DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 1007 — DMEA NO. 4351

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

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

Right Side

- [x] Project summary (final)
- [x] Work Completed analysis (final)

All other material filed in chronological order including the following reports if checked:

- [ ] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [x] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

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

Right Side

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

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

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty material

17963

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/3	Anderson	600
2/4	Houk	600
2-4	Chambers	800
2/5	Selfridge	120
"	Johnson	110
"	Whitehead	100
		220

600

FEB 5 1958

Mr. John Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-4351-Mica
John Phillips
Bray No. 1 Prospect
Hart County, Georgia
Contract No. Idm-E1007

Dear Mr. Phillips:

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

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

Your interest in the DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

W. C. Anderson (for)

Administrator

WCAnderson:rsi 2/3/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. John C. McBee

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

John Phillips

Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. Idm-E1007, DMEA No. 4351, for the months of September 1956, to February 1957, inclusive, covering a project for the exploration of Mica on property, known as the Bray Prospect No. 1 located in Hart County, Georgia.

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 reports and correspondence, and a determination of the reasonableness and propriety of the costs.

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

all of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs 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		$6,276.00
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$6,276.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Four thousand seven hundred seven and No/100 Dollars

$4,707.00

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

March 14, 1957

Docket copy

B

MF-200A
(Rev. April 1956)

RECEIVED
SEP 17 1956

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT
(Short Form)

DMEA No.	*Commodity*	*Contract No.*	*County*	*State*
4351	Mica	*Idm-E* 1007	Hart	Georgia

SEP 5 1956

It is agreed ....., between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and John Phillips

whose mailing address is Spruce Pine, North Carolina

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before OCT 1 1956, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 8 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $6,276.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $4,707.00, in accordance with the provisions of Articles 4 and 5.

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

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

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

(c) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. The Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing

in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

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

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after certification of discovery or development, to inspect production operations and underground workings. The Operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

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

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

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

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

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

ARTICLE 6. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after the Operator has rendered a sufficient final report (see Article 5), may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer or as surety if the Operator is not the producer (for example, if the Operator either transfers or fails to retain his interest in the land), shall pay to the Government a royalty on all minerals mined or produced from the land, 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 or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; 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.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling, assaying, or transportation performed or paid by the Operator or by anyone other than the buyer are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

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

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this Article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

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

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 7. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

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

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

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

ARTICLE 10. *Changes and added provisions.*—

.....

.....

.....

.....

.....

.....

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

John Phillips (Operator)

By John Phillips

By Frank E. Johnson
ACTING 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: 1956—O-383069

8/3/56
Andrews
Anderson
Hoch
Talbot
Selfridge

EXPLORATION PROJECT CONTRACT
JOHN PHILLIPS
DOCKET NO. DMEA-4351

ANNEX I

The land referred to in Article 2 of the contract is known as the Bray Prospect No. 1 and is held by the Operator under a lease. It is located west of Crossroads, Hart County, Georgia, and is described as follows:

> Beginning on an iron stake at the center of Bray Prospect #1 which is located approximately 620' North 48 degrees East to a Poplar Tree and a large rock, this being a corner in the property line between John C. McDee, Sr. and Earnest Wood, as shown on deed recorded in Book Number 64, Page Number 143, Register of Deeds Office, Hartwell, Ga., and running 500' North; thence 500' West; thence 1000' South; thence 1000' East; thence 1000' North; thence 500' West to a point of closing. This property located near Crossroads Church, between Bowersville and Hartwell, Ga.

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 1007
Contract Date SEP 5 1956

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

RECEIVED
AUG 24 1956

To the United States of America:

Referring to that certain land in the County of Hart, State of Georgia, described as follows: 2/ Beginning on an iron stake at the center of Bray Prospect #1 which is located approximately 620' North 48 degrees East to a Poplar Tree and a large rock, this being a corner in the property line between John C. McBee, Sr. and Earnest Wood, as shown on deed recorded in Book Number 64, Page Number 143, Register of Deeds Office, Hartwell, Ga., and running 500' North; thence 500' West; thence 1000' South; thence 1000' East; thence 1000' North; thence 500' West to a point of closing. This property located near Crossroads Church, between Bowersville and Hartwell, Ga.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

none

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

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

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: _____ (State "None" or "See Annex No.____")

Dated this 19th. day of June, 1956.

