E 472 1/6/53 DMEA-2595 Bourne Associates

and

E 686 2/14/55 DMEA-3375 Dixie Mines, Inc.

Randolph County, Ala. Liberty, Conley, Turley Mine

Last reported Depot sale About Nov. 1953

Other known parties of possible interest:

Francis C. Bourne, Principal — Helen V. Wallace

Raymond Rendelman — Mrs. J. M. Bagley

Margaret W. Verge — Hattie W. Wright

Mrs. E. W. York — Bertha W. Ritzman

Bourne Associates - Only purchases

AR565 11/24/53 $396.66

663 12/30 569.93 $966.59 x 5% = $48.30 E 492

No subsequent purchases by S.P. Depot were noted.

CEP 6/22/62

Ab. Scrap mica

A X

OME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Check
6/26	Fisher	[illegible]
		150
		120
		110
		100
		220

June 26, 1962

Memorandum

To: The File

From: C. E. Fisher, OME Auditor

Subject: Check of Spruce Pine Mica Purchase Depot Records, June 18 - 22, 1962

During the period of June 18 to 22, 1962, I examined the purchase records of the G.S.A. Mica Purchase Depot at Spruce Pine, North Carolina, for the purpose of ascertaining any unreported production under DMEA exploration project contracts. My examination did not disclose any unreported production subject to royalty under the following contracts:

Contract No.	Docket No.	Operator	Mine Names
E- 87	1140	Pitt Mica Corporation	Mary, Reid, Reid-Mary, Reid Hooker
456	2150	A. W. Reid and W. H. Hooker	Mary, Reid, Reid-Mary, Reid Hooker
393	2293	Dixie Minerals, Inc.	D. H. Stephens (Stevens)
412	2277	Burke John Mica Miners	Burke John, N. L. Barnard
461	2582	Zeb Angel	Kasson
472	2595	Bourne Associates	Liberty, Conley, Turley
686	3375	Dixie Mines, Inc.	" " "
476	2327	Andrew W. Reid	May
516	2926	The Goodmica Mining Co.	Engle Cope
519	2784	H. J. Twiggs & W. S. Glenn	Sam Huskins, Little Sam Huskins
547	2886	Duncan Mining Co.	Connolly
560	3008	Murphy Mining Co.	Red, Bennett
562	2873	Empire Mica Co.	Short-Mitchell
601	3050	M. E. Burleson, et al.	Jones-Bozeman
615	2875	Latt Young	Cox
626	3153	Maderic Mica Co.	Saunders (Sanders)
636	3154	Byrd Mica Miners	Byrd
639	3229	Willis & Snyder Mining Co.	Lutz
662	3255	Non-Metallic Minerals	White Pace, Peterson Tract
674	3287	Mud Cut Mining Company	Mud Cut, Tallent (Talent)
679	3290	C. C. Burleson	Ruby, Shaft
675	3282	J. R. Beam & Howard Boone	Ingram, Clifton

cc: Docket
Director's Reading File
GSA Division
Legal Division (2)

CEFisher/aaa
6-26-62

REPORT OF
ROYALTY REVIEW

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-6472, Docket DMEA-2595 (mica), dated January 6, 1953, with

Francis C. Bourne
d/b/a Bourne Associates
P. O. Box 35
Murphy, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Liberty Mine (Conley Mine and Turley Mine) located in Randolph County, Alabama, during the period May 8, 1959, through January 22, 1962.

A certification of discovery or development was issued on July 2, 1954, and, in accordance with Article 6 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated February 1, 1955, indicated accepted costs under the exploration contract amounting to $14,855.00 with the Government's contribution on a 90 percent basis being $13,396.50.

The status of the project the scope of review, and the reasons therefor are stated on page 2.

This review established no sales subject to the Government's royalty under this contract subsequent to the period covered by a prior Report of Royalty Review which found the sales subject to the Government's royalty through May 7, 1959, to be $966.59. The royalty account as of May 7, 1959, was:

Total Royalty Payable	$48.33
Total Royalty Paid	48.33
Balance of Royalty Due	$ -0-

As of January 22, 1962, the royalty account of this project was found to be:

Total Royalty Payable	$48.33
Total Royalty Paid	48.33
Balance of Royalty Due	$ -0-

February 6, 1962

E. D. Talbert, OME Auditor

Idm-E472 Francis C. Bourne DMEA-2595

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

At the time this contract was executed the Operator held possession of the property by virtue of a 15 year lease agreement entered into on February 1, 1951, with the several landowners who designated Margret W. Verge, Heflin, Alabama, as their agent. A Landlord's Subordination Agreement, as executed on June 21, 1952, by Mrs. Verge as agent, provides for the assumption by the landowners of the Operator's royalty obligation in the event of surrender or termination of the lease. The exploration work was discontinued on or about December 7, 1953, and shortly thereafter the Operator abandoned the property.

Article 7 of this contract contains the so-called "abandonment" clause. However, an August 12, 1954, opinion by the Acting Assistant Solicitor states that, due to the express assumption of the Operator's obligation, "in this exceptional case the landlord remains liable for the payment of royalty even though the lessee's obligation is ended".

The Operator's final report recites that drifting "produced 2,300 pounds of block and 4,000 pounds of scrap". The block trimmed out to 119.97 pounds which was sold to the Mica Purchase Depot in Spruce Pine, North Carolina, during November and December 1953 and is covered by a prior Report of Royalty Review dated March 21, 1955. No disposition of the resulting punch or the stockpile of scrap has been reported.

The land under this contract is included also under a later contract, Idm-E686, DMEA-3375, entered into on February 14, 1955, with Raymond Rendelman and assigned on April 18, 1955, to Dixie Mines, Inc. The later contract provides that the Operator, as principal if the producer or as surety if not the producer, shall pay a royalty on all production until February 14, 1965, or until the Government's contribution under both contracts is repaid.

As of January 22, 1962, the status of these contracts individually, together with the total repayable under the later contract, follows:

	Idm-E472	Idm-E686	Total
Government's Contribution	$13,396.50	$428.25	$13,824.75
Repayments by Royalty	48.33	226.04	274.37
Balance Repayable	$13,348.17	$202.21	$13,550.38

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

(1) The files indicate that all sales of production to February 14, 1955, have been accounted for and proper royalty thereon paid;

(2) Sales of production thereafter have been reported under Contract Idm-E686, Docket DMEA-3375; and

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

800

FEB 8 - 1962

Memorandum

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

From: Chief, Division of Field Operations, OSM

Subject: DMSA-2595 (Mine)
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract Idm-8472
and
DMSA-3375 (Mice)
Diamo Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract Idm-2686

Enclosed for your files are the originals of Reports of Royalty Review on the subject contracts.

George C. Selfridge

Enclosures 2

GCSelfridge/hh (2/8/62)
cc to: Docket DMSA-2595
Docket DMSA-3375
Director's Reading File
CA & A Division
G.C.Selfridge
R.A.Lawrence, Region IV w/cy ea. of Reports of Royalty Review dtd 2/6/62 (both) and original copy of memorandum dtd 2/8/62 to Chief, Division of Field Operations from CA & A Division.
V. J. Lynch w/cys of all items listed for Mr. Lawrence

FEB 8 - 1962

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMEA-2595 (Mica)
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract Idm-E472
and
DMEA-3375 (Mica)
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract Idm-E686

Enclosed are the original and two copies each of Reports of Royalty Review covering the subject Region IV contracts. If you concur in the facts stated therein, please make the following distribution:

(a) Original of each to the Fiscal Section, Division of Administrative Services, Office of the Secretary; and
(b) Two copies of each to Region IV files.

These reports are for CMS record purposes only; therefore, no copies have been provided for the Operators.

As evidence of your concurrence, copies of your memoranda transmitting the original reports to the Department's Fiscal Section should be furnished this Division. If for any reason you do not concur, the originals and all copies should be returned to this Division with your comments.

Enclosures

EDTalbert/ama 2-7-62

cc:
Docket
Director's Reading File
CA & A Division - Idm-E472
Mr. Rothrock

800

JAN 22 1962

Dixie Mines, Inc.
P. O. Box 365
Ruffin, Alabama

Re: DMEA-2595 (Mine)
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract Ldn-8472
and
DMEA-3375 (Mine)
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract Ldn-8486

Gentlemen:

By letters of February 13 and March 26, 1961, from you, we received requisition on two small shipments of mica from the subject mine. In order that we may clear our records to date, will you please inform us if these are the only two shipments that have been made from the Liberty mine since July 1958. Can you give us any information concerning what may have happened to the 4,000-pound mica stockpile that had been left on the property by the Operator, Bourne Associates, under a previous contract?

Sincerely yours,

George C. Selfridge

Chief, Division of Field Operations

GCSelfridge/bb
1/18/62
cc: Docket DMEA-2595
Docket DMEA-3375
Director's Reading File
CAAA Division
Region IV (2)
G. C. Selfridge

JAN 17 1962

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMEA-2595 (Mica)
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract Idm-E472
and
DMEA-3375 (Mica)
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract Idm-E686

This Division is in the process of preparing Reports of Royalty Review covering the subject contracts. The operating status, however, is in doubt because the property apparently was last examined on July 17, 1958, and the pertinent records of the Spruce Pine Mica Depot were last checked during June 1960. The latter is probably irrelevant because the property is primarily a scrap mica source.

The files indicate that the property was idle from July 1956 to July 1958. There is no indication of the status thereafter; however, the Operator-Assignee under the later contract reported and paid royalty on two shipments of scrap mica during early 1961, the first since 1956.

It is suggested that an inquiry as to operations of the property since July 1958 be addressed to the Operator-Assignee, Dixie Mines, Inc., P. O. Box 363, Heflin, Alabama, which runs scrap mica plants in both Heflin and Nicewille, the latter being only one-half mile from the property. Specific confirmation that the two 1961 scrap shipments were the only sales since July 1956 should be requested. Also, the disposition of a 4,000 pound stockpile left on the property by the Operator under the first contract should be requested.

