☑ Audited R.R. 1-20-54 WORK ANALYSIS SHEET -- DMEA PROJECT ☐ Actual Cost

☐ Certified Analysis as of 12-3-54 ☑ Agreed Unit Costs
Incl. Voucher for Nov. 1953

Name Smith Mica Company Docket No. 3046

State Ala. Commodity Mica Idm-E No. 593

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	80	2400			
Raising					
Shafts	80	3200	10	400	400
Winzes					
Drilling (Specify)					
Surface Excavation		400		160	160
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		6000		560 00	560 00

Prepared by L. G. H

Mrs Robertson

DEFENSE MINERALS EXPLORATION ADMINIST
CONTRACT ADMINISTRATION AND AUDIT DIV

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Fletcher Smith, S. M. Smith,
Noah Smith, and Fanny Smith
d/b/a Smith Mica Company
Route 2, Delta, Alabama

pertaining to Exploration Project Contract No. Idm-2593, Docket No. 3046, including Amendment No. 1, for the months of October, 1953 to N ber, 1953, inclusive, covering a project for the exploration of mica on property known as the Fletcher Smith Prospects, located in Clay County, Alabama.

My review included an examination of the Monthly Reports (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the Regional Field Team, 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:

the contract provides 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		$ $60.00
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$ 560.00

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 Five hundred four and no/100 Dollars

$504.00

is considered valid and proper.

E. P. Talbert, Auditor

January 20, 1954

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 1 3 1953

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

It is agreed this 7th 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 Fletcher Smith, S. M. Smith, Noah Smith and Fanny Smith, Partners, d/b/a Smith Mica Company, Route 2, Delta, Ala., hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E 593, Docket No. DMEA-3046, dated 31 st August 1953, that the said contract shall be and is hereby terminated as of the first date above written.

Any work prosecuted or costs incurred by the Operator after the date first above written shall be for the sole account of the Operator, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures, equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract.

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 W. M. Beck
~~Acting Executive Officer, Reg.~~ 7

SMITH MICA COMPANY
(Operator)

By Fletchy Smith

By S M Smith

By Noah Smith

By Fannie Smith

em

18262-1

Department of the Interior
Defense Minerals Administration
RECEIVED
SEP 23 1953
Division Copy

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Contract Amendment No. 1

DMEA-3046, Idm-E593 (mica) Fletcher Smith Prospects

Contract Docket DMEA-3046, Idm-E593, dated 31st August 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Fletcher Smith, S. M. Smith, Noah Smith, and Fanny Smith, partners, d/b/a Smith Mica Company, Delta, Alabama, is hereby amended as follows:

1. Article 3 is amended to read " The Operator, within 60 days from date of this contract shall commence work on a project of exploration for mica.....", instead of 30 days as written in the original contract.

This amendment is made because the operators could not obtain a bulldozer until sometime in October 1953.

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.

Dated:
September 17, 1953

SMITH MICA COMPANY

By Fletcher Smith
By S M Smith
By Noah Smith
By Fannie Smith

THE UNITED STATES OF AMERICA

By Robert A Lauren
Executive Officer, DMEA
Region VII

xx

DMEA-3046
Mica
Region VII

SMITH MICA COMPANY, DELTA, ALABAMA. Fletcher Smith Property, Clay County, Alabama.
Field Report recommending approval. The report was referred to the Commodity Group.

7-29-53
#245

DMEA-3046
Mica
Region VII

SMITH MICA COMPANY, DELTA, ALABAMA. Fletcher Smith Property, Clay County, Alabama.
Letter to the Field requesting a review of the application, an examination of the property if necessary, and report. Forwarded to the Field were copies of memoranda from the Bureau of Mines and the Geological Survey. Letter to the Applicant.

R
DMEA-3046
Mica
Region VII

SMITH MICA COMPANY, DELTA, ALABAMA. Fletcher Smith Property, Clay County, Alabama.
Letter to the Field forwarding a contract, signed by the Administrator, for execution. Approved for referral.

8-28-53
#261

MF-200 (A)
(February 1952)

DOCKET NO. DMEA-3040

COMMODITY Mica

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

Division Copy
IDM-E 593

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

IT IS AGREED this 31st day of August, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Fletcher Smith, S. M. Smith, Noah Smith, and Fanny Smith, Partners, doing business as Smith Mica Company, Route 2, Delta, Alabama

hereinafter called the "Operator," as follows: and as set forth in Annexes I and II attached hereto and made a part hereof:

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 the mineral rights in that certain land situated in the State of Alabama, County of Clay, described as follows:[3] in Annex I and indicated on the maps attached hereto and made a part hereof, entitled "Map No. 1, Sketch, Fletcher Smith Prospects, Clay County, Ala.," and "Map No. 2, Sketch, Location Plat, Fletcher Smith Prospects,"

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: None

(*b*) 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 30 days from the date of this contract shall commence work on a project of exploration for[5] Mica

in or upon the described land; and shall bring the project to completion within a period of 8 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 $5,400.00, which is 90 percent of $6,000.00, 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: **See Annex II, substituted for that part of 6(a) preceding the colon:**

(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

By O. Meadows
Administrator, Defense Minerals Exploration Administration

SMITH MICA COMPANY
(Operator)

By Fletchy Smith

By J M Smith

By Noah Smith

By Fannie Smith

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

EXPLORATION PROJECT CONTRACT
SMITH MICA COMPANY
DOCKET NO. DMEA-3046

ANNEX I

The land referred to in Article 2 of the contract form consists of approximately 5 acres of land containing what is known as the Fletcher Smith Prospects (Pit No. 1, Pit No. 2, and Pit No. 3). The 5 acres is a rectangular tract 600 feet long by 350 feet wide located in the east central portion of the NE¼ of the SE¼, Section 1, Township 19 S., Range 9 E., Clay County, Alabama. The location and boundaries are shown on Map No. 1 and on Map No. 2.

EXPLORATION PROJECT CONTRACT
SMITH MICA COMPANY
DOCKET NO. DMEA-3046

ANNEX II

The following provisions are in lieu of all of paragraph (a) of Article 6 which precedes the colon:

If the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after a sufficient, complete, final report and final account referred to in the contract has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development, The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2, as follows: (1) Regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

EXPLORATION PROJECT CONTRACT
SMITH MICA COMPANY
DOCKET NO. DMEA-3046

EXHIBIT "A"

Description of the Work

The project work shall be done in three stages. The second and third stages shall not be started until after the completion of Stage I, and then only with the written prior approval of the Government engineers. The work of these two stages may be performed separately or concurrently, when approved by the Government engineers who also shall approve the location, direction, and extent of all project work.

Stage I

This stage shall consist of cutting bulldozer trenches at Pit No. 1 and Pit No. 3, indicated on Map No. 1. Each trench shall be approximately 75 feet long, 20 feet wide, and 6 feet deep.

Stage II

This stage shall consist of sinking a shaft in cross section 5 feet by 7 feet in the clear, in the vicinity of Pit No. 1, to a depth of 40 feet, and drifting or crosscutting from the bottom of said shaft a distance of not more than 40 feet.

Stage III

This stage shall consist of sinking a shaft in cross section 5 feet by 7 feet in the clear, in the vicinity of Pit No. 3, to a depth of 40 feet, and drifting or crosscutting from the bottom of said shaft a distance of not more than 40 feet.