John M. Bee [Seal] Sparrow Point, N.C. [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

I, _____ certify that I am the _____ (Secretary, etc.) of the corporation named herein; that _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

EXPLORATION PROJECT CONTRACT
JOHN PHILLIPS
DOCKET NO. DMEA-4351

RECEIVED
SEP 17 1956

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be performed in the area indicated on the map entitled "Bray Prospect No. 1, Hart County, Ga., DMEA-4351 (Waterhole Mine)", attached hereto and made a part hereof.

The work shall be divided into two stages as described below. The Operator shall complete Stage I, and shall perform as much of Stage II as the Government approves in writing.

STAGE I

Excavate a trench approximately 100 feet long by 15 feet wide by 10 feet deep along the strike of the pegmatite to determine its extent and provide a suitable shaft site.

STAGE II

1. Construct:

(a) A toolhouse, minimum dimensions 7 feet by 8 feet by 10 feet.
(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.
(c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

The toolhouse may be unfloored; shall be made from unfinished lumber, with protective roof covering; and shall be equipped with lock and key.

The powder and exploder magazines shall be boxed on all sides; shall be made from 2-inch hardwood or 3-inch softwood lumber; and shall be braced at the corners. No metal shall be exposed; and the lids or doors shall be securely locked with the equivalent of a 5-tumbler jarproof lock.

2. From the bottom of the trench, at a point to be approved by the Government, sink a 2-compartment inclined or vertical shaft for a distance not to exceed 60 feet.

3. Explore the pegmatite by driving, from the bottom or near the bottom of the shaft, not more than 100 feet of drifts and/or crosscuts.

The shaft and the drifts and/or crosscuts shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber. All work shall be performed on the pegmatite or in as close proximity thereto as possible.

The location, inclination, direction, and extent of all work are subject to the approval of the Government.

FIXED UNIT COSTS

Stage I		
	Excavate trench, 560 cu. yds. @ $0.30/ cu. yd.	$168.00
Stage II		
1.	Construct - Toolhouse 1/	76.00
	Powder magazine 1/	25.00
	Exploder magazine 1/	15.00
2.	Sink 60 feet of shaft @ $43.20/ft.	$2,592.00
3.	Drive 100 feet of drifts and/or crosscuts @ $34.00/ft.	3,400.00
	Estimated total cost of project	$6,276.00
	Government participation @ 75%	$4,707.00

1/ The completed work constitutes the unit.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
JUN 21 1956

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

Not to be filled in by applicant

Docket No. 4351
Metal or Mineral Mica
Date Received 6/21
Estimated Cost $11,200.00
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: John Phillips
Spruce Pine, N. C.

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract Legal description given on lease.

(*b*) State any mine name by which the property is known. Bray Prospects #1 and #2

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

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

(*e*) If you own the land, describe any liens or encumbrances on it Do not own land.

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. None

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

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

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

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

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

5. *The exploration project.*—(*a*) [illegible]e the mineral or minerals for which you wis[illegible] explore Mica

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

(*c*) The work will start within 30 days and be completed within ..... months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

[x] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated 6-19-56, 195...

John Phillips
(Applicant)

By John Phillips

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

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

RECEIVED
JUN 21 1956

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JUN 21 1956

MF-103 (Continuation Sheet)

4. (a) No previous operations.

(b) Some vein materials are in evidence which indicates that ruby mica may be found by exploration work.

(c) No past production; new prospect.

(d) Project is accessible to roads and shipping.

(e) Manpower, equipment and supplies available. Power is within 300 yards.