For confirmation purposes, it is suggested further that a general inquiry as to operations since July 1958 be addressed to the agent

of the landowners, Mrs. Margaret W. Verge, Heflin, Alabama. By the terms of the Landlord's Subordination Agreement of June 21, 1952, the owners assumed the royalty obligation of the Operator under the first contract upon his surrender of the lease.

EDTalbert/ama 1-17-62

cc:
Docket
Director's Reading File
CA & A Division
Mr. Talbert

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Division of Nonmetallic Minerals, Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-E472, Docket No. DMEA-2595 (Mica), dated January 6, 1953, with

Francis C. Bourne
d/b/a Bourne Associates
P. O. Box 35
Murphy, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Liberty Mine located in Randolph County, Alabama, during the period March 10, 1955, through May 7, 1959.

A certification of discovery or development was issued on July 2, 1954, and accordingly royalty is payable on all production from the land described in Article 2 of the contract for a maximum period of 10 years from the date of the contract. A Report of Review in lieu of final cost audit dated February 1, 1955, indicated accepted costs under the exploration contract amounting to $14,885.00 with the Government's contribution, on a 90 percent basis, being $13,396.50.

A prior report of royalty review dated March 21, 1955, indicated total sales subject to Government royalty amounting to $966.59 for the period January 6, 1953, through March 9, 1955, and that the royalty due the Government amounting to $48.33 had been paid. No royalty has been received by the Government applicable to this project since the latter date.

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

(1) Periodic inspections by a representative of the Field Team, Region V, have failed to disclose any evidence of production or sales of minerals from this project during the period covered by this review, and

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

C. E. Fisher, OME Auditor

May 13, 1959

(Check Sheet of Examining Engineer filed in Docket)

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed all copies of settlement sheets on file with the Executive Officer, DMEA Field Team, Region V, applicable to royalties collected on the sales of mica for the period January 6, 1953 to March 9, 1955, by:

Francis C. Bourne
d/b/a Bourne Associates
P. O. Box 35, Murphy, North Carolina

produced from property referred to as the Liberty Mine located in Randolph County, ~~North Carolina~~ Missouri, under terms of Contract ~~Idm-2472~~, Docket No. DMEA-2995.

My review included a conference with Mr. William A. Beck, Mining Engineer, U. S. Bureau of Mines, Knoxville, Tennessee, who is thoroughly familiar with the project.

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

(1) The production involved was incidental to the exploration operations;

(2) A review of the records of General Services Administration Mica Purchase Depot, Spruce Pine, North Carolina, did not disclose any other sales of mica from this mine since the effective date of the exploration contract; and

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

The audit established the total sales of mica for this period to be $966.99. Royalty due the U. S. Government at the contract rate of 5 percent is $48.33. The royalty paid and balance due are as follows:

Total Royalties Due	$48.33
Total Royalties Paid	48.33
Balance of Royalties Unpaid	$ -0-

C. E. Fisher
C. E. Fisher, Auditor

March 21, 1955

E-472

For Certificate of Deposit No. 4, dated July 19, 1954, giving royalty repayment of $48.33, see E-410.

REPORT
OF REVIEW

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Francis C. Bourne
d/b/a Bourne Associates
P. O. Box 35, Murphy, N. C.

pertaining to Exploration Project Contract No. Ida-E/72, Docket No. DMEA-2595, including Amendment Nos. 1 and 2, for the months of February 1953 to November 1953, inclusive, covering a project for the exploration of mica on property, known as the Liberty Mine, located in Randolph County, Alabama.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team's Final Report, 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 following reason:

all of the costs incurred were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total cost as billed by Contractor		$15,495.00
Exceptions:		
By DMEA Finance Officer	$610.00	
Herewith	-0-	610.00
Total Accepted Cost		$14,885.00

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

$13,396.50

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

E. D. Talbert

E. D. Talbert, Auditor

February 1, 1955

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

Defense Minerals Administration
RECEIVED
FEB 9 1955

February 8, 1955

Memorandum

To: Jay L. Chambers, Chief, Contract Admin. and Audit Division

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

Subject: DMEA-2595, Idm-E472, Bourne Associates, Randolph Co., Ala.

The report of review for the subject exploration contract has been forwarded to the Finance Office, as it is in agreement with our records.

Robert A. Laurence

Robert A. Laurence

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1025 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

Defense Minerals Administration
RECEIVED
FEB 9 1955

February 8, 1955

Memorandum

To: Jay L. Chambers, Chief, Contract Admin. and Audit Division

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

Subject: DMEA-2595, Idm-E472, Bourne Associates, Randolph Co., Ala.

The report of review for the subject exploration contract has been forwarded to the Finance Office, as it is in agreement with our records.

Robert A. Laurence

RAL/sm
cc:
Allsman
Lynch
O'Neill
Files

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

FEB 2 1955

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

Re: Docket No. DMEA-2595
Bourne Associates
Randolph County, Ala.
Contract Idm-E472

Dear Mr. Laurence:

Enclosed are the original and two copies of a Report of Review covering the above-cited Exploration Project Contract.

If you concur with the facts stated therein, the original and one copy of the Report of Review should be forwarded to the Certifying Officer and one copy should be retained in your files. If, for any reason, the Report does not have your concurrence please return all copies thereof to this Division with your comments thereon.

A copy of the Field Team's final report received in this office has provided a means of verification for the work performed under "agreed unit costs" provisions of the contract without the necessity of consultation with you or Mr. Beck.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb 2-1-55

Copy to: Docket
Admr. Reading File
Mrs. Miller
Mr. Chambers

Alabama

Tuscaloosa County

J. F. O'Neill being first duly sworn, disposes and says:

That he is a resident and citizen of Tuscaloosa, Tuscaloosa County, Ala., and Mining Engineer, Bureau of Mines, U. S. Department of the Interior. That in connection with DMEA Contract No. 2595, Idm-E-472, routine inspections of the Liberty Mine, Randolph County, Ala., were made.

Affiant visited the mine on October 8, 1953 and entry was not made to the mine. A round was blasted a short time before my arrival. Saunders and other workmen were working on the hoist and it was obvious that entry could not be made that day. I was informed by Saunders that a raise on the west side was advanced 18 feet and the work was authorized by Kefton Teague. On October 16, 1953 the affiant received instructions by mail from Robert A. Laurence, DMEA Executive Officer, Region VII, that the raise work was not authorized and hoped that the affiant had so advised the operator that this work should not be shown on the Monthly Voucher as it was not included in the contract and payment cannot be made for it. Affiant made a special trip to the mine on October 21, 1953 specifically to comply with Laurence's instructions, and did so.

This, the 28th day of September 1954

James F O'Neill

Subscribed and sworn to before me, this 28th day of September 1954.

Laura Myrtle Payne
Notary Public

My Commission expires:

January 1956

Tennessee

Knox County

Kefton H. Teague being first duly sworn, disposes and says:

That he is a resident and citizen of Knoxville, Knox County, Tennessee., and Geologist, U. S. Geological Survey, U. S. Department of the Interior. That in connection with DMEA Contract No. 2595, Idm-E 472,(mica) Bourne Associates, Liberty Mine, Randolph County, Alabama routine inspections were made.

Affiant visited the project early during the morning of October 1, 1953. At the time of my visit, Mr. Saunders and two workmen were underground. Mr. Saunders was loading a round of holes and the other men were mucking. After measuring and examining both the level and the raise, progress of the work was discussed with Mr. Saunders. Mr. Saunders stated that he had sent in the footage for September (43 feet- which was duly vouchered). My measurement on level completed as of October 1, 1953 was 44 feet. In addition to the 44-foot level, 10 feet of raise to the north at a point 26 feet from the shaft had been driven.

I requested that level work be started eastward from the shaft.

My notes taken on the date of the visit do not indicate that the cost of the raise or its possible extension were discussed, nor do I remember any discussion on the subject. No prior authorization had been given for the raise and I am positive that I did not authorize continuation of the raise on the October 1, 1953 visit.

This, the 30th day of September 1954

Kefton H. Teague

Subscribed and sworn to before me, this 30th day of September 1954.

Lucille Holt LaBorte
Notary Public

My Commission Expires: Oct 18-1955

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER SCHEDULE OF PAYMENTS

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of NOVEMBER, 1953 Docket No. DMEA 2595 Contract No. Idm. E 472

Operator's Name Bourne Associates Minerals Mica

Address Box 35, Murphy, N. C.

Contract Amount, $ 18,500.00 Government Participation: 90 % Amount, $ 16,650.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling Shaft Sinking		9,500.00	9,500.00		9500.00	9500.00
Head Frame Bulldozing					500.00	500.00
Crosscutting						
Drifting & Cross drifting	1740.00	2,475.00	4,215.00	630.00	2475.00	3,105.00
Shaft timbering		1,780.00	1,780.00		1,780.00	1,780.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,740.00	13,755.00	15,495.00	630.00	14,255.00	14,885.00

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

Date 3-6-54 *Payee Bourne Associates

Per Y. C. Bourne Jr. Title Ass't Supt.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 567.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date 1-21-55 Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 14-EH72 in accordance with the terms of the contract.