Agreed Unit Costs

Bulldozer trenching, 40 hours @ $10.00/hr.	$400.00
Shaft sinking, 80 feet @ $40.00/ft.	3,200.00
Drifting or crosscutting, 80 feet @ $30.00/ft.	2,400.00

Total Cost of Project	$6,000.00
Government Participation at 90%	$5,400.00

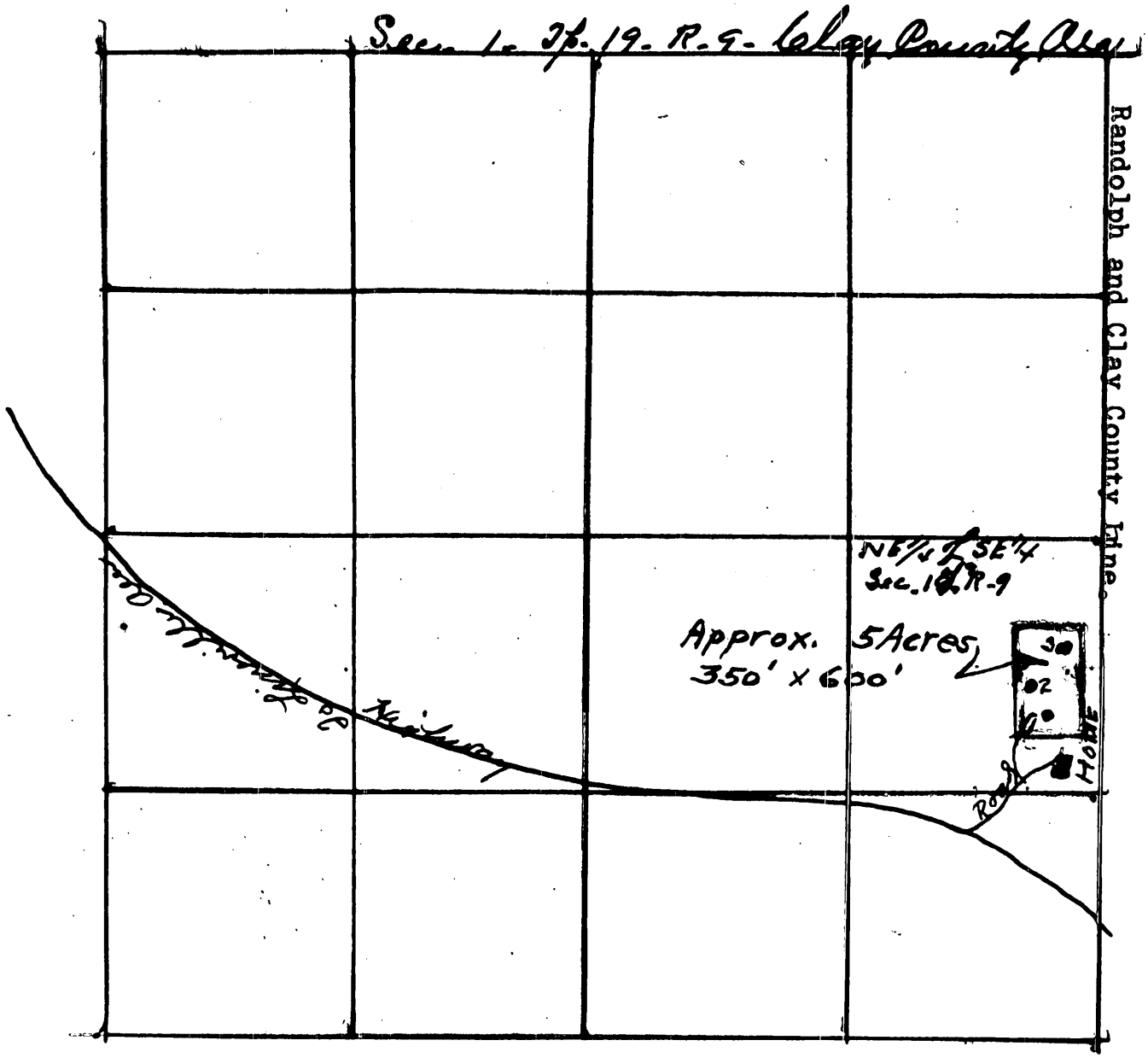
MAP NO. 2

SKETCH

Location Plat

Fletcher Smith Prospects

Sec. 1- Tp. 19- R. 9- Clay County Ala.



DMGR 3046

FEB 24 1954 600

Mr. Fletcher Smith
Smith Mica Company
Route 2
Delta, Alabama

Re: Docket No. DMEA-3046 - Mica
Smith Mica Company
Fletcher Smith Prospects
Clay County, Alabama
Contract No. Lim-2593

Dear Mr. Smith:

We are pleased to advise you that your performance of exploration work under the subject contract has been satisfactory to the Government, and the account relating thereto has been closed. The final audited and settled account shows:

Total claimed for units of work performed	$560.00
Total Government contribution at 90 percent	$504.00

Your attention is called to the provision of the contract which requires you to keep and preserve your records and accounts of this transaction for a period of three years for possible future reference.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the exploration contract. In the absence of such certification, the Government retains no claim or lien against the property or any production therefrom except with respect to any production between the date of the contract and the end of the period within which the Government may make such certification.

The Government is grateful for your participation in the exploration program of the Defense Minerals Exploration Administration.

Sincerely yours,

C. O. Mittendorf
Administrator

JHopkins:gad 2/18/54
Copy to: Admr. R. File
Docket File
Field Team, Reg. 7
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

February 18, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-3046 - Mica
Contract No. Edm-8593
Fletcher Smith Prospects
Clay County, Alabama

Operator: Fletcher Smith, S. M. Smith, Noah Smith and Fanny Smith, a partnership doing business as Smith Mica Company

Operator's Property Rights: Owner

Contract: Dated August 31, 1953.

Work authorized:

Bulldozing Trenches 40 hrs. @ $10/hr.	$400.00
Sinking Shaft 80 ft. @ $40/ft.	3,200.00
Drifting or Crosscutting 80 ft. @ $30/ft.	2,400.00
Estimated Cost	$6,000.00

Government participation @ 90 percent $5,400.00

Amendments: No. 1 dated September 17, 1953, extends starting date from 30 days as written in the contract to 60 days from date of contract.

Work completed:	Total Cost	Unit Cost
Bulldozing Trench 75'x 20'x 6' 335 cu.yds.	$160.00	48¢/cu.yd.
Sinking Shaft 10 ft.	400.00	$40.00/ft.
Total Cost	$560.00	
Government participation @ 90 percent	$504.00	

Work was completed November 2, 1953.

Audit: Report of Review by Contract Administration and Audit Division dated January 20, 1954.

Certification: None issued.

Comments:

Three mica prospects on this property were examined by members of the Field Team, Region VII who found that two of these deposits warranted further limited exploration.

In Prospect No. 1 several thin sills and lens-like pods were exposed in a pit 20 feet in diameter and 15 feet deep. Approximately 2,500 pounds of good quality mica had been taken from the pit.

A pegmatite more than 8 feet thick was exposed in a pit 8 feet deep on Prospect No. 3, in which mica up to 6 inches in diameter was observed.

The examiners recommended that assistance be granted to explore these two deposits by trenching. If results from trenching showed sufficient mica-bearing pegmatite, 40-foot test shafts with 40 feet of drifts were to be sunk at each locality.

An incline was extended in Prospect No. 1 at operators expense with negative results. However, a trench 75' x 20' x 6' was bulldozed on Prospect No. 3 and a 5' x 7' shaft was sunk to a depth of 10 feet under this project. A 4 ft. pegmatite was found in these workings but the poor showing of mica did not warrant further work. About 200 pounds of badly ruled, curved and stained mica was recovered during the operations. Because the small amount of poor mica found would not permit a profitable operation, it was concluded that no discovery was made.

James Hopkins
Nonmetallic Minerals Division

JHopkins:gad 2/18/54

Copy to: Admr. R. File
Docket File
Mr. Houk

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

DEPARTMENT OF THE INTERIOR
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February 4, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3046

Contract Number: Idm-E593

Applicant: Smith Mica Company

Name and Location of Property: Fletcher Smith Prospects
Clay County, Alabama

Date of Field Team Report: January 8, 1954

Date Rec'd by Ceramic & Fertilizer Mats. Branch: February 3, 1954

Field Team Recommendation:

1. No certification of discovery or development.

Comments:

1. Mica recovered at Pit #3 was badly cracked and stained.

2. Expenditures:

Total approved	$6,000
Total costs	560
Government's share	504
Value	None

Recommendation:

I concur in the field team's recommendation to deny certification of discovery or development.

Signed

W. F. Dietrich

IN REPLY REFER TO:

G-AIL-CRM

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

Defense Minerals Administration
JAN 20 1954

January 19, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3046 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Fletcher Smith, S. M. Smith, Noah Smith, and Fanny Smith -- (Smith Mica Co.)
Name of property: Fletcher Smith Prospects
Location of property: 5 miles by road south of Delta, Clay Co., Alabama, near the Clay-Randolph county line.
Date of field team report: January 5, 1954.
Authorship of field team report: K. H. Teague, J. F. O'Neill, D. H. Amos.
Field team's recommendation: No certification of discovery should be issued.
Comments:
Because no significant quantity of commercial mica was discovered, no further work is recommended.
ACTION RECOMMENDED:
Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
1/19/54
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Larrabee

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

December 16, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3046, Mica

Contract No.: Idm-E-593

Applicant: Smith Mica Company

Name and Location of Property: Fletcher Smith Mine, Clay County, Alabama

Date of Field Team Interim Report: November 23, 1953

Date Rec'd by Ceramic & Fertilizer Materials Branch: December 8, 1953

Field Team Recommendation: The operator requested permission to cancel this project and the field team concurs with the operator.