5. (b) We propose to work two prospects. We wish to bulldoze away overburden to expose pegmatite and best locate shaft, sink a shaft 50' deep, then drift 80' with vein. We propose to do the same work at each place.

6. Estimate of costs:

Prospect #1

30 Hrs. Bulldozing @ $10.00 per hr.	$ 300.00
50' Shaft @ $50.00 per foot.	2500.00
80' Drift @ $35.00 per foot	2800.00
Total Prospect #1	$ 5600.00

Prospect #2

30 Hrs. Bulldozing @ $10.00 per hr.	$ 300.00
50' Shaft @ $50.00 per foot	2500.00
80' Drift @ $35.00 per foot	2800.00
Total Prospect #2	$ 5600.00
Total Estimated Cost	$11,200.00

MINING LEASE

State of ~~North Carolina~~ Georgia Hart County:

This indenture made this 19th. day of June, 1956 ~~,19__,~~

between John C. McBee

of Mitchell County and State of North Carolina as party of the first part, and known as lessor, and John Phillips

of Mitchell County and State of North Carolina, party of the second part and known as lessee.

WITNESSETH, That the part of the first part in consideration of One Dollar in hand received and hereby acknowledged by the lessor, and in consideration of the agreements hereinafter contained, on the part of the party of the second part to be performed, hereby bargains, leases and grants to the party of the second part, and his heirs and assigns, for the period of five years from the date of this agreement, the following described real property, for mining purposes, in the County and State first above written to wit:

Beginning on an iron stake at the center of Bray Prospect #1 which is located approximately 620' North 48 degrees East to a Poplar Tree and a large rock, this being a corner in the property line between John C. McBee, St. and Earnest Wood, as shown on deed recorded in Book Number 64, Page Number 143, Register of Deeds Office, Hartwell, Ga., and running 500' North; thence 500' West; thence 1000' South; thence 1000' East; thence 1000' North; thence 500' West to a point of closing. This property located near Crossroads Church, between Brwersville and Ha rtwell, Ga.

TO HAVE AND TO HOLD the said lands to him, for mining purposes, the said lessee and his heirs and assigns for the aforesaid period of five years in compliance with the condition of this instrument, for the purpose and with the right to dig, quarry, search, explore for, obtain, and remove any kind of minerals, metals or fossils, and particularly mica, and to conduct the same to any extent the said party of the second part, the lessee, may desire. And it is hereby agreed between the parties to this agreement that the party of the second part is to have the use of any unoccupied buildings on said lands for mining purposes, and that he shall have the right to erect such buildings as he needs to carry on such mining operatins during the period of this lease, and that the party of the second part shall keep the same in as good condition as when received, unavoidable accidents excepted. And it is also agreed by the party of the second part that no unnecessary damage is to be done to the lands herein leased during the period of this lease and the continuance of said lease, but the said party of the second part shall have the right to take from said lands leased to the party of the second part any wood or timber the party of the second part may need to carry on said mining operations or which may be needed to carry on the addition to existing buildings or to erect new buildings or sheds on said lands. (Timber of high or special market value is excepted and shall not be used by the lessee.) And it is hereby agreed that the party of the second part, the lessee, is to have right-of-way of ingress and egress to said mines or land upon which exploration is being conducted.

AND IT IS FURTHER AGREED That the party of the second part, the lessee hereby agrees to pay to the said part of the first part, or his or their heirs or assigns, a rental royalty of 1/8 (One-Eighth)