Signature W. A. Beck Title Supervising Mining Engineer-USBM Date JAN 17 1955

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date JAN 17 1955

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report, consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
DENVER MINERALS MANAGEMENT
RECEIVED
MAR 4 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of NOVEMBER 195 3 Docket No. DMEA 2595 Contract No. Idm E 472
Operator's Name Bourne Associates Minerals Mica
Address Box 35, Murphy, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting & cross drifting	Feet	1740.00	58.0	4215.00	140.5	30.00	200	30.00
Crosscutting								
Raising Head frame				500.00			1	500.00
Shafts				9500.00	190.0	50.00	200	50.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Shaft timbering	Feet			1780.00	178	10.00	200	10.00
TOTAL DISTRIBUTED COSTS		1740.00		15,995.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								18,500.00
TOTAL COSTS								

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

Date 3-6-54 Operator Bourne Associates

Per J. C. Bourne, Jr. Title Asst Supt

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

REMARKS:

(Instructions on reverse)

(For Government use only)

On line marked "Drifting" change "Costs this Month" from 1740.00 to 630.00. "Units This Month" from 58.0 to 21.0, "Costs to Date" from $4215.00 to $3105.00, and "Units to date" from 140.5 to 103.5

On line marked "Total Distributed Costs," change the 1740.00 to 630.00, and the 15,995.00 to 14,885.00.

W. A. Beck

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 4 WASHINGTON POST OFFICE BLDG.
KNOXVILLE 2, TENN.

January 17, 1955

Mr. F. C. Bourne
Bourne Associates
P.O. Box 35
Murphy, North Carolina

Re. Docket No. DMEA-2595 (mica)
Contract Idm-E 472
Liberty Mine, Randolph County,
Alabama

Dear Mr. Bourne:

Your November 1953 (final) Operator's Monthly Report and Voucher on the subject exploration contract has been forwarded to this office from Washington for processing, and we are today sending it to the finance office.

We have allowed for 21 feet of drifting at $30 per foot or $630.00 as a total of 103.5 feet of drifting has been done on the contract. Of this amount you have been paid for 82.5 feet on previous vouchers.

Please note that you did not enter the item of $500 for head frame on Form MF-104 in the columns "Totals Previously Reported" and "Totals to date." Please make the following corrections on your copy of the Form MF-104 : on the line marked "Drifting" the figures should be $630.00, $2,475.00 and $3,105.00. On the line marked "Totals" the figures should be: $630.00, $14,255.00 and $14,885.00. Your form MF-104A should be corrected accordingly.

Very truly yours,

Wm. A. Beck, Acting Executive Officer
DMEA - Region V

WAB/sm
cc:
Beck
O'Neill
Finance Office-3
Files

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PROOF OF PAYMENTS ON VOUCHER & SCHEDULE K-33 141

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of OCTOBER 1953 Docket No. DMEA 2595 Contract No. IGR.E. 472
Operator's Name Bourne Associates Minerals Lead
Address P. O. Box 35, Murphy, N. C.
Contract Amount, $ 18,500.00 Government Participation: 90 % Amount, $ 16,650.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Contracts:						
Short Form: Shaft Sinking		9,500.00	9,500.00			
Drilling: Head Frame		500.00	500.00			
Bulldozing						
Crosscutting: Cross Drifting	1770.00	1,695.00	3,465.00			
Drifting: Short Timbering		1,780.00	1,780.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1770.00	13,475.00	15,245.00	780.00	13,475.00	14,255.00

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

Date 11-12-53 *Payee J. C. Bourne, Jr.
Bourne Associates

Per _____ Title Asst. Supt.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 762.00

Signature Cara A. Piper
(Authorized Certifying Officer)

Date DEC 2 1953 Vou. No. 141

(See other side)

78.00

9

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-472 in accordance with the terms of the contract.

Signature J. F. O'Neill Title Engineer Date 11/20/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date NOV 30 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of OCTOBER 195 3 Docket No. DMEA 2595 Contract No. Idm.E.472

Operator's Name Bourne Associates Minerals Mica

Address P. O. Box 35, Murphy, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting Cross drifting & raise	Feet	1770.00	59.0	3465.00	115.5	30.00	200	30.00
Crosscutting								
Raising Head frame				500.00			1	500.00
Shafts	Feet			9500.00	190.0	50.00	200	50.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Shaft Timbering	Feet			1780.00	178	10.00	200	10.00
TOTAL DISTRIBUTED COSTS		1770.00		15245.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								$18,500.00

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

Date 11-12-53 Operator Bourne Associates

Per V. C. Bourne, Jr. Title Asst. Supt.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases, which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

NARRATIVE REPORT

Progress Report for October, 1953

Liberty Mine Exploration

DMEA No. 2595 Idm. E. 472 Mica

During October total footage of drifting, cross drifting and raise amounted to 59 feet.

Very little mica has been found and success of the entire project doesn't look too promising.

Mr. Teague visited project on the 1st and suggested going in opposite direction at least 20 feet. Mr. O'Neill visited project on the 8th and thought mica might show up better on side just started. Mr. Pollister visited on the 9th and was puzzled over outcome of work but thought something might still be hit.

On the 14th, we sent 1500# of mica to Spruce Pine to be sheeted--dont have results yet.

All during the month we would shoot and think we were getting into mica, but then it would dissipate with next shot.

COPY

XXXXXXXXXXXXXXXXXXX
Room 13, Post Office Building
Knoxville 2, Tennessee

November 30, 1953

Mr. Francis C. Bourne
Bourne Associates
P. O. Box 35
Murphy, North Carolina

Re: Docket No. DMEA-2595 - Mica
Contract No. Idm E-472
Liberty Mine
Randolph County, Alabama

Dear Mr. Bourne:

Your October Monthly Report and Voucher was received in this office today and is being sent to the Finance Office for payment with a deletion of $990.00 for 33 feet of raising which is not a part of the contract.

All that the contract allows for is 200 feet of shaft sinking and 200 feet of level. No money was set up in it for raising or doing anything else other than $500.00 for the headframe.

Our engineer reports that your voucher includes 33 feet or more of raising. As your report has not broken this down, we are deducting that amount subject to a measurement which will be made on the next visit of the Field Team.

Very truly yours,

Robert A. Laurence
Executive Officer
Region VII

WAB/mg
cc - Finance Office 3
Beck
Lynch
files
O'Neill
Operating Committee

MF-104 (Rev.)
(April 1952)

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

101

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE
OFFICE OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 16 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of SEPTEMBER, 1953 Docket No. DMEA 2595 Contract No. Idm.E. 472
Operator's Name Bourne Associates Minerals Mica
Address P.O. Box 35, Murphy, N. C.
Contract Amount, $8,500.00 Government Participation 90 % Amount, $16,650.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Shaft Sinking		9,500.00	9,500.00			
Head Frame	500.00		500.00			
Bulldozing						
Crosscutting & cross drifting	1290.00	405.00	1,695.00			
Drifting						
Shaft Timbering		1,780.00	1,780.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1,790.00	11,685.00	13,475.00	1,790.00	11,685.00	13,475.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 10-3-53 *Payee Bourne Associates
Per J. C. Bourne Jr. Title Asst. Supt.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1,611.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date OCT 14 1953 Vou. No. 101

(See other side)

179.00

5

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 472 in accordance with the terms of the contract.

Signature J. T. O'Neill Title Engineer Date 10/6/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date OCT 9 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 16 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of SEPTEMBER 195 3 Docket No. DMEA 2595 Contract No. DMEA 472
Operator's Name Bourne Associates Minerals Zinc
Address P.O. Box 35, Murphy, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting Cross Drift	Foot	1290.00	43.0	1695.00	56.5	30.00	200	30.00
Crosscutting								
Raising Head Frame		500.00		500.00			1	500.00
Shafts	Foot			9500.00	190.0	50.00	200	50.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails Short Tightening	Foot			1700.00	170	10.00	200	10.00
TOTAL DISTRIBUTED COSTS		1790.00		13,675.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								18,500.00

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

Date 10-3-53 Operator Bourne Associates

Per J. C. Bourne Jr. Title Asst. Supt.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

NARRATIVE REPORT

Progress Report for September, 1953

Liberty Mine Exploration

DMEA No. 2595 Idm. E. 472 Mica

During September 32.5 feet were drifted and 10.5 feet cross drifted.

The work progressed satisfactorily during the month except for continued difficulty in getting shots to pull just right. An Atlas Powder Company man suggested a different type of dynamite which has been ordered to try.

At the end of the month we had about 2600# of mica on hand - about 1200 lbs. of sheet and about 1400 lbs. scrap.

The project looks discouraging as far as finding any appreciable quantity of mica is concerned. At times it has looked good, but then it pinches out.

1479 man hours were worked on the project during September.

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

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1953 Docket No. DMEA 2595 Contract No. Idm.L. 472
Operator's Name Bourne Associates Minerals Mica
Address P.O. Box 35, Murphy, N. C.
Contract Amount, $ 18,000.00 Government Participation: 90 % Amount, $ 16,200.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Shaft Sinking	900.00	8,600.00	9,500.00			
Bulldozing						
Crosscutting						
Drifting	405.00		405.00			
Shaft Timbering	300.00	1,480.00	1,780.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1605.00	10,080.00	11,685.00	1605.00	10,080.00	11,685.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-14

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 9-3-53 *Payee Bourne Associates
Per J. C. Bourne Jr. Title Asst. Supt.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1,444.50

Signature Cora A. Piper
(Authorized Certifying Officer)
Date SEP 11 1953 Vou. No. 76
(See other side)

7

160.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-472 in accordance with the terms of the contract.

Signature J. F. Neill Title Engineer Date 9/8/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date SEP 11 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of AUGUST 195 3 Docket No. DMEA 2595 Contract No. Idm.1. 472

Operator's Name Bourne Associates Minerals Mica

Address P.O. Box 35, Murphy, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Feet	405.00	13.5	405.00	13.5	30.00	200	30.00
Crosscutting								
Raising								
Shafts	Feet	900.00	18	9500.00	190.0	50.00	200	50.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Shaft Timbering	Feet	300.00	30.0	1780.00	178	10.00	200	10.00
TOTAL DISTRIBUTED COSTS		1605.00		11,685.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								18,000.00

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

Date 9-3-53 Operator Bourne Associates

Per J. C. Bourne, Jr. Title Asst. Supt.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

NARRATIVE REPORT

Progress Report for August, 1953

Liberty Mine Exploration

DMEA No. 2595 IDM. B. 472 Mica

During August 18' of shaft were dug, 30' timbered and 13.5' drifted. The drifting was started toward the end of the month after we had gone through the pegmatite. Mr. Teague and Mr. Beck of the U.S. Dep't. of Interior visited the project on the 20th and seemed to like the looks of the pegmatite and the way the project is progressing.