Comments:

1. A vertical shaft was sunk 10 feet in the center of the bulldozer cut. A dike, 4-feet wide, was exposed, but it was poorly zoned, contained scattered mica books of small grade, and iron stained kaolin.

Recommendation:

I concur in the field team's recommendation to terminate this contract. However, I suggest the field team submit a final report with a breakdown of the total expenditures.

W. F. Dietrich

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 169
PAYMENTS BOOK-37
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1953 Docket No. DMEA 3046 Contract No. Idm-E 593
Operator's Name Smith Mica Company Minerals Mica
Address Rt. 2, Delta, Alabama
Contract Amount, $ 6000.00 Government Participation: 90 % Amount, $ 5400.00

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:						
Drilling						
Bulldozing		$160.00	$160.00			
Crosscutting						
Drifting						
Sinking	$400.00		400.00			
(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	$400.00	$160.00	$560.00	400.00	160.00	560.00

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

Date 12-11-53 *Payee Smith Mica Company

Per Fletcher Smith Title Manager

*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:

$ 360.00

Signature Carl A. Fiser
(Authorized Certifying Officer)

Date DEC 22 1953 Vou. No. 169

(See other side)

2 40.00

(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-593 in accordance with the terms of the contract.

Signature J. F. Neill Title Engineer Date 12-14-53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lamme Title EXECUTIVE OFFICER DMEA REGION VII Date DEC 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-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 28 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1953 Docket No. DMEA 3046 Contract No. Idm-E 593
Operator's Name Smith Mica Company Minerals Mica
Address Rt. 2, Delta, Alabama

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	10'	$400.00	10'	$400.00	10'	$400.00		
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching				$160.00	16 hr	160.0		
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		$400.00		$560.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
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 12-11-53 Operator Smith Mica Company

Per Fletcher Smith Title Manager

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

OPERATORS
MONTHLY PROGRESS REPORT
for the
MONTH OF NOVEMBER, 1953

DEC 28 1953

DMEA No. 3046
Idme-E 593

Work Accomplished

Nov. 2, Started work on shaft 5'feet by 7 feet. Recovered small amount of mica- small and badley stained. Bryan Luker and N. J. Smith with Fletcher Smith- worked eight hours, debth of shaft approximately two feet. Purchased 15 sticks dinamite, 50 feet of fuse and 25 caps- $4.38

Nov. 3. Worked in shaft, formation very hard- made three shots, and recovered small amount of mica., pit down about four feet. Bryan Luker, N. J. Smith with Fletcher Smith, worked eight hours.

Nov. 4, Shaft down six feet, mica in the North end of shaft mica small put some improvement in grade. Bryan Luker, N. J. Smith with Fletcher Smith worked eight hours. Shaft down about six feet.

Nov. 5, Mica recovered shows a little better grade, but small and cracked. Shaft down about eight feet, Bryan Luker, N. J. Smith with Fletcher Smith, worked eight hours.

Nov. 6, Made platform and windless. Shaft down nine feet, and mica small and stained. Worked eight hours- Bryan Luker, N. J. Smith with Fletcher Smith.

No. 7. Shaft down about ten feet, very little mica. Stopped work for Government inspection.

Nov. 10, Mr. J. F. O'Neill visited the mine and recommended that worked be discontinued.

November 28, 1953

Smith Mica Company,

By Fletcher Smith Manager.

60.

DEC - 4 1953

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

Re: Docket No. [illegible] - Ala
Smith Mica Company
Fletcher Smith Prospects
Clay County, Alabama
Contract No. Ida-[illegible]53

Dear Mr. Laurence:

Reference is made to the field Interim report dated November 23, 1953, recommending terminating the subject project.

We concur with your recommendation to terminate this contract by mutual agreement.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

D. M. Larrabee

Member, Geological Survey

JRRobertson:ag 12/3/53

Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232, GSA Bldg.
Mr. Houk

RECEIVED
DEC 26 1953

November 23, 1953

Interim Report

DMEA No. 3046 - Mica
Fletcher Smith
Delta, Alabama
Contract No. Idm-E-593.

Subject project was visited November 19, 1953 with Ben Gildersleve.

A vertical shaft 5 feet by 7 feet was sunk 10 feet on the dike. Its location was in the center of the exposure in the bulldozer cut.

The dike exposed was four feet wide. It was poorly zoned, contained iron stained kaolin, bunches of quartz, and small scattered mica books. The books were all less than one inch size.

The operator's opinion was that the poor showing of mica in the bulldozer trench and the shaft indicated that further work at this project was not warranted and that he would prefer to spend his time and money on other prospects in the vicinity that appear more promising.

We concur with the operator and recommend that this contract be cancelled.

J. F. O'Neill

J. F. O'Neill, Mining Engineer
Mining Development Branch
Mining Division, Region VII

Ben Gildersleve
U. S. Geological Survey

JFO'Neill:al
cc: Regional Director, Reg. VII
R. A. Laurence, orig. & 5
V. J. Lynch
A. A. McKinney
Ben Gildersleve
J. F. O'Neill
Day File, File

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

Mr. Robertson

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

129

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID VOUCHER & SCHEDULE OF PAYMENTS K- 28

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1953 Docket No. DMEA 3046 Contract No. Idm-E 593
Operator's Name Smith Mica Company Minerals Mica
Address Rt. 2, Delta, Ala.
Contract Amount, $ 6000.00 Government Participation: 90 % Amount, $ 5400.00

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						
Bulldozing						
Crosscutting	$160.00	0	$160.00			
Drifting						
(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	$160.00	0	$160.00	160.00		160.00

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

Date Oct. 31, 1953 *Payee Smith Mica Company

Per Fletcher Smith Title Manager

*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:

$ 144.00

Signature Geo. A. Piper
(Authorized Certifying Officer)

Date NOV 12 1953 Vou. No. 129
(See other side)

1 $ 10/31/53

16.00

(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. E593 in accordance with the terms of the contract.

Signature J. T. O'Neill Title Engineer Date 11/5/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

OPERATOR'S UNIT COST AND PROGRESS REPORT

Defense Minerals Administration
RECEIVED
NOV 16 1953

Month of October 1953 Docket No. DMEA 3046 Contract No. Idm-E 593
Operator's Name Smith Mica Company Minerals Mica
Address Route #2, Delta, Ala.

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								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	16hrs	$160.	16hrs	$160.00	16	$10.00	20	$10.00
Test Pits								
Roads and Trails								
								TOTAL COSTS AUTHORIZED BY CONTRACT
TOTAL DISTRIBUTED COSTS		$160.00	16	$160.00				
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
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 Oct 31, 1953 Operator Smith Mica Company

Per Fletcher Smith Title Manager

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

DIVISION OF ORE PURCHASE
Defense Materials Administration
RECEIVED
NOV 16 1953

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of October, 1953

DMEA No. 3046
Idm-E 593

Work Accomplished

October 7. Started with D C 7 Tractor, worked 3½ hours. Small amount of mica recovered mostley in surface material.

October 8. Worked 8½ hours, O'Neill visited project and recommended trench be changed to cut along the dike.

October 9. Worked four (4) hours with dozer, Dike exposed fifteen feet deep on South face, mica showing poor, some large sized books uncovered, badley stained and cracked. Held up further work for Government examination.

October 31, 1953, Smith Mica Company

Per Fletcher Smith Manager.

October 13, 1953

Interim Report

DMEA No. 3046 - Mica
Smith Mica Co.
Delta, Alabama
Contract No. Idm-E-593

Subject project was visited on October 8, 1953. Work was started at location of pit No. 3; seven hours work was completed at the site with a D-7 Caterpillar bulldozer. The trench was 50' long, 12' high, running in a N 50 E direction. It crossed the dike near the center. Small books of ruby mica were exposed in the dike; a few of them would trim 1" x 2". The dike was about 5' wide and dipped steeply northeasterly, trending N 10° W.

Since the time of the original examination, the applicants had extended an incline down dip at the location of pit No. 1. They reported that they recovered no critical mica in this work. The dike consisted of a series of narrow seams in the wall rock and did not indicate any promising return for future work.

It was recommended to the operator that the trenching at pit No. 3 be done in the direction of the trend of the dike and, at the completion of the 20 hours allocated for this work, that the field team be advised so that an examination could be made in order to determine the feasibility of continuance of the work under stage II.