on the minerals taken and sold from said mines which shall be for the use of the said lands for the aforesaid period of five years. The said amounts shall be payable on the computation of selling bills on the tenth day of each month covering sales made during the previous month. Any minerals other than those set forth above which may be taken and sold shall be paid for and at the usual royalty rate of the minerals taken.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, shall have the option to renew this lease and to extend the period of its running for an additional five years from the date of its present termination. The option shall be exercised by giving formal written notice to the party of the first part or by the continuation of any mining operations then being conducted. The lessor reserve the right to use the land, or convey the same not conflicting with this lease, but under any conveyance the terms of this lease must be recognized by the grantee, purchaser, or assigns thereof. And it is agreed that the lessee may assign this mining lease or any part thereof and that he may sublease.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, is hereby given an option to purchase all the right, title and interest, legal and equitable to and in the real estate described and set forth in this lease for a total purchase price of _____, said purchase price to be paid in full within three years from the date of this instrument and it is agreed that all rental royalties paid to the party of the first part shall apply toward and be a part of the total purchase price above set forth, and that at such time that the total purchase price is paid in the form of royalties or a lump sum payment or a combination of both, the party of the first part will execute a special warranty deed to the party of the second part and that a tender of the remaining purchase price at any time within the next three years shall entitle the party of the second part to specific performance of this option contract.

BUT IT IS EXPRESSLY AGREED That unless mineral or fossil material of practical value for mining purposes shall be found within a period of two years from the date of this instrument, the lease may be terminated by the lessee at any time thereafter on thirty days notice to the lessor. The lessee agrees that during the period of this lease or the continuance of this lease work in said mines or exploration for new mines within the area leased shall not cease longer than ninety days at any one time, unavoidable accidents excepted.

WITNESS our hands and seals the day and year first above written.

Witness:

J C McBee

Kenneth Bryson
Notary Public
My Comm Exp 8/17/57

John C McBee (Seal)