Water continues to present a continuous problem and pumps have to be run all the time. Mr. O'Neill visited the project on the 17th and adtised a 15 foot sump.

Difficulty has been experienced in shooting in drift. It seems that so much fine mica keeps the shots from pulling like they should. It won't come apart and is hard to quarry after it is cracked up.

We have about 1000 # of mica on hand now, but it is very scrappy.

2,065 man hours were worked on this project in August.

F-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

PAID VOUCHER & SCHEDULE
PAYMENTS K-10

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

Month of JULY, 1953 Docket No. DMEA 2595 Contract No. Idm.E. 472
Operator's Name Bourne Associates Minerals Mica
Address P.O. Box 35, Murphy, N. C.
Contract Amount, $ 18,000.00 Government Participation: 90 % Amount, $ 16,200.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Shaft Sinking	1,300.00	7300.00	8600.00			
Bulldozing						
Crosscutting						
Drifting						
Shaft Timbering	170.00	1310.00	1480.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1470.00	8610.00	10,080.00	1,470.00	8,610.00	10,080.00

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

Date 8-7-53 *Payee Bourne Associates

Per J. C. Bourne Jr. Title Asst. Supt.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1,323.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date AUG 20 1953 Vou. No. 51

(See other side)

6

147.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 472 in accordance with the terms of the contract.

Signature J. F. Mull Title Engineer Date 8/14/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date AUG 17 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of JULY 1953 Docket No. DMEA 2595 Contract No. Idm.E. 472

Operator's Name Bourne Associates Minerals Mica

Address P.O. Box 35, Murphy, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Feet	1300.00	26	8600.00	172.0	50.00	200	50.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Shaft Timbering	Feet	170.00	17.0	1480.00	148	10.00	200	10.00
TOTAL DISTRIBUTED COSTS		1470.00		10,080.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								18,000.00

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

Date 8-7-53 Operator Bourne Associates

Per J. C. Bourne, Jr. Title Asst. Supt.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

NARRATIVE REPORT

Progress Report for July, 1953

Liberty Mine Exploration

DMEA No. 2595 Idm. E. 472 Mica

During July 26 feet were dug and 17 feet timbered. 1803 man hours were worked on this project.

All work in the shaft is still in rock. Some difficulty was encountered the first part of the month in damaging timbers with shots. The shaft is much more confined now since it is partitioned off and has staggered ladderways. A blasting mat was made out of cross ties, however, and is suspended between shot and timbers when blasting. It has eliminated damage to timbers and also makes a good scaffold to work from when putting in timber sets.

Water problem still gives some trouble, but adequate pumping facilities have corrected this except when a pump breaks down.

Mr. J. Gray Hamlin, Chief, Division of Safety and Inspection, State of Alabama visited the project on July 29th and was complimentary on all aspects of the operation.

Had mica in one corner at 167½' and on the last day of the month had pegmatite all the way across the bottom of the shaft except for about one foot.

Form 104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER AND SCHEDULE OF PAYMENTS NOR - K-5 20

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of JUNE 195 3 Docket No. DMEA 2595 Contract No. Idm.E.472
Operator's Name Bourne Associates Minerals Mica
Address P.O. Box 35, Murphy, N. C.
Contract Amount, $ 18,000.00 Government Participation: 90 % Amount, $ 16,200.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Shaft Sinking	800.00	6500.00	7300.00	800.00	6,500.00	7,300.00
Drilling						
Bulldozing						
Crosscutting						
Shaft Timbering	165.00	1145.00	1310.00	410.00	900.00	1,310.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	965.00	7645.00	8610.00	1,210.00	7,400.00	8,610.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 7-11-53 *Payee Bourne Associates
Per J. C. Bourne Jr. Title Asst. Supt.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1,089.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JUL 23 1953 Vou. No. 20

(See other side)

5th

12,000.

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 472 in accordance with the terms of the contract.

Signature J F O'Neill Title Engineer Date 7/16/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W A Beck Title ACTING EXECUTIVE OFFICER DMEA REGION VII Date JUL 20 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of JUNE 195 3 Docket No. DMEA 2595 Contract No. Idm. E. 472

Operator's Name Bourne Associates Minerals Mica

Address P.O. Box 35, Murphy, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Feet	800.00	16	7300.00	146.00	50.00	200	50.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Shaft Timbering	Feet	165.00	16.5	1310.00	131	10.00	200	10.00
TOTAL DISTRIBUTED COSTS		965.00		8610.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								18,000.00

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

Date 7-11-53 Operator Bourne Associates

Per J. C. Bourne Jr. Title Asst. Supt.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

NARRATIVE REPORT

Progress Report for June, 1953

Liberty Mine Exploration

DMEA No. 2595 Idm. E. 472 Mica

From the first through the 6th the work went very well and 16 feet were dug and 16½ feet timbered. On the 8th we had a fatal accident full report of which has been made.

No work was done from the 8th until the 15th. From the 15th until the end of the month no digging was done at all. A headframe was erected, a partition put in the shaft with staggered ladderways, and guides for an X frame above the bucket installed.

All work has been completed which was required in order for us to receive payment for May timbering which was withheld.

Work in the shaft has now been commenced again.

Attached hereto is supplementary statement regarding payment for extra work required.

July 11, 1953

Supplement Idm. S. 472 Monthly Report

Having heard nothing from our letter of June 20th regarding the government bearing its proportionate part of the expense of building headframe and partitioning off manway with ladders and platforms and doing other work which was demanded by Mr. O'Neill we respectfully request that our contract be changed so that the government will bear at least its proportionate part of these items.

We would not have bid to timber a shaft in manner required at the price which we took the contract on under any conditions. We knew at the time we accepted the contract which definitely states in Exhibit A, "sink a vertical shaft 5 feet by 7 feet in the clear.....timbered where necessary with ring sets and lagging". The contract even states that the timbering is to be done only where necessary. If the timbering was cut off and not considered necessary we couldn't have constructed a workway and manway as has been required under the terms of this contract.

We were allowed to start this shaft without a headframe and it was our understanding that as long as this was a prospecting shaft and tunnelling that we would not be required to put up a headframe. We therefore feel that the government should bear its proportionate part of this work.

When we agreed to the contract price of timbering, namely a collared shaft with lagging, we knew that our costs to do this work would be a small amount more than our contract price. This we expected to absorb, but the costs have run much more than we expected. The cost for an eight foot section has run $91.22 for which we receive a little over $80.00. Through the overburden we had five four foot sections. Down through the 135 foot depth we had four six foot sections with the rest being eight feet. These sections on four and six foot centers would naturally cost more than the eight foot sections.

Mr. Sanders, our foreman, still insists that Mr. O'Neill in the presence of Mr. Stott the mine inspector, made the statement that the government would bear its part of the cost of the extra work that was to be done. Mr. O'Neill claimed in talking to the writer that he did not have authority to make a statement of that sort and that he was talking about some other project. The writer has not had a chance to talk to the inspector to get his version of this misunderstanding between Mr. Sanders and Mr. O'Neill. We can furnish costs on the headframe and the other work we consider extra in the shaft.

We did not know that the last sentence in Article 3, "The government may consult with and advise on all phases of the work" meant that Mr. O'Neill was in direct charge of the operation and could give direct orders with a threat that unless they were followed out that he would close the operation. Since this was the attitude Mr. O'Neill took with the writer we agreed to do the work and submit our side as far as payment went, rather than stop the operation and have this matter settled first.

We respectfully request that the above mentioned matters be given early consideration and that we be advised as to what we may expect.

BOURNE ASSOCIATES

F.C. Bourne

F.C. Bourne

July 14, 1953

Mr. Francis C. Bourne
Bourne Associates
Murphy, North Carolina

Re: DMEA-2595, Idm-2472 (mica)
Liberty Mine (Alabama).

Dear Mr. Bourne:

Your letter of July 11, and copy of the supplement to your June narrative report have been received. The supplement will be forwarded to our Washington office for their consideration, as soon as we receive from you the estimated cost of the headframe, as stated in the 5th paragraph of the supplement. As you know, this office does not have the authority to increase the total amounts of money or the unit costs in the contract. If the cost of the headframe is approved as an additional cost, an amendment will be prepared to cover that item.

Our Washington office advised us, on May 25, that the construction of the partition between compartments and inclined ladderways is considered a part of shaft timbering, and therefore, this cost must be included in the unit cost of timbering.

Mr. O'Neill is entirely correct in insisting that the project be carried out according to the provisions of the contract which includes the statement that the work is to be conducted "efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety.....", and that work should be halted if these provisions are not complied with. While it is true that you could continue work on your own property in spite of instructions to the contrary by Mr. O'Neill or any other Government representative, we would be obliged to suspend payment on any such work which was not in compliance with the contract. If we did not suspend payment, it would be disallowed later, upon final audit of the contract.

Please send me your estimate of the cost of the headframe at your earliest convenience.

Very truly yours,

Robert A. Laurence, Executive Officer
DMEA Field Team, Region 7

RAL/mm
cc:
Beck
Lynch
O'Neill
Opr. Com.

July 11, 1953

Supplement Idm. E. 472 Monthly Report

Having heard nothing from our letter of June 20th regarding the government bearing its proportionate part of the expense of building headframe and partitioning off manway with ladders and platforms and doing other work which was demanded by Mr. O'Neill we respectfully request that our contract be changed so that the government will bear at least its proportionate part of these items.

