AX size or larger, coring bits, not to exceed 1800 feet. The locations, directions, and inclinations, and the extent of the holes will likewise be subject to the prior approval of the Government.

(General Conditions (both stages)

All core will be properly stored and made available for examination for the Government. All core sections showing significant mineralization will be properly sampled and the samples may be assayed for copper, lead and zinc, as may appear desirable. Sludge samples will be taken and, in significantly mineralized sections, where the core recovery is less than 60 per cent, the sludges will also be assayed, as above. No sample, either of core or sludge, will represent a hole interval greater than five feet.

Estimated Cost of the Project

Fixed Unit Cost

Stage I		
Diamond drilling (with necessary overburden drilling) 2,025 feet @ $3.31/feet	$6,702.75	
60 core boxes @ $3.00 each	180.00	
Assays 60 determinations @ $1.00 each	60.00	$ 6,942.75
Stage II		
Diamond drilling (with necessary overburden drilling) 1,800 feet @ $3.24/feet	$5,832.00	
54 core boxes @ $3.00 each	162.00	
Assays 54 determinations @ $1.00 each	54.00	6,048.00
Estimated Total Cost of Project		$12.990.75
(Rounded To)		$12,990.00
Government's Participation, 50%		$ 6,495.00

ROLAND F. BEERS, INC.

OFFICE AND LABORATORY:
447 PINEWOODS AVENUE
PHONE ASHLEY 2-2351

MAIL ADDRESS:
POST OFFICE BOX 1019
TROY, NEW YORK

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 16 1959

DATE	INITIALS	CODE

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 16 1959

DATE	INITIALS	CODE

P. O. Box 84
Rockport, Maine

March 12, 1959

Mr. Frank E. Johnson, Acting Director
Office of Minerals Exploration
U. S. Department of the Interior
Washington 25, D. C.

RE: Docket No. DMEA - 5007 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

Dear Mr. Johnson:

This letter will serve to offer the above designated DMEA application for consideration under OME regulations. Enclosed you will find four (4) completed copies of MME Form 40, "Application for Financial Assistance in Minerals Exploration."

The major departure in the OME regulations from those of DMEA appears to be in Item 1, "Financial Eligibility." In order to conform with OME requirements, I wish to include the following information with our original application:

ITEM 1 (a): see attached copies (4 each) of correspondence with (1) Basic Incorporated, (2) Manufacturers National Bank of Troy, and (3) National Commercial Bank and Trust Company.

(b) see letter, under separate cover, from John S. Bakos, Troy Office of Roland F. Beers, Inc.

(c) we propose to furnish our share of the exploration costs by monetary payments.

Because of the time lapse between the date of original application and the present, a bid confirmation was requested from the low drilling contractor, Joy Mfg. Co. Their original bid was confirmed; copies (4) of the telegraphic confirmation are attached.

In accordance with the recommendation in your letter of January 29, 1959, we secured a one-year extension of the Myers option. Four

copies of the extension agreement are attached.

As in the past, it is our preference to submit a Performance Bond in lieu of Consents to Lien. We are, therefore, enclosing five (5) copies each from James E. Myers, Thomas B. Cullop, and Robert L. Meek indicating their unwillingness to sign MME Form 52, "Lien and Subordination Agreements." Upon notification of the final amount of the proposed contract, the Performance Bond will be prepared and submitted.

I sincerely hope that you will find this material satisfactory and in order, and that the application can be acted upon in the near future.

Very truly yours,

Robert S. Young

ROBERT S. YOUNG,
BRANCH MANAGER

Enclosures:
4 completed copies MME Form 40
4 copies telegram Joy Mfg. Co.
4 sets corresp. Beers, Inc. - Mfrs. Ntl. Bank of Troy
4 sets corresp. Beers, Inc. - Ntl. Com. Bank & Tr. Co.
4 sets corresp. Beers, Inc. - Basic Incorporated
4 copies Myers option extension
5 copies Meeks letter
5 copies Myers letter
5 copies Cullop letter

cc; R. F. Beers, Troy Office
R. A. Laurence, OME Team
File

ROLAND F. BEERS, INC.

OFFICE AND LABORATORY:
447 PINEWOODS AVENUE
PHONE ASHLEY 2-2351

MAIL ADDRESS:
POST OFFICE BOX 1019
TROY, NEW YORK

June 2, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 3 1959

DATE	INITIALS	CODE
6/3	a	220
		500

Mr. Frank E. Johnson, Acting Director
Office of Minerals Exploration
United States Department of the Interior
Washington 25, D. C.

Re: Docket No. OME-6020 Zinc
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

Dear Mr. Johnson:

This is in reply to your letter of April 30, 1959 for additional information in connection with the above captioned Docket.

Your assumption is correct that Roland F. Beers, Inc. is the Applicant and that "The Second American Syndicate" merely contributes to the cost of the exploration and participates in any profits as a joint venture.

In compliance with your request we are sending you the following:

a. Balance Sheet of Roland F. Beers, Inc. as at December 31, 1958.

b. Evidence of requests for bank loans and replies thereto.

c. $3756 has been allotted in the 1959 budget to this program. This is the amount after applying 50% for anticipated aid from OME.

d. Revision of Attachment G to Application which includes the costs for Stages I and II.

If the results of Stage I warrant the proceeding with Stage II; it shall be appreciated if the work for Stage II be deferred until after January 1, 1960 in order to incorporate the costs thereof in the 1960 budget of the Syndicate.

Sincerely yours,

Roland F. Beers

Roland F. Beers

rfb/h
Enclosures

STANDARD FORM 25
REVISED NOVEMBER 1950
PRESCRIBED BY GENERAL
SERVICES ADMINISTRATION
GENERAL REGULATION NO. 5

PERFORMANCE BOND

(See Instructions on Reverse)

DATE BOND EXECUTED: June 16, 1959

PRINCIPAL ROLAND F. BEERS, INC., a New York Corporation having a Place of Business located at 447 Pinewoods Ave., Troy, New York.

SURETY HARTFORD ACCIDENT AND INDEMNITY COMPANY, Hartford, Conn. - A Connecticut Corporation authorized to do business in the State of New York, and having an Office and Place of Business at 30 Lodge St., Albany, N. Y.

PENAL SUM OF BOND (*express in words and figures*)	CONTRACT NO.	DATE OF CONTRACT
SIX THOUSAND FOUR HUNDRED NINETY-FIVE AND NO/100 - - - - - ($6,495.00) DOLLARS	14-23-090-2002	June 16, 1959

KNOW ALL MEN BY THESE PRESENTS, That we, the PRINCIPAL and SURETY above named, are held and firmly bound unto the United States of America, hereinafter called the Government, in the penal sum of the amount stated above, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the principal entered into a certain contract with the Government, numbered and dated as shown above and hereto attached;

NOW THEREFORE, if the principal shall well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of said contract during the original term of said contract and any extensions thereof that may be granted by the Government, with or without notice to the surety, and during the life of any guaranty required under the contract, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the surety being hereby waived, then, this obligation to be void; otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals on the date indicated above, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

In Presence of:

WITNESS		INDIVIDUAL PRINCIPAL	
1.	as to		[SEAL]
2.	as to		[SEAL]
3.	as to		[SEAL]
4.	as to		[SEAL]

WITNESS		INDIVIDUAL SURETY	
1.	as to		[SEAL]
2.	as to		[SEAL]

Attest: John D. Baker

CORPORATE PRINCIPAL: ROLAND F. BEERS, INC.

BUSINESS ADDRESS: 447 Pinewoods Ave., Troy, N. Y.

BY: Roland F. Beers

TITLE: President

AFFIX CORPORATE SEAL

Attest: Timothy H. Beale

CORPORATE SURETY: HARTFORD ACCIDENT AND INDEMNITY COMPANY

BUSINESS ADDRESS: Asylum St., Hartford, Conn.

BY: Thomas J. Flanigan

TITLE: Thomas J. Flanigan, Attorney-in-Fact

AFFIX CORPORATE SEAL

The rate of premium on this bond is $ 10.00 per thousand. (for 2 years)

Total amount of premium charged, $ 64.95

(The above must be filled in by corporate surety)

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, John S. Bakos, certify that I am the Assistant secretary of the corporation named as principal in the within bond; that Roland F. Beers, who signed the said bond on behalf of the principal, was then President of said corporation; that I know his signature, and his signature thereto is genuine; and that said bond was duly signed, sealed, and attested for and in behalf of said corporation by authority of its governing body.

John S. Bakos Assistant Secretary [CORPORATE SEAL]

INSTRUCTIONS

1. This form shall be used for construction work or the furnishing of supplies or services, whenever a performance bond is required. There shall be no deviation from this form except as authorized by the General Services Administration.

2. The surety on the bond may be any corporation authorized by the Secretary of the Treasury to act as surety, or two responsible individual sureties. Where individual sureties are used, this bond must be accompanied by a completed Affidavit of Individual Surety for each individual surety (Standard Form 28).

3. The name, including full Christian name, and business or residence address of each individual party to the bond shall be inserted in the space provided therefor, and each such party shall sign the bond with his usual signature on the line opposite the scroll seal, and if signed in Maine or New Hampshire, an adhesive seal shall be affixed opposite the signature.

4. If the principals are partners, their individual names shall appear in the space provided therefor, with the recital that they are partners composing a firm, naming it, and all the members of the firm shall execute the bond as individuals.

5. If the principal or surety is a corporation, the name of the State in which incorporated shall be inserted in the space provided therefor, and said instrument shall be executed and attested under the corporate seal as indicated in the form. If the corporation has no corporate seal the fact shall be stated, in which case a scroll or adhesive seal shall appear following the corporate name.

6. The official character and authority of the person or persons executing the bond for the principal, if a corporation, shall be certified by the secretary or assistant secretary, according to the form herein provided. In lieu of such certificate there may be attached to the bond copies of so much of the records of the corporation as will show the official character and authority of the officer signing, duly certified by the secretary or assistant secretary, under the corporate seal, to be true copies.

7. The date of this bond must not be prior to the date of the instrument in connection with which it is given.

☆ U. S. GOVERNMENT PRINTING OFFICE : 1951—O-79566

Hartford Accident and Indemnity Company

Hartford, Connecticut

Financial Statement, December 31, 1958

ASSETS		LIABILITIES		
U. S. Government Bonds	$ 95,664,558.34	Reserve for Claims and Claims Expense		$210,662,851.52
Bonds of other Governments	2,358,496.00	Reserve for Unearned Premiums		113,416,242.36
State, County and Municipal Bonds	184,577,158.00	Reserve for Taxes		7,802,383.99
Stocks	137,757,741.00	Miscellaneous Liabilities		3,695,663.34
	$420,357,953.34			**$335,577,141.21**
		Voluntary Reserve	$51,000,000.00	
Cash in Offices and Banks	$17,664,088.12	Capital Paid In	10,000,000.00	
Outstanding Premiums less Commissions (Under 90 Days)	37,214,101.32	Unassigned Funds (Surplus)	91,249,535.37	
Interest Accrued	2,049,305.63			
Sundry Assets	10,541,228.17	Surplus as regards Policyholders		152,249,535.37
Total Admitted Assets	**$487,826,676.58**	**Total**		**$487,826,676.58**

STATE OF CONNECTICUT,
COUNTY OF HARTFORD, } ss.

Wilson C. Jainsen, President of the Hartford Accident and Indemnity Company, being duly sworn, does hereby certify that the foregoing is a correct statement of the assets and liabilities of the said Company as of December 31, 1958, and in witness whereof said President has hereunto signed and caused the corporate seal to be affixed hereto.

Wilson C. Jainsen
President

Acknowledged and sworn to before me
this 4th day of February, 1959

Herbert G. Schoen

Notary Public
My commission expires March 31, 1962

Attest: A. E. Young

Vice-President and Secretary-Treasurer

Form G-1208 Printed in U. S. A.

STATE OF NEW YORK)
) SS.
COUNTY OF **Albany**)

On **June 16, 1959** , before me personally came **Thomas J. Flanigan** , to me known, who, being by me duly sworn, did depose and say that he resides in **Albany, N. Y.** ; that he is the attorney-in-fact of the HARTFORD ACCIDENT AND INDEMNITY COMPANY the corporation described in and which executed the within instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order; and that the Superintendent of Insurance of the State of New York has, pursuant to Chapter 33 of the Laws of the State of New York for the year 1909, as amended, constituting Chapter 30 of Cahill's Consolidated Laws of the State of New York, as amended, issued to the HARTFORD ACCIDENT AND INDEMNITY COMPANY his certificate that said Company is qualified to become and be accepted as surety or guarantor on all bonds, undertakings, and other obligations or guarantees, as provided by the Insurance Law of the State of New York and all laws amendatory thereof and supplementary thereto; and that such certificate has not been revoked.

Notary Public.
JOHN J. CARROLL JR.
Notary Public in the State of New York
Residing in Rensselaer County
Commission Expires March 30, 19

Hartford Accident and Indemnity Company

HARTFORD, CONNECTICUT

546

POWER OF ATTORNEY

Know all men by these Presents, That the HARTFORD ACCIDENT AND INDEMNITY COMPANY, a corporation duly organized under the laws of the State of Connecticut, and having its principal office in the City of Hartford, County of Hartford, State of Connecticut, does hereby make, constitute and appoint

PETER D. KIERNAN, HARRY N. PITT, JR., THOMAS J. FLANIGAN, LUKE J. HENRY, MARCUS V. McEVOY, WILLIAM H. BRADT, and CARL W. MUELLER, of ALBANY, NEW YORK,

its true and lawful Attorney(s)-in-fact, with full power and authority to each of said Attorney(s)-in-fact, in their separate capacity if more than one is named above, to sign, execute and acknowledge any and all bonds and undertakings and other writings obligatory in the nature thereof on behalf of the company in its business of guaranteeing the fidelity of persons holding places of public or private trust; guaranteeing the performance of contracts other than insurance policies; guaranteeing the performance of insurance contracts where surety bonds are accepted by states and municipalities, and executing or guaranteeing bonds and undertakings required or permitted in all actions or proceedings or by law allowed.

and to bind the HARTFORD ACCIDENT AND INDEMNITY COMPANY thereby as fully and to the same extent as if such bonds and undertakings and other writings obligatory in the nature thereof were signed by an Executive Officer of the HARTFORD ACCIDENT AND INDEMNITY COMPANY and sealed and attested by one other of such officers, and hereby ratifies and confirms all that its said Attorney(s)-in-fact may do in pursuance hereof.

This power of attorney is granted under and by authority of the following By-Law adopted by the Stockholders of the HARTFORD ACCIDENT AND INDEMNITY COMPANY at a meeting duly called and held on the 10th day of February, 1943.

ARTICLE IV

SECTION 8. The President or any Vice-President, acting with any Secretary or Assistant Secretary, shall have power and authority to appoint, for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, one or more Resident Vice-Presidents, Resident Assistant Secretaries and Attorneys-in-fact and at any time to remove any such Resident Vice-President, Resident Assistant Secretary, or Attorney-in-fact, and revoke the power and authority given to him.

SECTION 11. Attorneys-in-fact shall have power and authority, subject to the terms and limitations of the power of attorney issued to them, to execute and deliver on behalf of the Company and to attach the seal of the Company thereto any and all bonds and undertakings, and other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-fact shall be as binding upon the Company as if signed by an Executive Officer and sealed and attested by one other of such Officers.

This power of attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Directors of the HARTFORD ACCIDENT AND INDEMNITY COMPANY at a meeting duly called and held on the 13th day of March, 1956.

RESOLVED, that, whereas the President or any Vice-President, acting with any Secretary or Assistant Secretary, has the power and authority to appoint by a power of attorney, for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, one or more Resident Vice-Presidents, Assistant Secretaries and Attorneys-in-fact;

Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

In Witness Whereof, the HARTFORD ACCIDENT AND INDEMNITY COMPANY has caused these presents to be signed by its Vice-President, and its corporate seal to be hereto affixed, duly attested by its Secretary, this 22nd day of April, 1957.

Attest: HARTFORD ACCIDENT AND INDEMNITY COMPANY

Secretary *Vice-President*

STATE OF CONNECTICUT, } ss.
COUNTY OF HARTFORD,

On this 22nd day of April, A. D. 1957, before me personally came Wm. H. Wallace, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is the Vice-President of the HARTFORD ACCIDENT AND INDEMNITY COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.

STATE OF CONNECTICUT, } ss.
COUNTY OF HARTFORD,

HERBERT P. SCHORN NOTARY PUBLIC HARTFORD, CONN.

Notary Public
My commission expires March 31, 1962

CERTIFICATE

I, the undersigned, Assistant Secretary of the HARTFORD ACCIDENT AND INDEMNITY COMPANY, a Connecticut Corporation, DO HEREBY CERTIFY that the foregoing and attached POWER OF ATTORNEY remains in full force and has not been revoked; and furthermore, that Article IV, Sections 8 and 11, of the By-Laws of the Company, and the Resolution of the Board of Directors, set forth in the Power of Attorney, is now in force.

Signed and sealed at the City of Hartford. Dated the **16th** day of **June** 19 **59**

Assistant Secretary

SEE REVERSE SIDE

ROLAND F. BEERS, INC.

BALANCE SHEET, December 31, 1958

ASSETS

Cash in bank		$ 496.55
Account receivable		26.08
Equipment	$ 3,825.88	
Less allowance for depreciation	1,990.12	1,835.76
Advance royalties		147.26
Minerals exploration costs		13,714.12 ?
Prepaid expenses		3,294.52
Total assets		$19,514.29

LIABILITIES and CAPITAL

Accounts payable -		
Expenses, etc.	$ 3,139.64	
Officers	12,280.94	$15,420.58
Capital -		
Preferred stock - $100 par value 5% non-cumulative authorized and issued 450 shares	45,000.00	
Common - $10 par value authorized and issued 500 shares	5,000.00	
	50,000.00	
Deduct - Deficit in earnings	45,906.29	
Capital		4,093.71
Total liabilities and capital		$19,514.29

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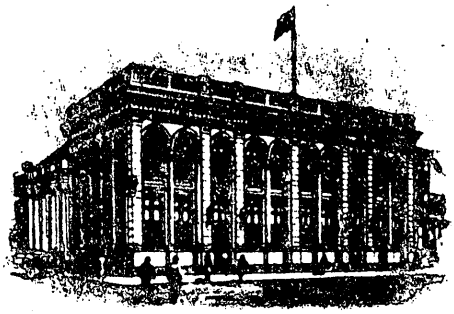
O. M. E.
RECEIVED JUN 3 1959

DATE	INITIALS	CODE

THE MANUFACTURERS NATIONAL BANK
OF TROY



"Organized to Serve the People"

EDWARD R. HANSEN
ASSISTANT CASHIER

TROY, N.Y.

June 2, 1959

FRANKLIN SQUARE OFFICE
TELEPHONE ADDLEY 4-4600

Mr. John S. Bakos, Assistant Treasurer
Roland F. Beers, Inc.
P. O. Box 1019
Troy, New York

Dear Mr. Bakos:

Thank you for forwarding the application of Roland F. Beers, Inc. for a loan of $4,000 with interest at 6%.

Our Loan Committee has carefully considered this application and has decided that the financial statement of Roland F. Beers, Inc. does not comply with bank policy for warranting a loan at this time.

Very truly yours,

Edw. R. Hansen
Edward R. Hansen
Assistant Cashier

ERH:cfg

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O. M. E.
RECEIVED JUN 3 1959

DATE	INITIALS	CODE

May 14, 1959

The Manufacturers National Bank of Troy
Fourth and Grand Streets
Troy, New York

Attention: Mr. Joseph P. Riley,
Assistant Cashier

Dear Mr. Riley:

We request a loan of $4,000.00 with interest. The proceeds of the loan are to be used to defray 50% of the cost of core drilling the Myers Mineral Prospect in Smyth County, Virginia.

Enclosed is the balance sheet of the Corporation at December 31, 1958.

Very truly yours,

ROLAND F. BEERS, INC.

Assistant Treasurer

jsb/h

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 3 1959

DATE	INITIALS	CODE

May 14, 1959

National Commercial Bank and Trust Company
60 State Street
Albany 1, New York

Attention: Mr. William E. Davison,
Assistant Vice President

Dear Mr. Davison:

We request a loan of $4,000.00 with interest. The proceeds of the loan are to be used to defray 50% of the cost of core drilling the Myers Mineral Prospect in Smyth County, Virginia.

Enclosed is the balance sheet of the Corporation at December 31, 1958.

Very truly yours,

ROLAND F. BEERS, INC.

Assistant Treasurer

jsb/h

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O. M. E.
RECEIVED JUN 3 1959

DATE	INITIALS	CODE

THE NATIONAL COMMERCIAL BANK AND TRUST COMPANY

ALBANY 1, NEW YORK

WILLIAM E. DAVISON
Assistant Vice President

May 18, 1959

Mr. John S. Bakos,
Assistant Treasurer
Roland F. Beers, Inc.
P. O. Box 1019
Troy, New York

Dear Mr. Bakos:

We have carefully considered your request for a $4,000. loan for the purpose of financing part of the expense of core drilling in Smyth County, Virginia.

We regret that this application has been declined for the principal reason that we have no assurance that the drilling will be successful, therefore, no definite statement as to when this loan could be paid.

Very truly yours,

William E. Davison

Assistant Vice President

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RECEIVED JUN 3 1959 wed/hag

DATE	INITIALS	CODE

6. (a) An independent contract will be let for the entirety of the proposed drilling. A bid from the Joy Manufacturing Company, with cost estimates as follow, was low. It is recommended that the contract be awarded to the Joy Manufacturing Company.

STAGE I

2,025' AX, NX and overburden drilling at $2.65/ft.	$5,366.25
Down time and/or inclination tests at $7.50/hr.	60.00
TOTAL	$5,426.25

STAGE II

1,800' AX, NX and overburden drilling at $2.65/ft.	$4,770.00
Down time and/or inclination tests at $7.50/hr.	60.00
TOTAL	$4,830.00

STAGE I TOTAL	$5,426.25	
STAGE II TOTAL	4,830.00	
GRAND TOTAL		$10,256.25

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(b) The drilling program will be serviced by a staff geologist from Roland F. Beers, Inc. It is proposed that the staff geologist devote one-half of each work week to the project, in order that the assignment be effectively handled.

PERSONAL SERVICES:

STAGE I

1 staff geologist, 6 wks. at 1/2 time at $200/wk.	$ 600.00
1 staff stenographer, 1 wk. at $60/wk	60.00
1 laborer, 40 hrs. at $1.50/hr.	60.00
TOTAL	$ 720.00

STAGE II

1 staff geologist, 5 wks. at 1/2 time at $200/wk.	$ 500.00
1 staff stenographer, 1 wk. at $60/wk	60.00
1 laborer, 40 hrs. at $1.50/hr.	60.00
TOTAL	$ 620.00

PREPARATION OF FINAL REPORT (add to either stage):

1 satff geologist, 1/2 wk. at 1/2 time at $200/wk	$ 50.00	
1 staff stenographer, 1/2 wk. at $60/wk.	30.00	
	$ 80.00	
STAGE I, PLUS REPORT	$ 800.00	
STAGE II, PLUS REPORT	620.00	
GRAND TOTAL		$ 1,420.00

(c) Operating materials and supplies:

Core boxes @ $3.00 (36' capacity)

STAGE I, 60 boxes	$ 180.00	
STAGE II, 55 boxes	165.00	
GRAND TOTAL		$ 345.00

(d) Operating equipment None.

(e) Rehabilitation and repairs None.

(f) New buildings, improvements, etc.

Rent of core storage:

STAGE I only	$ 20.00	
Both stages	40.00	
GRAND TOTAL		$ 40.00

(g) Miscellaneous

i. Office and drafting supplies for maintaining records, preparation of maps and reports $ 35.00

ii. Workman's compensation and employer's liability on payroll, est. at 5.5% :

Stage I	$ 44.80	
Stage II	34.00	
TOTAL PROGRAM		$ 78.80

iii. Transportation, staff geologist automobile at 10¢/mile:

Stage I	$360.00	
Stage II	300.00	
TOTAL PROGRAM		$ 660.00

iv. Subsistence, staff geologist, $10/day:	Stage I	$180.00	
	Stage II	150.00	
	TOTAL PROGRAM		$ 330.00
v. Communications, telephone and telegraph, both stages			$ 50.00
vi. Assays, average $7.00 each:	Stage I, 20 assays		
	Stage II, 20 assays		
	TOTAL PROGRAM		$ 280.00
	GRAND TOTAL		$ 1,433.80

RECAPITULATION:

	STAGE I	STAGE II	TOTAL PROGRAM
(a) Independent contracts	$5,426.25	$4,830.00	$10,256.25
(b) Personal services	800.00	620.00	1,420.00
(c) Core boxes	180.00	165.00	345.00
(f) Core storage	20.00	20.00	40.00
(g) Miscellaneous	809.80	624.00	1,433.80
TOTALS	$7,236.05	$6,259.00	$13,495.05

MME Form 40
Dec. 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Budget Bureau No. 42-R1368
Approval expires Dec. 31, 1963

MAR 16 1959 O.M.E.

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85-701 (72 Stat. 700; 30 U.S.C. 641)

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

ROLAND F. BEERS, INC.
P. O. BOX 1019
TROY, NEW YORK

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER 6020

DATE RECEIVED 3-16-59

REGION V

DIVISION CODE 500

BUSINESS ORGANIZATION *(Check one)*

INDIVIDUAL	
CORPORATION	X
PARTNERSHIP	
OTHER *(Specify)*	

STATE IN WHICH FIRM IS ORGANIZED New York

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
Roland F. Beers	Troy, New York	President - Treasurer
Helen C. Beers	Troy, New York	Vice President
Frank A. McNamee	Albany, New York	Secretary

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE
Sphalerite and Fluorite

ESTIMATED COST OF PROJECT
$ $7,538.43

PROPERTY NAME	LOCATION COUNTY	STATE
MYERS	SMYTH	VIRGINIA

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior, Washington 25, D. C., or with the nearest OME Field Office.*

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

March 12, 1959
DATED

Robert S. Young
BY *(Signature)*

BRANCH MANAGER
TITLE

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the exploration [redacted] cost.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

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

(b) State your interest, if any, in operations described in (a).

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

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

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

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

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

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

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

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

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

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

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

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

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

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

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

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

INT.-DUP. SEC., WASH., D.C. 48740

ROLAND F. BEERS, INC.
P. O. BOX 1019
TROY, NEW YORK

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

OFFICIAL FILE COPY
RECEIVED MAR 16 1959

DATE	INITIALS	CODE

February 13, 1959

Manufacturers National Bank of Troy
Fourth and Grand Streets
Troy, New York

Attention: Mr. Edward R. Hanson, Assistant Cashier

Dear Mr. Hanson:

We request a loan of $4,000.00 with interest at 6% per annum. The proceeds of the loan are to be used to defray 50% of the cost of core drilling the Myers Mineral Prospect in Smyth County, Virginia. The loan is to be repaid from the minerals to be produced from this prospect.

Very truly yours,

ROLAND F. BEERS, INC.

John S. Baker

Assistant Treasurer

jsb/h

1/2 Cost of Prospect

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

THE MANUFACTURERS NATIONAL BANK

TROY, NEW YORK

EDWARD F. MOYLAN
EXECUTIVE VICE PRESIDENT

FRANKLIN SQUARE OFFICE
TELEPHONE ASHLEY 4-4440

February 16, 1959

Mr. John S. Bakos, Assistant Treasurer
Roland F. Beers, Inc.
P. O. Box 1019
Troy, New York

Dear Mr. Bakos:

Thank you for forwarding the application of Myers Mineral Prospect Co. of Smyth County, Virginia for a loan of $4,000 at 6%. Our Loan Committee considered this proposal and decided that a loan of the type proposed would not fit our loaning policies.

We trust that you will be successful in arranging financing elsewhere.

Very truly yours,

Executive Vice President

EFM:efg

ROLAND F. BEERS, INC.
P. O. BOX 1019
TROY, NEW YORK

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

February 13, 1959

National Commercial Bank and Trust Company
60 State Street
Albany 1, New York

Attention: Mr. William E. Davison, Assistant Vice President

Dear Mr. Davison:

We request a loan of $4,000.00 with interest at 6% per annum. The proceeds of the loan are to be used to defray 50% of the cost of core drilling the Myers Mineral Prospect in Smyth County, Virginia. The loan is to be repaid from the minerals to be produced from this prospect.

Very truly yours,

ROLAND F. BEERS, INC.

John S. Bakos

Assistant Treasurer

jsb/h

FEB 14 1959

THE NATIONAL COMMERCIAL BANK AND TRUST COMPANY

ALBANY 1, NEW YORK

WILLIAM E. DAVISON
Assistant Vice President

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

February 13, 1959

Roland F. Beers, Inc.
Post Office Box 1019
Troy, New York

Attention: John S. Bakos, Assistant Treasurer

Gentlemen:

Your request for a loan of $4,000. for the purpose of defraying 50% of the cost of core drilling the Myers Mineral Prospect in Smyth County, Virginia, has been given careful consideration. In view of the speculative conditions surrounding a loan of this type, we regret to inform you that we are unable to comply with this request.

Very truly yours,

William E. Davison

Assistant Vice President

wed/hmg

ROLAND F. BEERS, INC.
P. O. BOX 1019
TROY, NEW YORK

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

February 13, 1959

Basic Incorporated
845 Hanna Building
Cleveland 15, Ohio

Attention: Mr. M. J. Ludwig, Vice President and Controller

Dear Mr. Ludwig:

We request a loan of $4,000.00 with interest at 6% per annum. The proceeds of the loan are to be used to defray 50% of the cost of core drilling the Myers Mineral Prospect in Smyth County, Virginia. The loan is to be repaid from the minerals to be produced from this prospect.

Very truly yours,

ROLAND F. BEERS, INC.

John S. Bakos

Assistant Treasurer

jsb/h

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

BASIC INCORPORATED

945 HANNA BUILDING · CLEVELAND 15 · OHIO

CHERRY 1-5000

February 19, 1959

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

Gentlemen:

This will confirm my telephone advice to Dr. Beers on February 17 that we are not interested in making you a loan of $4,000.00 to be used to core drill the Myers Mineral Prospect in Smyth County, Virginia.

Our disinterest is not only in the terms proposed in your letter of February 13, but on any other basis you may propose as well.

Very truly yours,

BASIC INCORPORATED

M. J. Ludwig
Vice President & Controller

MJL:dm

February 25, 1959

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

Gentleman:

I have examined MME Form 52 " Lien and Subornation Agreement " and am unwilling to sign same.

Very truly yours,

Robert L. Meeks

Robert L. Meeks.

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

February 25, 1959

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

Gentleman:

I have examined MME Form 52 " Lien and Subornation Agreement " and am unwilling to s ign same.

Very truly yours,

Robert L. Meeks

Robert L. Meeks.

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

February 25, 1959

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

Gentleman:

I have examined MME Form 52 " Lien and Subordination Agreement " and am unwilling to sign same.

Very truly yours,

Thomas B Cullop

Thomas B. Cullup

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

February 25, 1959

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

Gentleman:

I have examined MME Form 52 " Lien and Subordination Agreement " and am unwilling to sign same.

Very truly yours,

Thomas B Cullop

Thomas B. Cullup

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

25 Fe bruary 1959

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

Gentleman:

I have examined MME Form 52 " Lie n and Subordination Agreement" and am unwilling to sign Same.

Very t ruly yours,

James E. Myers

James E. Myers

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

25 Fe bruary 1959

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

Gentleman:

I have examined MME Form 52 " Lie n and Subordination Agr=ement" and am unwilling to sign Same.

Very t ruly yours,

James E. Myers

James E.Myers

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

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

TELEGRAM

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS

DL = Day Letter

NL = Night Letter

LT = International Letter Telegram

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

AUG 23 1960 PD WUX MICHIGANCITY IND 4 9 AM

ROBERT YOUNG

ROLAND F BEERS INC ROCKPORT ME

RETEL OUR BID DATED SEPT 17TH 1958 COVERING SMYTH COUNTY , VIRGINIA DRILLING WILL HOLD FOR NEXT 60 DAYS

W J PILARSKI

JOY MFG CO

1140A

6 22 60

6 23 3/1/56

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

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

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

A G R E E M E N T

11. This AGREEMENT by and between James E. and Effie F. Myers and Roland F. Beers, Inc. is attached to and becomes part of an Agreement between the above principals, dated September 5, 1957 and bearing the number 5V-7-2.

12. The Buyer may extend the original Agreement and the period of its grant and privileges to 5 September 1960 by payment to the Seller, on or before 26 February 1959, of the further sum of $150.00.

February 26, 1959

James E. Myers

Effie F. Myers

ROLAND F. BEERS, INC.

by Robert S. Young

STATE OF VIRGINIA)
) to wit:
COUNTY OF SMYTH)

I, R B Goodman, a Notary Public in and for the County of Smyth do hereby certify that James E. and Effie F. Myers whose names are signed to the writing above bearing date the 26 day of February, 1959, have acknowledged the same before me in my County aforesaid.

Given under my hand and seal this 26th day of Feb, 1959.

My commission expires Sept. 7, 1960.

R B Goodman
Notary Public

BRANCH OFFICE
1111 ROSE HILL DRIVE
CHARLOTTESVILLE, VIRGINIA
PHONE 2-4918

ROLAND F. BEERS, INC.

MAIL ADDRESS
P. O. BOX 3725
UNIVERSITY STATION
CHARLOTTESVILLE, VIRGINIA

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 6 1958
DATE | | CODE

May 2, 1958

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

Attention: Mr. W. R. Griswold, Chief
Basemetals Division

Dear Sirs:

Attached is our application for D.M.E.A. assistance on an exploratory drilling program at the Myers Prospect, Smyth County, Virginia.

The Myers Prospect, which is classified as "sphalerite-fluorite," has not been previously explored through drilling. The type of mineralization precludes the application of geophysical techniques; hence, the program presented herein is based purely on geological interpretations. The property is controlled by Roland F. Beers, Inc., as "purchaser under contract" and "lessee."

A drilling program of 3,825 feet (Stage I: 2,025'; Stage II: 1,800') is presented to explore the prospect. Drilling bids were secured from three contractors; that of the Joy Manufacturing Co. was low and it is recommended that the contract be awarded to that firm.

We thank you for the privilege of presenting this application, and hope that you will find it of merit.

Very truly yours,

Robert S. Young

Robert S. Young,
Branch Manager

RSY/jy

Form MF–103
Revised Oct. 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

APPLICATION FOR AID IN AN EXPLORATION PROJECT

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

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

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

MAY 6 1958

APPLICANT NOT TO USE THIS BLOCK

Docket Number	DMEA-5007
Date Received	5-6-58
Government Participation %	
Region	V.
Division Code	500

BUSINESS ORGANIZATION (Check one)

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

State in which firm is organized: New York

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

Name	Address	Title
See Attachment A		

Mineral(s) for which you wish to explore: sphalerite and fluorite

Estimated Cost of Project: $ 7,538.43

LOCATION OF PROPERTY

Name	County	State
Myers	Smyth	Virginia

GENERAL INSTRUCTIONS

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

CERTIFICATION

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

May 1, 1958
Dated

RECEIVED MAY 6 1958 D.M.E.A.