_____ (Seal)

_____ (Seal)

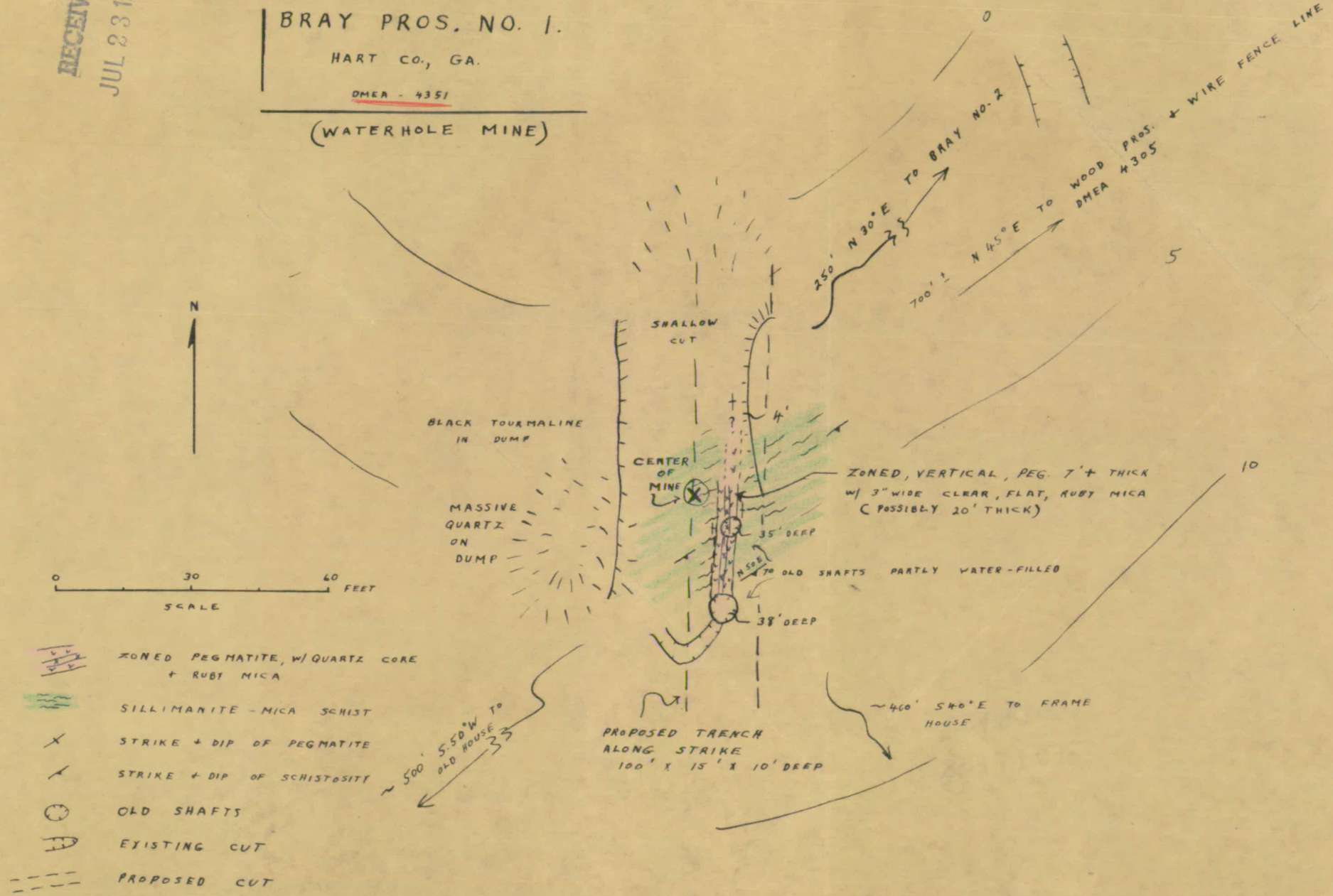
RECEIVED
JUL 23 1956

BRAY PROS. NO. 1.

HART CO., GA.

DMEA - 4351

(WATERHOLE MINE)



REF: USGS PROF. PAPER 248
PL. 25, MINE NO. 28.