It was suggested, in view of the unfavorable exposure made by the recent work at pit No. 1, that no further work be done at this location. The operator reaction was favorable to this suggestion.

A notice was received from the operator October 12 that the bulldozer work was completed at the project. It is considered advisable that the project be reexamined with Teague during this week in order to determine the feasibility of continuation of the work under stage II at location No. 3.

J F O'Neill

J. F. O'Neill
Mining Engineer, Reg. VII

JFO'Neill:al
cc: Regional Director, Reg. VII
R. A. Laurence, orig. + 5
V. J. Lynch — K. H. Teague
A. A. McKinney — J. F. O'Neill
Day File — File

September 29, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Docket No. DMEA-3046 - Mica
Smith Mica Company
Fletcher Smith Prospects
Clay County, Alabama

Re: Amendment No. 1

This Division approves Amendment No. 1 executed September 17, 1953 by Robert A. Laurence, Executive Officer, DMEA Region VII.

The amendment simply allows another 30 days in which to start the project. No change is made in approved costs.

/s/
J. T. Robertson
Nonmetallic Minerals Division

JTRobertson:gad 9/29/53

Copy to: Admr. R. File
Docket File
Mr. Houk

600

AUG 31 1953

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

Subject: Docket No. DMEA-3046 - Mich
Smith Mica Company
Fletcher Smith Prospects
Clay County, Alabama

Dear Mr. Laurence:

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

Please call to the attention of the Operator that the parcel of ground accepted as covering Pits Nos. 1, 2, and 3 is taken as a rectangular tract 350 feet by 600 feet as shown in Map No. 1 attached to contract.

If the contract meets with your approval present it to the Operator for its approval and signature. Please explain to the Operator that the contract, when executed, is a firm commitment under the terms of which it is obligated to complete the work outlined at the agreed unit cost. If any part of this contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

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

Copies of memoranda from the Bureau of Mines and the Geological Survey are enclosed.

Sincerely yours,

Ernest Wm. Ellis

ACTING Chairman, Operating Committee

Approved:

M. H. Kline

Member, Bureau of Mines
D. M. Larrabee

Member, Geological Survey

Enclosures 10

JTRobertson:gad 8/28/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

IN REPLY REFER TO:
G-ML-ON

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

August 7, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3046 (mica)

To: L. G. Heuk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Smith Mica Co., Route 2, Delta, Alabama.
Name of property: Fletcher Smith prospects.
Location of property: 5 miles south of Delta in Clay County, Alabama.
Date of field team report: July 21, 1953.
Authorship of field team report: K. H. Teague and James F. O'Neill.
Field team's recommendation:

Stage 1. 40 hours bulldozing.
Stage 2. 2 - 40' shafts.
80' drift.

Total $6,000

Comments:

Unless the applicants plan to work both shafts simultaneously, and have been proven duly qualified and equipped, it is suggested that 3 instead of 2 stages be set up.

Stage 2. 1 shaft and drift.
Stage 3. 2nd shaft and drift.

If Stage 2 is well performed, Stage 3 could be permitted even though Stage 2 yields negative results.

ACTION SUGGESTED:

I see no point in committing ourselves to the entire program in 2 stages, thus differing from the Field Team proposal. Otherwise, I agree with the Field Team.

D. M. Larrabee

Larrabee:jeh
8/7/53
cc: Director's reading 4212
Branch reading 4212
DMEA
Larrabee files

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

Department of the Interior
Defense Minerals Administration
RECEIVED
AUG - 4 1953

August 4, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3046, Mica, Fletcher Smith, Clay County, Alabama

I concur in the field team's recommendation for an exploration program in the amount of $6,000.

W. F. Dietrich

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JULY 1953

July 22, 1953

Memorandum

To: Chairman Operating Committee, D M E A - Washington

From: Field Team, D M E A - Region VII

Subject: Field Examination Reports.

Transmitted herewith are four copies each and six extra map copies each of the following reports:

DMEA-3046, Fletcher Smith Prospects (mica) Alabama

DMEA-3083, Buchanan Mine (mica) North Carolina

The Field Team concurs in the recommendations set forth in the above reports.

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

Wm. A. Beck, for V. J. Lynch
U. S. Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
7-29-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF FIELD EXAMINATION BY FIELD TEAM, REGION VII

ON
(Mica)

DMEA-3046, FLETCHER SMITH PROSPECTS
Clay County, Alabama

By
Kefton H. Teague, Geologist
U. S. Geological Survey

James F. O'Neill, Mining Engineer
U. S. Bureau of Mines

July 21, 1953

Reviewed by
DMEA OPERATING COMMITTEE

7-29-53
(Date)

FIELD EXAMINATION REPORT
ON
FLETCHER SMITH PROSPECTS

DMEA-3046

Applicant: Smith Mica Company, c/o Fletcher Smith, R/2,
Delta, Alabama

Three prospects were examined, two of which may have merit for limted exploration. The examiners recommend that assistance be granted in two stages. Mica from these deposits have been classified as suitable for stockpiling by the Spruce Pine Depot.

These prospects were examined July 10, 1953. Messrs. S. M. Smith, Fletcher Smith and Noah Smith, accompanied the examiners on the inspection which required three hours.

The Smith prospects are in Clay County, Alabama, near the Clay-Randolph County line. They are about five miles by road south of Delta. Access is excellent.

The applicants have had some experience in mica mining and preparation, and appear capable of conducting the proposed exploration.

Area covered by the application and owned by applicants, is adequate for the porposed work.

Three openings have been made on the property, approximately as shown on the attached sketch map. There are no building at the deposit and none are required for the proposed work.

Pit No. 1 is circular in plan, 20 feet in diameter and 15 feet deep. Several thin sills and lens-like pods of pegmatite are exposed in the pit, enclosed by weathered mica garnet schist whose foliation strikes N. 10° E, dipping 35° SE. The greatest thickness of any pegmatite exposed is two feet. The Smiths' report that 2500 pounds of mica was taken from the pit, 2000 pounds of which were scrap. Approximately 25 pounds of full-trimmed pattern has been worked from the 500 pounds processed. The mica is of good quality and occurs mostly in "burr" pegmatite.

Pit No. 2- is about 6 feet deep and exposes sills of pegmatite stringers less than 15 inches thick. All of the mica found in this pit is very small.

Pit No. 3 - is 8 feet deep and exposes a pegmatite more than

8 feet thick. The pegmatite is weathered and strikes to the north, dipping steeply southeast in mica schist. Most of the mica observed occurs in "burr" facies of the pegmatite. Sizes up to 6 inches across are exposed, although most of it is smaller. The mica is ruby colored, hard and clear. The chief defect is reeves.

Adequate mining equipment and supplies may be obtained locally for the proposed project.

The examiners recommend that assistance be granted in two stages. Stage I should consist of cutting a bulldozer trench 20 feet wide, 75 feet long, and six feet deep in a north-south direction at pits 1 and 3.

If results from the trenching show sufficient mica-bearing pegmatite, 40-foot test shafts with 40 feet of drift from each should be constructed at each locality.

Estimated Cost

STAGE I	
40 hrs. bulldozing @ $10.00/hr.	$ 400.00
STAGE II	
2 - 40-foot shafts @ $40.00/ft.	3,200.00
80 feet, drift @ $30.00/ft.	2,400.00
Estimated Total Cost of Stages I and II	$6,000.00

Estimated time 80 shifts.

K. H. Teague, USGS

J. F. O'Neill, USBM

July 22, 1953

xm.

Mr. Fletcher Smith
Smith Mica Company
Route 2
Delta, Alabama

JUN 22 1953

Re: Docket No. DMEA-3046 - Mica
Smith Mica Company
Fletcher Smith Property
Clay County, Alabama

Dear Mr. Smith:

Your application for assistance in exploring your property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for a field examination, should he deem it necessary.

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

Sincerely yours,

C. O. Mittendorf

Administrator

JTRobertson:gad 6/18/53
Copy to: Admr. R. File
Docket File
Field Team, Region VII
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

600 JUN 22 1953

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

Subject: Docket No. [illegible]-3046 - Mica
Smith Mica Company
Fletcher Smith Property
Clay County, Alabama

Dear Mr. Laurence:

A field team review is requested of this exploration assistance application, and if necessary, a field examination should be made of the subject mine.