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We respectfully request that the above mentioned matters be given early consideration and that we be advised as to what we may expect.

JUL 14 '53

BOURNE ASSOCIATES

F.C. Bourne

F.C. Bourne

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

VOUCHER AND SCHEDULE
PAYMENTS NOR - 65

177

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of MAY, 1953 Docket No. DMEA 2595 Contract No. Idm. E. 472
Operator's Name Bourne Associates Minerals Mica
Address P.O. Box 35, Murphy, N. M.
Contract Amount, $ 18,000.00 Government Participation: 90 % Amount, $ 16,200.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Shaft Sinking	1600.00	4900.00	6500.00	1,600.00	4,900.00	6,500.00
Bulldozing						
Crosscutting						
Shaft Drifting						
Timbering	245.00	900.00	1145.00		900.00	900.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1845.00	5800.00	7645.00	1,600.00	5,800.00	7,400.00

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

Date 6/4/53 *Payee Bourne Associates

Per J. C. Bourne, Jr. Title Asst. Supt.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 1,440.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JUN 17 1953 Vou. No. 177
(See other side)

160.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 472 in accordance with the terms of the contract.

Signature J F O'Neill Title Engineer Date 10/16/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. E. Beck Title ACTING EXECUTIVE OFFICER DMEA REGION VII Date JUN 16 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

FORM MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of MAY 1953 Docket No. DMEA 2595 Contract No. Idm.E. 472

Operator's Name Bourne Associates Minerals Mica

Address P.O. Box 35, Murphy, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Feet	1600.00	32	6500.00	130.00	50.00	200	50.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Shaft Timbering	Feet	245.00	24.5	1145.00	~~24.5~~ 114.5	10.00	200	10.00
TOTAL DISTRIBUTED COSTS		1845.00		7645.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								18,000.00

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

Date 6/4/53 Operator Bourne Associates

Per J. C. Bourne, Jr. Title Asst. Supt.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

U. S. GOVERNMENT PRINTING OFFICE 205676

NARRATIVE REPORT

Progress Report for May, 1953

Liberty Mine Exploration

DMEA No. 2595 Idm. E. 472 Mica

During the first half of the month a great deal of difficulty was experienced with pumping water. Also men had no lights in shaft and vision was poor.

By the middle of the month we put in adequate pumping facilities, and installed generator. On the 19th, two (9) hour shifts were started and since then work has been progressing better.

Some difficulty has been experienced in shooting and causing damage to timbers. Shaft will have to stay 15 to 20 feet ahead of timbers.

A total of 1683 man hours were worked on this project in May and at the end of the month there was 114' 6" timbered and 130' dug.

O P Y (copied SIC) zm.

C O P Y

BOURNE ASSOCIATES
Mica and Mica Products
Spruce Pine, N. C.

June 1, 1953

Dear Mr. O'Neill

I making my report for May 30 - 114'6" timbered 130 dug.

I have timbers ready for headframe. I'M waiting to here from office about Gov't end of deal. Will have to have some time extension also if I have to shut down to build another headframe tram track, guides and staggered ladders.

Hoping that everything straightens out soon.

Sincerely,

B. T. Sanders

cc:
5-with monthly report.
Beck
Lynch

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 13, POST OFFICE BLDG.
WASHINGTON 25, D. C.
KNOXVILLE 2, TENN.

June 16, 1953

Mr. F. C. Bourne, Jr. Asst. Supt.
Bourne Associates
P.O. Box 35
Murphy, N. C.

Re: DMEA-2595, Idm-1472 (mica)

Dear Mr. Bourne:

Your May monthly Report and voucher has been received by this office and is being sent to the Finance Officer today for payment.

A deletion of $245.00 for timbering is being made because it is our understanding that the partition between the compartments and inclined ladderways have not been installed. As this is a part of shaft timbering the work for which you are claiming $245.00 has not been completed. You may charge the above amount in a subsequent voucher when and if the above mentioned work is done.

Very truly yours,

Wm. A. Beck,
Acting Executive Officer
DMEA-Region 7

AB/mm
cc
Beck
O'Neill
Finance Office-3
Laurence

I (Rev.)
(Apr. 1952)

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID UNDER VOUCHER AND SCHEDULE OF PAYMENTS NOR = 59

164

OPERATOR'S MONTHLY REPORT AND VOUCHER

MAY 18 1953

Month of April, 1953 Docket No. DMEA 2595 Contract No. Idm. E. 472
Operator's Name Bourne Associates Minerals Mica
Address P. O. Box 35, Murphy, N. C.
Contract Amount, $18,000.00 Government Participation: 90% Amount, $16,200.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Shaft Sinking	1050.00	3850.00	4900.00			
Bulldozing						
Crosscutting						
Drifting						
Shaft Timbering	160.00	740.00	900.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	1210.00	4590.00	5800.00	1,210.00	4,590.00	5,800.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 5/14/53 *Payee Bourne Associates
Per E. E. Van Horn Title Asst. Supt.

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$1,089.00

Signature Cora A. Piper
(Authorized Certifying Officer)
Date MAY 14 1953 Vou. No. 164
(See other side)

121.00

3

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. 472 in accordance with the terms of the contract.

Signature J. F. O'Neill Title Engineer Date May 6, 53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lamoreux Title EXECUTIVE OFFICER DMEA REGION VII Date MAY 11 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

GPO 83-38476

[redacted]IA
[redacted] (April [redacted]2)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 18 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 195 3 Docket No. DMEA 2295 Contract No. Ident. 472
Operator's Name Source Associates Minerals Ice
Address P. O. Box [illegible], [illegible], Texas

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Feet	1050.00	21	4900.00	98.0	50.00	200	50.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Shaft timbering	Feet	160.00	16.0	900.00	90.0	10.00	200	10.00
Total Distributed Costs		1210.00		5800.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs								$18,000.00

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

Date 5/14/53 Operator Source Associates

Per E. A. Van Horn Title Asst. Superintendent

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

Remarks:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

NARRATIVE REPORT

Probress Report for April, 1953

Liberty Mine Exploration

DMEA No. 2595 Idm. E. 472 Mica

The project had 885 man hours during the month. Extreme difficulty was had with the pumping until a new pump was added during the last week. Besides water conditions in the shaft, difficulty was experienced as the result of heavy rain storms.

The ground has continued insecure so that timbering has been necessary. Differential hardness of the ground contributed to blasting problems. It is expected that the additional pump and an exchanged compressor will expedite the work. The shaft is now being worked on two 7½ hour shifts.

Mr. O'Neill visited the project on April 30th. At the end of the month the shaft was dug to 98 feet and timbered to 90 feet.

-104 (Rev.)
(April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 27 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1953 Docket No. DMEA 2595 Contract No. Idm. E. 472
Operator's Name Bourne Associates Minerals Mica
Address P.O. Box 35, Murphy, N. C.
Contract Amount, $18,000.00 Government Participation: 90 % Amount, $16,200.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Shaft Sinking	2250.00	1600.00	3850.00			
Bulldozing						
Crosscutting						
Drifting						
Shaft Timbering	440.00	300.00	740.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2690.00	1900.00	4,590.00	2690.00	1900.00	4,590.00

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

Date 4/3/53 *Payee Bourne Associates

Per [signature] Title Asst. Superintendent

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 2,421.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date APR 17 1953 Vou. No. 148

(See other side)

269.00

Ind

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-492 in accordance with the terms of the contract.

Signature J F O'Neill Title Engineer Date 4-8-53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W M Beck Title Acting Exec Officer Region III Date 4-14-53

MONTHLY REPORT OF OPERATOR

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(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

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Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

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GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 27 1953

Month of March 195 3 Docket No. DMEA 2595 Contract No. Idm. E. 472
Operator's Name Bourne Associates Minerals Mica
Address P.O. Box 35, Murphy, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising	Feet	2250.00	45.	$3850.00	77.0	$50.00	200	$50.00
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Smart Timbering	Feet	$440.00	44.0	$740.00	74.0	$10.00	200	$10.00
TOTAL DISTRIBUTED COSTS		2690.00		4590.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								$18,000.00

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

Date 4/3/53 Operator Bourne Associates

Per E. E. Van Horn Title Asst. Superintendent

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 83-38475

NARRATIVE REPORT
Progress Report for March, 1953
Liberty Mine Exploration
DMEA No. 2595 Idm. L. 472 Mica

The project had 1,131½ man hours during the month of March. Trouble was experienced with the shaft hoist during the first two days. Timbering was halted at a depth of 37' 2" as the ground became more firm. At a depth of 51', however, severe caving and slickensides necessitated a resumption of timbering, but the sets were lengthened to 8' 4" on centers.

Water was encountered in small quantities at a depth of 62'. Severe water conditions were encountered March 27th after a weekend of heavy rains and the shaft pump began to give considerable trouble because of dirty water.

The ground became more firm at 74' but continued caving from slickenside joint planes required timbers to be continued.

The project was halted on March 28th for pump repairs, with the shaft excavated to 77' and timbered to 74'.

Mr. O'Neill visited the project on March 2nd and Mr. Pallister made an inspection on March 17th.

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

130

Budget Bureau No. 42-R1036.3.
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

BOND ON VOUCHER AND SCHEDULE OF PAYMENTS NOR - 48

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1953 Docket No. DMEA 2595 Contract No. Idm. B. 472
Operator's Name Bourne Associates Minerals Mica
Address P.O. Box 35, Murphy, N. C.
Contract Amount, $18,000.00 Government Participation: 90 % Amount, $16,200.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Shaft Sinking	1600.00		1600.00	1600.00		1600.00
Bulldozing						
Crosscutting						
Drifting						
Shaft Timbering	300.00		300.00	300.00		300.00
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1900.00		$1900.00	1900.00		1900.00

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

Date 3/3/53 *Payee Bourne Associates

Per E. C. Van Horn Title Asst. Superintendent

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$1,710.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date MAR 13 1953 Vou. No. 130
(See other side)

2/10

1

900.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E 472 in accordance with the terms of the contract.