BY Robert S. Young
(Signature)

Branch Manager
Title

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

INFORMATION REQUIRED WITH THIS APPLICATION

1. *Applicant's Property Rights:* See Attachment B

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

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

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

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

2. *Physical Description:* See Attachment C

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

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

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

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

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

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

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

3. *Accessibility of Project:* See Attachment D

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

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

4. *The Exploration Project:* See Attachment E

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

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

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

5. *Experience:* See Attachment F

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

6. *Estimate of Costs:* See Attachment G

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

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

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

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

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

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

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

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

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

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

See Attachment H

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

* * * * *

ATTACHMENT A

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 6 1958
DA

Attachment A

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

Corporation, State of New York

Roland F. Beers, President and Treasurer
465 Pinewoods Avenue, Troy, New York

Helen C. Beers, Vice President
465 Pinewoods Avenue, Troy, New York

Frank A. McNamee, Jr., Secretary
75 State Street, Albany, New York

Roland F. Beers, Inc., is the manager of operations for a group known as The American Syndicate. The names and addresses of the Syndicate members follow:

Basic Incorporated, 845 Hanna Building, Cleveland, Ohio
Victor Bator, 30 East 72nd Street, New York, New York
Roland F. Beers, 465 Pinewoods Ave., Troy, New York
Roland F. Beers, Inc., 447 Pinewoods Ave., Troy, New York
Eugene F. Connally, 471 Second Avenue, Troy, New York
Erwin N. Darrin, P. O. Box 2465, Spartanburg, South Carolina
James R. Dunn, View Drive, R. D. 2, Averill Park, New York
C. Emory Lochner, 75 State Street, Albany, New York
W. W. MacGregor, 40A Schuyler Apts., Menands, Albany 4, New York
Malartic Gold Fields, Ltd., Halet, Quebec, Canada
Baldwin Maull, P. O. Box 2006, Buffalo, New York
Salomon Bros. & Hutzler, c/o John Stevenson, 60 Wall Street, New York, New York
John M. Schiff, 30 Wall Street, New York, New York
South Texas Development Company, 100 State Street, Albany, New York
Wytex Oil Corporation, 100 State Street, Albany 7, New York

ATTACHMENT B

OFFICIAL FILE COPY
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RECEIVED MAY 6 1958

ATTACHMENT B

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

1. (a) Applicant's Property Rights (see property map):

CULLOP PROPERTY (Lease # 5-V-7-1)

August 22, 1945

Virginia Farris and J. E. Farris; Ruby Pierce and S. H. Pierce; Benjamin C. Farris and Virginia L. Farris; Thelma Farris Belcher; Elizabeth Farris and Joe E. Farris, Jr.

to

Thomas B. Cullop and Alverdia Cullop

Tract #1: Beginning at a corner to J. C. Cullop's garden; thence with Cullop's line and Copenhaver's line to a corner on a ridge to some dogwoods and sourwood bushes; thence with the line of the Goodall or Copenhaver line to the Chilhowie Road; thence with the meandering of the said road passing the school house to the beginning. Containing fourteen acres, be the same more or less.

As recorded in the Smyth County Court House in Marion, Va., in Deed Book 91, page 225.

MYERS PROPERTY (Option #5-V-7-2)

H. P. Copenhaver

to

J. E. Myers and Effie F. Myers

Beginning at a set stone 12 feet above the spring on the east side of Anderson branch, a corner to S. B. Meek; thence by Compromise lines between the said Copenhaver and said Meek south 75 degrees west 30 poles crossing said branch to a set stone, north 3½ degrees 13 poles to a set stone, answering to a Red Oak, corner to Gross; thence the said Meek with Gross north 86½ degrees east 24½ poles to a large White Oak stump northeast of a sink, north 7½ degrees east 54.40 poles to a Locust corner to H. B. Fox, and with the same north 61 degrees east 48 poles to near a post, south 35½ degrees east 21 poles crossing the said branch to a point in the road, Cedar pointer, corner to C. B. Wilson, and with the same

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

south 30 degrees east 47 poles to a set stone in the Copenhaver line south 52.10 degrees west 86 poles to the beginning. Containing 41 acres more or less.

As recorded in the Smyth County Court House in Marion, Va., in Deed Book 47, page 289.

MEEK PROPERTY (Lease # 5-V-7-3)

May 21, 1953

W. Lynn Copenhaver (by will)

to

Robert Lynn Meek and Georgia F. Meek

Beginning on a set stone located a short distance east of the public road, a short distance northeasterly from the Mt. Zion Church and on a corner of the W. Lynn Copenhaver farm and on a corner of the Meek land; thence the lines of the Meek land as follows: south 68 degrees west 235 feet to a cedar; south 60 degrees west 158 feet to a white oak near and east of the public road; north 32½ degrees west 166 feet to a walnut; north 42½ degrees west 778 feet to a locust near the southeast line of Wassum Valley Road, north 13 degrees east 330 feet with Wassum Valley Road to stake; north 52 degrees 52 feet east 1980 feet to a post; south 44½ degrees east 300 feet to a stake Cullop line; south 38 degrees east 1838 feet to a set stone; westwardly in a st. line to the beginning. Containing 94 acres more or less.

As recorded in the Smyth County Court House in Marion, Va., in Deed Book 17, page 286.

Less approximately one acre conveyed by W. Lynn Copenhaver and wife, Juanita F., to Josephine C. Meek by deed dated June 11, 1946. Recorded in the office of the County Clerk, Smyth County, Va., in Deed Book 93, page 447.

(b) The company designation is "Myers prospect"; other names are "Myers-L. Copenhaver" or "Myers" mine.

(c) Lessee and purchaser under contract; see attached lease and option copies (#5-V-7-1, #5-V-7-2, #5-V-7-3).

(d) None known.

A G R E E M E N T

This AGREEMENT made this 5th day of September, 1957, by and between James E. and Effie F. Myers, said party being herein referred to as the Seller, and ROLAND F. BEERS, INCORPORATED, a New York corporation, the said party being herein referred to as the Buyer;

WITNESSETH: that

WHEREAS, the Seller is the owner of certain real estate and mineral rights in the Marion District of Smyth County, Virginia, herein referred to as the Property, and more particularly described as follows: (Platt attached) Beginning at a set stone 12 feet above the spring on the east side of Anderson branch, a corner to S.B.Meek; thence by Compromise lines between the said Copenhaver and said Meek S 75 W 30 poles crossing said branch to a set stone, N 3½ E 13 poles to a set stone, answering to a Red Oak, corner to Gross; thence the said Meek with Gross N 86½ E 24½ poles to a large White Oak stump northeast of a sink, N 7½ E 54.40 poles to a Locust corner to H.B. Fox, and with the same N 61 E 48 poles to near a post, S 35½ E 21 poles crossing the said branch to a point in the road, Cedar pointer, corner to O.B.Wilson, and with the same S 30 E 47 poles to a set stone in the Copenhaver line S 52.10 W 86 poles to the beginning. Containing 41 Acres more or less. Recorded in Deed Book 47 Page 289-Clerks Office Smyth County, Marion, Virginia.

WHEREAS, the Seller desires to make the Property available for the conduct by the Buyer of certain mineral exploration work thereon and to grant to the Buyer the option to acquire the Property; and

WHEREAS, the Buyer desires to carry out such exploration work and to acquire such option;

N 28 W 28 poles to a set stone, (omitted)

NOW THEREFORE, for and in consideration of the sum of $ 50.00 cash in hand paid by the Buyer to the Seller at the execution of this Agreement, receipt whereof by the Seller is hereby acknowledged, and in further consideration of the respective undertakings herein set forth, it is hereby agreed as follows:

1. The Seller hereby grants to the Buyer the exclusive right and privilege of conducting exploratory investigation for mineral deposits on the Property, effective from the date hereof to 5th September, 1958, it being understood that such operations may include test borings by use of diamond drilling rigs or similar equipment and any survey work found necessary by the Buyer.

2. The Buyer may extend this Agreement and the period of the above grant to 5th September 1959 by payment to the Seller, on or before 5th September 1958, of the further sum of $ 100.00.

3. The Seller hereby grants the Buyer the option to purchase the Property for the price of $ 30,000.00. Such option may be exercised only if the Buyer shall have made the payment specified in Paragraph 2 above, and only by written notice sent by registered mail, addressed to the Seller at Route # 3, Marion, Virginia and deposited in the mails on or before 1st September 1960.

4. The Seller warrants that the Seller has the right to convey to the Buyer fee simple title to the

Property, inclusive of all mining and mineral and all other rights, and that, upon conveyance of the Property by the Seller to the Buyer, the Buyer will have quiet possession, free from all encumbrances. The Seller further warrants that the Seller has the right to license the mineral exploration work above mentioned, free of objection by any party in possession or by any other adverse claimant.

5. On exercise of the aforesaid option, the said purchase price of $ 50,000.00 shall be payable forthwith upon the Seller tendering to the Buyer a good and sufficient deed with general warranty, conveying to the Buyer good and marketable fee simple title to the Property.

6. All reference herein to acreage is approximate only and is intended only for purposes of description.

7. In the event that damage shall be caused to growing crops by the Buyer during the Term of the option, the Buyer agrees to compensate the Seller therefor.

8. In the event that any permanent damage shall be done to the aforesaid property during the period of the option and in the event the option is not exercised, or if, through no default on the part of the Seller, the purchase is not consummated, then the Buyer will compensate the Seller for any such permanent damage to said property.

9. All references herein to the Buyer shall be deemed to include the Buyer's successors or assigns.

10. The obligations set forth herein shall be binding as above stated, but the parties agree to execute any further instruments necessary or appropriate for effectuation of the foregoing.

WITNESS the hands and seals of the parties hereto all the day, month, and year first above written.

James E. Myers
James E. Myers

Effie F. Myers
Effie F. Myers

ROLAND F. BEERS, INC.

By: Robert B. Goodman
Agent
Robert B. Goodman

STATE OF Virginia

COUNTY OF Smyth to-wit:

I, Sue A. Wheeler, a Notary Public in and for the County of Smyth do hereby certify that James E. Myers and Effie F. Myers, Agent for ROLAND F. BEERS, INC., whose names are signed to the writing above bearing date the 5 day of September, 1957, have acknowledged the same before me in my County aforesaid.

Given under my hand and seal this 5 day of September, 1957.

My commission expires March 26, 1961.

Sue A. Wheeler
Notary Public

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MINING LEASE

from

Thomas B. Cullop and
Alvindia H. Cullop (husband)

to

ROLAND F BEERS, INC., TROY, NEW YORK

Date of Lease October 11, 1951
No. of Acres Fourteen (14)

County of Smyth

State of Virginia

Expiration of Definite Term October 11, 1960 ? or 62

RECORDER'S DATA

Received for Record ..... 19.....

Recorded ..... 19.....

In Book ..... Page .....

..... Recorder

of .....

AGREEMENT made and entered into this 27rd day of October A. D., 1957, by and between Thomas B. Cullop and Alvinda H. Cullop (his wife) of R.F.D. #3 Marion County of Smyth and State of Virginia of the first part, hereinafter referred to as Lessor, and Roland F. Beers, Inc. of Troy, New York, of the second part, hereinafter referred to as Lessee. WITNESSETH:

1. (LEASING CLAUSE) That Lessor, in consideration of the sum of One Dollar Cash in hand paid, the receipt of which is hereby acknowledged, under the covenants, conditions, and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, does lease, let, and demise exclusively to Lessee, all and every prospecting and mining right and privilege in and upon the lands hereinafter described, together with the privilege of erecting and installing any and all machinery and equipment, necessary or convenient, for the sole purpose of prospecting, mining, processing and marketing of ores and minerals as found on this land alone or co-jointly with neighboring lands.

The following described premises owned by Lessor and situated in Smyth County and State of Virginia bounded substantially by the following lands:

NORTH Rt. 658 - State Highway — See deed Book 91 Page 445 for detail description Copy attached
EAST Robert Meek
SOUTH Robert Meek
WEST J. E. Myers

containing (14) Fourteen acres, more or less, reserving, however, three hundred (300) feet from the main buildings now on the premises, on which no mine shaft shall be placed by either party except by mutual consent.

2. (LESSOR'S COVENANTS) Lessor warrants and agrees to defend the title to the lands hereinbefore described, and agrees that Lessee at its option may pay and discharge any taxes mortgages or other liens existing, levied or assessed on or against the above described lands, and, in the event that it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax, or other lien any royalty or rentals accruing hereunder.

3. (TERM) This lease shall run for a period of five (5) years and so long thereafter as mining operations are performed or maintained on said leased premises, unless terminated sooner as herein provided. If Lessee has discovered an ore body on said leased premises at the time of expiration of said term, Lessee may at its option, renew said lease for a similar term of years on the same terms and conditions as herein provided, in which event Lessee shall give Lessor written notice of its intension so to do on or before sixty (60) days prior to the expiration of said term. Upon the renewal of said lease, all royalties, advances or otherwise, shall continue to be paid as though said lease had never been terminated.

4. (MINING RIGHTS) This lease conveys the surface land rights necessary for prospecting, developing and operating any mine or mines in said land, or operating mills on said land. Lessee shall have right of ingress and egress, and right of way to and from any place where operations are carried on, and the public highway. Ores mined from the leased premises may be milled and prepared for market thereon, or on other lands, separately or in connection with other ores, as Lessee may elect. Lessee, however, shall use one roadway to and from any mine or mill on said land, and shall keep all gates closed on such part of said premises as are used by it. Lessee agrees that all of its operations on said premises shall be conducted in accordance with good and customary mining practices. Lessee shall have the privilege of raising ores from said land through shafts or inclines on other lands in the area, and the privilege of milling, cleaning or otherwise treating such ores in plants or mills located upon such lands. Lessee shall also have the privilege of raising ores mined from other land through shafts or inclines which Lessee has sunk or driven on the leased premises for the purpose of working same, and of milling, cleaning or otherwise treating such ores in mills or plants located upon the leased premises. The privileges referred to in the last preceding sentence shall survive the termination, by expiration or otherwise, of the lease. For any period after such termination during which Lessee is (a) raising, through a shaft driven on the demised premises ores exclusively from other lands in which Lessor has no interest, or (b) milling, cleaning or otherwise treating on the demised premises, ores exclusively from such other lands, or (c) doing both (a) and (b), Lessee shall pay Lessor five hundred (500) dollars per year. The right to use underground inclines or exploration openings existing in the leased premises at the termination of this lease shall also survive such termination for so long as the use of any of the same may be necessary or convenient for any mining purpose connected with this or any other property.

During the term of this contract all rock waste and jig tailings resulting from the operation of any mines located on said premises may be sold by Lessee, and Lessee shall pay to Lessor fifty (50) per cent of the net sales price. It is agreed that either Lessor or Lessee shall have the right to use, without cost, so much of said tailings or waste rock as may be required in connection with mining or milling operations or for use on the leased premises. Lessee's judgment and decision as to all matters pertaining to waste materials shall be final and binding. In case of forfeiture or surrender of this lease, all tailings and waste, not sold, or remaining on the leased premises, if not sold and removed within two (2) years, become the

Deed Book 91 - page 225

Aug. 22, 1945

Virginia Farris and J. E. Farris; Ruby Pierce and S. H. Pierce; Benjamin C. Farris and Virginia L. Farris; Thelma Farris Belcher; Elizabeth Farris and Joe E. Farris, Jr.

to

Thomas B. Cullop and Alverdia Cullop

Tract #1

Beginning at a corner to J. C. Cullop's garden; thence with Cullop's line and Copenhaver's line to a corner on a ridge to some dogwoods and sourwood bushes; thence with the line of the Goodall or Copenhaver line to the Chilhowie Road; thence with the meandering of the said road passing the school house to the beginning containing fourteen acres, be the same more or less.

property of the Lessor, and Lessee waives all rights thereto and shall be released and relieved from all further obligations or liabilities hereunder.

Should Lessee erect a mill on the leased premises, it agrees to pay Lessor the reasonable annual value of the portion of the surface of the premises required for such mill site, and the necessary storage facilities for rock and tailings. If such value cannot be agreed upon by the parties, it shall be submitted for arbitration as hereinafter provided. Such mill and storage facilities may be established before arbitration, and payment shall be made promptly after such arbitration is concluded. Upon payment, Lessor shall grant to Lessee, by instrument in writing independent of this lease, the exclusive right, privilege and license to use the mill site and storage facilities for milling, beneficiating, stock piling and storing ores, concentrates, minerals, metals, pertinent in connection with mining or milling, so long as Lessee shall deem necessary.

Anything hereinbefore to the contrary notwithstanding, Lessee shall have the right to remove any of its property used in connection with the exercise of the rights and privileges referred to in the preceding sentences of this paragraph within six (6) months after tendering a release of the same.

5. (DAMAGES) Lessee shall cover and case all prospect holes, and shall pay all damage to growing crops or timber. Should any regularly used water supply on the premises be drained by mining operations carried on by Lessee, the Lessee agrees to furnish Lessor with a new water supply equal to the existing water supply before mining operations were carried on.

6. (ADVANCED ROYALTIES AND WORK REQUIREMENTS) Lessee, except as herein otherwise provided, each year during the life of this agreement beginning October 22, 1957 (hereinafter referred to as "work year") shall:

A. Perform mining operations, conducted in good and minor-like manner and in conformity with proper practice, or,

~~B. Explore by means of bona fide drilling methods, or,~~

~~C. Prospect geophysically by means of airborne or ground operated scientific equipment, or~~

~~Prospect geochemically by means of soil analysis and laboratory equipment, or~~

D Pay the sum of ~~Ten (10) Dollars~~ Fifteen Dollars (15.00) per year on or before the expiration of any work year, ~~during which Lessee has not performed either A, B, or C.~~ Such payment to be considered advance royalty against subsequent royalties provided, if Lessee terminates this lease prior to the expiration of any work year Lessee shall pay Lessor on a pro-rata basis for those months during such work year that this lease was in force and effect. After the first ~~two~~ work years of this lease, the Lessee will pay to the Lessor ~~twenty (20)~~ 30.00 dollars ~~[illegible]~~ in lieu of required mining work referred to in (A) above during any work year, payable at the end thereof, as advance royalty applicable against subsequent royalties

7. (SUSPENSION OF WORK ON LOW MARKET) In the event of a drop in the market price of Zinc and Copper as quoted in the Engineering and Mining Journal, to less than twelve (12) cents per pound for Zinc, and forty (40) cents per pound for Copper, the Lessee may suspend all operations until the quoted prices are again equal to at least twelve (12) cents per pound for Zinc and forty (40) cents per pound for Copper, and that during such period this lease shall remain in effect without the payment of a minimum advance royalty The suspension of such work shall not exceed a period of four (4) years at any one time.

8. (ROYALTIES) Lessee will pay to Lessor a royalty of five (5) per cent of the ~~market value~~ Net Smelter Return of such sulfide and metallic concentrates from ores mined and marketed from the leased premises. "Concentrates," for the purposes hereof, means the salable Zinc, Lead, Copper, Nickel, Cobalt, Iron Sulfides Gold, and Silver economically recoverable, as determined above at the mill or concentrating plant where treated. "Market value," for the purposes hereof when used with respect to the sulfide minerals listed above, means the price established f.o.b. cars at the mill by responsible buyers of concentrates of a similar grade and kind produced from ores mined and milled in said district and prevailing at the time the ores are delivered to the mill for treatment

9. (ROYALTY PAYMENTS) Royalty payments shall be made by the Lessee on or before the last day of each calendar month for all ores delivered at the mill during the preceding calendar month. Royalty or other payments under this agreement shall be paid (a) to Lessor at Marion Virginia or (b) as Lessor may in writing designate.

10. (RECORDS AND REPORTS) Lessee agrees to keep an accurate record of all ores mined from the leased premises and of all calculations relative to royalty payments hereunder. Said records may be inspected by Lessor at all reasonable times. Lessee will make available for Lessor's inspection, at all reasonable times during the term of this lease, information as to the location and footage of each hole drilled on said land. At the termination Lessee will furnish a factual record of any holes drilled on the land together with a map showing the location of such holes.

11. (FORFEITURE) In case of failure of Lessee to keep and perform the terms and obligations of this lease, Lessor may give thirty (30) days written notice of the breach or violation complained of, and if such violation or default is not removed, or as nearly corrected as possible, within said period, this lease shall thereupon terminate, provided, however, that no forfeiture shall be asserted where Lessee claims no breach or violation has occured or that the same has been removed or corrected as nearly as possible within the ninety (90) day period, in which event the same shall be submitted for arbitration in accordance with Paragraph 14 of this lease, provided further that no forfeiture shall be asserted based on cessation or delays in operations hereunder when occasioned by fire, war, riot, civil commotion, strikes, operations of law or interference by the Government or its agencies, acts of nature or other causes.

whether like or unlike those enumerated, beyond the control of Lessee. Upon forfeiture, Lessee shall account for and pay royalties accrued to the date of such termination.

12. (SURRENDER) Lessee may at any time surrender this lease by executing and tendering to Lessor a written release thereof, and from and after such tender Lessee shall be released and relieved from all further obligations and liability hereunder, with respect to or in any way connected with the above described premises or the exercise of Lessee's rights hereunder, except to account for and make payments accrued during the life hereof. Tender of such release may be made by delivery of same to Lessor in person, or to his agent, or by recording in the office of the Clerk of the Court of the County in which the leased premises are located, of such release, and paying the recording fee.

13. (NOTICES) All notices herein provided to be given in writing shall, unless otherwise provided, be mailed by registered mail to the address following, until some other address is designated in a notice so given.

LESSORS ADDRESS: R.F.D. #3, Marion, Virginia

14. (ARBITRATION) In the event the parties hereto can not mutually agree upon any matters arising out of this lease, the same shall be determined by arbitration; the Lessor to select one arbitrator, the Lessee to select one arbitrator, and the two arbitrators so selected to select a third arbitrator. Such submission to arbitration shall be a condition precedent to action by either party hereto, in any court, and it is hereby expressly agreed between the parties hereto that such submission to arbitration may be entered of record in the court of proper jurisdiction. The determination by such arbitration shall be binding and conclusive on the parties hereto and may be entered up as the judgment or decree of such court. Expenses of the arbitration shall be borne by the parties equally.

15. (ASSIGNABILITY) This lease shall be binding upon and enure to the benefit of the respective parties hereto, and their personal representatives, successors and assigns.

16. (ENTIRE CONTRACT) It is agreed that the entire contract and agreement between Lessor and Lessee is embodied herein, and that no oral warranties, representations or promises have been made or relied upon by Lessor or Lessee supplementing, modifying or as an inducement to this Agreement.

IN WITNESS WHEREOF, Lessor and Lessee have hereunto set their hands and seals the day and year first above written.

In the presence of:

LESSOR

Thomas B. Cullop (seal)

Alvidia H. Cullop (seal)

(seal)

(seal)

ROLAND F. BEERS, INC.

By Robert S. Young (seal)

Robert S. Young, Agent

STATE OF Virginia

COUNTY OF Smyth

I, R. E. Goodman, a Notary Public in and for the State and County aforesaid, do hereby certify that Thomas B. Cullop and his wife Alvidia H. Cullop personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 22nd day of October 1957

My Commission expires: 9-7-60

R. E. Goodman
Notary Public

OFFICIAL FILE COPY
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RECEIVED MAY 6 1958

DATE	INITIALS	CODE

S-V-7-3

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MINING LEASE

from

ROBERT L. MEEK
and wife

GEORGIA F. MEEK

to

ROLAND F. BEERS, INC., TROY, NEW YORK

Date of Lease DECEMBER 1, 1957

No. of Acres Ninty-three (93)

County of SMYTH

State of VIRGINIA

Expiration of Definite Term DECEMBER 1, 1960

RECORDER'S DATA

Received for Record ..... 19.....

Recorded ..... 19.....

In Book ..... Page.....

..... Recorder

of .....

AGREEMENT made and entered into this 1st day of December A. D., 19 57

by and between Robert L.Mook and his wife Georgia F.Mook

of Marion Dis trict County of Smyth

and State of Virginia of the first part, hereinafter referred to as Lessor, and Roland F. Bears, Inc. of Troy, New York, of the second part, hereinafter referred to as Lessee.

WITNESSETH:

1. (LEASING CLAUSE) That Lessor, in consideration of the sum of One Dollar Cash in hand paid, the receipt of which is hereby acknowledged, under the covenants, conditions, and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, does lease, let, and demise exclusively to Lessee, all and every prospecting and mining right and privilege in and upon the lands hereinafter described, together with the privilege of erecting and installing any and all machinery and equipment, necessary or convenient, for the sole purpose of prospecting, mining, processing and marketing of ores and minerals as found on this land alone or co-jointly with neighboring lands.

The following described premises owned by Lessor and situated in Marion District of Smyth County and State of Virginia bounded substantially by the following lands:

NORTH J.R.Myers and T.B.Gullop
EAST V.L.Copenhaver Est.
SOUTH V.L.Copenhaver Est. and R.L.Mook
WEST R.L.Mook and J.E.Myers

(Note- for further description see Deed Book No. 93 Page 447 Will Book No. 17 Page 286 Copy Attached and Plat Attached.)

containing Ninty-three (93) acres, more or less, reserving, however, three hundred (300) feet from the main buildings now on the premises, on which no mine shaft shall be placed by either party except by mutual consent.

2. (LESSOR'S COVENANTS) Lessor warrants and agrees to defend the title to the lands hereinbefore described, and agrees that Lessee at its option may pay and discharge any taxes mortgages or other liens existing, levied or assessed on or against the above described lands, and, in the event that it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage tax, or other lien any royalty rentals accruing hereunder.

3 (TERM) This lease shall run for a period of three (3) years, and so long thereafter as mining operations are performed or maintained on said leased premises unless terminated sooner as herein provided. If Lessee has discovered an ore body on said leased premises at the time of expiration of said term, Lessee may at its option, renew said lease for a similar term of years on the same terms and conditions as herein provided, in which event Lessee shall give Lessor written notice of its intension so to do on or before sixty (60) days prior to the expiration of said term. Upon the renewal of said lease, all royalties, advances or otherwise, shall continue to be paid as though said lease had never been terminated.

4. (MINING RIGHTS) This lease conveys the surface land rights necessary for prospecting, developing and operating any mine or mines in said land, or operating mills on said land. Lessee shall have right of ingress and egress, and right of way to and from any place where operations are carried on, and the public highway. Ores mined from the leased premises may be milled and prepared for market thereon, or on other lands, separately or in connection with other ores, as Lessee may elect. Lessee, however, shall use one roadway to and from any mine or mill on said land, and shall keep all gates closed on such part of said premises as are used by it. Lessee agrees that all of its operations on said premises shall be conducted in accordance with good and customary mining practices. Lessee shall have the privilege of raising ores from said land through shafts or inclines on other lands in the area, and the privilege of milling, cleaning or otherwise treating such ores in plants or mills located upon such lands. Lessee shall also have the privilege of raising ores mined from other land through shafts or inclines which Lessee has sunk or driven on the leased premises for the purpose of working same, and of milling, cleaning or otherwise treating such ores in mills or plants located upon the leased premises. The privileges referred to in the last preceding sentence shall survive the termination, by expiration or otherwise, of the lease. For any period after such termination during which Lessee is (a) raising, through a shaft driven on the demised premises ores exclusively from other lands in which Lessor has no interest, or (b) milling, cleaning or otherwise treating on the demised premises, ores exclusively from such other lands, or (c) doing both (a) and (b), Lessee shall pay Lessor five hundred (500) dollars per year. The right to use underground inclines or exploration openings existing in the leased premises at the termination of this lease shall also survive such termination for so long as the use of any of the same may be necessary or convenient for any mining purpose connected with this or any other property.

During the term of this contract all rock waste and jig tailings resulting from the operation of any mines located on said premises may be sold by Lessee, and Lessee shall pay to Lessor fifty (50) per cent of the net sales price. It is agreed that either Lessor or Lessee shall have the right to use, without cost, so much of said tailings or waste rock as may be required in connection with mining or milling operations or for use on the leased premises. Lessee's judgment and decision as to all matters pertaining to waste materials shall be final and binding. In case of forfeiture or surrender of this lease, all tailings and waste, not sold, or remaining on the leased premises, if not sold and removed within two (2) years, become the

property of the Lessor, and Lessee waives all rights thereto and shall be released and relieved from all further obligations or liabilities hereunder.

Should Lessee erect a mill on the leased premises, it agrees to pay Lessor the reasonable annual value of the portion of the surface of the premises required for such mill site, and the necessary storage facilities for rock and tailings. If such value cannot be agreed upon by the parties, it shall be submitted for arbitration as hereinafter provided. Such mill and storage facilities may be established before arbitration, and payment shall be made promptly after such arbitration is concluded. Upon payment, Lessor shall grant to Lessee, by instrument in writing independent of this lease, the exclusive right, privilege and license to use the mill site and storage facilities for milling, beneficiating, stock piling and storing ores, concentrates, minerals, metals, pertinent in connection with mining or milling, so long as Lessee shall deem necessary.

Anything hereinbefore to the contrary notwithstanding, Lessee shall have the right to remove any of its property used in connection with the exercise of the rights and privileges referred to in the preceding sentences of this paragraph within six (6) months after tendering a release of the same.

5. (DAMAGES) Lessee shall cover and case all prospect holes, and shall pay all damage to growing crops or timber. Should any regularly used water supply on the premises be drained by mining operations carried on by Lessee, the Lessee agrees to furnish Lessor with a new water supply equal to the existing water supply before mining operations were carried on.

6. (ADVANCED ROYALTIES AND WORK REQUIREMENTS) Lessee, except as herein otherwise provided, each year during the life of this agreement beginning December 1st, 19 57 (hereinafter referred to as "work year") shall:

A. Perform mining operations, conducted in good and miner-like manner and in conformity with proper practice, or,

[illegible]

[illegible]

D. Pay the sum of One dollar (1.00) per acre per year on or before the expiration of any work year [illegible]. Such payment to be considered advance royalty against subsequent royalties provided, if Lessee terminates this lease prior to the expiration of any work year Lessee shall pay Lessor on a pro-rata basis for those months during such work year that this lease was in force and effect. After the first four work years of this lease, the Lessee will pay to the Lessor ten (10) dollars an acre in lieu of required mining work referred to in (A) above during any work year, payable at the end thereof, as advance royalty applicable against subsequent royalties.

7. (SUSPENSION OF WORK ON LOW MARKET) In the event of a drop in the market price of Zinc or Copper as quoted in the Engineering and Mining Journal, to less than twelve (12) cents per pound for Zinc, and forty (40) cents per pound for Copper, the Lessee may suspend all operations until the quoted prices are again equal to at least twelve (12) cents per pound for Zinc and forty (40) cents per pound for Copper, and that during such period this lease shall remain in effect without the payment of a minimum advance royalty. The suspension of such work shall not exceed a period of four (4) years at any one time.

8. (ROYALTIES) Lessee will pay to Lessor a royalty of five (5) per cent of the net smelter return of such sulfide and metallic concentrates from ores mined and marketed from the leased premises. "Concentrates," for the purposes hereof, means the salable Zinc, Lead, Copper, Nickel, Cobalt, Iron, Sulfides, Gold, and Silver economically recoverable, as determined above at the mill or concentrating plant where treated. "Net smelter return," for the purposes hereof when used with respect to the sulfide minerals listed above, means the price established f.o.b. cars at the mill by responsible buyers of concentrates of a similar grade and kind produced from ores mined and milled in said district and prevailing at the time the ores are delivered to the mill for treatment.

9. (ROYALTY PAYMENTS) Royalty payments shall be made by the Lessee on or before the last day of each calendar month for all ores delivered at the mill during the preceding calendar month. Royalty or other payments under this agreement shall be paid (a) to Lessor at Route No. 3 Marion, Virginia or (b) as Lessor may in writing designate.

10. (RECORDS AND REPORTS) Lessee agrees to keep an accurate record of all ores mined from the leased premises and of all calculations relative to royalty payments hereunder. Said records may be inspected by Lessor at all reasonable times. Lessee will make available for Lessor's inspection, at all reasonable times during the term of this lease, information as to the location and footage of each hole drilled on said land. At the termination Lessee will furnish a factual record of any holes drilled on the land together with a map showing the location of such holes.

11. (FORFEITURE) In case of failure of Lessee to keep and perform the terms and obligations of this lease, Lessor may give thirty (30) days written notice of the breach or violation complained of, and if such violation or default is not removed, or as nearly corrected as possible, within said period, this lease shall thereupon terminate, provided, however, that no forfeiture shall be accrued where Lessee claims no breach or violation has occured or that the same has been removed or corrected as nearly as possible within the ninety (90) day period, in which event the same shall be submitted for arbitration in accordance with Paragraph 14 of this lease, provided further that no forfeiture shall be accrued because of cessation or delays in operations hereunder when occasioned by fire, war, riot, civil commotion, strikes, operations of law or interference by the Government or its agencies, acts of nature or other causes.

whether like or unlike those enumerated, beyond the control of Lessee. Upon forfeiture, Lessee shall account for and pay royalties accrued to the date of such termination.

12. (SURRENDER) Lessee may at any time surrender this lease by executing and tendering to Lessor a written release thereof, and from and after such tender Lessee shall be released and relieved from all further obligations and liability hereunder, with respect to or in any way connected with the above described premises or the exercise of Lessee's rights hereunder, except to account for and make payments accrued during the life hereof. Tender of such release may be made by delivery of same to Lessor in person, or to his agent, or by recording in the office of the Clerk of the Court of the County in which the leased premises are located, of such release, and paying the recording fee.

13. (NOTICES) All notices herein provided to be given in writing shall, unless otherwise provided, be mailed by registered mail to the address following, until some other address is designated in a notice so given.

LESSORS ADDRESS: Route NO. 3 Marion, Virginia

14. (ARBITRATION) In the event the parties hereto can not mutually agree upon any matters arising out of this lease, the same shall be determined by arbitration; the Lessor to select one arbitrator, the Lessee to select one arbitrator, and the two arbitrators so selected to select a third arbitrator. Such submission to arbitration shall be a condition precedent to action by either party hereto, in any court, and it is hereby expressly agreed between the parties hereto that such submission to arbitration may be entered of record in the court of proper jurisdiction. The determination by such arbitration shall be binding and conclusive on the parties hereto and may be entered up as the judgment or decree of such court. Expenses of the arbitration shall be borne by the parties equally.

15. (ASSIGNABILITY) This lease shall be binding upon and enure to the benefit of the respective parties hereto and their personal representatives, successors and assigns.

16. (ENTIRE CONTRACT) It is agreed that the entire contract and agreement between Lessor and Lessee is embodied herein, and that no oral warranties, representations or promises have been made or relied upon by Lessor or Lessee supplementing, modifying or as an inducement to this Agreement.

IN WITNESS WHEREOF, Lessor and Lessee have hereunto set their hands and seals the day and year first above written.