Enclosed please find memoranda on this docket by the Bureau of Mines and the Geological Survey.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

A. R. Kinkel, Jr.
Member, Geological Survey

Enclosures 4

JTRobertson:gad 6/18/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

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

June 15, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3046, Mica, Fletcher-Smith Property
Clay County, Alabama

No data are available in this office on subject property. It is suggested that the field team visit this property when a member of the field team is in that vicinity to ascertain if an exploration program is justified.

Signed

W. F. Dietrich

IN REPLY REFER TO:

G-MD-CNM

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

Memorandum

May 28, 1953

REVIEW OF APPLICATION DMEA-3046 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant's name and address: Smith Mica Co., Rt. 2, Delta, Alabama.
Name of property: Fletcher Smith property (S. M. Smith prospects)
Location of property: NE¼SE¼, S. 1, T. 19 S., R. 9 E., Clay Co., Alabama, near Randolph Co. line.
Summary of applicant's proposal:

1. Inclined shaft (50°-60°) 100' deep on pegmatite.
2. 200'-300' drifts.

Sources of information on applicant's property:
Mica deposits of the SE Piedmont, U. S. Geological Survey Professional Paper 248-G, pt. 11, Alabama Dist., page 440

Comments:
Doubtful if any moderate quantity of strategic mica can be produced. Data, below, indicate 16" maximum thickness of pegmatite, and the mica contains black mineral inclusions.

"The S. M. Smith prospects are in Clay County, near the Randolph County line, in the NE¼SE¼ sec. 1, T. 19 S., R. 9 E. (location 75, pl. 43). They lie about a third of a mile southwest of the Clein scrap-mica deposit. The property is owned by S. M. Smith, who dug several shallow pits and a 15-ft. incline (now inaccessible) in 1943 and 1944. The pegmatite body, which appears to strike northeast and dip moderately southeast, is reported to be 16 in. in maximum thickness. Most of it is an aggregate of kaolinized feldspar, quartz, and small muscovite. A few blocks of massive white quartz occur on the dumps. The mica is medium- to dark-brown and brownish-olive "A" material that contains scattered black mineral specks. The proportion of scrap is very high."

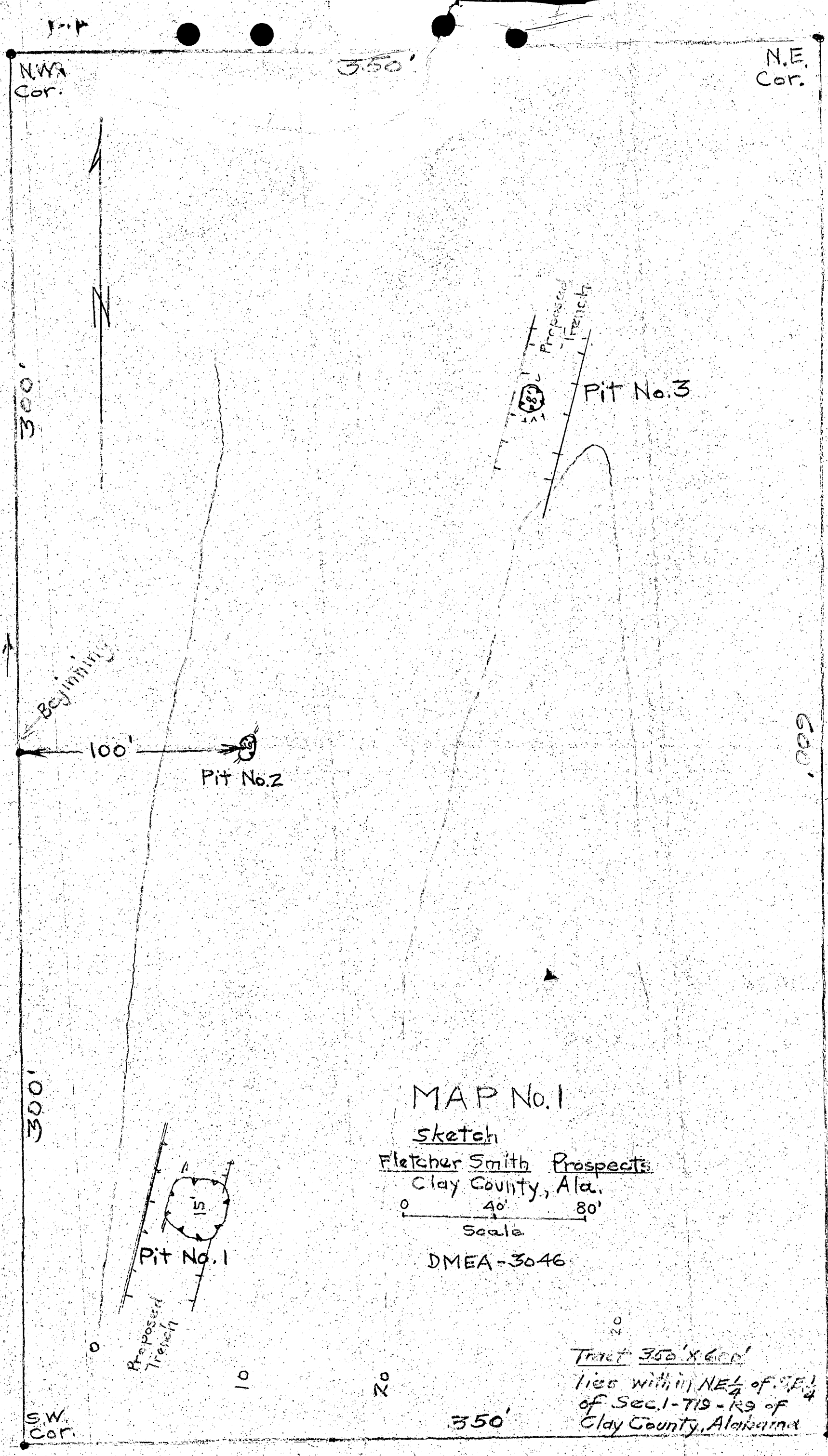
RECOMMENDATION:
Refer to field team for their consideration, and examination if they think it advisable.

D. M. Larrabee

Larrabee:jeh
G-5/28/53

cc: Director's read. 4212
Branch read. 4212
DMEA (3)

Larrabee G-230



MAP No.1

Sketch

Fletcher Smith Prospects

Clay County, Ala.

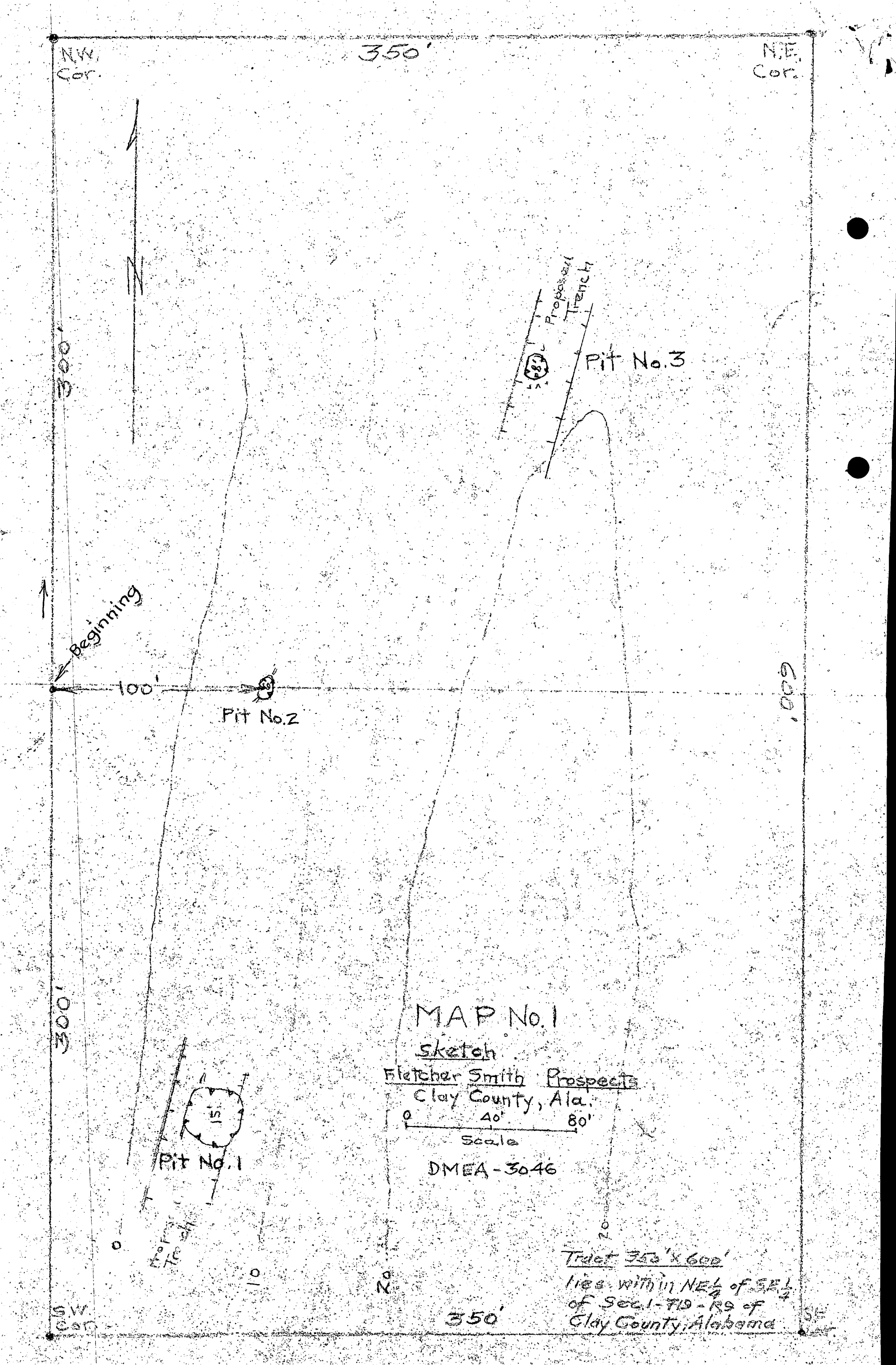
0 40' 80'