Signature J. F. O'Neill Title Engineer Date Mar. 9/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date MAR 11 1953

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of February 195 3 Docket No. DMEA 2595 Contract No. Ida M. 472
Operator's Name Bourne Associates Minerals Mica
Address Box 35, Murphy, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Feet	1600.00	32.0	$1600.00	32.0	$50.00	200	$50.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Shaft timbering	Feet	$300.00	30.0	$300.00	30.0	$10.00	200	$10.00
Total Distributed Costs		$1900.00		$1900.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc								
Total Costs								$18,000.00

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

Date 3/2/53 Operator Bourne Associates

Per E. C. Van Horn Title Assist. Superintendent

Remarks:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

U. S. GOVERNMENT PRINTING OFFICE 205676

Department of the Interior
Defense Minerals Administration
RECEIVED
MAR 25 1953

NARRATIVE REPORT
Progress Report for February, 1953
Liberty Mine Exploration
DMEA No. 2595 Idm. L. 472 Mica

Shaft location was determined on February 13th, and shaft support collar installed February 14th.

During the week ending February 21st, 45' guy derrick was erected and the shaft was dug 17 ft. of which 11 feet was timbered.

By the end of the month the shaft was dug to 32' and timbered 30' 10".

Material encountered was weathered mica schist which became progessively harder with depth, necesitating full shaft-round drilling and blasting by the end of the month. However, soft zones and slickenside joint planes, particularly apparent on the up-dip side, required continued timbering.

No water was encountered, although there was in increase in the dampness of the rock which impeded drilling to some extent.

RECEIVED
MAR 23 1953
U. S. BUREAU OF MINES
Reg. VII Administrative Office
Knoxville, Tennessee

MAR 3 1 1965

Dixie Mines, Inc.
P. O. Box 348
Buffalo, Alabama

Re: DMEA-2395 (Mine)
Source Associates
Liberty Mine
Randolph County, Alabama
Contract Ldm-8472

and

DMEA-2375 (Mine)
Dixie Mines, Inc., Assignee
Liberty Mine
Randolph County, Alabama
Contract Ldm-8484

Gentlemen:

By the terms of the subject contracts, as amended, and the certification of discovery or development dated July 2, 1954, all minerals mined or produced from January 6, 1953, to February 14, 1964, were subject to the Government's royalty as set forth in said contracts.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contracts or any future production therefrom. We, therefore, are closing our bond and records on these contracts. Your attention, however, is called to the provisions of the contracts which require the operator to keep and preserve certain records for the periods indicated.

Sincerely yours,

George Tunich, Jr.

Acting Director

Fitzgerald/mm
Rewritten:
CCSelfridge/mm (3/26/65)

Director's Ranking File
Alan IV, Knoxville, Tenn. w/cys of Accounting 63a' (DMEA-2395 and DMEA-2375)
Code LDM
Division Deputy
Source Associates, P.O. Box 35, Murphy, North Carolina
Mineral Resources, P.O. Box 64, Sylacauga, Alabama
Margret W. Vargo, Buffalo, Alabama

C
O
P
Y

EXPLORATION PROJECT CONTRACT
RAYMOND RENDELMAN
DOCKET NO. DMEA-3375
Contract Idm-E686

ANNEX II
(Excerpt)
* * * * *

Repayment by Operator.--a. Certification.--A certification of discovery or development is hereby waived.

b. Royalty on production.--The Operator, as principal, if the Operator is the producer, or as surety, if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2 of the Contract for a period of ten years from the date of the Contract, or until the total net amount contributed by the Government under Contract Idm-E472 (DMEA Docket No. 2595), $13,396.50, and under this Contract, without interest is fully repaid, whichever occurs first.

* * * * *

Accordingly, royalty is payable by Bounce Associates, or their successors, until Jan. 6, 1963, but payable by Raymond Rendelman and his assignee (Alpha Tungsten, Inc.), as surety, until Feb. 14, 1965.

E N Talbot

GOVERNMENT COPY

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

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

To: Francis C. Bourne
Doing business as Bourne Associates
P. O. Box 35
Murphy, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Idm-E472, dated January 6, 1953 (Docket No. DMEA-2595), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

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

A comformable pegmatite was explored on the 180-foot level, and as a result of this work sufficient data were obtained to calculate inferred reserves of mica.

THE UNITED STATES OF AMERICA

By C. Mittendorf
Administrator, Defense Minerals Exploration Administration

Dated: JUL 2 - 1954

WCAnderson:gad 6/29/54
Copy to: Margret W. Verge, Agent for Mrs. E. W. York
Mrs. Margret W. Verge
Mrs. Helen V. Wallace
Mrs. J. M. Bagley
Mr. John N. Bagley
Mrs. Hattie W. Wright
Mr. L. R. Wright
Mrs. Bertha W. Ritzman
Mr. A. T. Ritzman

(Attached to Region VII copy).

Copy to: Mr. Irving Gumbel, EPS, GSA
Docket File
Mr. Hedges, 4604
Mr. Thayer, 4207 GSA Bldg.
Mr. Chambers
Mr. Houk
Field Team, Region VII
Admr. R. File
Operating Committee
Finance Office
Mr. Johnson

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

600

JUL 2 - 1954

Mr. Francis C. Bourne
Bourne Associates
P. O. Box 35
Murphy, North Carolina

Re: Docket No. DMEA-2995 - Mica
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract No. Idm-2472

Dear Mr. Bourne:

Transmitted herewith is a certification of discovery or development on Contract No. Idm-2472 on the Liberty Mine, Randolph County, Alabama.

By the terms of the Exploration Project Contract and of the certification, all production from the property from the date of the Exploration Project Contract, January 6, 1953, is subject to the Government's percentage royalty as set forth in the contract until a sum, which is subject to audit review, is paid or until January 6, 1963, whichever occurs first.

Payments should be made to Mr. Robert A. Laurence, Executive Officer, Defense Minerals Exploration Administration Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee. Checks should be drawn payable to the Treasurer of the United States. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check direct to the Executive Officer.

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

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

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

WCAnderson:gad 6/29/54

Copy to: Admr. R. File
Docket File
Mr. Johnson
Mr. Hedges, 4604
Mr. Chambers
Field Team, Region VII
Mr. Thayer, 5216 GSA Bldg.
Operating Committee
Mr. Hunt

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

FEB 23 1955

Mr. Francis C. Bourne
Bourne Associates
P. O. Box 35
Murphy, North Carolina

Re: Docket No. DMEA-2595 - Mica
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract No. Idm-E472

Dear Mr. Bourne:

Reference is made to our letter dated July 2, 1954, which accompanied a certification of discovery or development on Contract No. Idm-E472.

Please be advised that all production from the land described in the contract is subject to the Government's percentage royalty as set forth in the contract until the sum of $13,396.50 is paid or until January 6, 1963, whichever occurs first.

Payments should be made to Mr. Robert A. Laurence, Executive Officer, Defense Minerals Exploration Administration Field Team, Region V, Room 13, Post Office Building, Knoxville 2, Tennessee. Checks should be drawn payable to the Defense Minerals Exploration Administration. The purchaser should be advised to deduct the royalties from the amount due on each shipment and forward check to the Executive Officer.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:gad 2/18/55
Copy to: Admr. R. File
Docket
Mr. Johnson
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Hedges, 4604
Operating Committee
Field Team, Region V
Mr. Houk
Copy to Owners and attached to Region V copies to be forwarded:
Margret W. Verge, Agent for Mrs. E. W. York
Mrs. Margret W. Verge
Mr. and Mrs. J. M. Bagley
Mr. and Mrs. A. T. Ritzman
Mrs. Helen V. Wallace
Mr. and Mrs. L. R. Wright

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

FEB 11 1955

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

Re: Docket No. DMEA-2595 - Mica
Bourne Associates
Liberty Mine
Randolph County, Alabama
Contract No. Idm-5472

Dear Mr. Gumbel:

I am enclosing one copy of a certification of discovery or development relating to the subject contract.

The exploration contract was signed on January 6, 1953, with the Government participating to the extent of 90% of $18,000.00 or $16,200.00. The project was started on February 10, 1953, and was terminated December 31, 1953, by mutual agreement after the expenditure of $14,885.00 which is the total net cost according to the Audit Review. The Government paid 90% of the total accepted cost or $13,396.50.

The work performed on this project consisted of erecting a headframe, sinking 190 feet of shaft, 178 feet of which was timbered, and driving 103.5 feet of drift. The work resulted in the discovery of a pegmatite 5 to 7 feet thick near the shaft and 3.5 to 5 feet thick at end of drift. There was an occurrence of mica books up to 13 inches in diameter throughout the pegmatite and scattered beryl crystals up to 3 inches in diameter. The following inferred reserves were calculated:

Above 180 foot level (Pounds - Mica)	60,000 Book	3,600 Sheet
From 180 foot level to 270 foot level	100,000 Book	6,000 Sheet

About 6,000 pounds of "mine run" mica was recovered during operation. From 700 pounds of book mica 45.3 pounds of trimmed mica was obtained.

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

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

Mr. Killegaard, 5222
Operating Committee
Field Team, Region V

WCanderson:gad 2/9/55
Copy to: Admr. R. File
Docket
Mr. Johnson
Mr. Chambers
Mr. Houk
Mr. Hedges, 4604

Governm[illegible] Copy

Department of the INTERIOR
Defense Minerals Administration
RECEIVED
JAN 18 1954

TERMINATION OF EXPLORATION PROJECT CONTRACT BY AGREEMENT
AFTER COMMENCEMENT BUT BEFORE COMPLETION OF THE WORK

It is agreed this 31st day of December 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Francis C. Bourne, doing business as Bourne Associates, Murphy, North Carolina, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E 472, Docket No. DMEA-2595, dated 6th day of January 1953, that said contract shall be and is hereby terminated as of the first date above written.