In the presence of:

LESSOR

Robert L. Meek (seal)
Robert L. Meek

Georgia F. Meek (seal)
Georgia F. Meek

(seal)

(seal)

John A. Bates

ROLAND F. BEERS, INC.
By Shirley A. Clickner (seal)
Authorized Agent

STATE OF Virginia

COUNTY OF Smyth

I, Clara S. Pafford, a Notary Public in and for the State and County aforesaid, do hereby certify that Robert L. Meek and his wife Georgia F. Meek personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 3rd day of December 1957.

My Commission expires:
July 1, 1959.

Clara S. Pafford
Notary Public

Will - W. Lynn Copenhaver - Will May 21, 1953
To - Robert Lynn Meek
Robert L. Meek
Wife - Georgia F. Meek

Signed 21 day Nov. 1953
See Will Book No. 17
Page.No. 286

Beginning on a "set stone" located a short distance east of the public road, a short distance northeasterly from the Mt. Zion Church and on a corner of the W. Lynn Copenhaver farm and on a corner of the Meek land; thence the lines of the Meek land as follows:

S 68° W 235 ft to a cedar
S 60° W 158 feet to a white oak near and east of the Public road
N 32 1/2° W 166 ft. to a walnut;
N 42 1/2° W 778 ft. to a locust near the SE line of Wassum Valley Road
N 13° E 330 ft with Wassum Valley Road to stake
N 52° 52' E 1980 ft to a post
S 44 1/2° E 300 ft. to a stake Cullop line
S 38° E 1838 ft. to a set stone "
Westwardly in a st line to the beginning.
Containing 94 acres more or less.

Less—
Approximateeone Acre Conveyed by W.Lynn Copenhaver and Wife Juanita F. to Josephine O.Meek by deed dated June 11,1946 . Recorded in the office of the County Clerk, Smyth County, Virginia.
See Deed Book.No. 93 Page No. 447

ATTACHMENT C

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

2. (a) Barite mines on the Myers property were the most extensively worked in Smyth County. The developments began about 100 feet southeast of Route 645 (see attached map) and extended S70°E for more than 1,500 feet. Some of the larger open cuts are 400 feet long, 100 feet wide and 40 feet deep, covering a total area of nearly five acres.

Mining operations ceased over 50 years ago.

See Contour-Culture Map (Attachment E).

(b) A comprehensive geological and geochemical survey initiated in 1957 was completed by geologists of Roland F. Beers, Inc., during April, 1958.

(c) There was no production of Zn and CaF_2 from the Myers mine and the amount of barite produced is unknown.

(d) The amount and grade of ore reserves are unknown. Analyses of soil samples show local zinc values of at least $2\frac{1}{2}$ times background. These tests were made by the geochemical laboratory of Roland F. Beers, Inc., at Troy, New York. A composite sample, from available surface material, was prepared and assayed for Zn and CaF_2 by the Union Assay Offices, Inc., Salt Lake City, Utah. A true copy of the assay certificate is a part of this application.

(e) The Myers prospect is on the west side of the Marion Dome, a folded complex of gross dome-like character on the hanging wall of the Greenwood fault. The prospect, as defined in this application, is on the axial area of a northeast-southwest trending subsidiary anticline, which extends nearly completely across the dome and is transected by the Greenwood fault. The anticline is one of a series of flank folds and is typical of Appalachian folds, being slightly overturned to the northwest. Outcrops are scarce along the axial part of the fold; however, the fold appears to plunge about 25° SW at the Beekmantown-Mosheim contact. The amount of plunge possibly increases with depth.

The ore minerals, as presently known, are sphalerite and fluorite. These minerals are in a gangue of calcite, pyrite and barite. Quartz is present, but in small quantities. The ore and gangue minerals occur in intimate association. The sphalerite is a pale honey color, and typical of Valley-type mineralization; fluorite is present as small, purple and colorless crystals and irregular masses.

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Troy, New York

The mineralized section, a fractured and brecciated limestone series, is in the Lower Ordovician Beekmantown formation. The Beekmantown, in the Marion area, is dominantly dolomite and is about 1,200 feet thick. The individual dolomite beds are typically thick-bedded, massive, and light-gray to buff. The Beekmantown formation is bounded below by dark-gray limestones of the basal Ordovician Chepultepec limestone and overlain by the light-gray limestones of the Middle Ordovician Mosheim limestone.

The mineral-bearing mid-Beekmantown limestone section is apparently continuous over a considerable lateral extent. It was the host for the extensively mined barite, and in at least one place host to the zinc sulfide. The fluorite is present with both barite and sphalerite.

Sphalerite-bearing limestone breccia, visible now only in dump rock, was mined from a shaft at grid coordinates 0 + 0. This vertical shaft, some 90 feet deep, was filled by Mr. Myers, the present property owner. This particular part of the barite mining operation was orally described by a Mr. Goodman, who worked in the shaft prior to World War I.

The type of deposit must remain a matter of some conjecture until the prospect is drilled. However, certain inferences may be drawn which will serve to limit the possibilities. Zinc deposits of the Valley-type are localized by some strucutre -- fold, fault, or zone of brecciation. The Myers prospect is on the axis of a well-defined anticline. A vertical shaft was put down in the axial area during the period of barite mining, and sphalerite in the breccia was encountered. The zinc-bearing limestone is a well-developed breccia, consisting of limestone blocks cemented by calcite, barite, sphalerite, and fluorite. Insofar as is known, the sphalerite is restricted to brecciated limestone. Fluorspar and barite, although nearly always restricted to the limesone sequence, did not depend upon brecciation for localization.

It is logical, then, to assume that the anticline is heavily fractured along certain parts of the axial region. Where these fractured areas involve the mid-Beekmantown limestones and where they were subject to sulfide-bearing solutions, sphalerite is localized. Fluorite always accompanies the sphalerite. It is probable that the sphalerite is in an irregular breccia body, lying along the axial region of an anticline.

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Troy, New York

(f) The Myers prospect is in the Southwest Virginia mineral province, and in an area of abundant evidence of sulfide mineralization. The significant sulfide prospects in this region are structurally controlled. The Myers prospect occupies a crest position on a well-defined anticline, and is thus favorably located structurally. Further, the zinc-bearing limestone present at the prospect is in breccia. In the absence of visible faulting, it is most probable that the breccia was formed along the anticlinal axis. This probability is strengthened by the areal location of the shaft from which the mineralizaed breccia was mined.

The Myers prospect is the location of a set of conditions, which when integrated , demonstrate the strong possibility of a sphalerite-fluorite orebody. The desired ore minerals are present; a susceptible host rock is present in sufficient thickness; structures capable of localizing a moderate-size orebody have been mapped. The prospect has not been tested beyond the limits of the previous shallow barite operations.

(g) See attachments.

Telephone EMpire 3-3302 Hand Sample Serial 32996

Mine Roland T. Beers Incorporated

ASSAY REPORT

UNION ASSAY OFFICE, Inc.

J. V. SADLER, President
A. C. SELBY, Vice-Pres. & Treas.
LILY M. HOTTINGER, Secretary

Salt Lake City 10, Utah

RESULTS PER TON OF 2000 POUNDS April 15, 1958

NO.	GOLD Ozs. per Ton	SILVER Ozs. per ton	LEAD Per Cent Wet	COPPER Per Cent	INSOL. Per Cent	ZINC Per Cent	SULPHUR Per Cent	~~XXXXX~~ Per Cent CaF_2	LIME Per Cent	Per Cent	Per Cent	VALUE GOLD
						10.4		7.13				

Remarks

Charges $ 6.00

W. C. Wallace

ATTACHMENT D

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 6 1958
DATE | CODE

ATTACHMENT D

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

3. (a) DMEA representatives desiring to inspect the property will be met by Robert S. Young or Vernon R. Geyer of Roland F. Beers, Inc., Charlottesville, Virginia. The property is easily accessible and directions for reaching it are shown on the attached location maps.

(b) The Norfolk and Western Railway is 1.5 miles south of the prospect. Stations and loading facilities exist in Marion and Chilhowie, 4 and 6 miles distant. Both of these towns will adequately serve as supply and residence points. Abundant water is available in local streams.

ATTACHMENT E

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

4. (a) The drilling program proposed to explore the Myers prospect consists of a total of 3,825 feet of drilling. For the most effective utilization of this total recommended footage, it is suggested that the program be approached in two distinct, though necessarily continuous, stages. The first stage consists of 2,025 feet of drilling distributed among 10 holes. The locations of these drill holes and their relation to the local geologic features are depicted on the accompanying maps.

The physical character of each hole follows:

Drill Hole #1 - Inclination: -70°; bearing: N45°E; elevation at collar: 2220.0'; total inclined depth: 150'.

Drill Hole #2 - Inclination: -70°; bearing: N45°E; elevation at collar: 2236.4'; total inclined depth: 150'.

Drill Hole #3 - Inclination: -70°; bearing: N45°E; elevation at collar: 2243.0'; total inclined depth: 150'.

Drill Hole #4 - Inclination: -70°; bearing: N45°E; elevation at collar: 2212.6'; total inclined depth: 175'.

Drill Hole #5 - Inclination: -70°; bearing: N45°E; elevation at collar: 2216.0'; total inclined depth: 175'.

Drill Hole #6 - Inclination: -70°; bearing: N45°E; elevation at collar: 2162.0'; total inclined depth: 225'.

Drill Hole #7 - Inclination: -70°; bearing: N45°E; elevation at collar: 2174.5'; total inclined depth: 225'.

Drill Hole #8 - Inclination: -70°; bearing: N45°E; elevation at collar: 2165.4'; total inclined depth: 225'.

Drill Hole #9 - Inclination: -70°; bearing: N45°E; elevation at collar: 2143.2'; total inclined depth: 275'.

Drill Hole #10 - Inclination: -70°; bearing: N45°E; elevation at collar: 2150.0'; total inclined depth: 275'.

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Troy, New York

The pattern drilling recommended in this application appears to be the most reasonable and economic approach to testing and delineating a possible moderate-size orebody. The relatively close spacing of the Stage I exploratory holes (± 250') has proved necessary, in past drilling, to evaluate mineralized strucutres of the inferred type.

Stage II drilling is reserved to extend, either in length or depth, any significantly mineralized trend discovered by Stage I operations.

The footage reserved for the second phase of drilling should be 1800 feet. A breakdown of the footage requested in this application follows:

I. Committed drilling:		
DH-1:	150'	
DH-2:	150'	
DH-3:	150'	
DH-4:	175'	
DH-5:	175'	
DH-6:	225'	
DH-7:	225'	
DH-8:	225'	
DH-9:	275'	
DH-10:	275'	
		2025 feet
II. Reserve drilling:		1800 feet
	Total drilling:	3825 feet

(b) No additional access roads needed.

(c) With the execution of a DMEA contract, work will begin within 30 days and the final report will be tendered within 4½ months of the starting date.

A daily drilling average of 80 feet (one drill, two shifts) is anticipated.

ATTACHMENT F

ATTACHMENT F

ROLAND F. BEERS, INC.
P. O. Box 1019
Troy, New York

5. This exploration program, although localized, will have access to the entire technical staff and facilities of Roland F. Beers, Inc. The geological interpretation was accomplished by the Charlottesville staff of Roland F. Beers, Inc. The Corporation has for several years been conducting an extensive geological, geophysical, and geochemical prospecting program in the eastern United States. This program has included prospect drilling.

Robert S. Young and Vernon R. Geyer are geologists-in-charge of the Myers-Copenhaver project. Biographical sketches follow:

Robert S. Young, 114 West Park Drive, Charlottesville, Va.; b. April 14, 1922; m. '45; c. 2; B.A. '50; M.A. '51; Ph.D. '54; U.S.A.A.F. '42-'45.

Field geologist, State Geological Survey, Va. '52; Stratigrapher-Structural Geologist, Va. Div. Geol. '53-'56; Lecturer, Harpur Coll. '53-'54; Consulting Geol. '54-'56, Exploration Projects, United Carbon Co., Roland F. Beers, Inc.; Branch Mgr. and Regional Geol., Roland F. Beers, Inc. '56-current.

Stratigraphic, structural and economic studies in northern Shenandoah Valley; geological and geophysical exploration for sulfides in southeastern United States.

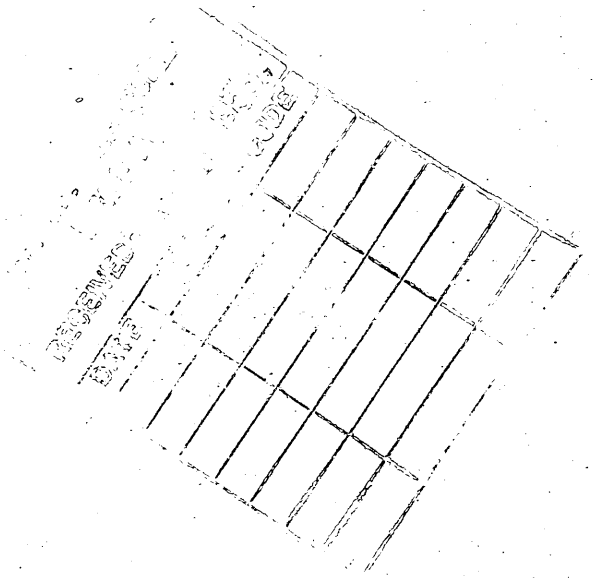
Soc. Econ. Paleo. and Min.; Min. Soc. Am.; Paleo. Soc.; Am. Assn. Petrol. Geol.; Geol. Soc. Am.; R. E. S. A.; Sigma Xi; Sigma Gamma Epsilon; Appa. Geol. Soc.

Vernon R. Geyer, 114 Observatory Ave., Charlottesville, Va.; b. August 4, 1922; m. '47; c. 2; B.S. '49; U.S.Army '42-'45.

Grad. student and lab. inst., University of N. C. '49-'51; field geologist, Zonolite Co., '51; chief geol., So. Div. Zonolite Co. '51-'53; ground water and economic geol., Va. Div. Geol. '53-'56; district geol., Roland F. Beers, Inc., '56-current.

Carolina Geol. Soc.; Geol. Soc. Am.; Va. Acad. Sci.; Sigma Gamma Epsilon.

ATTACHMENT G



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

6. (a) An independent contract will be let for the entirety of the proposed drilling. The total cost of the drilling program (Stage I) will approximate $7,538.43, based on a bid submitted by the Joy Manufacturing Company, as shown below:

2,025' AX, NX and overburden drilling @ $2.65	$5,366.25	
Down time at our convenience @ $7.50/hr....	60.00	
		$5,426.25

(The above figures provide a unit per foot cost of $2.68.)

(b) The drilling program will be serviced by geologists from the Charlottesville, Virginia, office of Roland F. Beers, Inc. It is proposed that one staff geologist will devote one-half of his six-day week to the project in order to effectively handle the assignment. It is estimated that the drilling program will require a minimum of 2½ months.

Personal Services:

1 Staff geologist, ½ time @ $800/mo.....	$1,000.00	
1 Stenographer, 1½ wks. @ $60/wk.	90.00	
1 Staff Laborer, 60 hrs. @ $1.50/hr. ...	90.00	
		$1,180.00

(c) Operating materials and supplies

Core boxes, 60 @ $3.00	$ 180.00	
		$ 180.00

(d) Operating equipment .....None

(e) Rehabilitation and repairs ....None

(f) New buildings, improvements, installations, rent of

core storage	$ 25.00	
		$ 25.00

(g) Miscellaneous:

i. Office & drafting supplies for maintaining records, preparation of maps and reports	$ 30.00
ii. Workman's compensation and employer's liability on payroll, est...	64.90
iii. Transportation, staff geologist automobile @ $0.08/mi.	257.28

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

Miscellaneous continued-

iv. Subsistence	$ 210.00	
v. Communications, telephone and telegraph	25.00	
vi. Assays, 20 @ $7.00	140.00	
		$ 727.18

RECAPITULATION

(a) Independent contracts	$5,426.25	
(b) Labor, supervision, consultants	1,180.00	
(c) Core boxes, 60 @ $3.00	180.00	
(f) New buildings, improvements, etc.	25.00	
(g) Miscellaneous	727.18	
		$7,538.43

ATTACHMENT H

ATTACHMENT H

ROLAND F. BEERS, INC.
P. O. Box 1019
Troy, New York

7. (a) Yes

(b) Money

JOY MANUFACTURING COMPANY
900 WOODLAND AVENUE
MICHIGAN CITY, INDIANA

EXECUTIVE OFFICES
HENRY W. OLIVER BUILDING
PITTSBURGH 22, PA.

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 6 1958
DATE | INITIALS | CODE

AIRMAIL

April 28, 1958

Roland F. Beers, Inc.
Post Office Box 3725
University Station
Charlottesville, Virginia

Attention- Mr. V. R. Geyer

Gentlemen:

On request of your Mr. Robert S. Young, we set forth below terms and conditions under which we are prepared to undertake a minimum of 2,000 feet of drilling in Smyth County, Virginia.

On the condition that you will guarantee us a minimum of 2,000 feet of drilling, we will undertake the work at a price of $2.65 per foot for drilling with "AX" fittings which will produce 1-1/8 inch diameter cores. We understand that the maximum depths of the holes will be 275 feet and that the average will be around 200 feet per hole. These will be angle holes, and the maximum distance to water will be 1,500 feet.

The above price includes our furnishing the necessary labor, material and equipment with the exception of core boxes.

For this proposed drilling we will furnish one of our Joy #12-B gasoline-driven core drills complete with operating equipment, and will conduct the drilling operations on the basis of one or two eight-hour shifts per day and six days per week.

We have the necessary equipment and crews available at Jefferson City, Tennessee and can start the work immediately upon acceptance and notice to proceed with the drilling.

Thanking you for giving us an opportunity of quoting on your requirements, and hoping that we may have the pleasure of being of service to you, we are,

Yours very truly,

JOY MANUFACTURING COMPANY

W. J. Pilarski, Manager
Contract Drill Division

WJP-cj

JOY MANUFACTURING COMPANY
900 WOODLAND AVENUE
MICHIGAN CITY, INDIANA

EXECUTIVE OFFICES
HENRY W. OLIVER BUILDING
PITTSBURGH 22, PA.

May 2, 1958

AIR MAIL

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

Attention: Mr. V. R. Geyer

Gentlemen:

Mr. W. J. Pilarski wrote to you on April 28, submitting prices for a minimum of 2000 feet of drilling in Smyth County, Virginia.

The submitted price of $2.65 per foot includes transportation charges, moving between holes and supplying water up to a maximum distance of 1500 feet.

The per-foot price of $2.65 also includes overburden drilling. The price from surface to the bottom of the hole will be at the rate of $2.65 per foot.

If you should desire to take acid surveys on these holes, such work will be performed at the rate of $7.00 per hour.

This letter is supplementary to Mr. Pilarski's letter of April 28, giving you the additional information you requested in our telephone conversation

Yours very truly,

JOY MANUFACTURING COMPANY

JMMurray

J. M. Murray, Assistant Manager
Contract Drilling Division

JMM/vh

Longyear

E. J. LONGYEAR COMPANY
General Offices, Foshay Tower
Minneapolis 2, Minnesota, U. S. A.
TELEPHONE: FEDERAL 2-2447 • CABLE LONGCO

April 25, 1958

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

Attention: Mr. Vernon Guyer

PROPOSED DIAMOND DRILLING PROGRAM - VICINITY OF MARION, VIRGINIA

Gentlemen:

1. Based on the information furnished by our Mr. Williamson Ward, we are pleased to set forth below proposal for your contemplated exploratory drilling program which is to be carried out in the above-mentioned area.

2. We understand that the program as now planned will consist of a minimum of 2,025 feet of vertical core holes, averaging approximately 275 feet in depth; that the formation to be drilled will consist of solid, non-cherty limestone and dolomite; and that AX-size core is desired. We further understand that the drill sites are not accessible to truck transportation, and that a skid drilling rig will be required; and also that water required for the drilling operations will be available within a maximum distance of 1500 feet from any proposed drill hole.

3. For this work we propose to furnish one skid-mounted Longyear diamond core drill of suitable capacity, together with the necessary accessory equipment, including standard AX coring tools, required to complete the work as now planned. We further propose to operate the drill on a two shift basis, six days per week.

4. We will carry public liability insurance covering personal injury and property damage, and Workmen's Compensation insurance, and also, all-risk insurance on the drilling equipment protecting against loss by theft, fire, flood, land-slides and other similar hazards.

We will also assume and pay any and all Old Age Benefit, Unemployment and Social Security taxes and contributions imposed by federal or state authorities.

Certificates showing the coverage referred to will be furnished upon request.

5. Based upon the conditions as outlined above, we are pleased to quote as follows:

a) Mobilization and demobilization of personnel and drilling equipment.....$150.00 Lump Sum

b) Overburden Drilling - 0 to 100 ft. in depth...$ 2.90 per ft.

Roland F. Beers, Inc. April 25, 1958

c) Diamond Core Drilling

Top of Ledge to 500 feet in depth -

AX standard and/or BX wire line, recovering core approximately 1-3/16" in diameter...$ 2.90 per ft.

BX and NX standard, recovering core approximately 1-5/8" and 2-1/8" in diameter, respectively (to be confined to collaring of hole in ledge).....$ 3.30 per ft.

d) Cementing, waiting for cement to set, and drilling out cement, with cement furnished by us.....$ 7.50 per hr., with two man crew

e) Drill hole surveying - employing:

1) Maas Compass.....$ 7.50 per hour, with two man crew

2) Tro-Pari instrument.....$12.50 per hour, with two man crew, plus all repair costs, and full payment for instrument in case it is lost or left in drill hole.

f) Delays for your convenience or for which you are responsible.....$ 6.50 per hour, with two man crew

g) Wooden core boxes - capacity 36' of AX core...$ 3.00 per box

6. The above-quoted drilling rates are based on wages currently being paid in the State of Virginia. If during the life of this project it becomes necessary for us to adjust the wages being paid our workmen because of demands of labor union or otherwise, it is understood and agreed that the Longyear Company reserves the right to increase drilling rates to cover resultant additional operating expenses.

7. Drill cores will be turned over to your representative at the drill site in core boxes provided by the Longyear Company as specified above.

8. Statements will be rendered as promptly as possible after the first of each month, and payment is to be made within thirty days after date of receipt for all work done during the previous calendar month.

9. We appreciate the opportunity to consider this program. If awarded the contract, we would be prepared to furnish the personnel and equipment from our Max Meadows warehouse immediately.

Sincerely,

E. J. LONGYEAR COMPANY

M. J. Gleason

Manager, Contract Drilling Division

M.J.Gleason:bal

ACCEPTED:

ROLAND F. BEERS, INC.

By: _____

Date: _____

DIAMOND & SHOT CORE DRILLING
FOUNDATION INVESTIGATION
SOIL SAMPLING

FOUNDATION GROUTING
TEST PITS
MINERAL & QUARRY TESTING

CUNNINGHAM CORE DRILLING AND GROUTING CORP.

P. O. BOX 513, SALEM, VA.

TELEPHONE DUPONT 9-2396

May 2, 1958

Roland S. Beers Company
Charlottesville, Virginia

Attention: Mr. V. R. Geyer

Dear Sir:

We are pleased to quote on your drilling in the vicinity of Marion, Virginia, as follows:

10 holes each 150 to 275 feet deep on 70° angle.
2,025 feet minimum drilling.
3,825 feet maximum drilling.
1,500 feet maximum distance to water.
AX size hole minimum size.
Drilling in limestone and Dolomite (mostly in Beekmantown Dolomite).

Our price on this drilling is $4.00 per lineal foot.

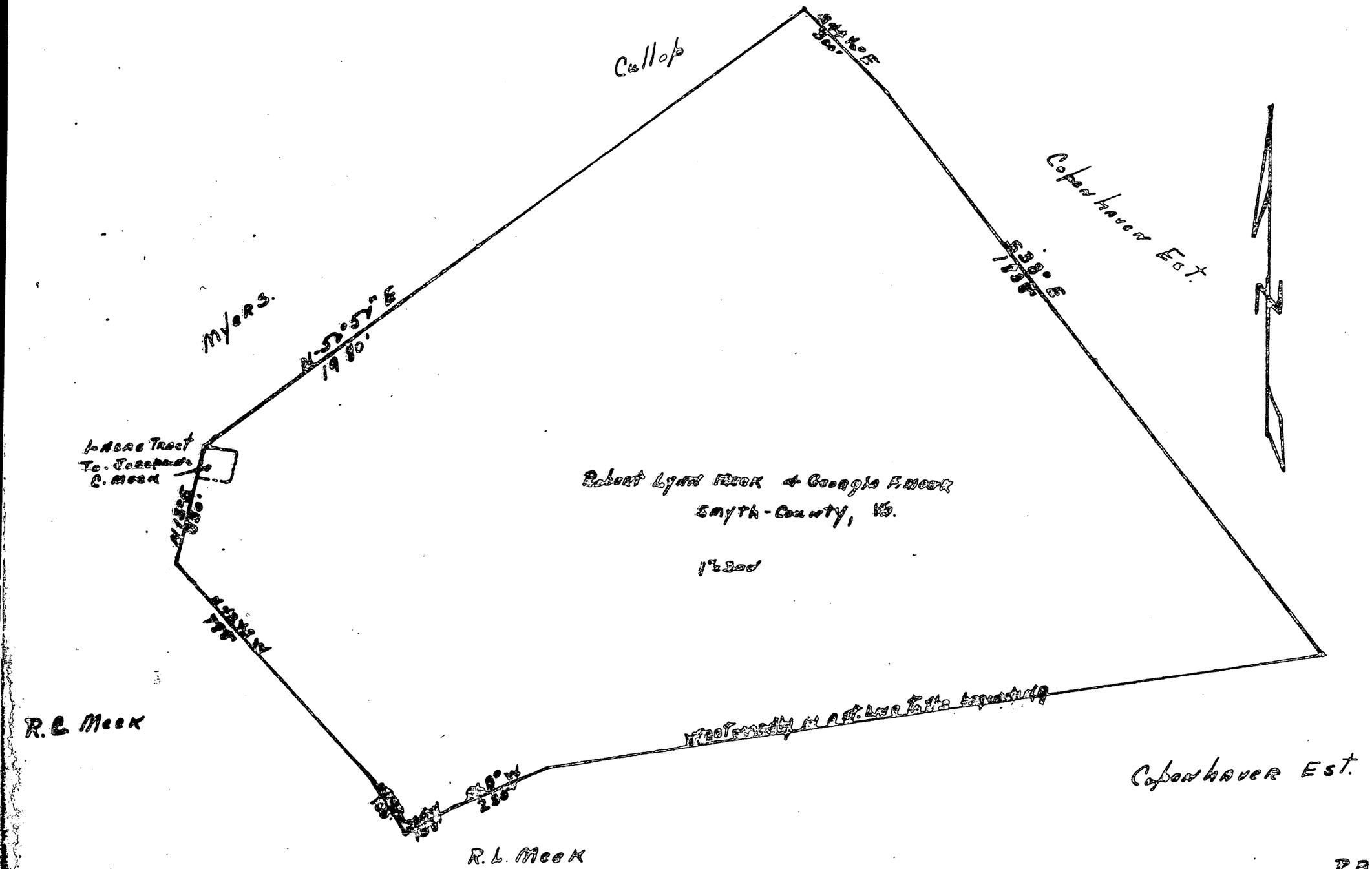
Very truly yours,

CUNNINGHAM CORE DRILLING
AND GROUTING CORPORATION

Sam J. Cunningham

Sam J. Cunningham, President

SJC: d

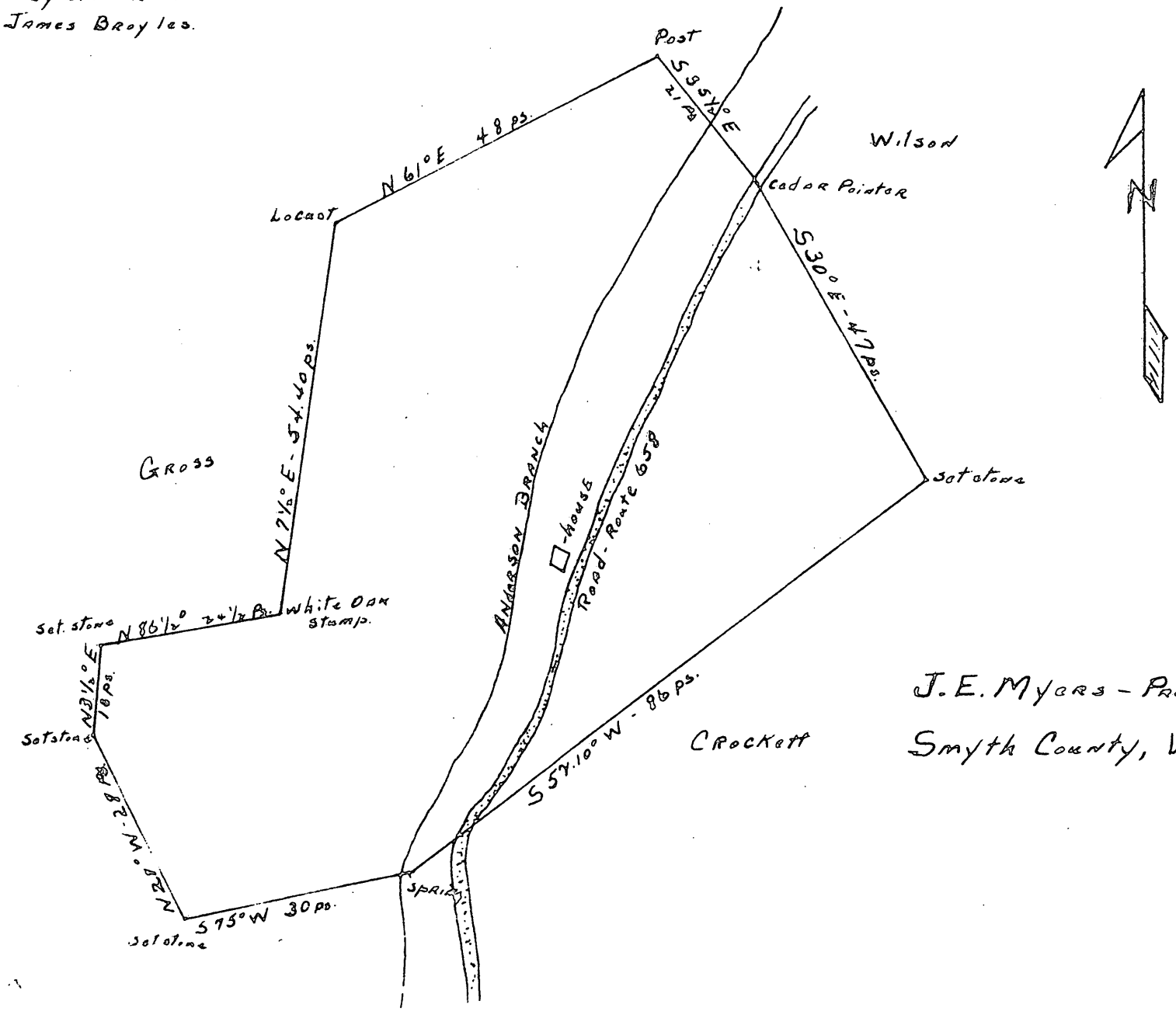

Cullop
Copenhaver Est.
Myers.
1-Acre Tract
To. Joseph
C. Meek
Robert Lynn Meek & Georgia F. Meek
Smyth-County, Va.
1980
R.L. Meek
Copenhaver Est.
R.L. Meek

R.B.O. - Nov. 1957

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 6 1958

DATE	INITIALS	

Plat showing The Goodell land Sold to J. E. Myers By H. P. Copenhaver. Surveyed May 4, 1970 By Walter L. Gollehon. Plat drawn by James Broyles.



J. E. Myers - Property
Smyth County, Virginia

Mac

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 6 1958

DATE	INITIALS	

U.S. Government Messenger Envelope

Standard Form No. 65 (Rev. 1957)
Promulgated by Bureau of the Budget Circular A-33 (Rev.)

NAME (OR TITLE) OF ADDRESSEE, AGENCY, ORGANIZATIONAL UNIT, ADDRESS, AND ROOM		NAME (OR TITLE) OF ADDRESSEE, AGENCY, ORGANIZATIONAL UNIT, ADDRESS, AND ROOM	
~~Mary Sattler~~ ~~Pagrate Unit~~ ~~Room 7349~~	STOP		STOP
Defense Minerals Room 4458 Mr Honkonen	STOP		STOP
	STOP		STOP
	STOP		STOP
	STOP		STOP
	STOP		STOP
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	STOP		STOP

Use other side

Use STOP only when messenger service between Government buildings in Washington, D. C., is required or wherever a STOP system is used. Your mail room has STOP information.

INSTRUCTIONS FOR USE

1. Identify Agency of Addressee
2. Void Previously Used Block
3. Write Clearly
4. Send Surplus Envelopes to Supply Room for Reissue

	STOP		STOP
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Use other side first

Docket copy

PROJECT SUMMARY REPORT

By: W. R. Griswold February 7, 1961

1. OME-6020 (Zinc)
   Contract No. 2002

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

   Property: Myers Prospect
   Smyth County, Virginia

   Operator's Property Rights:

   Three tracts held under leases dated September 5, 1957, October 22, 1957, and December 1, 1957. Performance bond supplied.

2. Contract, dated June 16, 1959.

   Work Authorized:

   Stage I

2,025 feet diamond drilling @ $3.31/ft.	$6,702.00	
60 core boxes @ $3.00/each	180.00	
Assays, 60 @ $1.00/each	60.00	$6,942.00

   Stage II

1,800 feet diamond drilling @ $3.24/ft.	$5,832.00	
54 core boxes @ $3.00/each	162.00	
Assays, 54 @ $1.00/each	54.00	6,048.00
Total estimated cost		$12,990.00
Government's share, 50%		$6,495.00

   Amendments:

   No. 1, dated July 17, 1959 - Date of beginning of work changed from August 1, 1959, to September 15, 1959, and completion date extended from six months from date of contract to eight months from contract date.

   No. 2, dated December 18, 1959 - Permits EX drilling where necessary to complete a hole.

   No. 3, dated March 1, 1960 - Permits drill hole intersections in the target area not closer than 100 feet.

2. Contract (continued)

Work Completed:

Stage I only:

(Negative results did not warrant Stage II.)

2,025 feet diamond drilling @ $3.31/ft.	$6,702.75	
60 core boxes @ $3.00 each	180.00	
Total cost of project		$6,882.75
Government's share, 50%		$3,441.38

3. Work completed in January 1960.
Operator's final report received February 10, 1960.
Report of Review March 14, 1960.

4. Certification - none.

5. Comments:

The work was done in a proper and efficient manner and was covered in a comprehensive final report by the Operator. All drilling results were negative and no further Government participation in exploratory work on this property would be warranted.

Something over 50 years ago, barite mines had been worked on the property. Recently soil sampling had shown an interesting zinc content, with sphalerite visible in certain areas of the Beekmantown formation, of lower Ordovician age, predominantly dolomite. The mineralized section, however, is a fractured and brecciated limestone series within the Beekmantown.