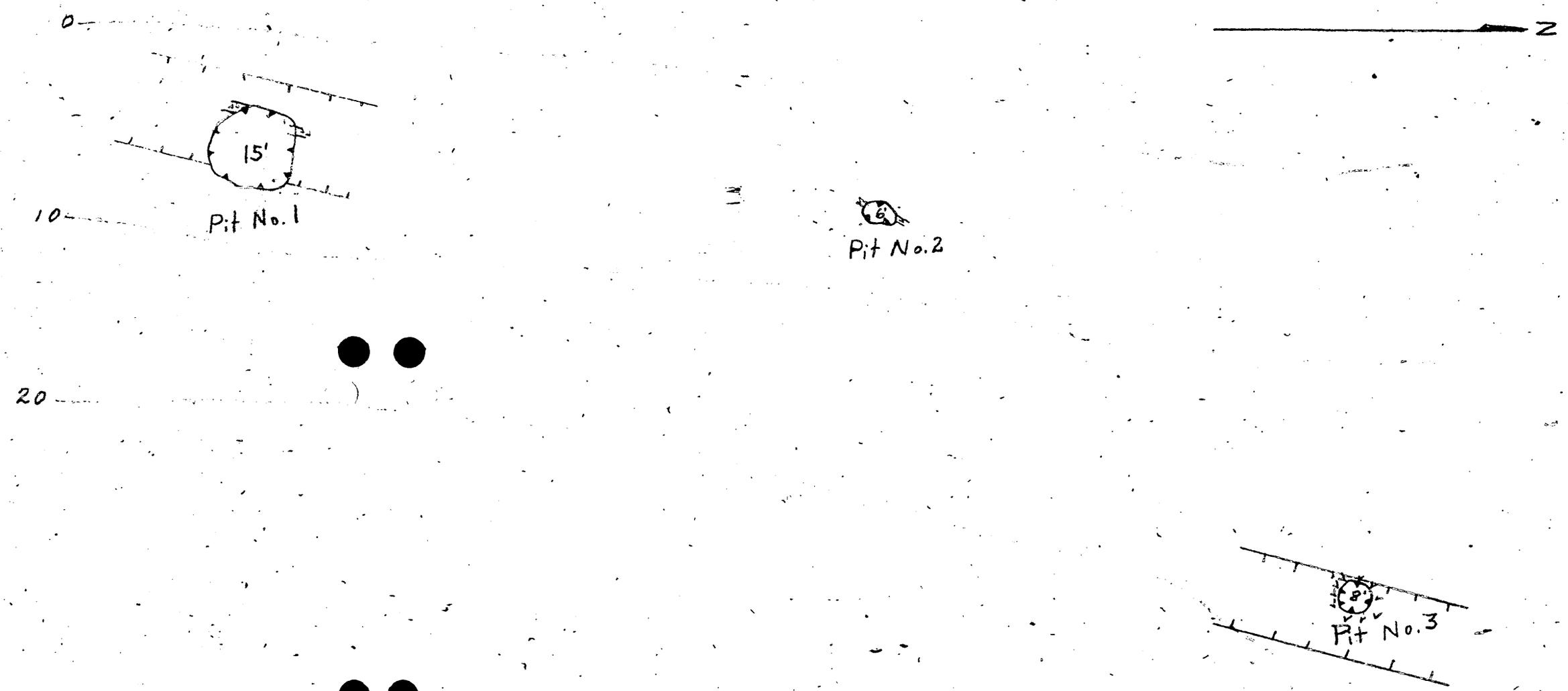
Scale

DMEA-3046

Tract 350'x600'

lies within NE¼ of SE¼ of Sec.1-T19-R9 of Clay County, Alabama

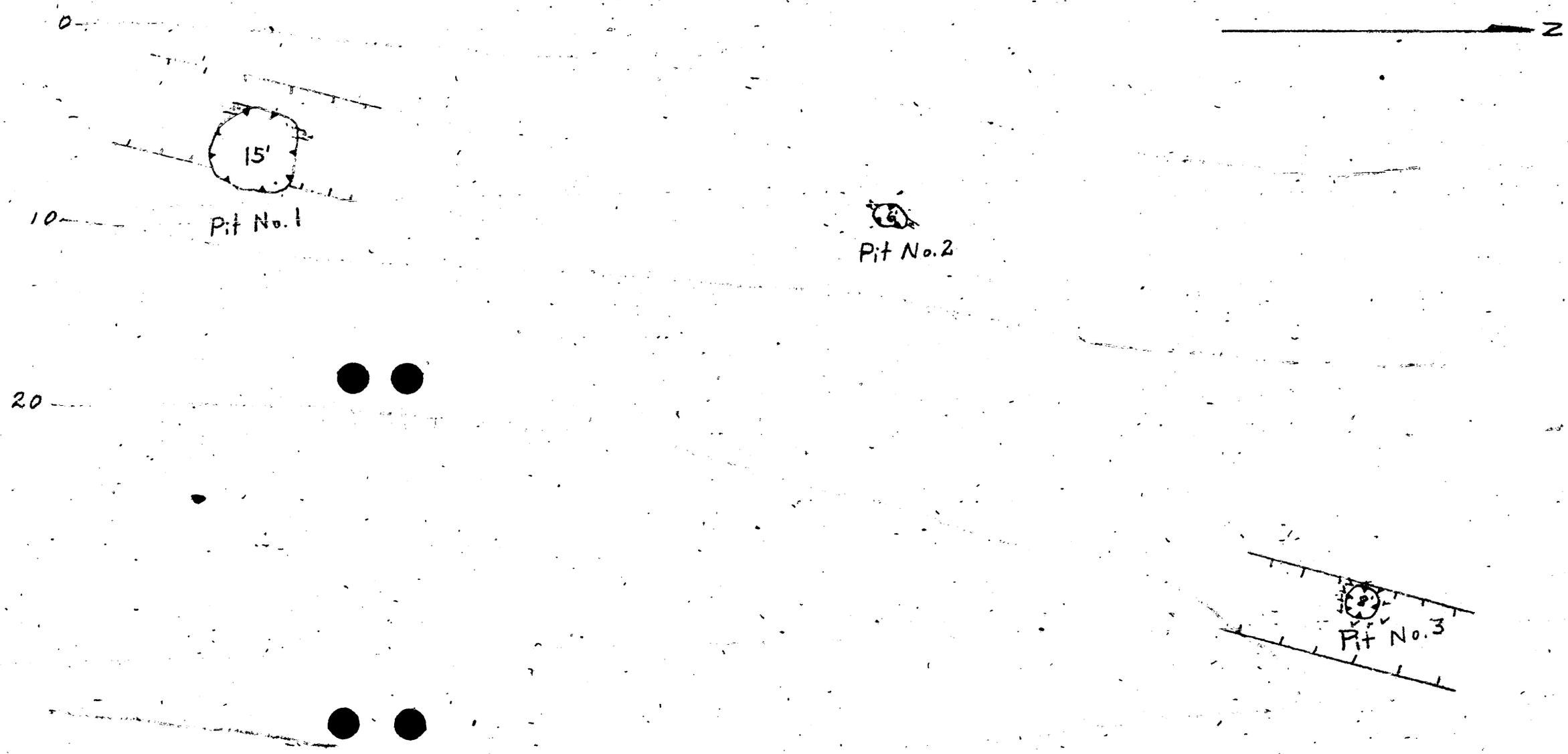

N.W. Cor.
350'
N.E. Cor.
N
300'
Proposed Trench
Pit No.3
Beginning
100'
Pit No.2
600'
300'
Pit No.1
MAP No.1
Sketch
Fletcher Smith Prospects
Clay County, Ala.
0 40' 80'
Scale
DMEA-3046
Tract 350' x 600'
lies within NE¼ of SE¼
of Sec.1-T19-R9 of
Clay County, Alabama
S.W. Cor.
350'
S.E. Cor.