The Operator shall promptly render to the Government a full and final report and final accounting of units of work performed under the contract to and including the date first above written. Any units of work performed after the date first above written shall be for the sole account of the Operator, without contribution by the Government.

None of the Government's rights under the contract with respect to a percentage royalty and lien for the payment thereof are prejudiced or in any way affected by this termination agreement.

The undersigned Operator hereby releases and agrees to save harmless the Government from all claims and demands under or arising out of said Exploration Project Contract, except as herein expressly otherwise provided.

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

UNITED STATES OF AMERICA

By Robert A. Lawrence
Executive Officer, DMEA,
Field Team, Region VII

BOURNE ASSOCIATES

By Francis C. Bourne
Owner

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

Defense Minerals Administration
RECEIVED
DEC 17 1953

December 15, 1953

Mr. Francis C. Bourne
Box 35
Murphy, North Carolina

Re: DMEA-2595, Idm-L 482 (mica)
Liberty Mine, Randolph Co., Ala.

Dear Mr. Bourne:

Receipt of your letter of December 12 is acknowledged, and I will attempt to answer your two objections to my letter of December 10.

First, as to discovery. The shaft has intersected more than six feet of mica-bearing pegmatite at a depth of about 100 feet below the old workings, and the drift was in mica-bearing pegmatite 3.5 feet thick or more, for at least 75 feet of its length. This indicates a potentially productive block of pegmatite of those dimensions, even though it may be marginal or even sub-economic in grade. If there is never any production, as you anticipate, then no one would pay any royalties to the Government, except for 5 per cent of the sales value of the mica which you obtained during the exploration, and the lien against production would expire on January 6, 1963.

Also, I wish to point out that the decision as to certification is not made here. Our Washington staff will weigh the evidence as contained in your final engineering and geological report as well as that in our final report, and their decision will be based upon study of both.

Second, as to the raise from the west drift. Exhibit "A" of the contract authorizes :"from the shaft drive a 5' x 7' level 200 feet long at the location approved by the Government." Not only is the raise not authorized; it is contrary to the intent of the project, as it is development in the direction of known pegmatite. It was begun without authorization by the Field Team or its representatives, and at no time during its progress was such authorization given. It goes up the dip of the pegmatite (25°) and is definitely a raise, not a "cross-drift." Therefore we cannot, at this late date, amend the contract to provide for work we did not authorize or approve.

I see no reason for getting the affidavits you mention. I am not questioning Mr. Sanders' integrity, but on the other hand, I have full confidence in the ability, judgment and integrity of Mr. O'Neill and

Mr. Teague. There has obviously been a misunderstanding of what was said. Your letter will be included in the file on this contract, and a copy sent to the Washington office immediately so that the Field Team's decision will be confirmed or corrected, as the case may be, by the Washington staff.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region 7

RAL/zm
cc:
Opr. Com.
Houk
Talbert
Larrabee
Lynch
O'Neill
Beck
File

COPY

COPY
(sic)

BOURNE ASSOCIATES
Spruce Pine, N. C.

December 12, 1953

Re: DMEA-2595
Idm-E 472
Liberty Mine - Mica

Mr. Robert A. Laurence
13 Post Office Building
Knoxville, Tenn.

Dear Mr. Laurence:

I wish to acknowledge receipt of your letter of December 10th. I wish to go on record that I do not agree with your statement that this operation should be certified as a discovery as it did not show enough mica to justify any sort of operation, in my opinion.

Over my years of experience in the business world in several different lines I have done a great deal of business with different government agencies and I am at a loss to understand the position taken in regard to work done under the ground. The last time Mr. O'Neill visited the Liberty Mine before his December 7th visit I arrived there just as he and Mr. Sanders finished their inspection of the underground workings. Mr. O'Neill made a statement in my presence to Mr. Sanders that since the word 'upraise' had been used in connection with the drift, the cross drift on west side of the shaft, that he had taken it off our October voucher but this was a mistake. He said that it was too flat to be called an upraise, that it was a drift, and that he would straighten it out on our November voucher. I asked them what they were talking about since this was the first knowledge that I had that the October voucher was questioned in any way. It was explained to me and again Mr. O'Neill stated that he would get it straightened out on the November report. Neither do I understand the statement or the attitude that Mr. Teague has taken since he told Mr. Sanders what he would do and what he would approve in presence of three other of our workmen. If you want affadavits from these other workmen, two of them can be gotten immediately, but the third man is in the army at present and it would probably take some time to get one from him. Mr. Sanders has been in my employ for seven or eight years and his integrity has never been questioned or challenged to my knowledge in any way. The amount of footage involved will neither make nor break Bourne Associates or the government, but I certainly want to protest to you on any such procedure as you have outlined in your letter being followed. I respectfully request that you and your committee give this matter further consideration before a final decision is made.

Very truly yours,

s/F. C. Bourne

copied by zm. CC: Beck, Lynch, Opr. Com. O'Neill, Laurence

C
O
P
Y

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

December 10, 1953

Mr. Francis C. Bourne
Bourne Associates
P. O. Box 35
Murphy, North Carolina

Re: DMEA-2595, Idm-E472(Mica)
Liberty Mine

Dear Mr. Bourne:

Last Monday, we examined the Liberty Mine, as scheduled. Mr. Teague, Mr. O'Neill, Mr. Pallister, Mr. Amos and I were all there and spent about an hour underground with Mr. Saunders.

All agreed that the east drift should be stopped. All the group considered that the west heading looked encouraging enough to continue, but in view of your urgent desire to stop the work, plus the fact that work to date has shown enough mica-bearing pegmatite to justify certification of discovery, we are willing to recommend termination at this time.

I must emphasize that the Field Team does not have authority to terminate a contract, and that the contract must be considered active until we receive, from our Washington office, authorization to terminate it. If that is received, we will immediately send to you for signature a termination agreement form. If such authorization is not received, it will be necessary to continue the work authorized by the contract.

We measured the drifts and find that a total of 103½ feet had been completed by December 7. If termination is approved, that is the total amount that will be approved for payment.

Very truly yours,

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

Government's Copy

BOURNE ASSOCIATES
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-2595

AMENDMENT NO. 2

It is agreed this 2nd day of September, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Francis C. Bourne, doing business as Bourne Associates, each acting in consideration of the agreement of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E472, Docket No. DMEA-2595, dated January 6, 1953, between the parties hereto, as amended, be further modified and amended as of January 6, 1953.

1. In Article 4, the figures "$16,200" and "$18,000" are hereby changed to read "$16,650" and "$18,500," respectively.

2. Under Exhibit "A":

(a) Under the heading "Description of the Work," the following is added: "A rigid headframe is to be constructed."

(b) Under the heading "Agreed Estimated Costs" the following item is added:

"Construct headframe at $500 1/," and the following footnote is added:"1/The completed headframe is the unit."

(c) Under the "Total Estimated Cost of Project" the figure "$18,000" is altered to read "$18,500" and under "Government Participation @ 90%" the figure "$16,200" is altered to read "$16,650."

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

ACTING By George C. Selfridge
Administrator, Defense Minerals Exploration Administration

BOURNE ASSOCIATES

By Francis C. Bourne
Francis C. Bourne

EXPLORATION PROJECT CONTRACT
Docket No. DMEA-2595
Idm-E472 (mica)
LIBERTY MINE

AMENDMENT NO. I

Contract Idm-E472, DMEA-2595, dated the 6th day of January 1953, between the UNITED STATES OF AMERICA, Acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Bourne Associates, hereinafter called "Operator," is amended as follows:

ARTICLE 3 is amended to provide that the Operator is to Complete the project within a period of twelve (12) months from the date of the Contract, instead of six (6) months as written in the original contract.

This amendment is necessary due to water encountered in shaft sinking, made progress slower than anticipated.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the costs which the Government may be obligated to pay, under the provisions of Article 4 of the contract form.

June 15, 1953.

Robert A. Lawrence
Executive Officer, DMEA Field Team
Region VII

BOURNE ASSOCIATES

By Francis C. Bourne
Francis C. Bourne, Owner

Docket No. [illegible] - 2595

Commodity [illegible]

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 472

Date of Contract ~~or Amendment~~ Sept. 2, 1953

Name and Address of Operator:

Bourne Associates
P. O. Box 35
Murphy, N. C.

Amount of Government participation _____ $ 16,650.00

Percent of Government participation 90 %

Region: V State: Alabama

Note: Please release $ 3,253.50

(Name)
J. L. Chambers
Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington.

2/23/55

54458

Doc[illegible] No. DMEA 2595

Commodity 472 Mica

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

AMENDMENT

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration, under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 472

Date of ~~Contract or~~ Amendment: September 2, 1953

Name and Address of Operator:
Bourne Associates
P. O. Box 35
Murphy, N. C.

Amount of Government participation $16,650.00

Percent of Government participation 90 %

Region: VII State: Alabama

Note: This document establishes the obligation shown above and cancels the previous obligation of $16,200.00

Jay L. Chambers
(Name)

J. L. Chambers,
Chief, Contract Administration and Audit Division
(Title)

Date Delivered to Bureau of Mines, Washington. Sept. 2, 1953

13908

Docket No. DMEA 2595

Commodity Mica

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

TO: Chief, Finance Section, Budget and Finance Branch, Bureau of Mines

Please enter on the records of the Defense Minerals Exploration Administration, under the Strategic and Critical Minerals Exploration Program, the following contract, or amendment to contract.