Eight holes in all were drilled, none of which showed anything of interest.

W. R. Griswold

WRGriswold/gla
2-7-61
cc to: Director's Reading File
Docket
Chron

MME Form 17
Mar. 59

OFFICE OF MINERALS EXPLORATI

WORK COMPLETED ANALYSIS

___ Not Certified
___

After final audit or review report is received, prepare in duplicate. File original in official docket. Send copy to Code 210.

Operator Roland F. Beers, Inc.

Actual Cost

State Virginia

Agreed Unit Cost X

Final Report of Audit

Commodity Zinc

Docket No. OME 6020

Final Report of Review 3-14-60

Contract No. 2002

Type of Work (Use these categories only)	Authorized by Contract and Amendments		Completed and Paid for		Net cost after sale of Gov't. Property
	Units	Cost 1/	Units	Cost 1/	
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Drilling (Specify) Diamond	3825	12,534	2025	6702.75	
~~Surface Excavation~~ Core Boxes	114	342	60	180.	
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify) Assaying	114	114			
Totals		12,990		6882.75 2/	

1/ Round off to dollars. Government's share 3441.38
2/ Net cost total must agree with final report of audit or review.

Prepared by [signature] Date 2/7/61

52616

Docket copy

J. C. HULLETT
PRESIDENT AND
CHAIRMAN OF FINANCE COMMITTEE

Hartford Accident and Indemnity Company

HOME OFFICE — HARTFORD 15, CONNECTICUT

Mr. Frank E. Johnson
Acting Director
U.S. Dept. of Interior
Office of Minerals Exploration
Washington 25, D.C.

Date May 27, 1960

Bond No. 3112933

Your No.

Contractor Roland F.Beers, Inc. Address Troy, N.Y.

Description of Contract Co.Va.Docket 6020 Cont.#14-23-090-2002 Exploration program Minerals Exploration:Myers Prospect in Smyth

Owner U.S. Dept.of the Interior,Office of Minerals Exploration (USA)

Contract Price Bond(s) 6,495.00 Effective Date 6-16-59

Without prejudicing your right or affecting our liability under our bond(s) described above, we would appreciate the following information.

jp

Please refer to principal's name & our bond number when replying

Yours very truly,

W. H. Wallace

Vice-President

IF CONTRACT COMPLETED, PLEASE STATE:

Approximate completion date January 15, 1960

Approximate acceptance date March 14, 1960

Final Contract Price $3,441.38

IF CONTRACT UNCOMPLETED, PLEASE STATE:

Approximate amount completed (Percentage or dollar amount)

Paid to Date

Retainage

Are there any claims, assignments or liens on file? Check one: Yes ☐ No ☒

Remarks The Government retains no rights against either principal or surety under the subject Performance Bond.

Date May 31, 1960

Signature George C. Selfridge
Actg. Director, Office of Minerals Exploration

Address Department of the Interior
Washington 25, D. C.

Talbutt signature

RETURN THIS INQUIRY TO:

Form S-3488 Rev. 5-'55 Printed in U. S. A.

WE SUBSCRIBE TO THE BUREAU OF CONTRACT INFORMATION, INC. Washington, D. C.

J. C. HULLETT
PRESIDENT AND
CHAIRMAN OF FINANCE COMMITTEE

Hartford Accident and Indemnity Company

HOME OFFICE — HARTFORD 15, CONNECTICUT

Reply not necessary. See closing letter to Operator dated April 1, 1960.

Mr. Frank E. Johnson
Acting Director
U.S. Dept. of Interior
Office of Minerals Exploration
Washington 25, D.C.

Date March 29, 1960

Bond No. 3112933

Your No.

Contractor Roland F. Beers, Inc. Address Troy, N.Y.

Description of Contract Docket 6020, Cont.#14-23-090-2002 Exploration program Minerals Exp. Myers prospect in Smyth Co.,Va.

Owner U.S. Dept. of the Interior, Office of Minerals Exploration (USA)

Contract Price Bond(s) 6,495.00 Effective Date 6-16-59

Without prejudicing your right or affecting our liability under our bond(s) described above, we would appreciate the following information.

jp

Yours very truly,

W. H. Wallace

Vice-President

IF CONTRACT COMPLETED, PLEASE STATE:

Approximate completion date

Approximate acceptance date

Final Contract Price

IF CONTRACT UNCOMPLETED, PLEASE STATE:

Approximate amount completed
(Percentage or dollar amount)

Paid to Date

Retainage

Are there any claims, assignments or liens on file? Check one: Yes ☐ No ☐

Remarks

Date

Signature

RETURN THIS INQUIRY TO:
Hartford Accident and Indemnity Company

Address

S-3488 Rev. 5-'55 Printed in U. S. A.

WE SUBSCRIBE TO THE BUREAU OF CONTRACT INFORMATION, INC.
Washington, D. C.

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 31 1960

DATE	INITIALS	CODE
3-31	gad	110
		800
		500

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3-15	gad	220
3/16	Breivold	500

MAR 15 1960

Memorandum

To: **Executive Officer, OME Field Team, Region V**

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

Subject: **Docket No. OME-6020 (Zinc-Lead-Copper)**
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

The recent execution of Amendment No. 3 to the subject contract permits the release of the Report of Review requested by your February 8 memorandum. Accordingly, the original and two copies of the report are attached.

If you concur with the facts as stated therein, please make the distribution authorized by section 4 of OME Circular 2, dated February 17, 1960. If for any reason you do not concur, please return the original and both copies to this Division with your comments.

Attachments

EDTalbert/ama
March 15, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Mr. Rothrock, Room 7354, Interior
Mr. Talbert

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 14 1960

DATE	INITIALS	CODE
3-14	gad	VVO
"	Griswold	500

March 10, 1960

Memorandum

To: Operating Committee, OME - Washington, D. C.

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

Subject: Amendment No.3. Docket No. OME-6020, Contract 2002, Roland F. Beers, Inc. Myers Prospect, Smyth County, Virginia (copper-zinc).

Attached are the original and audit copies of the subject amendment duly executed.

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

Robert A. Laurence

Robert A. Laurence

OFFICIAL FILE COPY

Date	Surname	Code
2/29	Friauf	500
2/29	Falkie	800
2/29	[illegible]	130
[illegible]	[illegible]	110
3-1	gad	220
		500

FEB 29 1960

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6020 (Zinc-Lead-Copper)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

With reference to your February 15 memorandum, we are enclosing the original and four copies of a proposed Amendment No. 3 to the cited contract. All copies have been signed by the Acting Director for the Government. Also enclosed are two extra copies for the Field Team's use.

If the amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute all the copies in the usual manner. Otherwise, if any proposed changes should lie beyond your delegated authority, all copies should be returned to us with your recommendations.

The requirement in a contract that the actual locations, directions and inclinations of drill holes will be subject to prior approval of the Government does not override contract specifications as to spacing and depth of hole.

/s/ George C. Selfridge (GCS)

Enclosures

WRGriswold/gla 2-29-60
cc to: Director's Reading File
Operating Committee
H. J. Schroeder, USBM
Harold Kirkemo, USGS
Docket
Chron

APPROVED:

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

Harold Kirkemo (GCS)
Member, Geological Survey

43683

The requirement is a contract that "the actual locations, directions, and inclinations of drill holes will be subject to prior approval of the Government" does not mention contract specifications such as spacing and depth of holes.

Necessary to process amendment to include one week slip time

OME-6020

B 0-1000 202

0-800 - 2.00

800-1000 2d.0

B

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-292

0 55 0

5.10

OFFICIAL FILE COPY

Date	Surname	Code
2/19	Griswold	500
2/19	Talbot	800
		130
		110
		220
		500

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6020 (Zinc-Lead-Copper)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

We have your memorandum of February 15 covering drilling under the cited project. No amendment will be required.

You will recall that at the time the contract was prepared there had been no "meeting of the minds" between the Field Team and the representatives of the Applicant, regarding the work to be done. Therefore, we tried to make the contract sufficiently flexible to permit any necessary later adjustments. We had shown the ten holes of Stage I as vertical since the Field had stated, "The 10 tentative initial holes proposed would be vertical * * * ." However, we realized that later drilling, if found worthwhile, might include a certain number of angle holes. Undoubtedly, we would have expressed our intent better if we had said something to the effect that "drill hole intersections with the target area" would not be closer than 100 feet.

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

WRGriswold/gla 2-19-60
cc to: Director's Reading File
Operating Committee
CA&A, w/cy FT's memo 2/15/60
Docket
Chron

43683

OFFICIAL FILE COPY

Date	Surname	Code
2/18	Griswold	500
		800
		130
		110
		220
		500

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6020 (Zinc-Lead-Copper)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

No amendment will be required.

We have your memorandum of February 15 covering drilling under the cited project; ~~it is satisfactory for Mr. Talbert's needs~~.

You will recall that at the time the contract was prepared there had been no "meeting of the minds" between the Field Team and the representatives of the Applicant, regarding the work to be done. Therefore, we tried to make the contract sufficiently flexible to permit any necessary later adjustments. We had shown the ten holes of Stage I as vertical since the Field had stated, "The 10 tentative initial holes proposed would be vertical * * *." However, we realized that later drilling, if found worthwhile, ~~would~~ might include a certain number of angle holes. Undoubtedly, we would have expressed our intent better if we had said something to the effect that "drill hole intersections with the target area" would not be closer than 100 feet.

APPROVED:

Member, Bureau of Mines

Member, Geological Survey

WRGriswold/gla 2-18-60
cc to: Director's Reading File
Operating Committee
CA&A, w/cy FT's memo 2/15/60
Docket
Chron

43683

OFFICIAL FILE COPY

Date	Surname	Code
2/23		500
2/23	J. Lynch	140
	Hoffland	500

RECEIVED
FEB 23 1960
ASSOC. SOLICITOR
MINERAL RESOURCES

February 23, 1960

INTERIOR DEPT.

Memorandum

To: Associate Solicitor, Division of Mineral Resources

From: W. R. Griswold, Chief, Division of Minerals

Subject: Docket No. OME-6020 (Zinc-Lead-Copper)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

Will you kindly prepare an Amendment No. 3 to the cited contract, along the following lines:

AMENDMENT NO. 3

It is agreed this _____ day of _____, 1960, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, and Roland F. Beers, Inc., a corporation, that Exploration Contract No. 2002 (Docket No. OME-6020), dated June 16, 1959, as amended, hereinafter called the "Contract," is further amended, effective June 16, 1959, as follows:

One page one of Exhibit "A" of the Contract, under the heading Stage I, the last two sentences are deleted and the following substituted:

> "Drill hole intersections with the target horizon will not be closer than 100 feet from any other such intersection. No hole may be drilled to a depth in excess of 500 feet."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, or the fixed unit

43683

cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Acting Director, Office of
Minerals Exploration

ROLAND F. BEERS, INC.

By_____

Title_____

DMEA FORM 6

REFERENCE SLIP

REV. 12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO:

	INITIALS	DATE
1. 120		
3.		
4.		
5.		
FROM: Tolbert		

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS: Re: OMB-6020

Note that Fld. Im. considers authority for approval of locations, etc., as overriding contract specifications.

INT.-DUP. SEC., WASH., D.C. M25803

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 17 1960

DATE	INITIALS	CODE
2/17	RCW	225
2/17	[illegible]	800
		500

February 15, 1960

Memorandum

To: Operating Committee - OME - Washington

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

Subject: OME-6020, Contract No.2002, (Zn-Cu-Pb) Myers Pros.
Smyth County, Virginia

In a memorandum dated February 12, 1960, Mr. Talbert has pointed out that hole M-8 is located 50 feet from hole M-3, although the contract provides that drill holes will not be located at a spacing of less than 100 feet from another hole. The reasons for selection of this hole, and its relation to earlier holes, are given in the interim report of October 17, 1959.

Hole M-8 was intended to test a brecciated zone 50 feet north of the old shaft site. Because it appeared that this zone was steep or vertical, a vertical hole was not advisable, and an angle hole at right angles to the strike was considered most desirable. As this hole was a substitute for a vertical hole at that site, and because the contract directed that "actual locations, directions and inclinations will be subject to prior approval of the Government", we concluded that an amendment was not needed to authorize this location for hole M-8. The fact that its location, as reported in the October 17 interim report was not questioned, supports this conclusion.

However, if you consider an amendment necessary to properly authorize the location of hole M-8, please prepare one and send it to us. The Field Team approved the hole (orally) in advance, and fully supports the Operator and our field examiner, Mr. Wedow, in the selection of this hole site. In fact something of this sort was anticipated, as explained on pages 10-11 of the examination report of July 1, 1958.

Robert A. Laurence
Robert A. Laurence
Executive Officer, OME-REgion V

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 17 1960

DATE	INITIALS	CODE
		500

February 15, 1960

Memorandum

To: E. D. Talbert - Contract Administration & Audit Div.

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

Subject: OME-6020, Contract No.2002(copper,lead-zinc)
Roland F. Beers, Inc. Troy, N.Y.
Myers Prospect, Smuth County, Virginia

The Operator's map showing location of holes M-8 and M-3 is correct. The collar of M-8 is only 50 feet from the collar of M-3, but the intersection of M-8 with its target area is 100 to 160 feet from M-3 and 100 to 120 feet from M-5. Explanation of this situation is explained in our memorandum to the Operating Committee, a copy of which is attached.

The Field Team approved the location of this hole, in full concurrence with the Operator and our field examiner, Mr. Wedow, upon the need for such a hole.

Robert A. Laurence
Executive Officer, Region V

V. J. Lynch, Member
Bureau of Mines

RAL/xm
Opr. Com-2
Lynch
Files

OFFICIAL FILE COPY

Date	Surname	Code
2/12	[illegible]	500
2/12	Selbridge	120
"	Johnson	
2-12	gad	220
		500

FEB 12 1960

Memorandum

To: Executive Officer, OME Field Team, Region V

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

Subject: Docket No. OME-6020 (Zinc-Lead-Copper)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

The subject contract has been reviewed, but preparation of a Report of Review, as requested by your February 8 memorandum, must be withheld pending clarification or justification of the location of Stage I drill hole M-8.

The map submitted with the Operator's final report indicates that hole M-8 is located approximately 50 feet from hole M-3. The contract, however, provides that drill holes will not be located at a spacing of less than 100 feet from another hole.

If the Operator's map is in error, your statement to that effect would be appreciated prior to audit approval of the costs of hole M-8. On the other hand, if the mapped location is correct and was approved by the Field Team, it is suggested that you justify the location to the Operating Committee and request consideration of an appropriate amendment to the contract.

The original of the Operator's final (January 1960) MF-104 and MME Form 61 are returned herewith.

Attachments

EDTalbert/ama
February 11, 1960

Copy to: Docket
Director's Reading File
CA & A Division
Mr. Talbert
Mrs. Helen R. Miller

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

February 8, 1960

EXTRA COPY
O. M. E
RECEIVED FEB 11 1960

DATE	INITIALS	CODE
2/11	[illegible]	500

Memorandum

To: Contract Administration and Audit Division

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

Subject: Docket No. OME-6020, Contract No.2002 -zinc.
Roland F. Beers, Inc., Myers Prospect,
Smyth County, Virginia

Work under the subject contract was terminated effective January 15, 1960. Stage II of the contract was not authorized.

The number of units of work completed by the Operator and approved by the Field Team are as follows:

Stage I, 2025 feet of diamond drilling
60 core boxes used.

Stage II - Not authorized

An acceptable final engineering and geological report has been received.

The total amount of $3303.33 has been paid to the Operator, $138.05 having been withheld pending final audit or review.

A report of review in lieu of final audit, is in order and requested.

Robert A. Laurence

RAL/sm

DMEA FORM 6 REFERENCE SLIP

REV. 12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO:	INITIALS	DATE
1. 700		
2.		
3.		
4.		
5.		
FROM: 800		

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS: Opr. Final Report OMB-6020

Pls. note map shows hole M-8 well within 100 ft. of hole M-3 whereas contract provides spacing of not less than 100 ft. between holes.

Talbert 2/10/60

INT.-DUP. SEC., WASH., D.C. M25803

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

February 8, 1960

OFFICIAL FILE COPY O. M. E. RECEIVED FEB 10 1960		
DATE	INITIALS	CODE
2-10	gad	VVO
2/10	[illegible]	800
2/11	Driscoll	500

Memorandum

To: Operating Committee, OME - Washington

From: OME Field Team, Region V - Knoxville, Tenn.

Subject: Operator's Final Report - OME-6020, Contract 2002. Myers Prospect (zinc) Smyth County, Virginia

Enclosed are three copies of the subject final report.

Robert A. Laurence
Robert A. Laurence
Executive Officer, OME
Region V

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

OPERATOR'S FINAL REPORT

2/11/60 — 2 extra copies to USBM + USGS

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 10 1960

DATE	INITIALS	CODE

FINAL REPORT

January, 1960

Docket No. OME-6020

Contract No. 14-23-090-2002

Myers Prospect, Smyth Co., Va.

Roland F. Beers, Inc. Troy, New York

-Introduction-

This report constitutes a final evaluation, by the Operator, of the drilling program recently completed on the Myers Prospect, Smyth County, Virginia. Termination of the contract, with authorization of final report, came by letter from R. A. Laurence, dated January 15, 1960.

In this report, certain general information will be restated or summarized, but the fundamental drilling data (logs) will not be reproduced, per se, from the Sept. 1959 and Oct. 1959 Progress Reports.

-Chronology-

The exploration contract (short form) covering cooperative drilling between OME and Beers, Inc. in Smyth Co., Virginia, was made on June 16, 1959. This contract called for work to begin on or before August 1, 1959, and be completed within six months of the date of the contract. At the request of the Operator, Amendment No. 1, dated July 17, 1959, was executed. This amendment provided that the beginning date be changed from August 1, 1959 to September 15, 1959, and that the date for completing the work be changed from six months to eight months from the date of the contract. As specified, work began at the Myers Prospect on September 2, 1959, with the selection of four drill sites. The drilling crew from Joy Manufacturing arrived at the property September 3, 1959, and bedrock drilling began September 8, 1959. Stage I drilling consisted of 2,050 linear feet (2,025' OME participation) distributed among eight drill holes. Drilling was recessed upon the completion of drill hole M-8, October 29, 1959. The drilling contractor removed the equipment from the property on October 29-30, 1959. A conference between Operator and Government representatives was held November 19-20, 1959, to formulate recommendations on the disposition of the program. Amendment No. 2, dated December 18, 1959, provided that drill holes, under certain conditions, could be finished EX size. This amendment was effective June 16, 1959.

By letter of December 31, 1959, to R. A. Laurence, Roland F. Beers, president of the operating corporation, requested termination of the contract. The Field Team concurred with the recommendations then pending and the contract was automatically terminated when Stage II operations were not approved. Notification of this action came by letter, R. A. Laurence to R. F. Beers, dated January 15, 1960.

-Drilling Data-

The drilling program on the Myers and Meek properties totalled 2,050 feet (covering all categories: soil, BX, AX, EX). The cost of 25 feet of drilling was borne solely by the Operator. Eight holes were drilled, ranging in depth from 225 feet to 300 feet. The physical characteristics of the holes are tabulated below:

No.	Location	Depth	Elevation*	Attitude
M-1	0.28S ∠ 3.9W	300'	2182.1'	-90°
M-2	2.25N ∠ 2.1W	250'	2203.1'	-90°
M-3	0.0 ∠ 1.25W	225'	2218.6'	-90°
M-4	2.35S ∠ 1.65W	250'	2222.5'	-90°
M-5	1.5N ∠ 0.5W	225'	2219.2'	-90°
M-6	1.5S ∠ 0.5E	225'	2229.4'	-90°
M-7	0.0 ∠ 2.5W	275'	2203.4'	-90°
M-8	0.5N ∠ 1.25W	300'	2220.4'	-60° N.45°E.

In order to provide fundamental data for future drilling in this general area, and geological environment, the following information was abstracted from the driller's reports.

Table 1. Drilling data.

Hole No.	Rate per drilling hour.
M-1	3.75 ft.
M-2	5.2 ft.
M-3	4.3 ft.
M-4	4.1 ft.
M-5	4.7 ft.
M-6	3.4 ft.
M-7	4.6 ft.
M-8	2.7 ft.

Moves (max. 500'): 8 hours each (average).
Reaming time: 44 hours
Breakdown: 12 hours
Down time, convenience of driller: 16 hours

The drilling was accomplished with a skid-mount, Joy 12-B machine rigged for standard equipment. Core recovery was satisfactory, especially in light of the rather abundant, clay-and-sand filled cavities encountered. All of the below-casing drilling was done AX size, with the exception of the lower fifty-three feet of M-6, which was completed EX.

?

*assumed.

The core, which is being stored at 114 W. Park Drive, Charlottesville, Va., will not be destroyed without proper notice to the Field Team.

-Geology-

The details of stratigraphy, as interpreted from the drill cores, have been reported in drill logs accompanying monthly progress reports. Certain elements in the stratigraphy are preserved in the less detailed cross-sections which make up part of this report.

The only faunal elements which could be identified with any certainty were depressed-spiral gastropods of the genus Lecanospira (cf. L. compacta). The occurrence of this form, and associated breviconic cephalopods, suggests that the mineralized zone is in the lower member of the Beekmantown, the so-called "Nittany limestone" member. The fine-grained, buff, massive dolomites above the limestone sequence are indistinguishable from beds identified as the Bellefonte member at other places in Virginia. No attempt is made here to correlate the mineralized sequence of the Beekmantown in Smyth County with the Lower Ordovician zinc-bearing strata of the East Tennessee district.

In terms of volume, the vast majority of the rock encountered in drilling was dolomite. The majority of the dolomite encountered was the massive, evenly bedded, tan to buff variety referred to by many as "primary dolomite". The other dolomite extreme was the coarser-grained, mottled variety referred to as "recrystalline". Use of the term "recrystalline", carries the connotation of a secondary origin, alteration and/or recrystallization of pre-existing limestones or dolomites. There is no evidence that the mineralizing fluids effected large scale recrystallization at this particular prospect.

The limestone beds exposed on the surface and cut by drilling are more or less typical Beekmantown limestones, very fine-grained, medium gray and with rather abundant clay partings.

Potential ore minerals, sphalerite-barite-fluorite, were noted in both dolomite and limestone host rocks.

Minor features of sedimentation include intraformational conglomerates, zones of sand grain concentration, sedimentary breccias, and thin shales. Sandy zones and

sedimentary breccias were used to correlate between drill holes.

The mineralized zones encountered in the drill holes were mineralogically those anticipated; pyrite-sphalerite-fluorite-barite-calcite; however, the relative abundance of each was not that anticipated. Sphalerite was detected in the drill core, but in trace amounts only. Several mineralized breccia zones of barite-fluorite were cut; in no case did these zones present mining widths of ore grade. Significant mineralization is always closely associated with zones of brecciation, presumably tectonic in origin.

The general paragenetic sequence, as determined by examination of dump rock and drill core, was: pyrite-sphalerite-fluorite-barite-calcite. The various stages of deposition show considerable overlap, and even reversals in sequence. The mode of occurrence is definitely "vein or breccia filling" and, with one exception, replacement was not an important process. This one exception may, however, partly account for the near-absence of sphalerite. In the polished specimens which displayed significant amounts of sphalerite it was noted that in practically every case the sphalerite was replaced to some extent by fluorite. In some cases, presently existing fluorite veinlets may represent replacement of sphalerite stringers. However, it is probable in most cases that no sphalerite was deposited prior to fluorite.

-Conclusions-

It is obvious from examination of the drill core that the target sought was not encountered. The drilling program, laid out on the basis of surface structure, fracture patterns, and former workings, was designed to test a breccia zone in the limestone sequence, which carried relatively large amounts of sphalerite. Although a breccia zone in limestone was cut in drilling (hole M-1), it carried no zinc sulfide and the detailed structure of the breccia was not the same as that exposed in dump rock. The thirty-foot interval of barite-fluorite in the top of drill hole M-8 was in well developed dolomite, in part brecciated.

The following possibilities exist:

1. the breccia zone from which the sphalerite-bearing limestone was extracted was so small that it was not cut in the drilling grid employed.

2. the breccia zone was encountered, but in a dolomitic, non-sphalerite-bearing sequence, and was, therefore, not recognized.

3. the breccia zone is in near-vertical attitude and strikes in a manner such that it lies between presently existing drill holes. If this is the case, the zone is probably fairly narrow, but with unrestricted length and depth.

4. the breccia zone parallels the strike (very minor structural terrace?) and lies between presently existing drill holes.

5. the breccia zone is a "chimney" type, perhaps only a few feet in diameter, but extending to considerable depth.

Because no outcrop, or float, of mineralized breccia is known, "possibilities" 3 and 4 seem rather remote. Based on present knowledge, "possibility" 1 appears the more likely.

Due to the nature of the drilling pattern, it is not possible to evaluate the economic potential of the barite-fluorite mineralization. It should be emphasized, however, that the only significant barite-fluorite zone mapped is that in the upper part of drill hole M-8.

At this time, the Operator plans no work of exploratory or development nature on the prospect.

* * *

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 18 1960

DATE	INITIALS	CODE
1-18	gad	VVO
1/18	[illegible]	800
1/20	[illegible]	500

January 15, 1960

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

Re: OME-6020 (Zn-Cu-Pb)
Myers Prospect
Smythe County, Virginia
Contract No.2002

Dear Dr. Beers:

The Field Team is in agreement with the recommendations of Dr. Young and Mr. Wedow that further drilling at the Myers prospect is not warranted by the data gained from the Stage I drilling. Therefore, Stage II work is not approved, and this automatically terminates the contract without a formal termination agreement.

We will process your final voucher for complete payment upon receipt of the final report on the project. I regret that we will be unable to approve payment for the drilling which was in excess of the amount authorized for Stage I, as we cannot transfer this from Stage II.

Sincerely yours,

Robert A. Laurence
Executive Officer, OME
Region V

RAL/sm
Cpr. Con.-2
Finance
E. S. Young
Files

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
1/8/60	[illegible]	500
1/8	[illegible]	~~900~~
		800
1/12	[illegible]	130
1/13	[illegible]	110
1-13	[illegible]	220
		500

JAN 13 1960

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6020 (Zinc-Lead-Copper)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

We have your January 4 memorandum covering the cited project. No termination agreement is required in this instance, since the contract stipulated that Stage II work was "Dependent upon the results obtained under Stage I and subject to prior approval of the Government." Therefore, you only need advise the Operator that you cannot give approval to any Stage II work and that the usual winding-up actions be taken.

We cannot execute the amendment you suggest in the last paragraph of your memorandum, since we cannot show that any benefit would accrue to the Government thereby.

/s/ George C. Selfridge (SLB)

APPROVED:

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

Harold Kirkemo (SLB)
Member, Geological Survey

WPGriswold/gla 1-8-60
cc to: Director's Reading File
Operating Committee
Mr. H. M. Callaway, USBM
Mr. Harold Kirkemo, USGS
Docket
Chron

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 6 1960

DATE	INITIALS	CODE
1-6	gad	220
1/7		130
1/7	[illegible]	800
1/7	Grinnell	500

January 4, 1960

Memorandum

To: Operating Committee, OME, Washington, D. C.

From: Field Team, OME, Region V, Knoxville, Tennessee

Subject: OME-6020, Contract No. 2002 (Zinc-copper)
Roland F. Beers, Inc., Troy, New York
Myers Prospect, Smyth County, Virginia

Enclosed are letters from the Operator and the Operator's geologist, recommending termination of the subject contract without embarking on the Stage II drilling.

Somewhat reluctantly, we are in agreement with this recommendation. Specimens of sphalerite-bearing rock of ore grade on the old dumps indicate the presence of better material than anything intersected in any of the drill holes. It now seems likely that any sphalerite concentrations may be small and thin; the probability of discovering economic grade orebodies with the remaining footage seems small. Thus, we recommend preparation of a termination agreement, effective November 15, 1959. Certification will not be recommended.

In order to complete the last hole of Stage I to the desired depth, it was necessary to exceed the authorized Stage I footage by 25 feet. We recommend inclusion of a clause in the termination agreement, or a separate amendment if that is not feasible, authorizing the transfer of 25 feet of drilling and $81.00 from Stage II to Stage I.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

ROLAND F. BEERS, INC.

OFFICE AND LABORATORY:
447 PINEWOODS AVENUE
PHONE ASHLEY 2-2351

MAIL ADDRESS:
POST OFFICE BOX 1019
TROY, NEW YORK

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 6 1960

DATE	INITIALS	

December 31, 1959

Mr. Robert A. Laurence, Executive Officer
OME Field Team, Region V
Room 11 Post Office Building
Knoxville 2, Tennessee

Re: OME-6020 (Zinc-lead-copper)
Myers Prospect
Smyth County, Virginia
Contract No. 2002

Dear Mr. Laurence:

I have before me copy of a letter (enclosed) received by Robert S. Young, consulting geologist for this company, from Mr. Helmuth Wedow, Jr. Mr. Wedow concurs in the recommendation made by Dr. Young that further drilling on the Myers Prospect is not warranted by the present fund of evidence.

In view of these circumstances, this company wishes to request permission to terminate the operations, effective immediately. If our request is granted, steps will be taken at once to prepare the final report.

Sincerely yours,

Roland F. Beers, Inc.

Roland F. Beers

President

RECEIVED
JAN 4 - 1960
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

rfb/h
Enclosure

Robert S. Young
Geologist
114 West Park Drive
Charlottesville, Virginia

Dial 3-4416

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 6 1960

DATE	INITIALS	CODE

December 15, 1959

Mr. Helmuth Wedow
Office of Minerals Exploration
Room 2-B, Post Office Building
Knoxville 2, Tennessee

Re: OME-6020 (zinc-copper)
Myers Prospect
Smyth County, Virginia
Contract No. 2002

Dear Mr. Wedow:

In line with the plans formulated during your recent visit to Charlottesville, I have completed an evaluation of the subsurface data obtained through the Myers drilling program. This study was made in an effort to detect or project mineralized or fracture zones which might justify additional drilling.

The work accomplished with the above objective in mind shows that any future drill holes would have to be laid out largely on the basis of negative evidence. In other words, a sphalerite-bearing fracture may lie between any of the existing eight holes; there is little evidence to indicate its true position. On the basis of the known distribution of barite-fluorite-sphalerite, the area most likely to contain economic concentrations appears to be the west-central part of the grid (covered by holes M-1, M-3, M-7, M-8). As you know, the sphalerite recovered in drilling these holes is little more than a mineralogical curiosity, and the only possible ore concentration is that in M-8 (barite-fluorite).

It appears that we have drilled the Myers prospect in a manner which covered the best approaches. On the basis of existing information, I do not believe that

additional drilling is justified on the prospect. By copy of this letter I am recommending to Dr. Beers and Mr. Laurence that the program be terminated, subject to Government approval of our final report. As I am sure of Dr. Beers' reaction, I shall await only your word to prepare the final report.

Very truly yours,

Robert S. Young

Robert S. Young,
for Roland F. Beers, Inc.

cc: R. F. Beers
R. A. Laurence
file

RSY/jy

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

January 4, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED JAN 6 1960

DATE	INITIALS	CODE
1-6	gad	VVO
"	[illegible]	500

Memorandum

To: Operating Committee, OME, Washington 25, D. C.

From: Executive Officer, OME Field Team, Region V, Knoxville

Subject: Signed Amendment No. 2, OME-6020, Contract No. 2002
Roland F. Beers, Inc., P. O. Box 1019, Troy, New York
Myers Prospect (Zinc-Lead-Copper), Smyth County, Virginia

Attached are the Government and Audit copies of the subject signed amendment.

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

Robert A. Laurence

Robert A. Laurence

Attachments 2

OFFICIAL FILE COPY O. M. E. RECEIVED DEC 23 1959		
DATE	INITIALS	CODE
12/23	RCW	225
"	EEJ	800
12/28	~~[illegible]~~	500

December 21, 1959

Dr. Roland F. Beers
Roland F. Beers, Inc.
P. O. Box 61
Troy, New York

Re: OME-6020 (Zinc-lead-copper)
Myers Prospect
Smyth County, Virginia
Contract No. 2002

Dear Dr. Beers:

Enclosed are the original and four copies of a proposed Amendment No. 2, authorizing the use of EX drilling when it is necessary in order to complete a hole.

If the amendment meets with your approval, please sign all five copies, keep the Operator's copy and return all the others to me. If any part does not have your approval, please return all copies unsigned, together with suggested changes for our consideration.

Sincerely yours,

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

RAL/mg
cc - Operating Committee (2)
Mr. R. S. Young
Mr. V. J. Lynch
Files

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 23 1959

DATE	INITIALS	CODE
12/23	RCW	225
"	G.E.F.	800
12/28	~~[illegible]~~	500

December 21, 1959

Mr. Robert S. Young
114 West Park Drive
Charlottesville, Virginia

Re: OME-6020 (Zinc-lead-copper)
Myers Prospect
Smyth County, Virginia
Contract No. 2002

Dear Bob:

Thanks for your letter of December 15, 1959.

After an independent review of the Myers drilling and surface data and of the information brought out in our recent discussions at Charlottesville, I am in complete agreement that the prospect has been adequately tested and that further drilling is not warranted.

Processing of the request for termination will have to await receipt of a letter directly to Mr. Laurence from Dr. Beers requesting the termination. Meanwhile, I suggest that you go ahead with the preparation of your final report.

Sincerely,

Helmuth Wedow, Jr.
Geologist, U. S. Geological Survey

HWjr/mg
cc -
Operating Committee
Mr. V. J. Lynch
Mr. Helmuth Wedow, Jr.
Files

Dr. Roland F. Beers

ME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
12/17	Arnold	500
	Fisher	800
12/18	GCS	130
12/18	Kirkemo	130
"	Johnson	110
12/18	gad	220
		500

DEC 18 1959

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6020 (Zinc-Lead-Copper)
Roland F. Bears, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

Referring to your December 7 memorandum on the cited project, we are enclosing the original and four copies of a proposed Amendment No. 2 covering the matter in question. All copies have been signed by the Acting Director for the Government. Also enclosed are two extra copies for the use of the Field Team.

If the amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute all the copies in the usual manner. Otherwise, if any proposed changes should lie beyond your delegated authority, all copies should be returned to us with your recommendations.

We have made no change in the contract price to cover the EX drilling, since you state the Operator actually paid AX rates for such work.

/s/ George C. Selfridge (GCS)

Enclosures

WRGriswold/gla 12-17-59
cc to: Director's Reading File
Operating Committee
Mr. Bishop, USBM
Mr. Kirkemo, USGS
Docket
Chron

APPROVED:

Frank D. Lamb (FDL)
Member, Bureau of Mines

Harold Kirkemo (HK)
Member, Geological Survey

43683

MRS Form 7
(10-58)

SOLICITOR

DEC 15 1959

INTERIOR DEPT.

OFFICIAL FILE COPY

Date	Surname	Code
12/15	[illegible]	500
12/15	J. [illegible]	140
	[illegible]	
	Asst. Sol. Off.	