Sketch of
Fletcher Smith Prospects
Clay County, Ala.

0 40' 80'
Scale

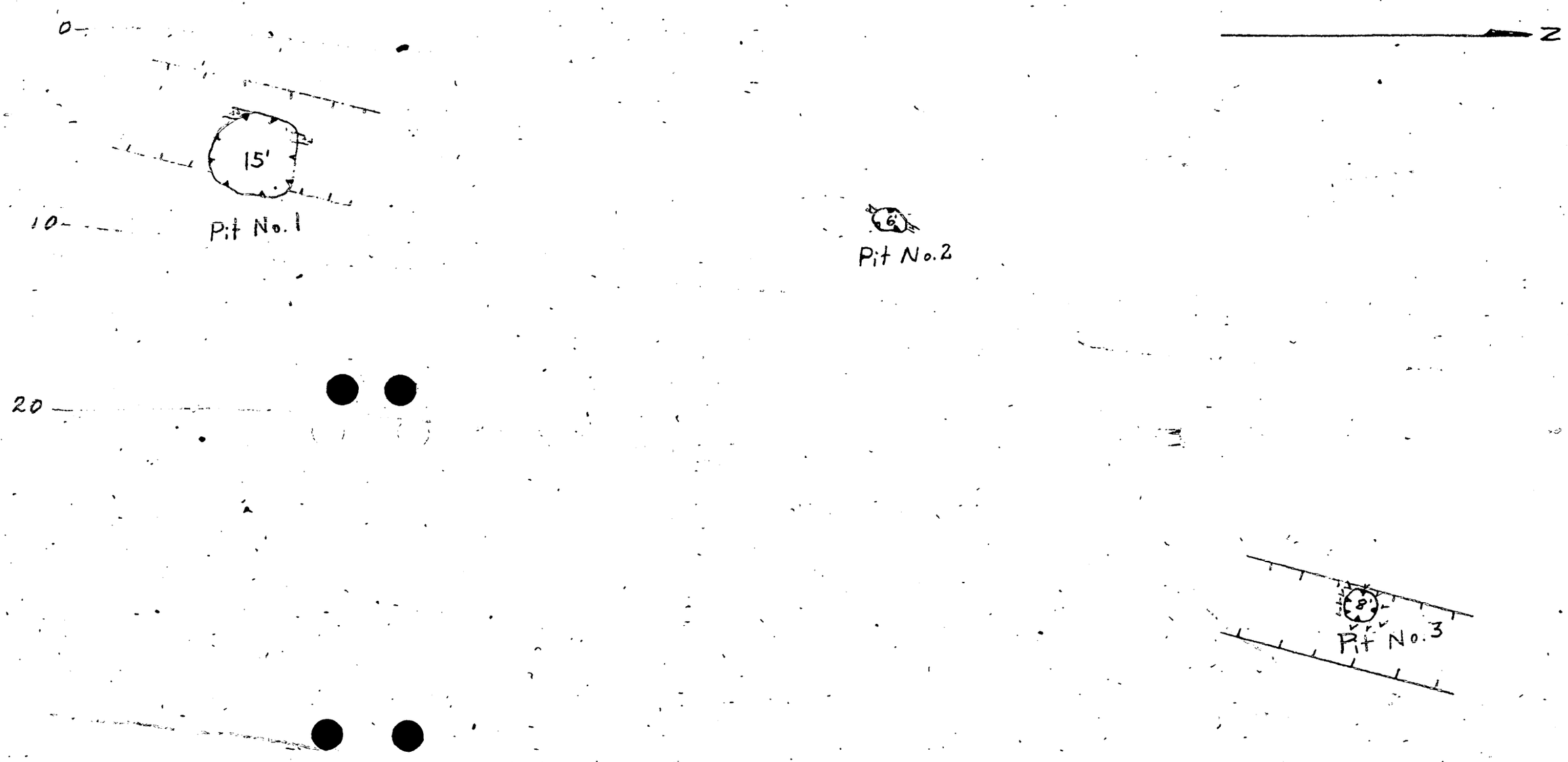
DMEA-3046 (mica)



Sketch of
Fletcher Smith Prospects
Clay County, Ala.

0 40' 80'
Scale

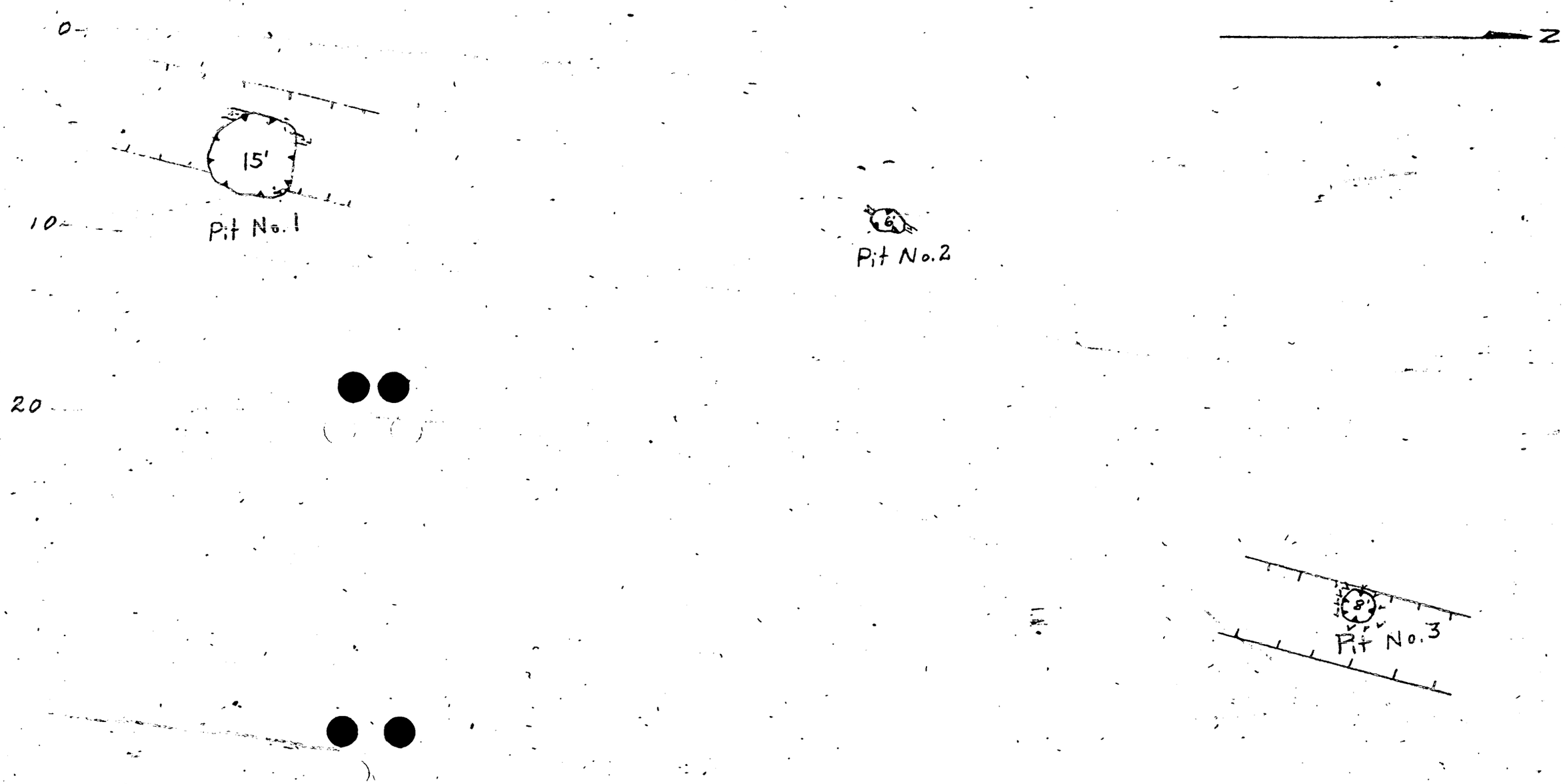
DMEA-3046(mica)



Sketch of
Fletcher Smith Prospects
Clay County, Ala.