TAYLOR -- 7-11-1956

RECEIVED
SEP 17 1956

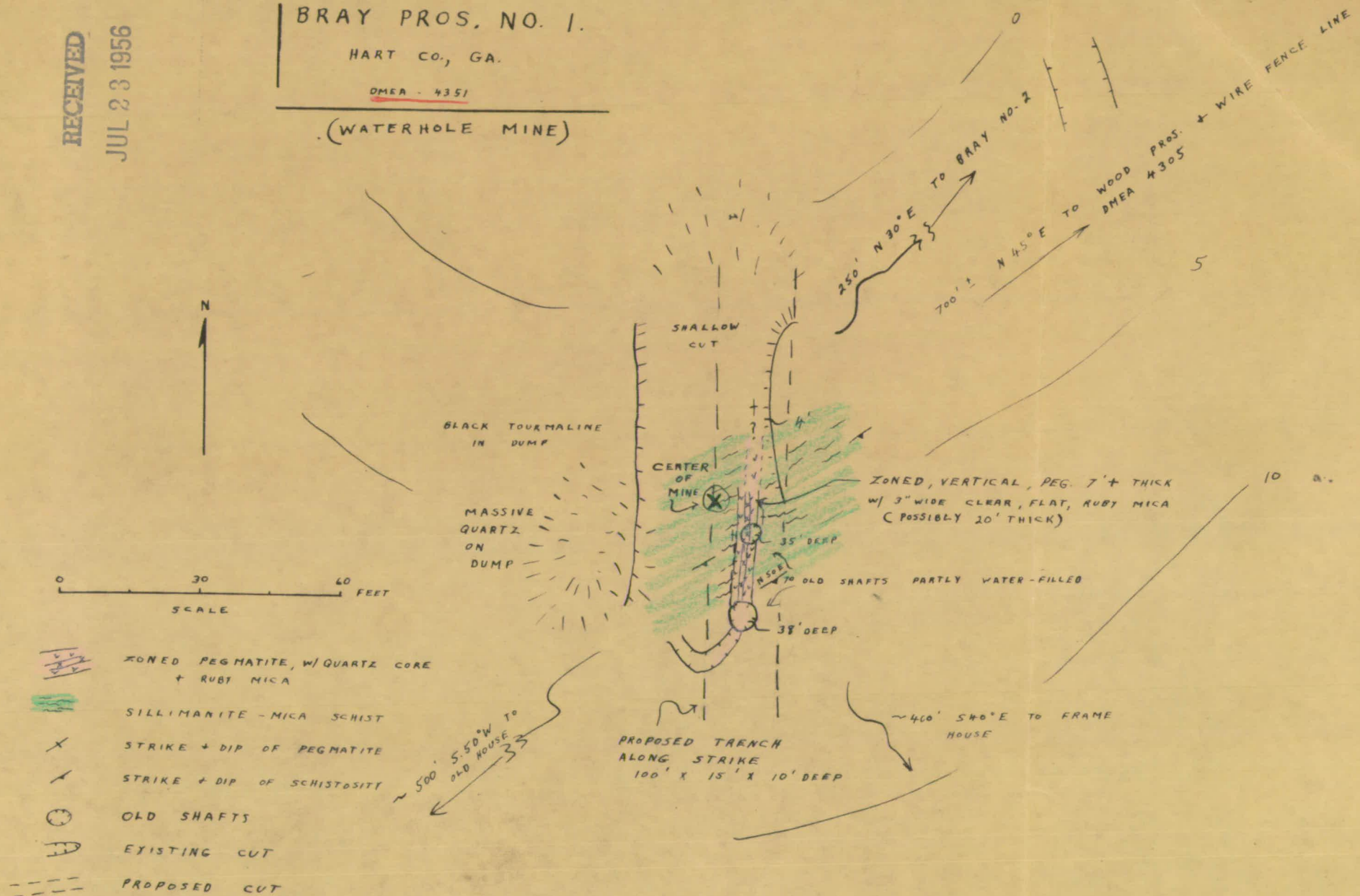
RECEIVED
JUL 23 1956

BRAY PROS. NO. 1.

HART CO., GA.

DMEA - 4351

(WATERHOLE MINE)

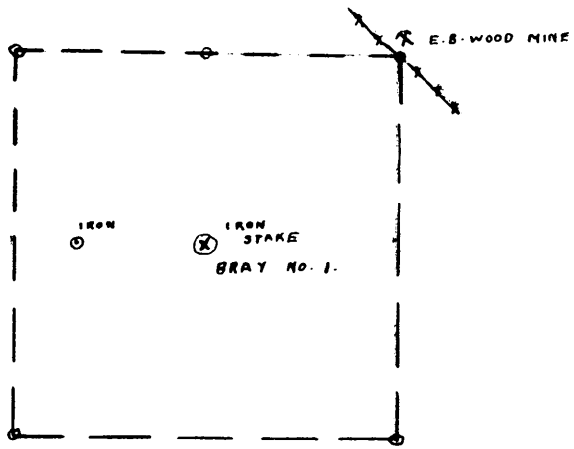


REF: USGS PROF. PAPER 248
PL. 25, MINE NO. 28.

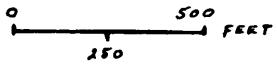
TAYLOR -- 7-11-1956

BRAY PROS. NO. 1
HART CO., GA.