December 15, 1959

Memorandum

To: Associate Solicitor
Division of Mineral Resources

From: Docket No. OME-6020 (Zinc-Lead-Copper)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

FROM SOLICITOR
DEC 16 1959
FOR SIGNATURE

Will you kindly prepare an Amendment No. 2 to the cited contract, along the following lines:

EXPLORATION CONTRACT
ROLAND F. BEERS, INC.
DOCKET NO. OME-6020

AMENDMENT NO. 2

It is agreed this _____ day of _____, 19_____, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, and Roland F. Beers, Inc., a corporation, that Exploration Contract No. 2002 (Docket No. OME-6020), dated June 16, 1959, as amended, hereinafter called the "Contract," is further amended, effective June 16, 1959, as follows:

In Exhibit "A" of the Contract, Description of the Work, the following sentence is added at the end of Stage I:

"EX size drilling may be done when necessary to complete a hole which would otherwise have to be abandoned."

The same sentence is likewise added at the end of Stage II.

43683

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Acting Director, Office of
Minerals Exploration

ROLAND F. BEERS, INC.

By_____

Title_____

WRGriswold/gla
12-15-59
cc to: Docket
Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 9 1959

DATE	INITIALS	CODE
12-9	gad	VVO
		130
"	Reserved	500

December 7, 1959

Memorandum

To; Operating Committee, OME - Washington

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

Subject: OME-6020, Contract No.2002(zinc-lead-copper)
Roland F. Beers, Inc, Troy, N.Y.
Myers Prospect, Smyth County, Virginia

Reference is made to the first paragraph of your memorandum of December 4.

Through an oversight, the Operator's request was filed without being forwarded to you. Two copies are enclosed.

We are in agreement with the Operator in regard to the necessity of using EX equipment to complete hole No.6; therefore we recommend approval of an amendment authorizing EX drilling when necessary. As the contractor charges the Operator the same rate for EX as AX under these conditions, the only basis for determining a unit-cost for the amendment is to follow precedent of several contracts in Tennessee, where EX drilling was authorized at 20¢ per foot less than AX for corresponding depth categories.

Robert A. Laurence
Robert A. Laurence, Exec. Officer
OME - Region V

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

Robert S. Young
Geologist
114 West Park Drive
Charlottesville, Virginia

Dial 3-4416

October 15, 1959

RECEIVED
OCT 16 1959
U.S. Geological Survey
Knoxville, Tenn.

Mr. Robert A. Laurence
Executive Officer, OME, Region V
Office of Minerals Exploration
Room 2-B, Post Office Building
Knoxville 2, Tennessee

re: OME-0020; Iam-59092-Zinc
Myers Prospect
Smyth County, Virginia

Dear Mr. Laurence:

During the past weekend, it became necessary for me to decide whether to abandon the approved location of Myers DH-6 or to authorize a change in the specifications of the drilling. Because the hole was approximately two-thirds completed, I made the field decision, on Saturday, to allow the Joy Manufacturing Co. drillers to finish the hole (162'-225') at EX core size. This engineering change became necessary when a large cavern was encountered. I trust that you will agree that this slight change was necessary in the performance of the contract and was to the benefit of the Government. If an amendment is necessary to cover this point of change, would you be so kind as to initiate it for us.

The results of the core drilling program to date, through Myers DH-5, have been most disappointing. The September Progress Report will show that no zinc was encountered in the first four holes. My inspection of the core from DH-5 and DH-6 revealed no sulfide mineralization. If this condition prevails through DH-7 and DH-8, we will wish to suspend drilling operations on the prospect, with your permission, until such time as both Government and Operator representatives can fully evaluate the drilling results. If this request meets with your approval, I will notify you immediately upon completion of Myers DH-8 and inform you of the status of the program at that point.

I will discuss the situation in detail with Mr. Helmuth Wedow during our field inspection meeting this weekend.

Very truly yours,

Robert S. Young

Robert S. Young,
for Alard F. [illegible]

cc: A. F. Beers, Troy
file

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 10 1959

DATE	INITIALS	CODE
12-10	gad	220
		~~130~~
12-11	~~[illegible]~~	500

December 8, 1959

Mr. Robert S. Young
Roland F. Beers, Inc.
114 West Park Drive
Charlottesville, Virginia

Re: OME-6020 (zinc-copper)
Myers Prospect
Smyth County, Virginia
Contract No.2002

Dear Mr. Young:

Thanks for your letter of December 4, commenting on my letter of November 30. Mr. Wedow has not yet received the material referred to in your second paragraph, but after it has arrived, we will make a decision concerning Stage II as soon as possible.

It is probable that the entire $81 for the last 25 feet of Hole No.6 will have to be disallowed, even if Stage II is authorized, as an amendment would be required before the Government could participate in this.

If your request for an amendment authorizing NX drilling when necessary to complete a hole is approved, the entire footage of Hole No.6 will be approved. Such an amendment, if approved will undoubtedly specify a slightly lower unit rate for the NX drilling.

Sincerely yours,

Robert A. Laurence
Executive Officer, OME
Region V

RAL/sm
Cgr. Com.-2
Lynch
Files

Robert S. Young
Geologist
114 West Park Drive
Charlottesville, Virginia

Dial 3-4416

RECEIVED
DEC 7 - 1959
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

December 4, 1959

Mr. Robert A. Laurence, Executive Officer
Office of Minerals Exploration
Field Team, Region V
Knoxville 2, Tennessee

Re: OME-0020; Contract #2002 (Zn)
Myers Prospect
Smyth County, Virginia

Dear Mr. Laurence:

With reference to your letter of November 30, 1959, to Dr. Beers, I wish to explain our position, as now seen, on Stage II work. As you pointed out, the October voucher may represent the final voucher and there is no question involved in your withholding ten per cent of the total of the voucher.

Helmuth Wedow and I had discussed, at length, the possibility of entering Stage II drilling. I understood, from the conferences, that a minor encroachment into Stage II funds in order to complete an approved drill hole did not constitute tacit approval for either party to complete Stage II. For this reason, when the layout for Myers drill hole #8 was approved, I assumed that we had the right to call on Stage II funds to complete the hole. Please accept my apologies if I exceeded my authority in this assumption. I certainly did not intend to force a final decision on Stage II work at this time. Under separate cover, I am sending our views on continued work to Helmuth Wedow. I am certain that he will discuss them with you.

Thank you for pointing out your action and the reasons for it, and for your continued consideration.

Very truly yours,

Robert S. Young

Robert S. Young,
for Roland F. Beers, Inc.

RSY/jy

cc: J. S. Bakos

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
12/3	Griswold	500
12/4	Talbert	800
12/4	GCS	130
12/4	Johnson	110
12-4	gad	220
		500

DEC 4 1959

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6020 (Zinc-Lead-Copper)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

In the Interim Report by Helmuth Wedow covering an inspection made October 17 on the cited project, we note the statement "an amendment permitting reduction to EX-size core has been requested." We have received no such request.

With reference to your November 30 letter to the Operator, the excess footage drilled under Stage I could not later be credited under Stage II, even if Stage II drilling should be authorized. An amendment would be required for the Government to participate in the cost of this excess.

/s/ George C. Selfridge

(GCS)

APPROVED:

Frank D. Lamb (GCS)
Member, Bureau of Mines

Harold Kirkemo (GCS)
Member, Geological Survey

WRGriswold/gla
12-3-59
cc to: Director's Reading File
Operating Committee
Mr. Bishop, USBM
Mr. Kirkemo, USGS
Docket
Chron

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

November 30, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 3 1959

DATE	INITIALS	CODE
12-3	[illegible]	220
12/3	[illegible]	800
"	[illegible]	500

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

Re: OME-6020-Contract No.2002,Zn.Pb
Myers Prospect
Smyth County, Virginia

Dear Dr. Beers:

The October voucher for the Myers project has been forwarded for payment. However, because of the possibility that this may be the final voucher, we are required to hold a portion in suspense until a decision is reached regarding Stage II. Accordingly the $81.00 of Stage II, and $276.10 of Stage I, totalling $357.10 or ten percent of the total of the voucher, is suspended.

If Stage II work is approved, the suspended amount will be restored; if not the Stage I portion will be paid upon issuance of a Report of Review in lieu of a final audit.

Mr. Wedow and Mr. Young met in Charlottesville recently to examine the last cores and review the results of Stage I. We are awaiting their recommendations in order to decide on approval of Stage II.

Sincerely yours,

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

RAL/zm
cc
Opr. Com.2
Finance Officer
H.S. Young
Lynch
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

July 24, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 27 1959

DATE	INITIALS	CODE
7-27	C	220
7-28	Received	500

Memorandum

To: Operating Committee, OME - Washington

From: Executive Officer, OME - Region V - Knoxville, Tenn

Subject: Signed Amendment No. 1 - OME-6020, Idm-E2002.
Roland F. Beers, Inc.

Transmitted are the original and one copy of the subject signed amendment.

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

Robert A. Laurence

Robert A. Laurence

z

Form 7
(6)

OFFICIAL FILE COPY

Date	Surname	Code
7/17	Griswold	500
7/17	Talbert	800
7/17	GCS	130
7/17	Johnson	110
		~~100~~
7-17	gad	200
		500

JUL 17 1959

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6020 (Zinc) - Red Copper)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

With reference to your memorandum of July 6, we are enclosing the original and four copies of a proposed Amendment No. 1 to the cited contract, which have been signed by the Acting Director for the Government.

If the amendment meets with your approval, kindly present it to the Operator for approval and signature and, when completed, distribute all the copies in the usual manner. Otherwise, and if any proposed changes should lie beyond your delegated authority, all copies should be returned to us with your recommendations.

Two extra, unsigned, copies of the amendment are enclosed for Field Team use.

/s/ George C. Selfridge (HB)

Enclosures

Frank D. Lamb (HB)
Member, Bureau of Mines

Harold Kirkemo (HB)
Member, Geological Survey

WRGriswold/gla 7-16-59
cc to: Director's Reading File
Operating Committee
Mr. Bishop, USBM
Mr. Kirkemo, USGS
Docket
Chron

8623

Government's copy

EXPLORATION PROJECT CONTRACT
ROLAND F. BEERS, INC.
DOCKET NO. OME-6020

7/13 J. Lynch
Hoffland
Arch. Sol. Un.

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, and Roland F. Beers, Inc., a corporation, that Exploration Project Contract No. 14-23-090-2002 (Docket No. OME-6020), dated June 16, 1959, is amended as follows:

In Article 1 the date for beginning the work is changed from August 1, 1959, to September 15, 1959, and the date for completing the work is changed from six months from the date of the Contract to eight months from the date of the Contract.

This Amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Acting Director, Office of Minerals Exploration

ROLAND F. BEERS, INC.

By_____

Title_____

OMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7/17		500

July 17, 1959

Memorandum

To: The File

From: W. R. Griswold, Chief
Division of Minerals

Subject: Docket No. OME-6020 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia
Contract No. 2002

In preparing the cited contract, the undersigned assigned a starting date of August 15, 1959, since it appeared that six weeks would be an ample time period in which to get the project under way. However, the Operator prefers to get started on or about September 15, to which we have no objection.

Griswold

WRGriswold/gla
cc to: Docket
Chron

8623

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code

500

July 10, 1959

Memorandum

To: Acting Associate Solicitor, Division of Minerals Resources

From: Chief, Division of Minerals

Subject: Preparation of Amendment No. 1 for Docket No. OME-6020, Roland F. Beers, Inc., Myers Prospect, Smyth County, Virginia, Contract No. 14-23-090-2002, Zinc.

Will you kindly prepare an Amendment No. 1 to the cited contract, along the following lines:

EXPLORATION PROJECT CONTRACT
ROLAND F. BEERS, INC.
DOCKET NO. OME-6020

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, and Roland F. Beers, Inc., a corporation, that Exploration Project Contract No. 14-23-090-2002 (Docket No. OME-6020) dated June 16, 1959, is amended as follows:

In Article 1 the date for beginning the work is changed from August 1, 1959, to September 15, 1959, and the date for completing the work is changed from six months from the date of the contract to eight months from the date of the contract.

43683

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate amount which the Government may be required to contribute, or the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Acting Director, Office
of Minerals Exploration

ROLAND F. BEERS, INC.

By_____

Title:_____

W. R. Griswold

WRG/er
CC: Docket
Dir Read File
Chron.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

July 6, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUL 8 1959

DATE	INITIALS	CODE
7-8	gad	220
		130
7-9	wrch	500

Memorandum

To: Operating Committee, OME - Washington

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

Subject: OME-6020, Roland F. Beers, Inc. Myers Prospect, Smyth County, Virginia. Contract Idm-E2002(zinc)

Enclosed are the original and one copy of a letter from Mr. Robert S. Young, requesting a delay in the starting date of the subject contract.

Under circumstances explained in the first paragraph of Mr. Young's letter, we recommend changing the starting date of the contract to September 15, 1959 and extending the completion date a corresponding amount.

V. J. Lynch, Acting
Executive Officer, OME
Region V

Helmuth Wedow, Jr., Geologist
U. S. Geological Survey

ROLAND F. BEERS, INC.

OFFICE AND LABORATORY:
447 PINEWOODS AVENUE
PHONE ASHLEY 2-2351

MAIL ADDRESS:
POST OFFICE BOX 1019
TROY, NEW YORK

P. O. Box 84
Rockport, Maine
July 1, 1959

Mr. Robert A. Laurence, Executive Officer
Field Team - Region V
Office of Minerals Exploration
Room 2-B, Post Office Building
Knoxville, Tennessee

Re: Docket No. OME6020
Smyth Co., Virginia
Contract 14-23-090-2002

Dear Mr. Laurence:

Because of the work program required to bring DMEA Contract Idm-E1224 to a successful conclusion on schedule, starting the above cited contract on or before August 1, 1959 would cause considerable strain on our present staff. Relocation of personnel, as currently planned, will take place early in September and the drilling project can then be adequately staffed without difficulty.

Acting in behalf of the Operator, Roland F. Beers, Inc., may I request a delay in the starting date (from August 1, 1959 to September 15, 1959) and an extension of the contract period (from six months to eight months). The third sentence of Article I (a), if this request is approved, should be amended to read: "The Operator shall begin the work on or before September 15, 1959 and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within eight months from the date of the contract."

I hope that you will judge this request reasonable and, therefore, rule favorably on it. Thank you for your cooperation.

Very truly yours,

Robert S. Young

Robert S. Young,
Branch Manager

RSY/jy

cc: R. F. Beers

RECEIVED
JUL 6 - 1959
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

June 25, 1959

JUN 29 1959
O.M.E.

Memorandum

To: Operating Committee, OME - Washington, D. C.

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

Subject: Signed Contract: OME-6020, Idm-E2002(Zn-Pb-Cu). Roland F. Beers, Inc. Myers Prospect, Smyth County, Virginia

Attached is the original and the Audit copy of the subject signed contract.

The usual distribution of the other copies has been made.

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 29 1959

DATE	INITIALS	CODE
6/29	C	220
7/1	wpb	500
6/29	C	210

V. J. Lynch, Acting Executive Officer, OME Field Team-Region V

Helmuth Wedow, Jr., Geologist
U. S. Geological Survey

June 16, 1959

Memorandum for the Docket

Docket No. OME-6020 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

1. Financial Eligibility

A. Bank Letters

The Manufacture's National Bank, Troy, New York
National Commercial Bank & Trust Company, Albany 1, New York

Loan applications were properly made, with submittal of Applicant' balance sheet. Refused.

B. Financial Analysis

See Memorandums of E. D. Talbert, Acting Chief, Division of Contract Administration and Audit, of April 16 and June 5, 1959.

2. Reviews

Mines and Survey reports are favorable, concurring with the Field examiners. The undersigned likewise, advises favorable consideration.

(a) Geologic Probability

The same favorable dolomite is present as in the mines of Eastern Tennessee, probably the equivalent of the Kingsport formation.

Some production has been made from old mines of the district. Sphalerite is known to occur on the property in question.

(b) Costs Estimates

Cost estimate of the project is $12,990.00, 50% of which would be for Government account.

(c) Plan and method of conducting exploration

Diamond drilling

(d) Project Accessibility

The project is easily accessible at all times.

(e) Applicant is experienced and capable. Previous DMEA projects were handled well.

(f) Property Rights

Titles seem adequate (lease-purchase options).

3. Action

Contract forwarded to the Field Team June 16, 1959.

W. R. Griswold

WRG/er
CC: Docket
Dir Read File
Chron.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6-11	[illegible]	500
6/11	[illegible]	800
6/11	[illegible]	130
6	[illegible]	110
		~~100~~
		~~110~~
6/16	[illegible]	220
		500

500

JUN 16 1959

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee

Subject: Docket No. OME-6020 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

With reference to the cited application and your recommendation of July 3, 1958, we are enclosing the originial and four copies of a proposed contract covering the project. All copies have been signed by the Acting Director for the Government. Also enclosed are two extra copies of the contract, minus the form, for the use of the Field Team.

Before the contract can be submitted to the Applicant for signature, certain conditions must be met.

1. The Agreement between the Applicant and James E. and Effie F. Myers provides only for extension to September 5, 1959. Hence, you should require the Applicant to provide you with a copy of an Agreement which allows a reasonable time period for work completion.

2. An adequate Performance Bond must be secured by the Applicant and submitted to you for approval, covering the Government's share of the project cost;

When the above matters have been cleared, and assuring the contract meets with your approval, you may then present it to the Applicant for signature and afterward distribute in the usual manner. In the event that you might not be in accord with any of the contract terms and any proposed change should lie beyond your delegated authority, please return all copies, unsigned with your recommendations.

We note that the drilling pattern proposed by the Field Team is considerably different from that outlined by the Applicant, but we do not know whether there had been any discussion with the Applicant regarding the recommended change in pattern. Ordinarily it is desirable

43683

that changes be discussed in advance and some agreement reached, otherwise, an Applicant may feel that the Government is acting in an arbitary manner. Perhaps it would be well to discuss the matter with the Applicant's representative, we have made the contract sufficiently flexible to allow for adjustments.

/s/ George C. Selfridge (HB)

P. S. You advised us over the phone on June 15, 1959, that the matter of the Myers lease has now been cleared up.

Please advise the Applicant that it would be to his advantage to execute the contract prior to midnight, June 30, 1959; otherwise, there would be a delay, since funds for the next fiscal year have not yet been made available. If the presentation of the Performance Bond for the sum of $6,495.00 should cause delay you may accept the Applicant's execution of the contract prior to such presentation; however, the Applicant should clearly understand that the contract has no validity until the bond is in your hands.

Enclosures

APPROVED:

Frank D. Lamb (HB)
Member, Bureau of Mines

Harold Kirkemo (HB)
Member, Geological Survey

WRGriswold/er 6-11-59
Copy to: Docket
Dir Read File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

Government's copy

MME Form 51
Feb. 1959

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

EXPLORATION CONTRACT
(Short Form)

Docket No.	Commodity	Contract No.	County	State
OME -6020	zinc-copper-lead, ~~copper-lead-zinc~~	14-23-090-	Smyth	Virginia

It is agreed _____ (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

Roland F. Beers, Inc.

_____,

whose mailing address is P. O. Box 1019, Troy, New York, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before August 1, 1959 (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within six months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $ ~~13,320~~ 12,990. The Government will contribute 50 percent of the total fixed unit costs of the work performed, not in excess of $ ~~6,660.00~~ 6,495.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest computed annually at the rate of 6 3/8 percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

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

ARTICLE 2. Operator's rights in land.--(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

none

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

Performance Bond

(c) The Operator shall preserve and maintain his right, title, or interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a royalty on production and liens for the payment thereof. Two true copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

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

(b) Government may inspect.--The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract and production operations during the period that royalty is payable to the Government. The Operator shall provide the Government with all reasonable means of access for such inspections.

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

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

(b) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; and

(3) a narrative report of the work performed during the reporting period, including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground.

(Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 6. Repayment by Operator.--(a) Certification.--If the Government considers that mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

mnEstimated Cost of the Project

Fixed Unit Costs

Stage I

Diamond drilling (with necessary overburden drilling) 2,025 feet @ $~~3.40~~ 3.31/ft.	6,702.75 $~~6,885.00~~	
60 core boxes @ $3.00 each	180.00	
Assays 60 determinations @ $1.00 each	60.00	6942.75 $ ~~7,125.00~~

Stage II

Diamond drilling (with necessary overburden drilling) 1,800 feet @ $3.~~32~~ 24/ft.	5832.00 $~~5,976.00~~	
5~~5~~ 4 core boxes @ $3.00 each	16~~5~~ 2.00	
Assays 54 determination @ $1.00 each	54.00	6048. ~~6,195.00~~
Estimated Total Cost of Project		12,990.75 $~~13,320.00~~
Round to Government's Participation, 50%		12,990.00 $ ~~6,660.00~~ 6,495.00

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code

June 15, 1959

Memorandum for the Docket

From: Chief, Division of Base Metals

Subject: Justification and Phone conversation about Docket No. OME-6020, Roland F. Beers, Inc., Myers Prospect, Smyth County, Virginia, Zinc-Lead-Copper.

There is a small difference between the cost recommended by the Field Team, in their report of July 1, 1958, and the revised estimate of the Applicant, submitted under date of June 2, 1959. The Field Team recommended a cost of $13,252.00 for 4,000 feet of drilling, which equals $12,672.22 for the proposed 3,825 feet.

The Applicant's requested cost (after mileage allowance correction) was about $650.00 higher. This was essentially contained in two items, $330.00 for subsistence allowance for the geologist and a higher mileage figure; 6,600 miles versus 2,500 miles calculated by the Field Team, about a year ago.

This question was discussed over the phone with Mr. Laurence, Executive Officer, Region V, on June 15, 1959. Hence, in what seems to be a fair compromise, we have accepted the Applicant's mileage figure but disallowed the subsistence item. Hence, the final contract figure is $12,990.00; about $318.00 higher than that of the Field Team's recommendation of July 1, 1958.

W. R. Griswold

W. R. Griswold

WRG/er
CC: Docket
Dir Read File
Chron.

43683

BRANCH OFFICE
1111 ROSE HILL DRIVE
CHARLOTTESVILLE, VIRGINIA
PHONE 2-4918

ROLAND F. BEERS, INC.

MAIL ADDRESS
P. O. BOX 3725
UNIVERSITY STATION
CHARLOTTESVILLE, VIRGINIA

June 12, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 17 1959

DATE	INITIALS	CODE
6/17	G	220
6/18	WPB	500

Robert A. Laurence, Executive Officer
Office of Minerals Exploration
Room 2-B
Post Office Building
Knoxville, Tenn.

OME_6020 (zinc)

Dear Mr. Laurence:

This letter will acknowledge that our option agreement with Roland F. Beers, Inc., bearing the number 5-V-7-2, has been extended through September 5, 1960.

Very truly yours,

James E. Myers
James Myers

Effie Myers
Effie Myers

Witness:
R. S. Zaring

RECEIVED
JUN 16 1959
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

ROLAND F. BEERS, INC.

OFFICE AND LABORATORY:
447 PINEWOODS AVENUE
PHONE ASHLEY 2-2351

MAIL ADDRESS:
POST OFFICE BOX 1019
TROY, NEW YORK

OFFICIAL FILE COPY
O. M. E.
RECEIVED JUN 16 1959

DATE	INITIALS	CODE
6/16	G	220
6/17	WPR	500

June 12, 1959

Mr. Robert A. Laurence, Executive Officer
OME Field Team, Region V
Room 2-B Post Office Building
Knoxville, 2, Tennessee

Docket No. OME-6020 Zinc
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

Dear Mr. Laurence:

In the above captioned Docket there is included an Option Agreement dated September 5, 1957 between James E. and Effie F. Myers and Roland F. Beers, Inc. We certify that this Option Agreement has been extended to September 5, 1960 by the payment of the $150.00 stipulated in the Extension Agreement dated February 26, 1959 between the respective parties thereto.

Shortly you will receive a letter from James E. and Effie F. Myers confirming the extension to September 5, 1960.

We understand your Washington, D. C. office is forwarding to you for processing the completed contract on the above captioned docket. We shall appreciate it if you will inform us the amount, date and contract number thereof so that the performance bond may be written.

Very truly yours,

ROLAND F. BEERS, INC.

John S. Bates
Assistant Secretary

jsb/h
cc: Dr. R. S. Young

RECEIVED
JUN 15 1959
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

E Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code

June 11, 1959

Memorandum for the Docket

From: Chief, Division of Base Metals

Subject: Justification for Contract on Docket No. OMB-6020, Roland F. Beers, Inc., Myers Prospect, Smyth County, Virginia, Zinc.

Under date of April 16, 1959, E. D. Talbert, Division of Contract Administration and Audit, reviewed the financial eligibility of the Applicant and made various points requiring clarification. It now appears that subsequent correspondence has cleared all of the points in question, (see Talbert's memorandum of June 5, 1959.)

The lands appear to be adequately held under Agreements, except the Myers tract which requires a renewal, as delineated in our memorandum to the Field Team.

Maps are adequate and the geological justification by the Operator and the Field Team is logical.

W. R. Griswold

W. R. Griswold

WRG/er
CC: Docket
Dir Read File
Chron.

43683

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

JUN 1 0 1959

Memorandum

To: Acting Director, Office of Minerals Exploration

From: Acting Associate Solicitor, Division of Mineral Resources

Subject: Docket No. OME-6020, Roland F. Beers, Inc., Myers Prospect, Smyth County, Virginia

We have drafted in final form the subject contract pursuant to the memorandum to the Associate Solicitor, Division of Mineral Resources dated June 8, 1959.

The draft submitted by Mr. Griswold has been followed, but we note the following matters required for the completion of the document:

1. the rate of interest must be inserted;

2. a Performance Bond is to be furnished by the applicant;

3. in Article 6(c), page 3, the word "operator's" has been stricken as requested in our memorandum to the Acting Director dated May 4, 1959.

This transaction is unusual in that the applicant, Roland F. Beers, Inc., appears to be acting as agent and trustee for a number of parties referred to as The Second American Syndicate, although this fact will not appear on the face of the exploration contract. We have no specific evidence of the contractual relationship between the applicant-corporation and the members of the syndicate. These circumstances seem unobjectionable to us, as long as OME is relying on the financial showing of the applicant-corporation and not upon the responsibility of the various members of the syndicate.

Our approval is fortified by the fact that the applicant-corporation will furnish a performance bond in lieu of subordination or lien agreements. We suggest that this

performance bond be submitted to us for review as to its sufficiency before the contract is finally consummated.

J. L. Hofflund

J. L. Hofflund

Attachments

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code

500

June 8, 1959

Memorandum

To: Associate Solicitor, Division of Minerals Resources

From: Chief, Division of Base Metals

Subject: Preparation of Contract for Docket No. OME-6020, Roland F. Beers, Inc., Myers Prospect, Smyth County, Virginia, Zinc.

Will you kindly prepare a short for contract along the lines of the attached draft.

Maps will follow. Please rush.

W. R. Griswold

W. R. Griswold

WRG/er
CC: Docket
Dir Read File
Chron.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

JUN 5 1959

Memorandum

To: Mr. W. R. Griswold, Chief
Division of Base Metals

From: E. D. Talbert, Acting Chief
Division of Contract Administration and Audit

Subject: Docket No. OME-6020 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

The balance sheet and correspondence with banks, as submitted with the applicant's June 2 letter, indicates that Roland F. Beers, Inc., is financially eligible for an exploration contract.

If the application results in a contract, it is suggested that such contract be either (1) on the short form or (2) on the long form with the drilling by independent contractor on an actual cost basis and all other incidental costs on a fixed unit cost basis. This suggestion is made because of experience with the applicant as Operator on an actual cost basis under Contract Idm-E1224, DMEA-4947 (Nickel).

Attachments

EDTalbert/ama
June 5, 1959

Copy to: Docket
Director's Reading File
Mr. Talbert

43683

Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Hugeechard	500
	Williams	500
4/30	Selfridge	120
"	[illegible]	110
		~~100~~
4/30	G	220
		500

APR 30 1959

Mr. Roland F. Beers, President
Roland F. Beers, Inc.
Post Office Box 1019
Troy, New York

Re: Docket No. OME-6020 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

Dear Mr. Beers:

We have received your letters dated April 10th and 16th, in answer to our letter of March 23, 1959.

There still remain some points that require clarification. It is not clear to us just who is the Applicant. We assume that Roland F. Beers, Inc., is the Applicant and that "The Second American Syndicate" merely contributes to the cost of the exploration and participates in any profits as a joint venture.

If this is the case, then we will require:

(a) The latest corporate financial statement of Roland F. Beers, Inc.

(b) Evidence of requests for bank loans on reasonable terms. Request for a bank loan with repayment only from production does not demonstrate that funds are unavailable on reasonable terms from commercial sources.

(c) A statement of the actual amount allotted to this program (i.e. 50% of $7,538.43 or 50% of approximately $13,000.00). In this connection we would like to call attention to the fact that, in the application as presented to us, the total drilling footage was estimated to be 3,825 feet for the two stages. However, in the estimate of the cost of the work, 2,025 feet were figured and this would be the first stage only. In making contracts for staged work, it is customary to include all stages of a complete project and the allocation

8623

of money for the project should be on this basis. Work in subsequent stages would be conditioned on the results of Stage I. Therefore, you should submit a detailed cost estimate for Stage II.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

WPKlugescheid/er/fw-4/29/59
cc: Docket
Dir.Read.File
~~Op. Committee~~
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region V (2)
Chron.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Hugenschard	500
	Drewnowski	500
4/28	Selfridge	120
		110
		100
		220
		500

Mr. Roland F. Beers, President
Roland F. Beers, Inc.
Post Office Box 1019
Troy, New York

Re: Docket No. OME-6020 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

Dear Mr. Beers:

We have received your letters dated April 10th and 16th, in answer to our letter of March 23, 1959.

There still remain ~~a number of~~ some points that require clarification, ~~and one which may require revision of the application.~~ It is not clear to us just who is the applicant. We assume that ~~It is~~ Roland F. Beers, Inc., (Co) the Applicant ~~or should the application be the~~ and that The Second American Syndicate, ~~Roland F. Beers, Inc., Agent.~~ merely contributes to the area of the exploration and development in exchange for a joint interest. ~~It is our understanding that Roland F. Beers, Inc., is the manager or agent for The Second American Syndicate, in which case the Applicant should be The Second American Syndicate.~~

If ~~Roland F. Beers, Inc., is in fact the Applicant,~~ then we will require:

(a) The latest corporate financial statement of Roland F. Beers, Inc.

(b) Evidence of requests for bank loans on reasonable terms.

Request for a bank loan with repayment only from production does not demonstrate that funds are unavailable on reasonable terms from commercial sources.

~~2. If the real Applicant is The Second American Syndicate, then the application should be so stated and we should have:~~

~~(a) A new set of applications, MME Form 10, filled out and executed by Roland F. Beers, President.~~ in the name of the Second American Syndicate Inc. Agent.

8623

(b) A March 31, 1959, balance sheet and statement of the principal's accounts (the statement we received was for The American Syndicate and was for the year 1958).

(c) Evidence of the Syndicate's requests for bank loans on reasonable terms.

~~(d)~~ a A statement of the actual ~~amount~~ allotted to this program (i.e.-50% of $7,538.43 or 50% of ~~approximately~~ $13,000.00).

~~In this connection we would~~ like to call attention to the fact that, in the application as presented to us, the total drilling footage was estimated to be 3,825 feet for the two stages. However, in the estimate of the cost of the work, 2,025 feet were figured and this would be the first stage only. In making contracts for staged work, it is customary to include all stages of a complete project and the allocation of money for the project should be on this basis. Work in subsequent stages would be conditioned on the results of Stage I.

Sincerely yours,

Acting Director

WPKlugescheid/er/fw-4/28/59
cc: Docket
Dir. Read. File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region V (2)
Chron.

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

Mr. Roland F. Beers, President
Roland F. Beers, Inc.
Post Office Box 1019
Troy, New York

Re: Docket No. OME-6020 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

Dear Mr. Beers:

We have received your letters dated April 10th and 16th, in answer to our letter of March 23, 1959.

There still remain a number of points that require clarification and one which may require revision of the application.

1. Is Roland F. Beers, Inc., the Applicant or should the application read "The Second American Syndicate, Roland F. Beers, Inc., Agent"? It is our understanding that Roland F. Beers, Inc., is the manager or agent for The Second American Syndicate, in which case the Applicant should be The Second American Syndicate.

If Roland F. Beers, Inc., is in fact the Applicant, then we will require:

(a) The latest corporate financial statement.

(b) Evidence of requests for bank loans on reasonable terms.

Request for a bank loan with repayment only from production does not demonstrate that funds are unavailable on reasonable terms from commercial sources.

2. If the real Applicant is The Second American Syndicate, then the application should be so stated and we should have:

(a) A new set of applications, MME Form 40, filled out and executed by Roland F. Beers, President.

(b) A March 31, 1959, balance sheet and statement of the principal's accounts (the statement we received was for The American Syndicate and was for the year 1958).

(c) Evidence of the Syndicate's requests for bank loans on reasonable terms.

(d) A statement of the actual amount allotted to this program (i.e.-50% of $7,538.43 or 50% of approximately $13,000.00).

In this connection we would like to call attention to the fact that, in the application as presented to us, the total drilling footage was estimated to be 3,825 feet for the two stages. However, in the estimate of the cost of the work, 2,025 feet were figured and this would be the first stage only. In making contracts for staged work, it is customary to include all stages of a complete project and the allocation of money for the project should be on this basis. Work in subsequent stages would be conditioned on the results of Stage I.

Sincerely yours,

Acting Director

ROLAND F. BEERS, INC.

OFFICE AND LABORATORY:
447 PINEWOODS AVENUE
PHONE ASHLEY 2-2351

MAIL ADDRESS:
POST OFFICE BOX 1019
TROY, NEW YORK

April 16, 1959

OME-6020

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 20 1959

DATE	INITIALS	CODE
4/20	G	200
4/20	[illegible]	~~300~~

Mr. Frank Johnson, Administrator
Office of Minerals Exploration
Washington, D. C.

Dear Mr. Johnson:

In response to your question, I wish to advise you that this company has no collateral which might be available in connection with our applications for loans from banking institutions. As explained in my letter to you dated April 10, this company acts in the capacity of Manager for the co-owners of the properties.

Yours very truly,

ROLAND F. BEERS, INC.

Roland F. Beers

Roland F. Beers, President

rfb/h
cc: Mr. Chisman Hanes

Form 7
(2-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/17	C	220
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APR 16 1959

Memorandum

To: Mr. W. R. Griswold, Chief
Base Metals Division

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

Subject: Docket No. OME-6020 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

The subject application states that $7,538.43 is the "estimated cost of project". Attachment G, furnishing the detailed estimates required by item 7 of application, also indicates $7,538.43 as the total cost for a 2,025' drilling project. However, Attachment E, furnishing the data required by item 5 of the contract, as well as the drillers' bids, indicates that the 2,025' is a first stage and that the total project consists of 3,825' of drilling. Furthermore, the Field Team's July 1, 1958, examination report states that their proposed program, estimated to cost $13,252.00, is "of approximately the same magnitude as that of the Applicant".