0 40' 80'
Scale

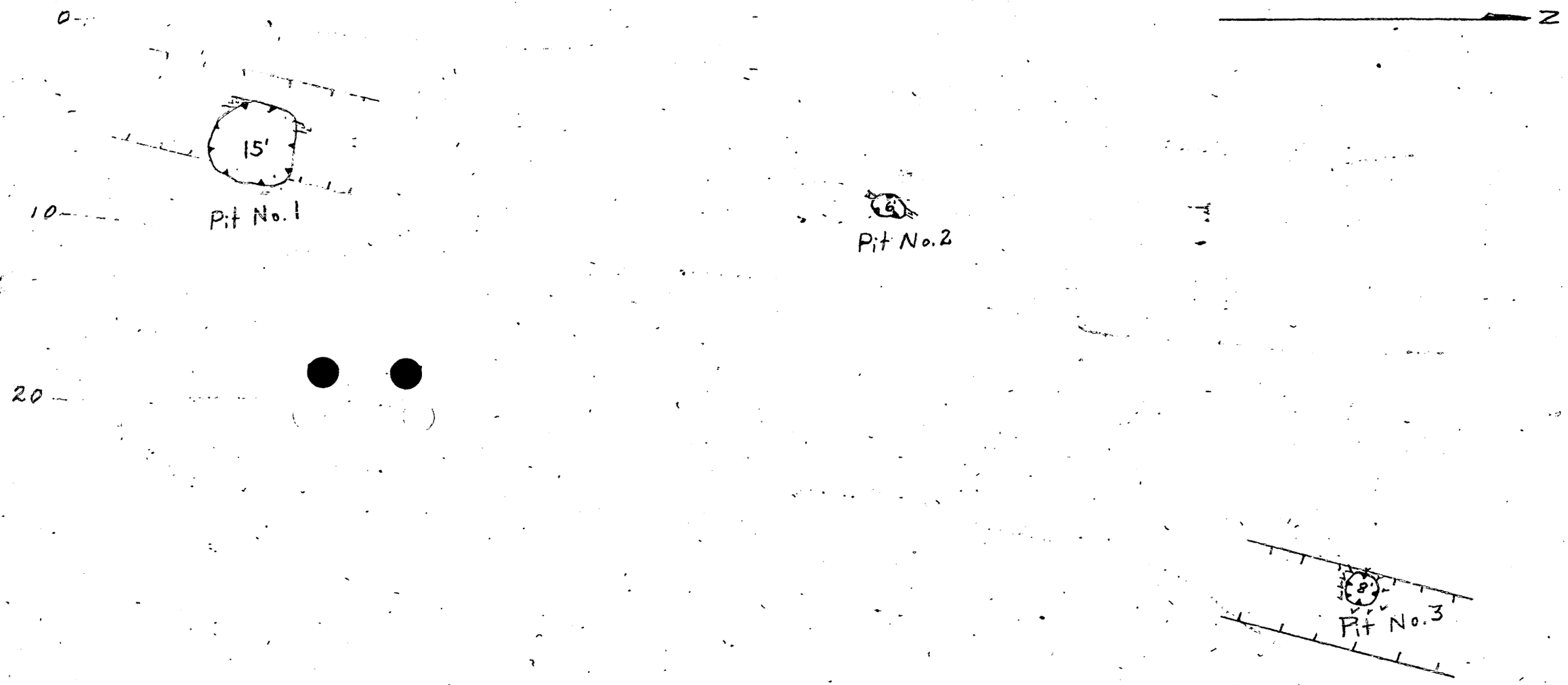
DMEA-3046(mica)



Sketch of
Fletcher Smith Prospects
Clay County, Ala.

0 40' 80'
Scale

DMEA-3046 (mica)



Sketch of
Fletcher Smith Prospects
Clay County, Ala.

0 40' 80'
Scale

DMEA-3046 (mica).

MAP No. 1 -

Sketch of

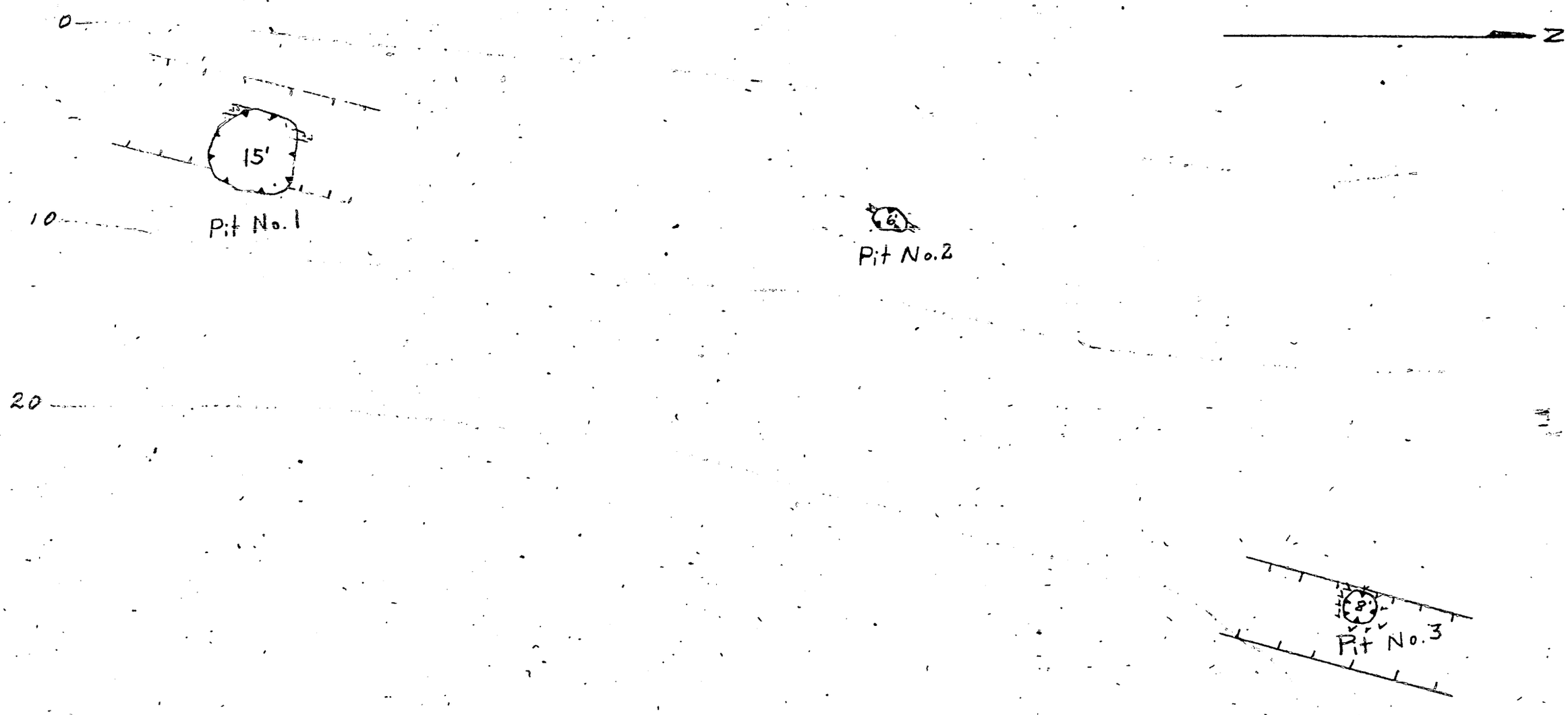
Fletcher Smith Prospects

Clay County, Ala.

0 40' 80'

Scale

DMEA-3046 (mica)



Sketch of
Fletcher Smith Prospects
Clay County, Ala.

0 40' 80'
Scale

D.M.E.A-3046 (mica)