Contract No. Idm-E 472

Date of Contract January 6, 1953

Name and Address of Operator:

Francis C. Bourne, d/b/a
Bourne Associates
P. O. Box 35
Murphy, N. C.

Amount of Government participation $ 16,200.00

Percent of Government participation 90 %

Region: VII State: Alabama

(Name)

J. L. Chambers,
Chief, Contract Administration and Audit Division

(Title)

Date Delivered to Bureau of Mines, Washington. Jan. 6, 1953

13908

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 2595

COMMODITY Strategic mica

Government Copy

IDM-E 472

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 2 1953

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 6th day of January, 195 3, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Francis C. Bourne, doing business as Bourne Associates
P. O. Box 35
Murphy, North Carolina

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of Alabama, County of Randolph, described as ~~follows~~[3] set forth in Annex I, attached hereto and made a part hereof

the Operator represents and undertakes:[4]

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

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

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

ARTICLE 3. *Exploration project.*—The Operator, within 60 days from the date of this contract shall commence work on a project of exploration for[5] strategic mica

in or upon the described land; and shall bring the project to completion within a period of six (6) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 90 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $16,200.00 which is 90 percent of $18,000.00 the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

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

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

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

ARTICLE 6. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such net amounts.

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

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

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

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

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided*, that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

_____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Bourne Associates
(Operator)

By Francis C. Bourne, Owner

By O. Mitterdorf
Administrator, Defense Minerals Exploration Administration

I, _____, certify that I am the _____ secretary of the corporation named as Operator herein; that _____, who signed this contract on behalf of the Operator, was then _____ of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

_____ [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

BOURNE ASSOCIATES
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-2595

ANNEX I

The Liberty Mine located in SW$\frac{1}{4}$ of NE$\frac{1}{4}$, Sec. 1, Tp. 18, S., R. 10, E., as set forth in the lease dated February 1, 1951, to the Operator from Mrs. E. W. York, Mrs. Margret W. Verge, Mrs. Helen V. Wallace, Mrs. J. M. Bagley, John N. Bagley, Mrs. Hattie W. Wright, L. R. Wright, Mrs. Bertha W. Ritzman, and A. T. Ritzman, and recorded on March 20, 1951, in Deed Record 56, Pages 302, 303, 304, 305, in the Probate Court of Randolph County, Alabama.

BOURNE ASSOCIATES
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-2595

EXHIBIT "A"

Description of the Work

At approximately the location marked "Proposed Shaft" on the map entitled "Liberty Mica Mine, Randolph County, Alabama," attached hereto and made a part hereof, sink a vertical shaft 5 feet by 7 feet in the clear to intersect the pegmatite, but in no case deeper than 200 feet, including a 10 foot sump, and timbered where necessary with ring sets and lagging. From the shaft drive a 5' x 7' level 200 feet long at the location approved by the Government.

AGREED ESTIMATED COSTS

200 ft. of shaft @ $50.00/ft.	$10,000.00	
200 ft. of shaft timbering @ $10.00/ft.	2,000.00	
200 ft. level @ $30.00/ft.	6,000.00	
Total Estimated Cost of Project		$18,000.00
Government Participation @ 90%		$16,200.00

Docket No. DMEA-2595
972

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcels of ground in the county of Randolph, State of Alabama, described in a certain Exploration Project Contract dated _____, 1952, between Bourne Associates the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated February 1, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

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

Dated this 21st day of June, 1952

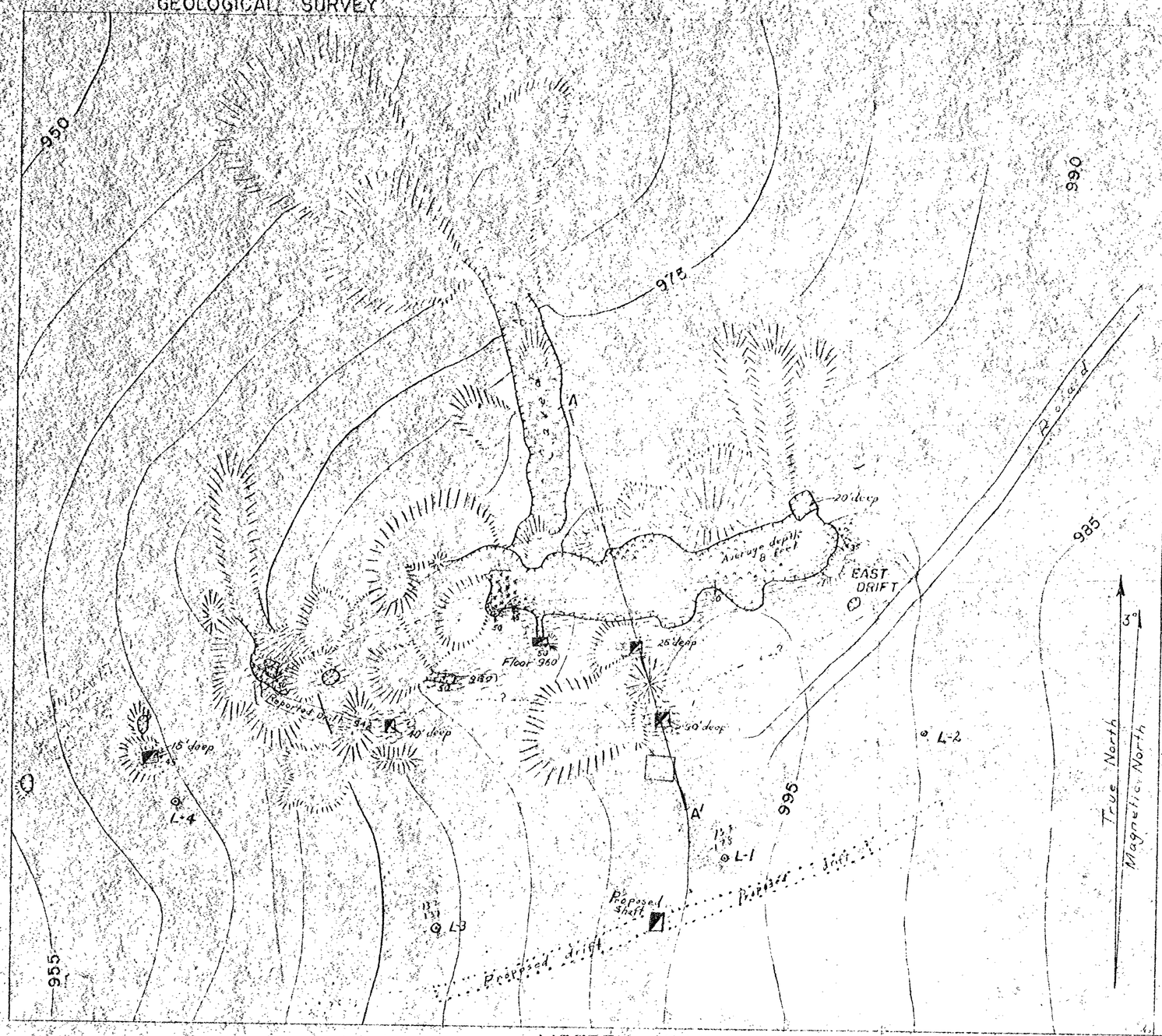
Mrs. E. W. York — Mrs. E. W. York
Mrs. Margret W. Verge — Mrs. Margret W. Verge
Mrs. Helen V. Wallace — Mrs. Helen V. Wallace
Mrs. J. M. Bagley — Mrs. J. M. Bagley
Mr. John N. Bagley — Mr. John N. Bagley
Mrs. Hattie W. Wright — Mrs. Hattie W. Wright
Mr. L. R. Wright — Mr. L. R. Wright
Mrs. Bertha W. Ritzman — Mrs. Bertha W. Ritzman
Mr. A. T. Ritzman — Mr. A. T. Ritzman

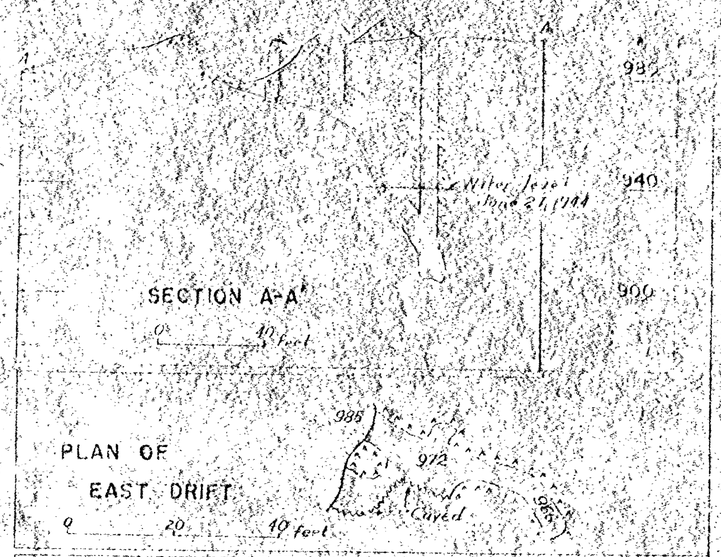
By

Margret W. Verge, Agent
Margret W. Verge, Agent

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

STRATEGIC MINERALS INVESTIGATIONS
PRELIMINARY MAP





EXPLANATION

- Muck
- Massive quartz
- Black mica concentration
- Feldspathic pegmatite (kaolin)
- Mica schist
- 70 Strike and dip of foliation
- 50 Contact, showing dip
- Contact, approximate
- Edge of open cut
- (972) Outline of underground workings, showing altitude of floor
- Approximate limit of workings down-dip
- Dump

Contour interval 5 feet. Datum assumed.

Mapped by J. C. Olson and E. Wm. Heinrich June 24 and 27, 1944

LIBERTY MICA MINE, RANDOLPH COUNTY, ALABAMA

0 40 80 120 160
Scale in feet