Determination of financial eligibility cannot be made without clarification of the amount of financial assistance being applied for.

The applicant's requests for a bank loan of $4,000.00 are not considered reasonable efforts to obtain credit on reasonable terms. No collateral was offered and proposed repayment was conditioned on mineral production from the property.

Although the application and the request for bank loans are in the name of Roland F. Beers, Inc., no financial statements have been furnished by that company. The only financial statement furnished is one dated December 31, 1958, for The American Syndicate, Roland F. Beers, Agent. This statement indicates balances due the eighteen principals in the aggregate amount of $10,848.18, which represents the excess of contributions by the principals and the actual costs of calendar year 1958 exploration programs of the syndicate.

8623

If Roland F. Beers, Inc., is in fact the applicant (and the American Syndicate or Second American Syndicate, as the case may be, is only a source of funds), it is suggested that the following be requested:

(1) Latest corporate financial statement;

(2) Net worth statements of the officers and directors of the corporation; and

(3) Evidence of requests for bank loans at reasonable terms.

If Roland F. Beers, Inc., is not in fact the applicant, a determination should be made as to (1) whether Roland F. Beers, Inc., or Roland F. Beers, an individual, is making the application as agent for a joint venture, and (2) which joint venture is involved, The American Syndicate or The Second American Syndicate.

It seems most likely that the application properly should be in the name of The Second American Syndicate, Roland F. Beers, Inc., Agent. If this is the case, The Second American Syndicate should be requested to furnish:

(1) A March 31, 1959, balance sheet and statement of principals' accounts;

(2) Latest financial statements of the five largest contributors to the joint venture;

(3) Evidence of the syndicate's requests for bank loans on reasonable terms;

(4) A statement of the actual amount allocated to this project (i.e. 50% of $7,538.43 or 50% of approximately $13,000.00); and

(5) Confirmation from each of the principals of their unwillingness to increase their budget to pay 100% of the project costs.

ROLAND F. BEERS, INC.

OFFICE AND LABORATORY:
447 PINEWOODS AVENUE
PHONE ASHLEY 2-2351

MAIL ADDRESS:
POST OFFICE BOX 1019
TROY, NEW YORK

April 10, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 14 1959
DATE | MINERALS | CODE
4-14 | C | 220
4-14 | 0 | 500

Mr. Frank E. Johnson, Acting Director
Office of Minerals Exploration
Washington, D. C.

Re: Docket No. OME-6020 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

Dear Mr. Johnson:

I wish to give you additional information bearing on the pending application captioned above.

This company, Roland F. Beers, Inc., acts in the capacity of manager for the co-owners of properties acquired in their behalf through programs of exploration. The provisions of this arrangement are contained in an agreement dated 1 January 1955 and supplemental agreements between each of the co-owners and the company. The company also acts as nominee for all of the co-owners and holds title to all properties in trust for their respective accounts.

The programs of exploration are the subject of annual agreements and specify the amount of expense which shall be incurred by the manager, as well as the allocation of the total annual expense among the several exploration projects. Once the annual agreement has been approved by the co-owners, no modifications, other than a nominal variation in total expenditures, can be made by the manager without first obtaining the approval of a two-thirds majority of the co-owners in interest.

In formulating the 1959 exploration program, the pending application was included. The co-owner's share of expense after allowing for OME assistance, was budgeted as a part of the program and approved by the co-owners. It is not possible for this company to increase the amount of expense allocated to this prospect, as explained above. Either we will abide by the program, as presently written, or we will be obliged to drop the project from our program. We have verified this fact by requesting our Syndicate members (the co-owners) to increase their 1959 contributions in order to pay for that portion of the subject project in case our pending application is not approved. Our co-owners have refused to make further payments to cover this additional item of expense.

The decision of the Government in acting on the pending application will have a profound effect on future action by this organization in its programs of exploration. The 1959 budget includes that portion of expense that would be borne by this company in other projects which we had intended to make the subject of applications to OME. These include two other applications for zinc (New York and Pennsylvania), and two for nickel (Maine). The total expense of these four projects would amount to approximately $500,000 for 1959 and subsequent years, of which government aid for one-half would be requested. If no government aid is forthcoming, it is unlikely that these projects will be pursued.

I have been informed that you would like to receive a copy of the balance sheet of The American Syndicate. Copies are attached hereto for your retention.

If you require further information, we will be glad to comply with your request.

Very truly yours,

ROLAND F. BEERS, INC.

Roland F. Beers

President

rfb/h
Enclosure
cc: Mr. Chisman Hanes

Exhibit A

ROLAND F. BEERS, AGENT

THE AMERICAN SYNDICATE

STATEMENT OF ACCOUNT December 31, 1958

ASSETS:		
Cash in banks and on hand	$ 1,661.90	
Accounts receivable	45,171.36	
Traveling advances	1,135.00	
Deposits and prepaid expenses	2,342.73	
Total Assets		$ 50,310.99
LIABILITIES:		
Note payable - Bank	$ 9,000.00	
Accounts payable and withheld taxes	30,134.94	
Accrued payroll taxes	327.87	
Total Liabilities		$ 39,462.81
Excess of assets over liabilities, due to principals, Exhibit B		$ 10,848.18

4/10/59

Exhibit B

THE AMERICAN SYNDICATE

ROLAND F. BEERS, AGENT

STATEMENT OF PRINCIPALS' ACCOUNTS for year ended December 31, 1958

	Due from Principals Jan. 1, 1958	Payments on account of amounts due from Principals Jan. 1, 1958	Payments for 1958 Program	1958 Costs Allocated	Due to or from* Principals December 31, 1958
Basic Incorporated	$ 5,572.26	$ 5,572.26	$157,130.18	$147,250.03	$ 9,880.15
Victor Bator	254.62	254.62	6,846.78	6,416.26	430.52
Roland F. Beers	891.54	891.54	22,464.79	22,456.23	8.56
Roland F. Beers, Inc.	381.93	381.93	9,627.92	9,624.26	3.66
Eugene F. Connally	254.62	254.62	6,846.78	6,416.26	430.52
C. Emory Lochner	127.31	127.31	3,423.24	3,207.99	215.25
W. W. MacGregor	127.31	127.31	684.79	641.65	43.14
Baldwin Maull	191.15	191.15	5,134.86	4,811.99	322.87
John M. Schiff	764.23	764.23	20,540.05	19,248.52	1,291.53
South Texas Dev. Co.	636.91	636.91	16,046.63	16,040.51	6.12
Salomon Bros. & Hutzler	764.23	764.23	19,255.84	19,248.52	7.32
Wytex Oil Corp.	509.25	509.25	12,836.86	12,831.97	4.89
Shepard W. Lowman	254.62	254.62	6,418.71	6,416.26	2.45
Erwin N. Darrin	71.23	71.23	2,053.83	1,924.68	129.15
Lewis E. Tufts	-	-	1,985.46	1,860.77	124.69
W. Hitchcock Robinson	-	-	342.20	320.69	21.51
John S. Bakos	-	-	410.79	384.88	25.91
Malartic Gold Fields Ltd.	2,471.94	371.88	-	-	2,100.06*
	$ 13,273.15	$ 11,173.09	$292,049.71	$279,101.47	$10,848.18

To Exhibit A

4/10/59

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/20	Klugescheid	500
	Brown	120
3/20	Selfridge	220
"	[illegible]	100
3/25	C	220
		500

MAR 23 1959

Mr. Roland F. Beers, President
Roland F. Beers, Inc.
Post Office Box 1019
Troy, New York

Re: Docket No. OME-6020 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

Dear Mr. Beers:

We have just received a letter from Mr. John S. Bakos, dated March 17, 1959, giving the percentage property interest of the various members of The Second American Syndicate.

Before we can continue to process the cited application we will require some further information in order to determine the financial eligibility of your corporation.

We must have the latest detailed balance sheet of The Second American Syndicate and balance sheets or net worth statements for each of the five largest participants in the syndicate.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief,
Division of Base Metals

WPKlugescheid/er 3/20/59
CC: Docket
Dir Read File
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region V (2)
Chron.

43683

ROLAND F. BEERS, INC.

OFFICE AND LABORATORY:
447 PINEWOODS AVENUE
PHONE ASHLEY 2-2351

MAIL ADDRESS:
POST OFFICE BOX 1019
TROY, NEW YORK

March 17, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAR 19 1959

DATE	INITIALS	CODE
3-19	C	220
~~3-19~~	~~Reg~~	~~500~~

Mr. Frank E. Johnson, Acting Director
Office of Minerals Exploration
U. S. Department of the Interior
Washington 25, D. C.

CME 6020 c.c.

Re: Docket No. ~~DMEA-5007~~ (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

Dear Mr. Johnson:

The information which follows is in addition to that which was furnished on March 12, 1959 in our Application for Financial Assistance in Minerals Exploration for sphalerite and fluorite for the above captioned Prospect.

Item 1 b: Roland F. Beers, Inc. is the manager of operations for a group known as The Second American Syndicate (successor to The American Syndicate). Roland F. Beers, Inc. maintains in its name as nominee the property interests of the respective members of the Syndicate.

The names and addresses of the principal Syndicate members and their respective property interests follow:

Syndicate members and addresses	Property Interests
Basic Incorporated 845 Hanna Building, Cleveland, Ohio	45.6979%
Victor Bator 30 East 72nd Street, New York, New York	1.7242
Roland F. Beers 465 Pinewoods Avenue, Troy, New York	16.0345
Roland F. Beers, Inc. 447 Pinewoods Avenue, Troy, New York	7.5862
Eugene F. Connally 471 Second Avenue, Troy, New York	1.7242
Baldwin Maull Box 2006, Buffalo, New York	1.5770
John M. Schiff 30 Wall Street, New York, New York	5.1724

(Continued)

Syndicate members and addresses (Continued)	Property Interests
South Texas Development Company 90 State Street, Albany, New York	3.7549%
Salomon Brothers & Hutzler 60 Wall Street, New York, New York	4.5059
Wytex Oil Corporation 90 State Street, Albany, New York	3.0039
Shepard W. Lowman Averill Park, New York	3.6798
James R. Dunn Averill Park, New York	2.1778
Miscellaneous - Each owns less than 1% property interest	3.3613
Total	100.0000%

Very truly yours,

ROLAND F. BEERS, INC.

John S. Bakos

John S. Bakos
Assistant Treasurer

jsb/h

March 16, 1959

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

Subject: OME-6020

Dear Mr. Beers:

Your application for exploration assistance, dated March 12, 1959 submitted to our office at Washington, D. C. has been assigned Docket Number OME-6020 and referred to the Base Metals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Chief
Operations Control and
Statistics Division

Copy to: Region V

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
	Swanwell	500
	Klingelhard	500
1/22	Selfridge	120
		~~110~~
		~~100~~
1/29	C	220
		500

JAN 29 1959

Mr. Roland F. Beers, President
Roland F. Beers, Inc.
Post Office Box 1019
Troy, New York

Re: Docket No. DMEA-5007 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

Dear Mr. Beers:

Enclosed is a copy of the regulations for obtaining Federal assistance in financing mineral exploration under which the new Office of Minerals Exploration will operate.

If you wish that your partly processed DMEA application be considered under the OME regulations, please complete and return four of the copies of the attached application, MME Form 40.

Your attention is called especially to the certification which when signed declares that you would not ordinarily undertake the proposed exploration under current conditions and circumstances at your sole expense, and to Item 1(a) - and 1(b) if applicable - which relates to information used to determine your financial eligibility under the new exploration program. Information that is included in your DMEA application need not be repeated in the OME application, but you can add new information if you so desire.

It might be well to inquire if the bids formerly made by the drilling contractors are still valid.

The leases with Thomas B. Cullop and wife and Robert L. Meek and wife seem to be still valid, but the agreement with James E. and Effie Myers would have to be renewed.

Also enclosed are six copies of the Lien and Subordination Agreements, MME Form 52, referred to in Item 2(c) of the application, for each of the leases and the agreement. Early submittal of five completed copies of the form for each lease and agreement will save time in case you apply for exploration assistance under the OME program and a contract is granted. In the past you have preferred submitting a Performance Bond in lieu of the Consents to Lien. Should you still prefer to follow this procedure, it will be necessary to obtain letters

8623

from the lessors or owners signifying their unwillingness to sign the Lien and Subordination Agreements before a Performance Bond can be permitted.

If you do not wish to participate in the OME program, we shall appreciate being so informed.

Sincerely yours,

Frank E. Johnson (for)

Acting Director

Enclosures

WPKlugescheid/er/fw 1/15/21/59
CC: Docket
Dir Read File
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region V (2)
Chron.

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

DMEA
RECEIVED AUG 4
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8/4 J.g. 225
5-00

August 1, 1958

Re: DMEA 5007; Zinc-Copper
$13,250
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

Memorandum

To: W. R. Griswold, DMEA

From: O. M. Bishop, USBM

Subject: Comments on field examiners report dated July 1 and recommendation by the Field Team Region V, dated July 3 and received Washington July 7, 1958.

In response to an application by Roland F. Beers, Inc. the field examiners have inspected the Myers property. They conclude there is sufficient evidence to support hopes for a commercial discovery of zinc. I agree with their conclusions, but with less enthusiasm for the following reasons:

(1) Subsoil samples whose values are contoured in the pit area are of doubtful significance. Normal shallow-sea deposited sediments have 20 to 70 parts of zinc per million - quantities that suggest that few, if any, of the samples taken represented anomalous conditions.

(2) Barite and fluorite are often associated with only weak zinc concentrations and are indicative of a temperature range too low for copper in more than accessory amounts.

If our purpose is to measure the gross ore potential of the prospect, I believe the initial 1,800 feet of drilling recommended by the field examiners are warranted. Consideration of the results may properly lead to second stage work dependent on results of the initial drilling.

O. M. Bishop

O. M. Bishop

Copy to: Division of Minerals
Branch of Base Metals
Mr. Kiilsgaard
Mr. Lamb
F I L E S

IN REPLY REFER TO:

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

July 22, 1958
Re: DMEA 5007
Roland F. Beers, Inc.
Myers Prospect
Smith County, Virginia
Appl. Est. $ 7,538.43
Rec'd Est. $13,252.00 - Zinc-Copper

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

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

Subject: Review of Field Team Report

The applicant requested assistance in prospecting, by drilling, for inferred zinc ore bodies on the crest of an anticline imposed on a domal structure. From shallow open cuts along the crest residual barite in quantity was mined. Pieces of sphalerite-bearing breccia occurring in old dumps, suggest such material might exist in underlying Beekmantown beds. (Lower Ordovician)

Based on the presence of the zinc-bearing breccia, results of geochemical prospecting, and general inference, the applicant proposed a modest grid drilling program which would test the underlying beds. The geochemical tests when checked were found to be less anomalous than as presented.

The examiners drawing on experience in other areas, recommend a drilling program consisting of 2 fences at 90° to one another, which would search for postulated breccia-making fracture zones. The examiners consider the chances of finding worthwhile ore deposits better than those presented at the more or less neighboring New Jersey Zinc Co.'s projects DMEA 4173, 4174, 4178 and 4681 which, although well recommended, failed to reveal 'commercial ore'. Like unfavorable results were obtained in a tract further east and adjoining the Austinville mine, explored under DMEA 4681.

The examiners' report proposes an approach unlike that employed at the neighboring unsuccessful projects. I concur with the recommendation of the examiners.

N. E. Nelson

N. E. Nelson

DMEA Form 7
(12-56)

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7/15	Klugescheid	500
	[illegible]	500
7/16	Martin	130
7/16	Lamb	130
7/16	Kiilsgaard	130
"	[illegible]	110
"	Mittendorf	100
7/17	[illegible]	225
		P.F.

JUL 16 1958

Mr. Roland F. Beers, President
Roland F. Beers, Inc.
Post Office Box 1019
Troy, New York

Re: Docket No. DMEA-5007 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

Dear Mr. Beers:

Early in June we sent you the Department of the Interior Information Service Release dated June 6th which announced that no new Defense Minerals Exploration Administration contracts could be executed after June 30th because of the ending of the present program for exploration assistance.

We regret to inform you that your application, identified above, could not be completely processed before June 30th because it was received too late.

However, we will be glad to hold your application until the Congress acts on pending legislation to continue exploration aid. If the aid is continued, we will then ask you to state whether you wish us to consider your application under regulations established for the new program.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

WPKlugescheid/er 7/15/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region V (2)
Chron.

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

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DMEA
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7/7	C	220
~~7/11~~	~~RCL~~	~~500~~

July 3, 1958

Memorandum

To: Operating Committee, DMEA, Washington, D. C.

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

Subject: Field Examination Report, DMEA-5007 (Zinc-copper)
Roland F. Beers, Inc., Troy, New York
Myers Prospect, Smyth County, Virginia

Enclosed are the original and two copies of the field examination report on the Myers prospect.

Although the field examination was made on May 16, the lack of certain essential data necessitated a second visit, and it became impossible to complete the report before June 30. Much of the geologic interpretation, sections, etc., in this report represent work which should have been done by the Applicant's geologic staff and presented with the application. Had this been done, the field report and recommendations could have been submitted in time for full consideration by the Washington staff before the expiration of DMEA's authority on June 30.

The report proposes a somewhat different approach to the problem from that presented by the Applicant, because more emphasis is placed upon the probability of fracture-control of inferred ore shoots.

Although it may be totally unrelated to this prospect, it seems worth noting that the only known occurrence of intrusive igneous rocks cutting across Paleozoic sediments in southwest Virginia is in the Marion area, about four miles from the Myers prospect (See Virginia Geol. Survey Bull. 46-L, pp. 158 and 166).

We recommend approval of a contract as outlined in the report. It should be recognized that the plan and spacing of holes, as shown on figure 2 and discussed on pages 10 to 12 is tentative and subject to revision as work progresses.

Robert A. Laurence
Robert A. Laurence
Executive Officer

Reviewed by
DMEA OPERATING COMMITTEE

W. J. Lynch, Member
U. S. Bureau of Mines

7-11-58
(date)

UNITED STATES

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT, REGION V

OFFICIAL FILE COPY
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DMEA-5007 (Zinc-Copper), MYERS PROSPECT
Smyth County, Virginia

Helmuth Wedow, Jr., Geologist
U. S. Geological Survey

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
7-11-58
(date)

July 1, 1958

FIELD EXAMINATION REPORT

DMEA-5007 (Zinc-Copper, MYERS PROSPECT
Smyth County, Virginia

Applicant: Roland F. Beers, Inc., Troy, New York

SUMMARY

The recognition of significant amounts of sphalerite in breccia blocks and fragments in old dumps at the Myers barite mine in the Marion (Smyth County) district, Virginia suggests that the prospect may well be worth exploring for moderate size bodies of commercial zinc ore. In addition to sphalerite such ores will contain barite, fluorite, pyrite, and minor amounts of chalcopyrite; galena may also be present. The prospect lies near the long axis of the assymetrical, elliptical Marion dome. Ore bodies, if present, will probably be relatively narrow, pencil-like shoots in breccia zones formed by fractures that may be related to the folding of the dome. The most likely position for such ore bodies will be where the fractures form breccia zones in a favorable 120-foot thick stratigraphic unit of the Lower Ordovician Beekmantown formation. This unit consists of alternating limestone and "recrystalline" dolomite beds with suggestions of algal structures. The lithology of the country rock and the nature of the zinc-bearing breccia is very similar to that of the Mascot-Jefferson City and Copper Ridge districts of East Tennessee where commercial zinc ores are mined from beds of approximately the same stratigraphic position. The examiners recommend a program consisting of 4,000 feet of diamond drilling to explore the gross ore potential of the prospect area.

INTRODUCTION

Location and access

The Myers prospect is located in Smyth County, Virginia, about four miles due west of Marion, the county seat. (See fig. 1; also see Marion 7½' planimetric quadrangle, Virginia, scale 1:24,000) Access to the prospect is gained from U. S. Highway 11 by hard surfaced or graveled roads. The prospect area lies to the east and south of State Road 645 (Wassum Valley Road) about a half-mile north of Mt. Zion Church (figs. 2 and 3). It is the westernmost barite mine of the Marion (Smyth County) barite district (Edmundson, 1938, pl. 13).

History

The Myers prospect was worked extensively for barite during a period of several decades over 50 years ago. When active it was known as the Myers-L. Copenhaver mines (Edmundson, 1938, pp. 77-78). The amount of barite produced is not known, but the mines were said to be probably among the largest in the Marion district. The chief production was apparently from residual deposits mined from opencuts over a distance of more than 2,000 feet. However, some barite was won from bedrock occurrences some of which were mined underground from short adits and drifts and in one case from a shaft reported to have been almost 100 feet deep (figs. 2 and 3). No sulfide ores are reported to have been produced while the Myers-L. Copenhaver mines were producing barite, although a large amount of barite- and sphalerite-bearing breccia occurs on the dump between the adit and shaft (fig. 3) and was reported to have come chiefly from the stopes developed laterally from the shaft. Elsewhere in the district, however, a carload of copper ore (probably chalcopyrite with some malachite) is reported (Edmundson, 1938, p. 76) to have been mined from a shaft at the Henderlite mine at the easternmost end of the district, approximately seven miles east-northeast of the Myers prospect. As far as is known, the occurrence of sphalerite at the Myers prospect was first noted and considered significant by geologists of the U. S. Steel Corporation. U. S. Steel's plans for the exploration of the deposit apparently were abandoned when that company closed out its southwest Virginia exploration office in 1957 presumably because of the adverse economic condition of the zinc market. Knowledge of the sphalerite

mineralization at the Myers prospect was then passed along to the Applicant by the U. S. Steel's resident geologist at Marion. Leasing of three properties initiated in 1957 and the completion of geological and geochemical studies in early 1958 resulted in the application for DMEA assistance in exploratory drilling.

Property

The properties surrounding the Myers prospect and included in this application are the Myers, Meek, and Cullop tracts, totalling about 150 acres. The areal distribution of these tracts is shown on the property map (fig. 2). The area immediately involved in the exploration program is shown on figure 3. The Applicant's leases on the tracts were taken between September 5 and December 1, 1957. All leases (including an extension provision on one property) are to run for a period of at least three years. Final expiration dates are also shown on figure 2.

Field examination

The field examination of the Myers prospect was undertaken on the morning of May 16, 1958. The examination consumed a total of about four hours including travel time to and from Marion. The examiners were accompanied by Mr. V. R. Geyer, of the Applicant's geologic staff, and by Mr. V. J. Lynch, U. S. Bureau of Mines member of the DMEA Region V Field Team. The examiners spent an additional four hours at the prospect on June 20, 1958 to evaluate additional information submitted by the Applicant after the initial field examination.

Applicant

The Applicant, Roland F. Beers, Inc., has successfully completed DMEA contracts in the past and is currently operating a DMEA drilling contract in North Carolina (DMEA-4896).

GEOLOGY

Stratigraphy

The Myers prospect is in the Lower Ordovician Beekmantown dolomite and limestone formation about 450 to 500 feet below the unconformable contact with the Middle Ordovician Mosheim limestone. Thus, the prospect is in rocks equivalent to the zinc-bearing upper part of the Knox dolomite group of East Tennessee. Direct correlation with the zinc-bearing formation of the Knox group in Tennessee is not attempted at this time, but it is likely that the prospect occurs in equivalents of the Kingsport formation. The lithology of the rocks in the vicinity of the Myers prospect is very similar to Kingsport sequences in the Copper Ridge and in the Mascot-Jefferson City zinc districts. Alternating dense limestone and "recrystalline" dolomite beds with suggestions of algal structures lie below a 1-foot thick bed of greenish shaly sedimentary chert breccia similar to the marker at the top of the "R" bed in Copper Ridge and to the "28" bed at Jefferson City. Above this sedimentary breccia are fine-grained dolomites with various sandy zones similar to the upper Kingsport and Mascot formations in Tennessee. The entire sequence of rocks in the target area are well exposed along the new cuts made in the recent widening of State Road 645 (fig. 3).

Structure

The Myers prospect lies on the southwest flank of the roughly elliptical Marion Dome in the Walker Mountain shingle or thrust-fault block (Cooper, 1936, pl. 14). In cross-section the dome is typically assymetrical with a steep dipping northwest limb and a gently-dipping southeast limb

after the habit of the majority of Appalachian Valley anticlinal structures. The trace of the long axis of the dome probably lies only a few hundred feet north of the prospect, apparently along the valley of Wassum Creek (fig. 3). In the immediate area of the prospect it has a trend of about S. 70° W. and a plunge of about 25° SW. The bedrock at the prospect has an attitude of about N. 40° W., 25° SW.

The bedrock barite and sulfide mineral occurrences at the Myers prospect are both fracture filling and replacement masses in breccia zones. The breccia zones appear to lie along two main sets of fractures, one of which trends about due north or a few degrees west of north and the other about due east or a few degrees south of east. The strongest brecciation probably occurs at the intersections of the strongest fractures of the two systems. The dips on these factures generally varies from about 70 degrees east or north, depending on the system, to vertical.

Mineralogy

The mineralogy of the zinc-bearing material at the Myers prospect is relatively simple in a fashion similar to the zinc ore in the East Tennessee deposits. The Myers material contains barite, sphalerite, pyrite, fluorite, and traces of chalcopyrite cementing breccia fragments of the country rock. Although most of the breccia fragments are limestone, a few fragments of dolomite or dolomitic limestone were noted. The material closely resembles specimens of Kingsport breccia ore from Tennessee except that the chief secondary gangue mineral is barite with a minor amount of fluorite rather than the usual white coarse crystalline dolomite. Preliminary study of the paragenesis suggests the following stages in the formation of zinc-bearing material:

1) formation of the breccia; (2) deposition of sphalerite and other sulfides in voids and partially replacing some of the brecciated material; and (3) filling of remaining voids and replacement of some breccia fragments by barite and fluorite.

The exposures along State Road 645 (fig. 3) show all of the minerals mentioned above except for the sphalerite. Barite, fluorite, and traces of pyrite fill narrow fractures in the strata above the greenish sedimentary breccia. Below this breccia, barite with some fluorite and pyrite, and rare traces of chalcopyrite occur both as fracture and vug fillings and as replacement masses. Some of the sedimentary structures interpreted to be of algal origin in the beds below the sedimentary breccia are hemispherical with the flat side down and have been replaced by coarsely crystalline barite with radial structure. Others of these hemispherical masses are relatively coarse "recrystalline" dolomite surrounded by fine-grained sediments.

Southeastward from the filled shaft (fig. 3) along the trend of the old open cuts fragments of barite and limonite are found in the old dumps. The amount of limonite appears to increase toward the southeast, suggesting that more sulfide may have been present in that direction.

GEOCHEMISTRY

The Applicant took an initial 20 soil or related samples from the Myers prospect and vicinity for zinc analysis to determine whether anomalous amounts of the metal occurred in the vicinity of the old barite workings. After the field examination in May, the Applicant took an additional 35 samples. Review of this geochemical data by the examiners

pointed up certain discrepancies between the analysis of the two sets of samples, which were pointed out to the Applicant. The samples were then reanalyzed at McGill University. The two sets of analyses are compared in Table 1. The locations of the samples are shown on figure 3. Values (McGill data) of 25 ppm or greater zinc are contoured also on figure 3. With a background of 20 ppm zinc the maximum value is 4 times background. Review of the geochemical sample sites in the field shows that the entire area of the major anomaly (fig. 3) lies over old dump material, much of which contains the zinc-bearing breccia material from the old shaft. However, other anomalies lie outside of dump area and may have more significance than merely indicating the presence of zinc in spoil. The obvious N. 45° W. trend of the anomalies is probably due mostly to the orientation of the rectangular sampling grid. The relatively low value of soil zinc in all analyses may be due in part to the general shallowness of the sampling as most of the samples were taken from depth of about 18 inches rather than from 2 to 4 feet, depths commonly used by other Operators in Tennessee and Virginia. Thus, the samples taken at 18 inches are probably chiefly from the cherty "A" soil horizon rather than from the more clayey "B" horizon. It is the "B" horizon that in general presents a truer picture of the distribution of residual soil zinc.

Table 1.--Geochemical analyses of soil samples from the Myers prospect, Smyth County, Virginia

NOTE: Analyses listed in the column under "Beers" were made in the Applicant's laboratory at Troy, New York; analyses listed under "McGill" were made independently at McGill University, Montreal, Quebec.

Sample No.	Location	Zinc (ppm) Beers	Zinc (ppm) McGill
1	0 , 0	103	70
2	0 , 100-NE	82	20
3	0 , 100-SW	134	25
4	0 , 200-SW	62	20
5	0 , 300-SW	82	20
6	0 , 400-SW	92	40
7	200-SE, 0	92	20
8	200-SE, 100-SW	154	20
9	200-SE, 200-SW	134	25
10	200-SE, 300-SW	92	20
11	150-NW, 300-SW	113	10
12	150-NW, 200-SW	134	20
13	150-NW, 100-SW	154	30
14	150-NW, 0	185	55
15	300-NW, 0	205	80
16	300-NW, 100-SW	216	20
17	300-NW, 200-SW	98	15
18	300-NW, 300-SW	200	15
19*	780-NW, 290-SW	82	10
20	0 ,1225-SW	82	60
1A	(Same as Sample 7)	21-26	15
2A	400-SE, 0	41-41	15
3A	400-SE, 100-SW	51-41	20
4A	400-SE, 200-SW	62-56	15
5A	400-SE, 300-SW	103-92	15
6A	400-SE, 400-SW	72-67	20
7A	400-SE, 90-NE	51-51	20
8A	400-SE, 200-NE	51-62	20
9A	400-SE, 300-NE	113-92	25
10A	400-SE, 400-NE	113-92	30
11A	600-SE, 0	51-51	20
12A	600-SE, 100-SW	62-62	20
13A	600-SE, 200-SW	31-41	20
14A	600-SE, 100-NE	46-41	15
15A	600-SE, 200-NE	31-41	20
16A	600-SE, 300-NE	72-72	50
17A	600-SE, 400-NE	51-41	20
18A	200-SE, 400-SW	62-72	20
19A	200-SE, 500-SW	62-51	20

Table 1.--Geochemical analyses of soil samples from the Myers prospect, Smyth County, Virginia - Continued

Sample No.	Location	Zinc (ppm) Beers	Zinc (ppm) McGill
20A	200-SE, 100-NE	31-51	20
21A	200-SE, 200-NE	41-51	20
22A	200-SE, 300-NE	31-51	20
23A	0 , 200-NE	41-56	20
24A	0 , 300-NE	51-67	20
25A	0 , 500-SW	41-51	10
26A	150-NW, 500-SW	51-51	15
27A	150-NW, 400-SW	31-51	20
28A	300-NW, 500-SW	51-46	15
29A	300-NW, 400-SW	31-41	20
30A	450-NW, 400-SW	31-41	15
31A	450-NW, 500-SW	41-51	20
32A	450-NW, 300-SW	31-41	10
33A	450-NW, 200-SW	82-72	15
34A	600-NW, 200-SW	62-62	10
35A	600-NW, 300-SW	82-82	15

*Sample 19 is "rock dust" from percussion drill-hole for blasting in road cut.

EXPLORATION

Drilling proposed by Applicant

As far as is known no previous exploration for zinc or other base metals has been conducted at the Myers prospect and vicinity. The Applicant proposed an exploration program consisting of 2,025 feet of diamond drilling in 10 holes with an additional 1,800 feet of drilling to follow significant ore trends should they be discovered. The drilling pattern proposed was to be an 250-foot centers in a rhombic grid. The presumed purpose of this grid pattern was to test the stratigraphic zone containing the zinc-bearing barite deposits at relatively widely spaced intervals. Apparently no emphasis had been placed on the possible importance of possible rake directions of breccia zones within the favorable stratigraphic zone. All holes planned were to be inclined at an angle of minus-70 degrees in order to penetrate the beds normal to the plane of stratification.

Drilling proposed by Field Examiners

The Field Examiners propose a program of approximately the same magnitude as that of the Applicant. However, a review of the geologic and geochemical data available suggests that more emphasis should be placed on possible zones of brecciation within the favorable stratigraphic sequence. Consequently, two intersecting exploration fences are proposed with each fence designed to penetrate a potential breccia zone. The suggested minimum spacing for the initial holes on each fence is 100 feet. However, as the possible ore shoots may be relatively narrow, it will be necessary to provide for drilling of a few selected intermediate holes on 50-foot centers. In addition, if a contract is granted, the examiners

believe provision should also be made to drill selected angle holes. The purpose of such angle holes will be to test more adequately, if necessary, for certain geologic structures if it is found that the possible ore bodies are more closely controlled by the steeply dipping fractures rather than by the favorable stratigraphic zone.

The positions of the drilling fences, as shown on figure 3, have been drawn tentatively along the indicated trends of two postulated favorable breccia zones. The rake sections (fig. 4) sketched along these zones show hypothetical intersections with other strong fracture zones, which loci may be more favorable for ore. The logical initial drill-hole site for the project, thus, is that of proposed Hole 5 at the intersection of the proposed fences. The order of subsequent drilling should not be arbitrary but rather should be based solely on the results obtained by the drilling of each hole and the reinterpretation of all data as each hole is completed. As reinterpretation may require changes in the drilling pattern, the proviso for such change should be in the contract, if such is granted.

The 10 tentative initial holes proposed would be vertical, in order to gain the maximum information possible on the attitude of bedrock. Their depths range from 100 to about 240 feet, averaging 180 feet and totalling 1,800 feet. Additional drilling in the amount of 2,200 feet for an ultimate total of 4,000 feet is also proposed. The additional footage will be necessary for: (1) possible needed deepening of any of the initial 10 holes if encountered ore extends deeper than anticipated; (2) the extension of either initial fence to the west or south; (3) selected intermediate holes on 50-foot centers;

(4) the drilling of additional holes or fences, if warranted by earlier results, elsewhere on the property; or (5) as mentioned above, the drilling of such angle holes as may be necessary to test for certain controlling structural conditions. Although the maximum depth anticipated in any of the first 10 proposed holes is about 240 feet, any of the five items listed above may require somewhat deeper drilling. The tentative bottom of each of the 10 initial holes should be about 150 feet (vertical penetration) below the greenish sedimentary breccia marker described in the section on stratigraphy. However, conditions encountered in drilling may require modification of this bottoming depth, and it is suggested that the maximum depth of any hole on the project be 500 feet, in order to permit sufficient latitude in the exploration.

CONCLUSIONS AND RECOMMENDATIONS

In conclusion the examiners believe that the possibility for zinc- and possibly copper-bearing ores at the Myers prospect is well worth exploring. If such ores are found here, the potential for new sulfide districts in the Southwest Virginia region is considerably enhanced. The indications for the occurrence of such ores at the Myers prospect are as good or better than those of the prospects explored by the New Jersey Zinc Company with DMEA assistance (Beaver Creek, DMEA-4178; Porter Bank, DMEA-4174; and James-Woodruff, DMEA-4173) in the same general region.

Estimated costs for 4,000 feet of diamond drilling (AX-size or larger) and related expenses are given below. Although the project submitted by the Applicant was for "Zinc-fluorite", the examiners believe that the amount of fluorite is not sufficient for commercial possibilities. On the other hand the picture for copper is favorable because of the early

production of commercial-grade copper from another prospect in the same district. Thus, because lead may also be present in this type of deposit as well as the zinc and copper, provision is made in the cost estimate for assaying for all three metals, provided, of course, that minerals carrying any or all of these metals are recognized visually, or if the occurrence of large quantities of pyrite suggests that significant amounts of any of the three metals may be obscured.

Independent Contracts:

Diamond drilling 0-500 ft (including overburden)		
AX core, 4,000 ft @ $2.65	$10,600.00	
(EX drilling @ $2.50/ft)		
Building (rentals)		
Core storage shed . . . 3½ months @ $10/Mo. . .	35.00	
Miscellaneous costs (unit costs)		
40 samples for Zn, Cu, Pb @ $4.00/each	160.00	
Core boxes - 100 @ $3.00 each	300.00	
Total		$11,095.00
Incidental Allowances:		
4,000 ft @ $0.54/ft		2,157.00

Breakdown of various costs included in the incidental allowance, is as follows:

1 - Geologist, ½ time, 3½ mos. @ $800/Mo.	$1,400.00
Accounting and stenographic services, 3½ mos. @ $30/Mo.	105.00
Surveying and drafting	350.00
Transportation, 2,500 miles @ 8¢ mile	200.00
Liability Insurance, Social Security and payroll tax (Virginia 5.52%)	102.00
	$2,157.00

Total Estimated Cost of Project	$13,252.00

REFERENCES CITED

Cooper, B. N., 1936, Stratigraphy and structure of the Marion area, Virginia: Virginia Geol. Survey Bull. 46-L, pp. 125-166.

Edmundson, R. S., 1938, Barite deposits of Virginia: Virginia Geol. Survey Bull. 53.

FIGURE 4

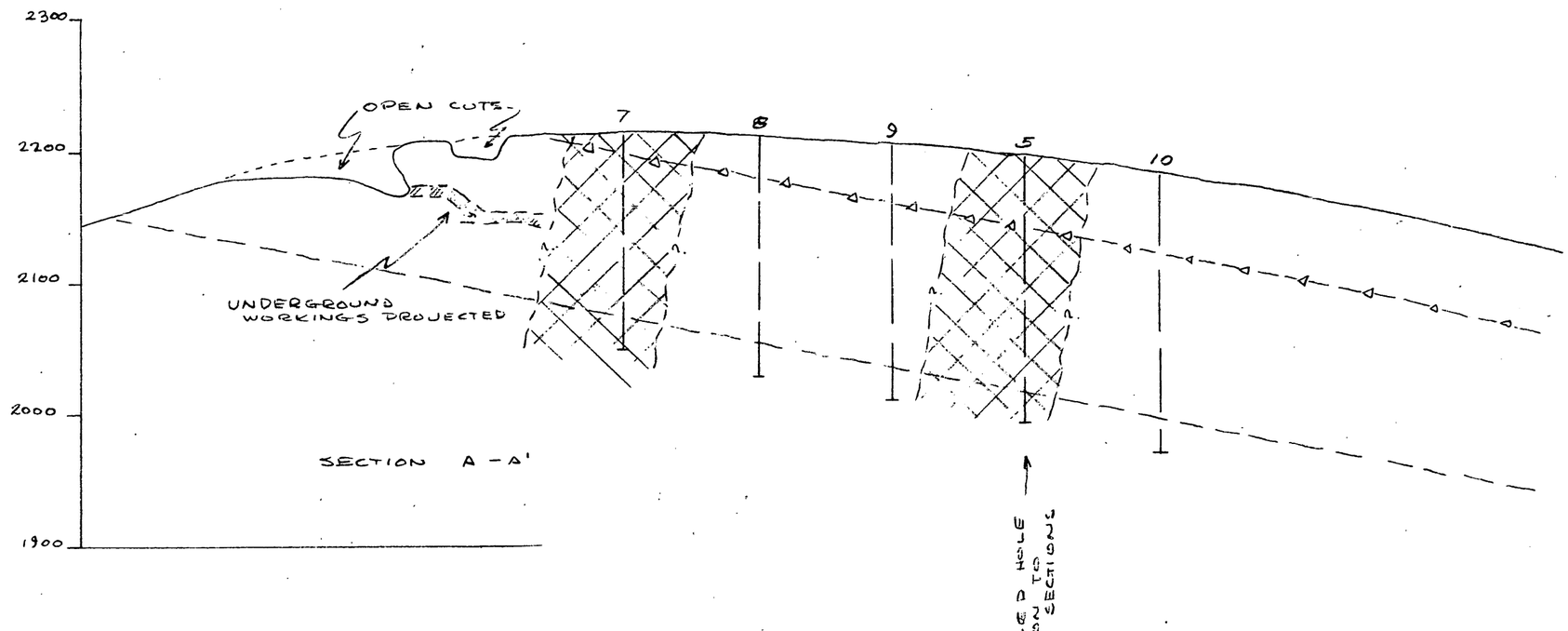
MYERS PROSPECT
SMYTH COUNTY, VIRGINIA

DMEA-5007 (ZINC-COPPER)

RAKE SECTIONS SHOWING PROPOSED DRILLING

VERTICAL AND HORIZONTAL SCALES

1 INCH = 100 FEET



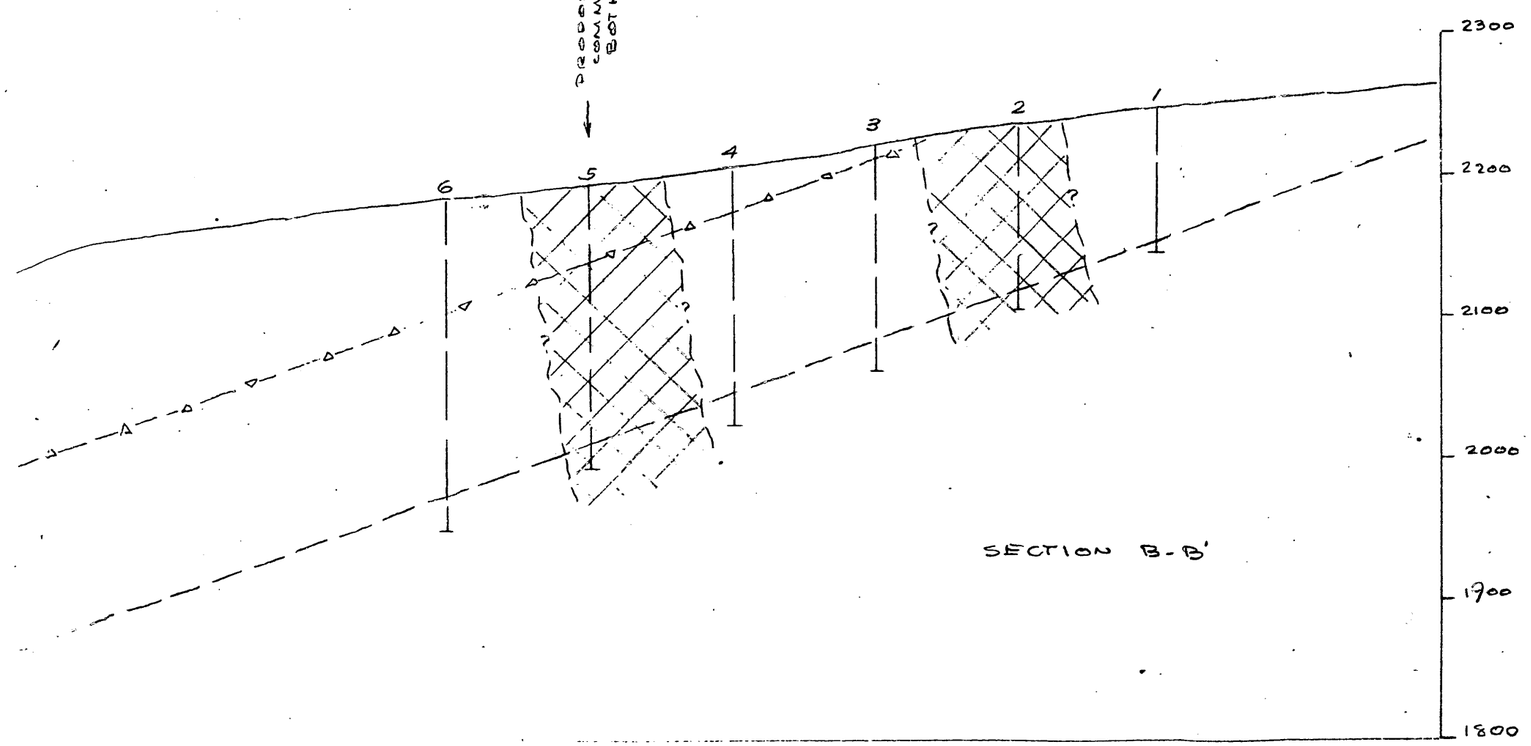
EXPLANATION

—Δ— PROJECTED TRACE OF GREENISH SHALY SEDIMENTARY CHERT BRECCIA

HYPOTHETICAL POSITIONS OF INTERSECTING BRECCIA ZONES

— — ARBITRARY DATUM 120 FEET STRATIGRAPHICALLY BELOW SEDIMENTARY BRECCIA

2 TENTATIVE POSITION OF PROPOSED DIAMOND-DRILL HOLE



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Date	Surname	Code
5/14	Klugescheid	500
	[illegible]	500
5/14	Selfridge	130
5/14	Lamb	130
5/14	Williams	130
"	Johnson	110
"	Mittendorf	100
5/15	[illegible]	220
		500

MAY 15 1958

Mr. Roland F. Beers, President
Roland F. Beers, Inc.
Post Office Box 1019
Troy, New York

Re: Docket No. DMEA-5007 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

Dear Mr. Beers:

Your application for Government assistance to explore the cited property has been reviewed by the Division of Base Metals of the Defense Minerals Exploration Administration and has been referred to:

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

If the Field Team requires additional information concerning your application, they will contact your Virginia branch office at an early date.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

WPKlugescheid/er 5/13/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Region V (2)
Chron.

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/14	Klugescheid	500
	Brand	500
5/14	GCS	130
	Johnson	110
	Bartendorf	100 HB
		220
		500

MAY 15 1958

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

Re: Docket No. DMEA-5007 (Zinc)
Roland F. Beers, Inc.
Myers Prospect
Smyth County, Virginia

Dear Mr. Laurence:

The cited application for exploration assistance is being referred to your office for consideration, a field examination of the property if warranted, and recommendations.

No mention of Consents to Lien and Subordination Agreements have been made in the application and the usual letters from the Lessors signifying their unwillingness to sign these documents will be required before a Performance Bond can be permitted.

Copies of memoranda, dated May 12, 1958, by O. M. Bishop, Bureau of Mines, and W. P. Williams, Geological Survey, ~~respectively~~, relating to the project, are enclosed for your information. We are also enclosing a copy of the application for the use of the Field Team.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee HB
WPKlugescheid/er 5/13/58
Copy to: Docket
Admr R File
Op. Committee
Mr. Bishop, USBM
Mr. Kiilsgaard, USGS
Chron.

Enclosures
APPROVED:

Frank D. Lamb (HB)
Member, Bureau of Mines

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

8623

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 13 1958
DATE | INITIAL | CODE
5/13 | C | 220
5/13 | [illegible] | 508

IN REPLY REFER TO:

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

May 12, 1958

Memorandum

To: W. R. Griswold, Defense Minerals Exploration Administration

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

Subject: Review of application, DMEA 5007, Roland F. Beers, Inc., Myers Lease, Smyth County, Virginia

The applicant proposes to explore for zinc and fluorite deposits on lease-holds comprising 148 acres in three tracts. The proposed project would consist of a total of 3,825 feet of drilling to be done in two stages at a total estimated cost of $7,538.00.

Old workings on the property, now some 50 years old, consist of a vertical shaft about 90 feet deep and several prospect pits and trenches. The property was originally worked for barite. The applicant claims that the Myers prospect occupies a favorable structural position on the crest of an anticline. The objective of the exploration drilling would be to seek for ore deposits in the fractured crest of the anticline. Moderate-sized sphalerite-fluorite bodies may exist in brecciated limestone on the property.

The property should be examined in the field for final evaluation. I recommend that the application be referred to the Field Team for further processing.

W. P. Williams

W. P. Williams

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 13 1958

DATE	INITIALS	CODE
5/13	C	1220
5/13	Callaway	5000

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

May 12, 1958

Re: DMEA 5007; Zinc-fluorite
$7,538
Roland F. Beers, Inc.
Myers prospect
Smyth County, Virginia

Memorandum

To: W. R. Griswold, DMEA

From: O. M. Bishop, USBM

Subject: Review of application dated May 1 and received Washington May 6, 1958

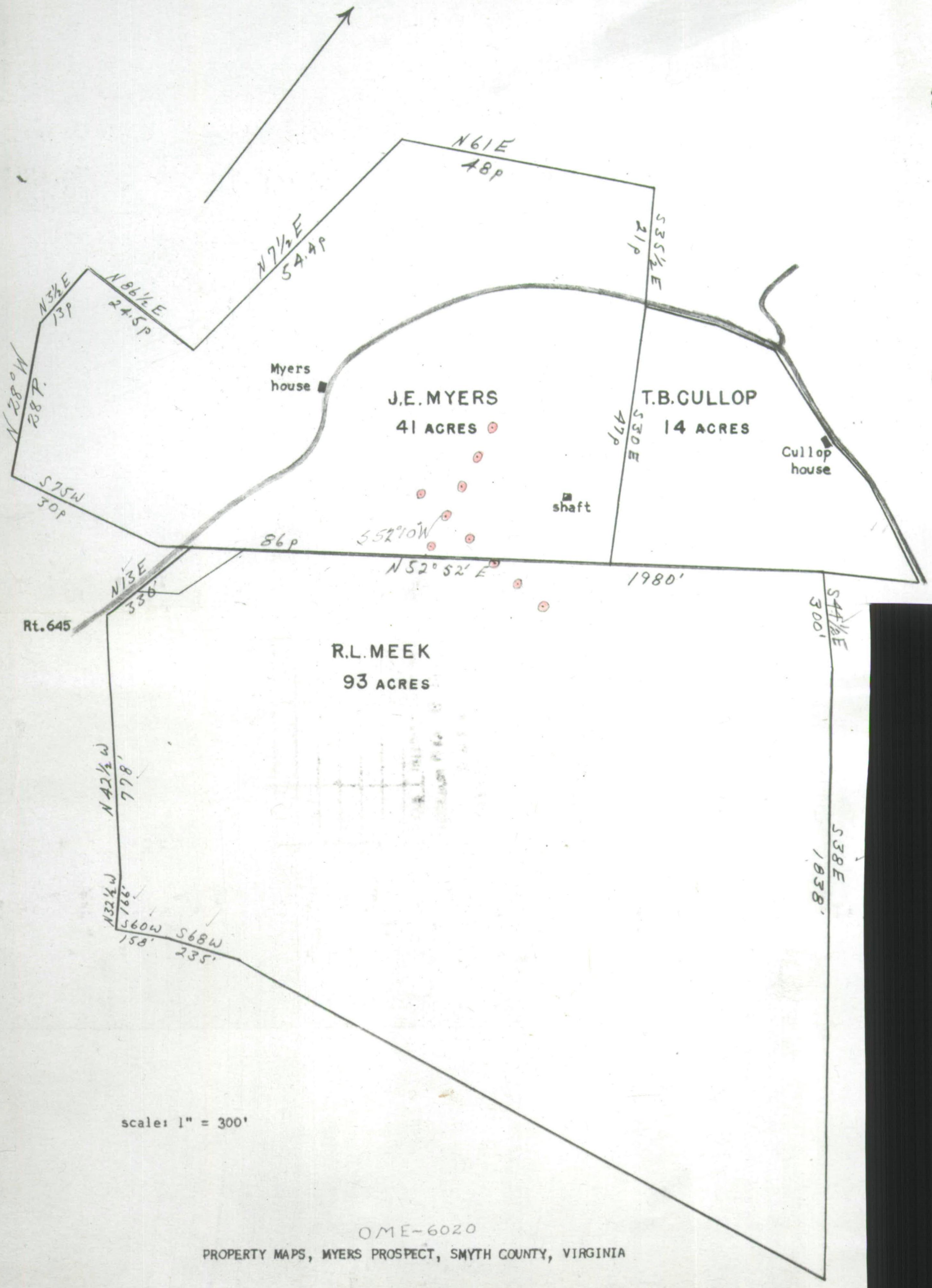
Roland F. Beers, Inc. has requested DMEA assistance to drill a zinc prospect from which small quantities of barite has been mined. The prospect is in brecciated limestone members of the Beekmantown group of sediments and on the axial trace of a large plunging anticline. Through geologic reasoning the applicant infers the crestal area is a sound drilling bet.

The proposal calls for 10 core holes totaling 2,025 feet to test the crest and an additional 1,800 feet to follow up any favorable trends discovered by the primary drilling.

I recommend the application be referred to the field team for evaluation and recommendations.

O M Bishop
O. M. Bishop

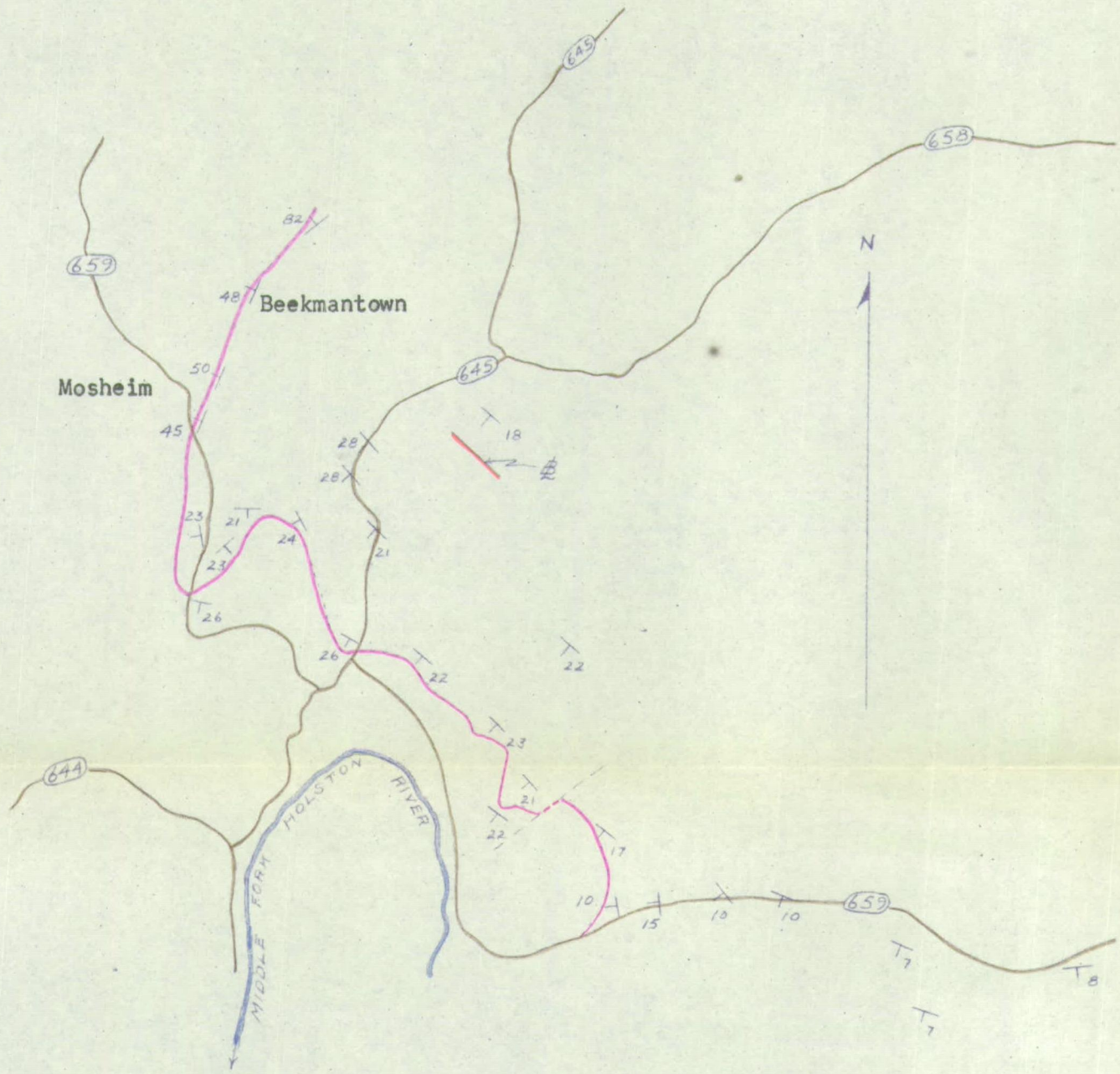
cc: Division of Minerals
Mr. Kiilsgaard
Mr. Lamb
Mr. Callaway
F I L E S



scale: 1" = 300'

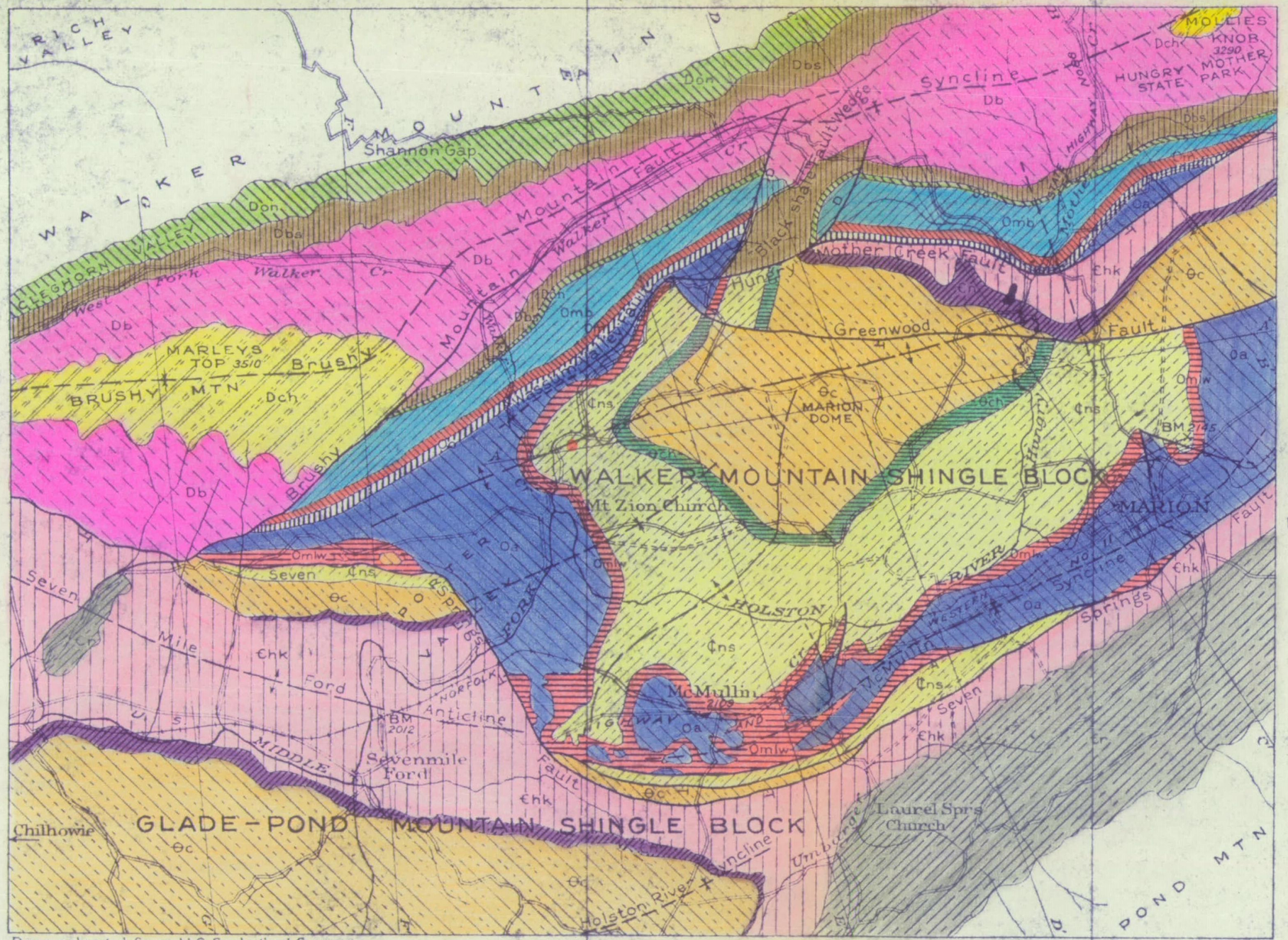
OME-6020

PROPERTY MAPS, MYERS PROSPECT, SMYTH COUNTY, VIRGINIA



GEOLOGIC MAP, MYERS PROSPECT, SMYTH COUNTY, VIRGINIA

Scale: 1"=1200'



Base enlarged from U.S. Geological Survey Abingdon, Va., quadrangle, Scale 1:125,000. Surveyed in 1908-1909.

1 0 1 2 3 Miles

Geology by Byron N. Cooper. Surveyed in 1934.

GEOLOGIC MAP OF THE MARION AREA, VIRGINIA.

EXPLANATION

SEDIMENTARY ROCKS

DEVONIAN

- Dch — Chemung shale
- Db — Brallier shale
- Dbs — Black shale
- Don — Onondaga chert

ORDOVICIAN

- Omb — Martinsburg shale
- Om — Moccasin limestone
- Oo — Ottosee limestone
- Oa — Athens shale
- Omlw — Mosheim, Lenoir, and Whitesburg limestones

CANADIAN

- Ꞓns — Nittany and Stonehenge dolomites

OZARKIAN

- Och — Chepultepec limestone
- Oc — Conococheague dolomite

CAMBRIAN

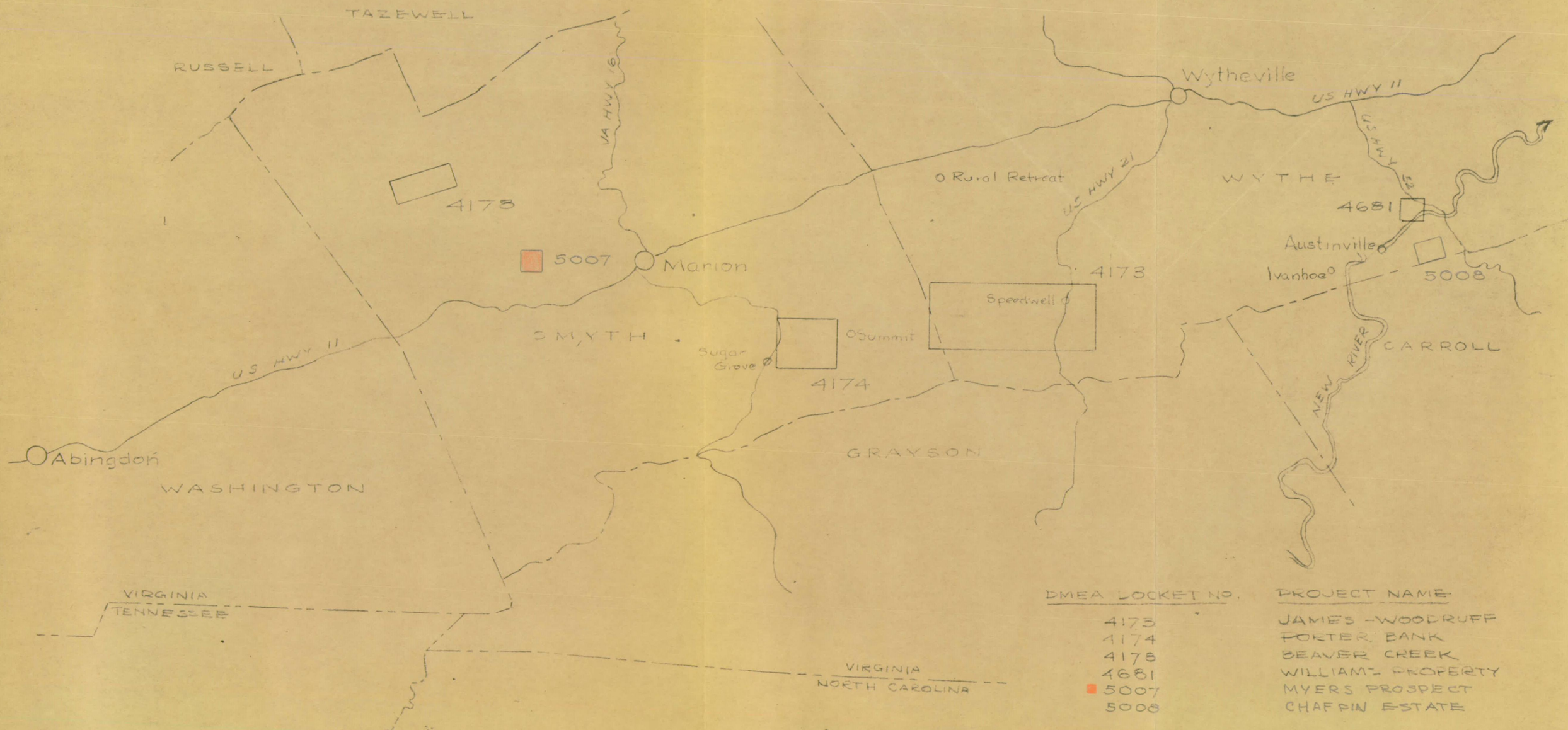
- Ꞓhk — Nolichucky shale
- Honaker dolomite
- Ꞓr — Rome formation

IGNEOUS ROCKS

- Dike

DMEA ZINC PROJECTS IN SOUTHWEST VIRGINIA

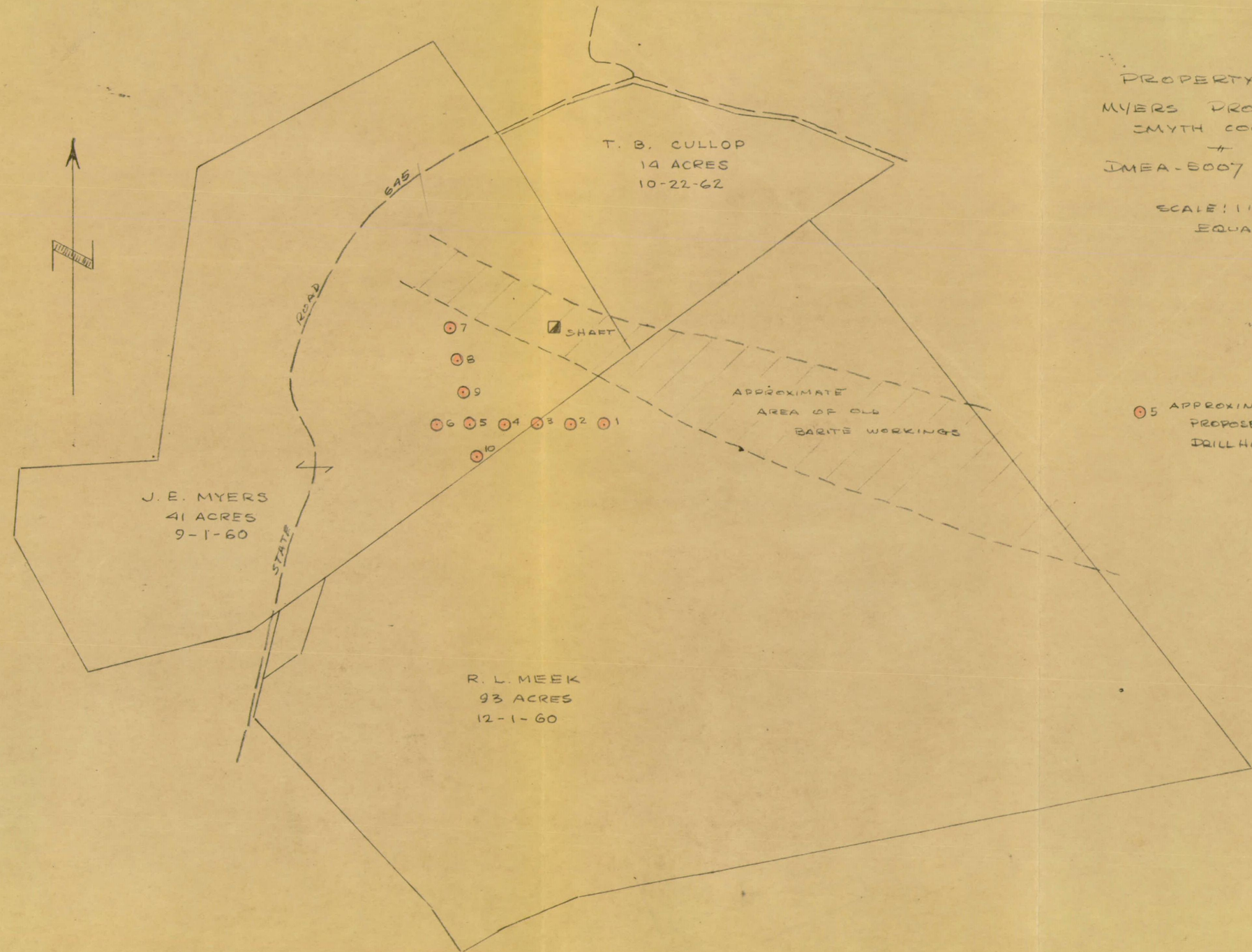
SCALE 1/250,000



DMEA DOCKET NO.	PROJECT NAME
4173	JAMES-WOODRUFF
4174	PORTER BANK
4178	BEAVER CREEK
4681	WILLIAMS PROPERTY
5007	MYERS PROSPECT
5008	CHAFFIN ESTATE

HW-4/57

FIGURE 2



PROPERTY MAP
MYERS PROSPECT
SMYTH COUNTY, VIRGINIA
—
SMEA-5007 (ZINC-COPPER)

SCALE: 1 INCH
EQUALS 200 FEET

⊙5 APPROXIMATE LOCATION OF PROPOSED INITIAL DIAMOND-DRILL HOLES

HW - 6/58

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D M E A
RECEIVED JUL 7 1958

DATE	INITIALS	CLASS

FIGURE 3

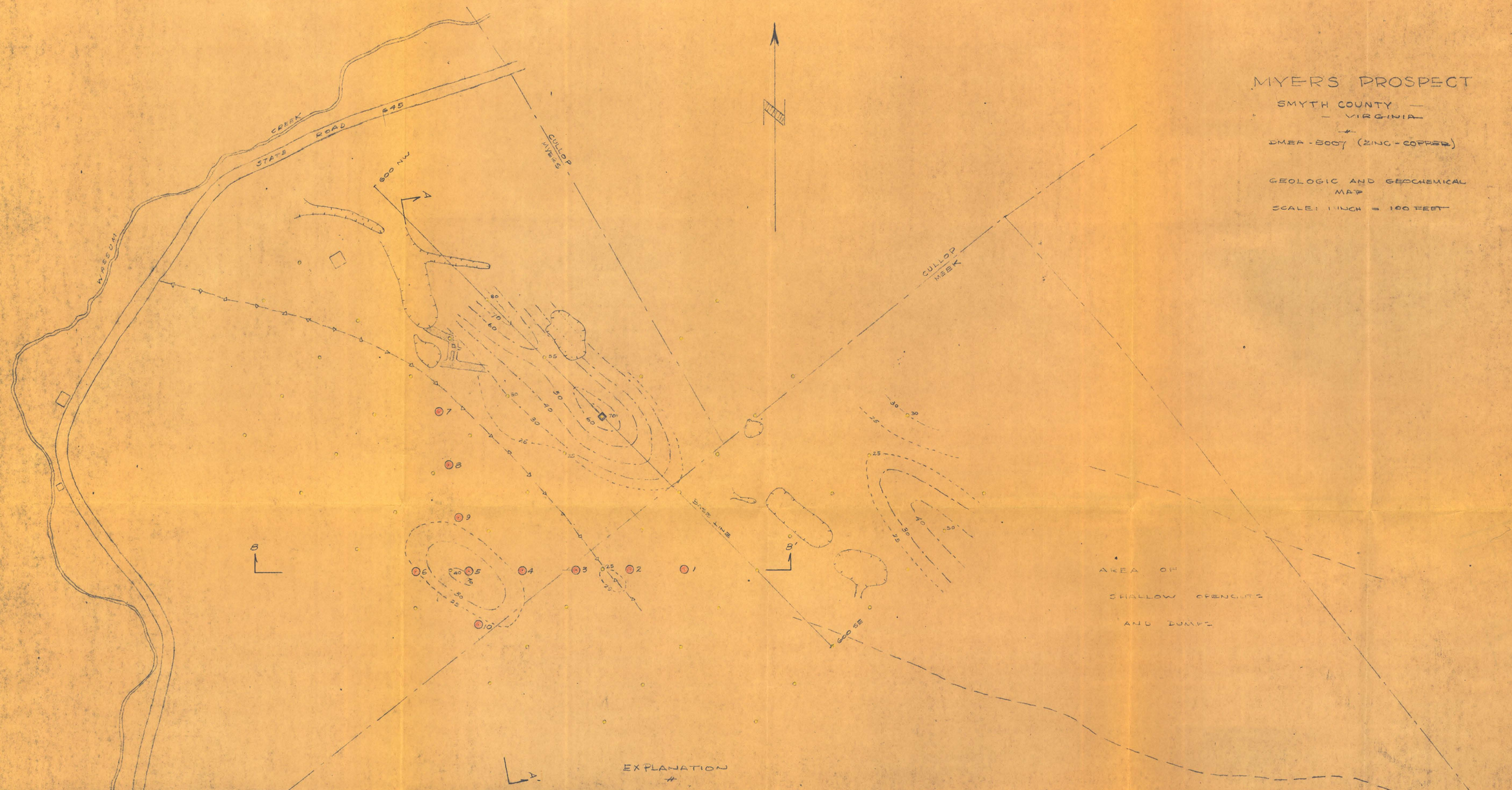
MYERS PROSPECT

SMYTH COUNTY
— VIRGINIA —

DMEA - SOOT (ZINC - COPPER)

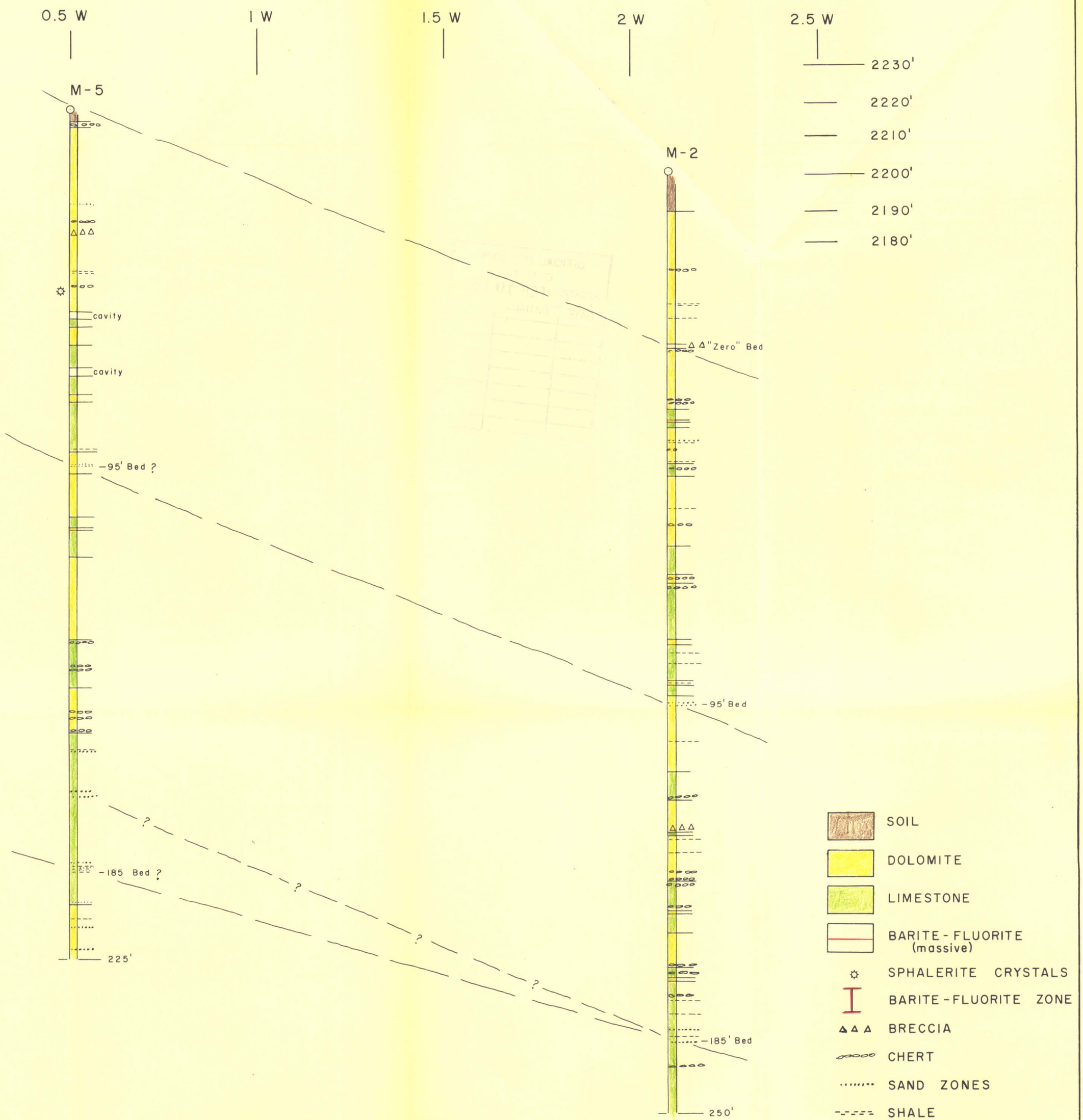
GEOLOGIC AND GEOCHEMICAL MAP

SCALE: 1 INCH = 100 FEET



- PROJECTED TRACE OF GREEN SHALY SEDIMENTARY CHERT BRECCIA
- OPEN CUTS
- UNDERGROUND DRIFTS AND ADIT
- FILLED VERTICAL SHAFT (REPORTED TO BE 90-100 FEET DEEP)
- GEOCHEMICAL SOIL-SAMPLE SITE (VALUES 20 PPM ZN OR LESS)
- 30 GEOCHEMICAL SOIL-SAMPLE SITE (VALUES 25 PPM ZN OR GREATER)
- CONTOURS OF SOIL ZINC IN PPM
- 5 APPROXIMATE LOCATION OF INITIAL DIAMOND-DRILL HOLES

NOTE: ALL BEDROCK IS LOWER ORDOVICIAN BEEKMANTOWN DOLOMITE AND LIMESTONE WITH AVERAGE ATTITUDE OF N. 40° W., 25° SW.



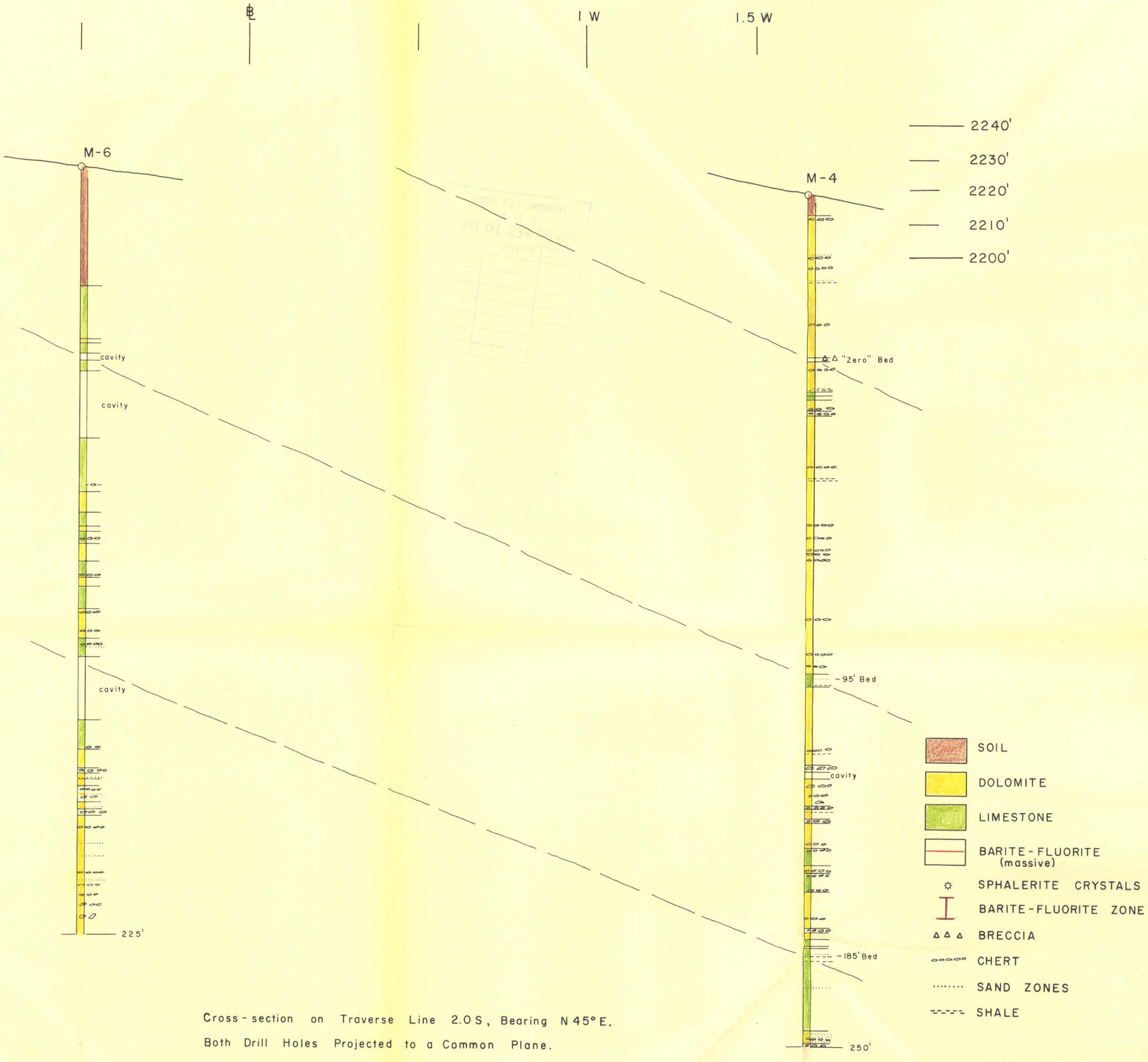
Cross-section on Traverse Line 1.5 N, Bearing N 45° E.

Hole M-2 Projected to Plane.

ROLAND F. BEERS, INC. TROY, N.Y

MYERS PROSPECT

SMYTH Co., Va. Scale: 1 in. = 20 ft.

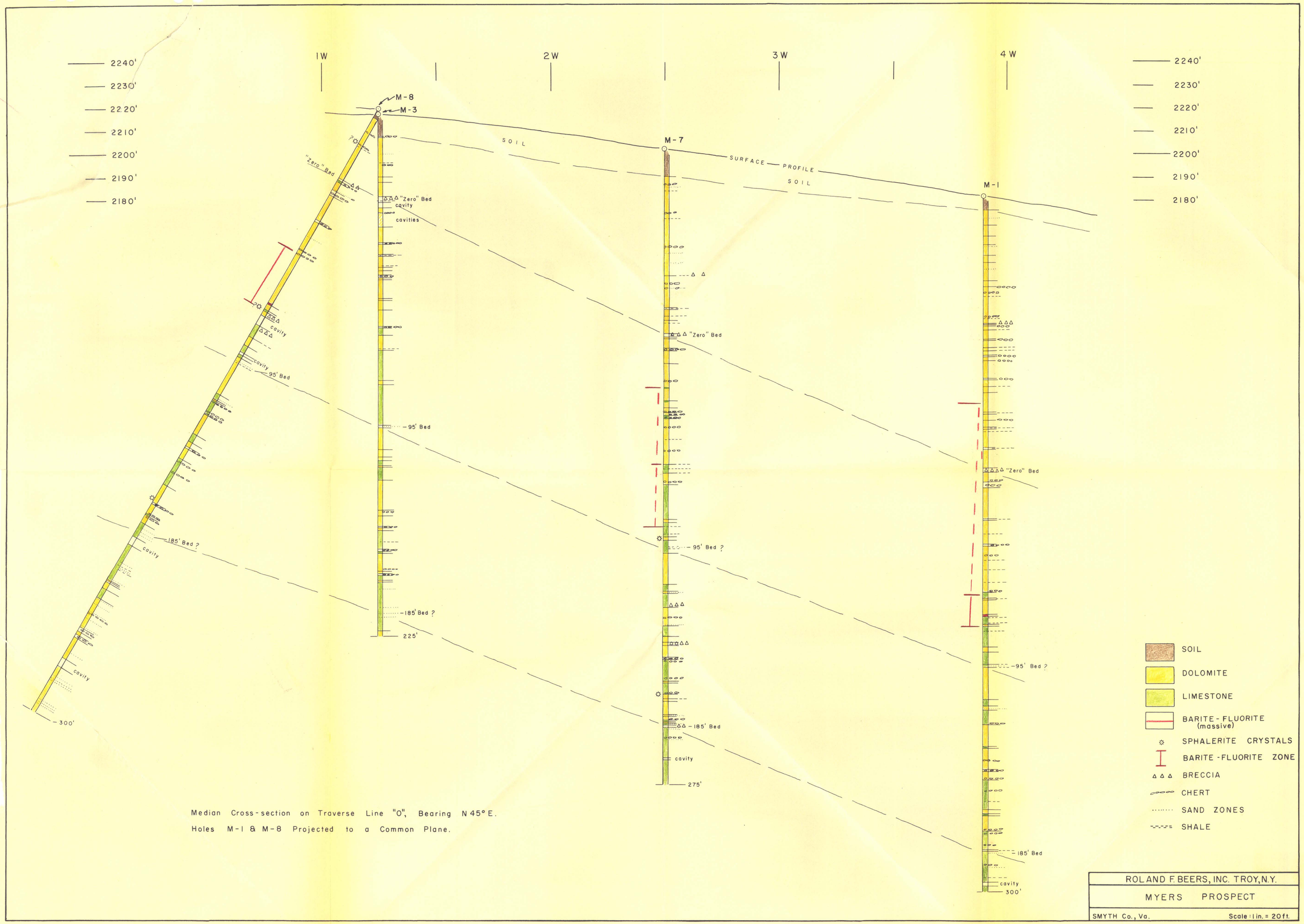


Cross-section on Traverse Line 2.0 S, Bearing N 45° E.
Both Drill Holes Projected to a Common Plane.

ROLAND F. BEERS, INC. TROY, N.Y.

MYERS PROSPECT

SMYTH Co., Va. Scale: 1 in. = 20 ft.

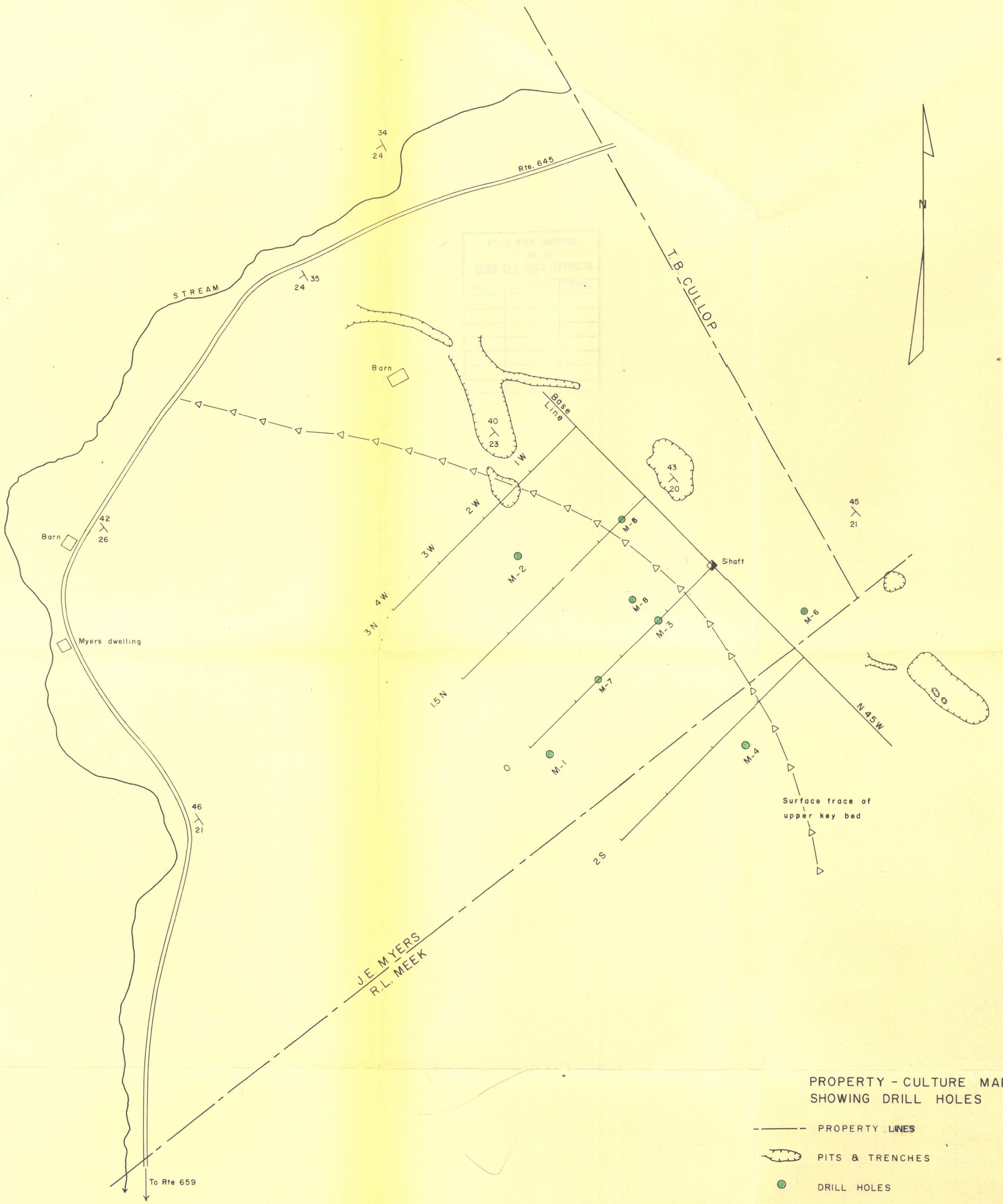


Median Cross-section on Traverse Line "O", Bearing N 45° E.
Holes M-1 & M-8 Projected to a Common Plane.

ROLAND F. BEERS, INC. TROY, N.Y.

MYERS PROSPECT

SMYTH Co., Va. Scale: 1 in. = 20 ft.



PROPERTY - CULTURE MAP
SHOWING DRILL HOLES

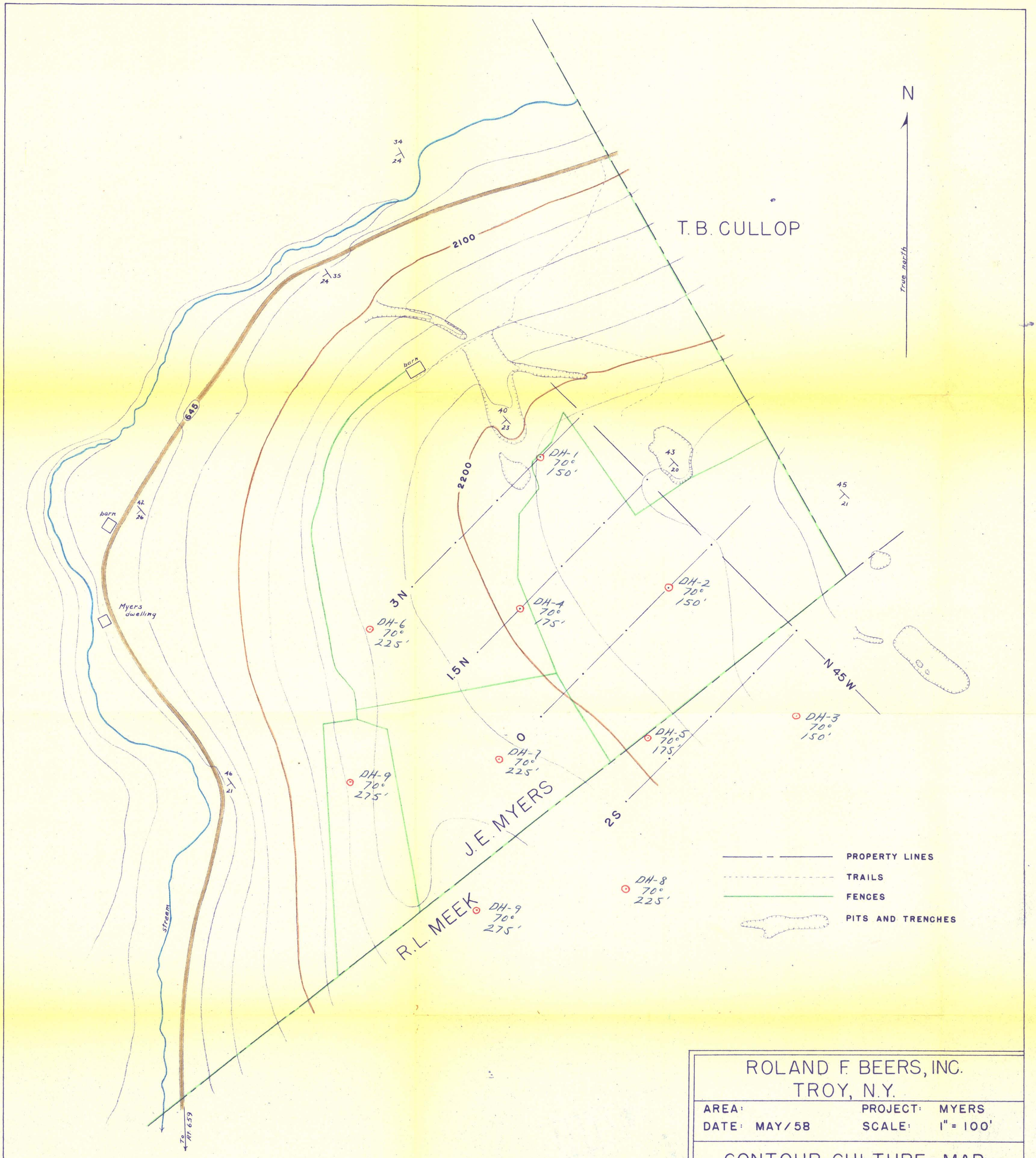
PROPERTY LINES

PITS & TRENCHES

DRILL HOLES

Revised Jan. 1960
Oct. 1959

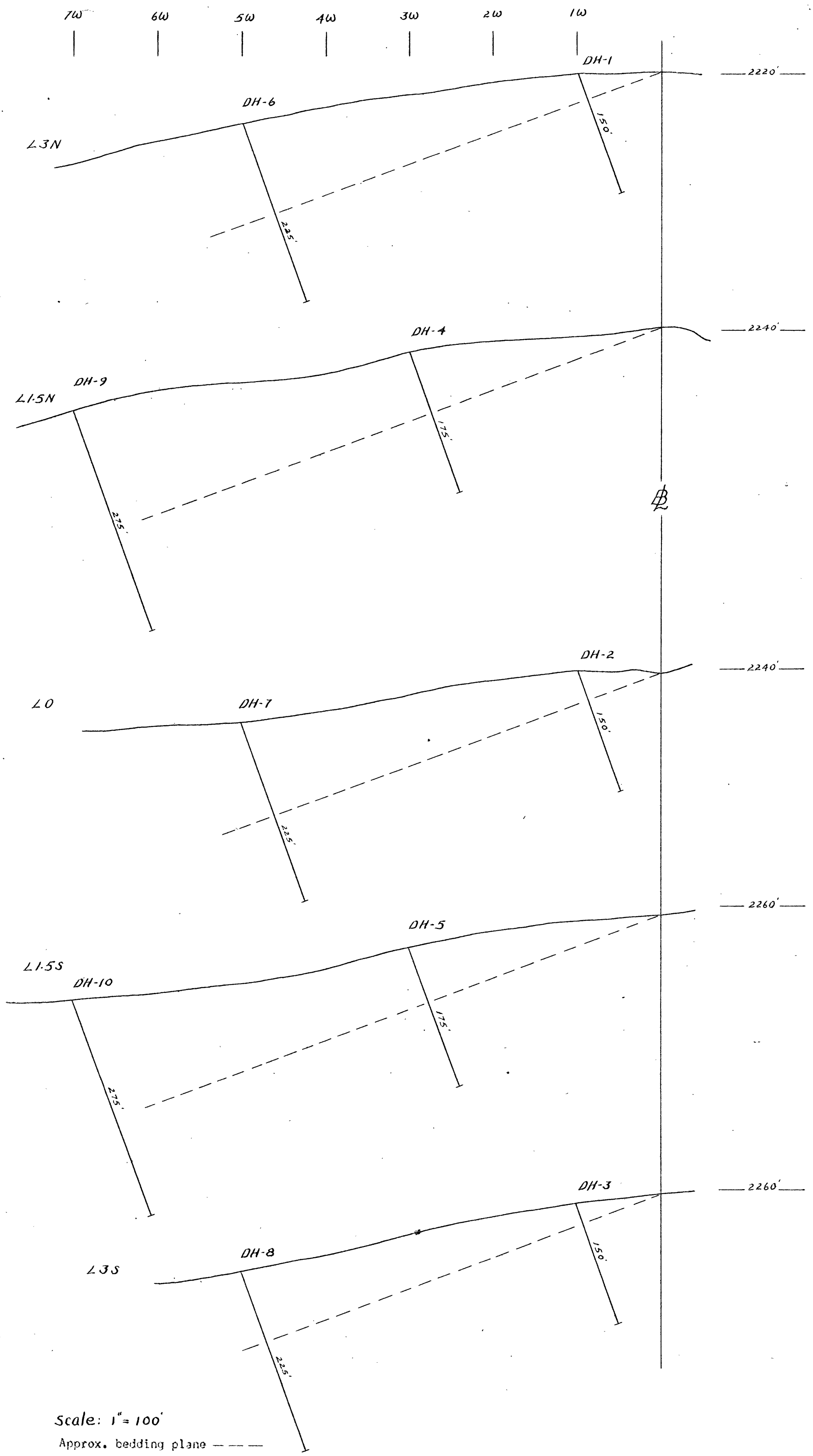
Drawn by :		ROLAND F. BEERS, INC. TROY, N.Y.
Traced by : R.P.		MYERS PROSPECT
Approved by :		Co. : SMYTH — Scale : 1in.= 100 ft.



ROLAND F. BEERS, INC.
TROY, N.Y.

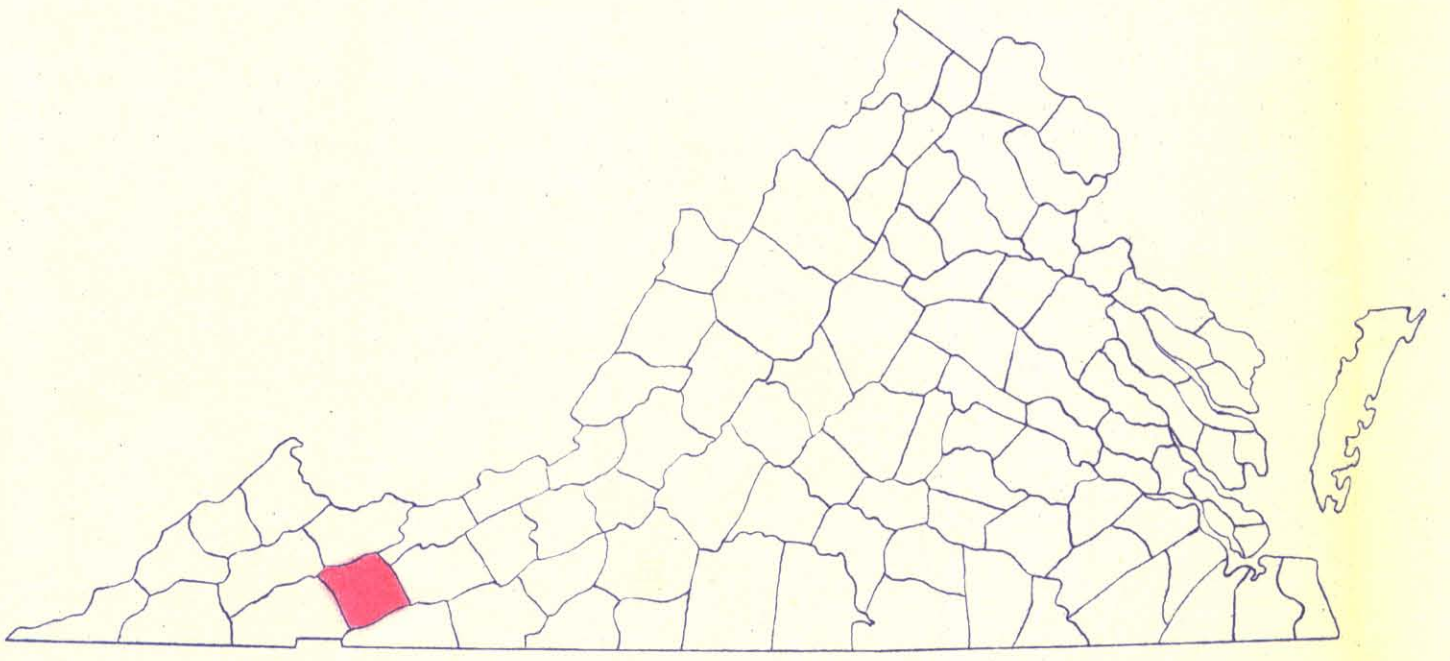
AREA:		PROJECT:	MYERS
DATE:	MAY/58	SCALE:	1" = 100'

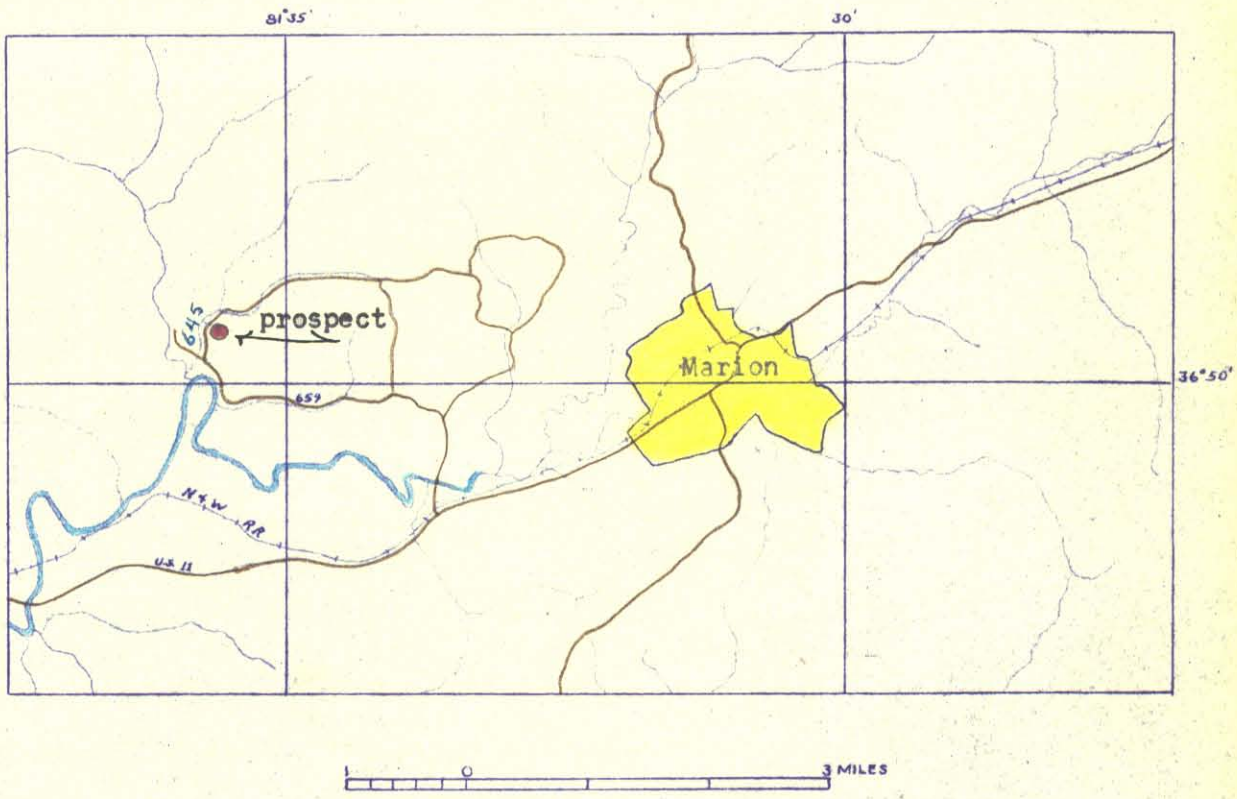
CONTOUR-CULTURE MAP SHOWING GRID AND DRILL HOLE LOCATIONS



CROSS SECTIONS OF PROPOSED DRILL HOLES,
MYERS PROSPECT, SMYTH CO., VIRGINIA

Roland F. Beers, Inc. Troy, New York





INDEX MAPS SHOWING MYERS PROSPECT, SMYTH COUNTY, VIRGINIA