DMEA - 4351



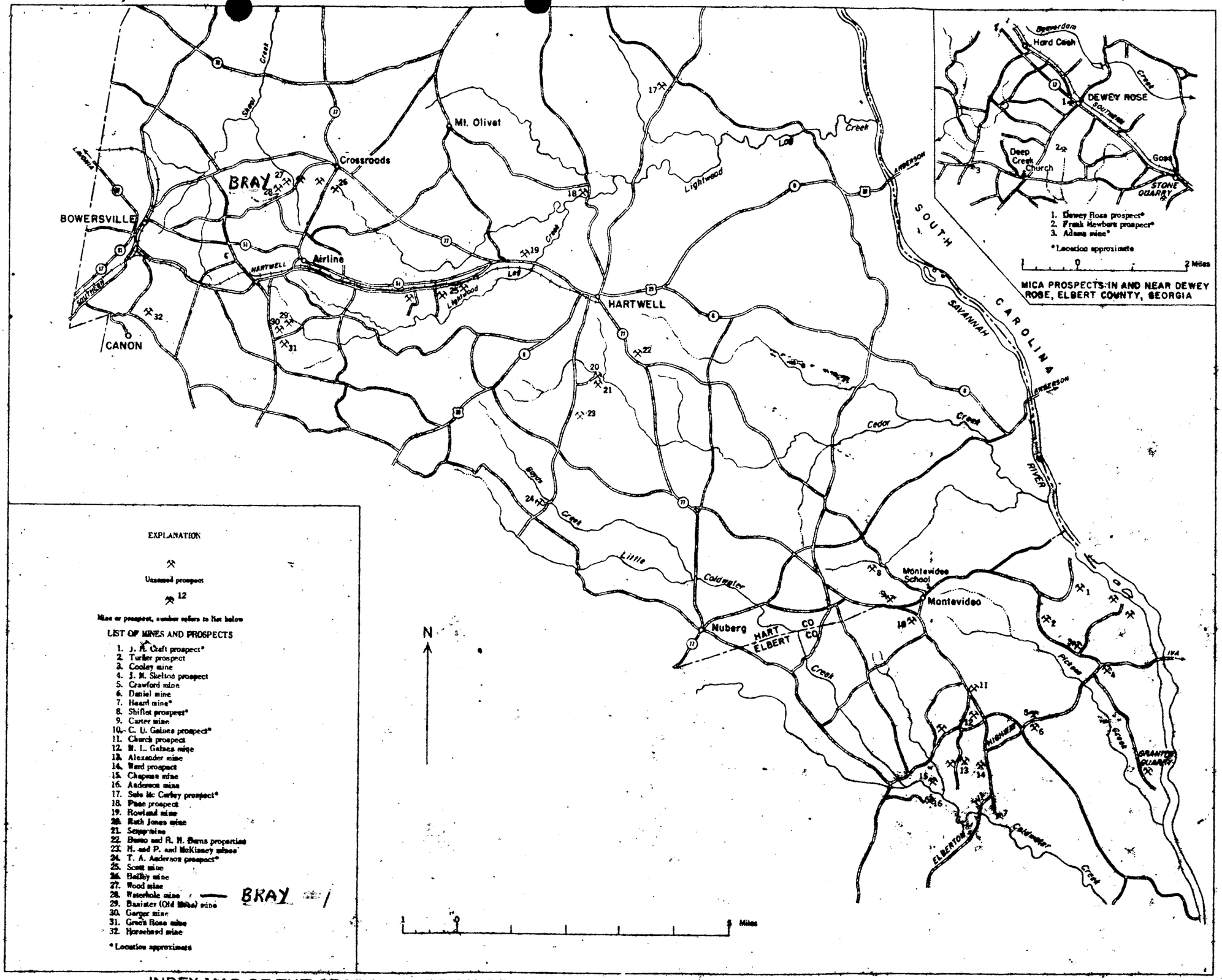
PROPERTY LINE OF
LEASED AREA
(7-18-56)



SCALE

NOTE: APPLICANT HAS BEEN REQUESTED TO FURNISH DATA TO TIE IN THE LEASED AREA AND MINE WITH A PERMANENT PROPERTY CORNER.

RECEIVED
JUL 23 1956



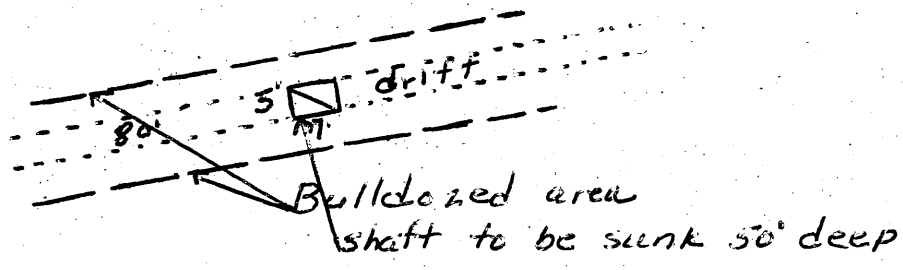
INDEX MAP OF THE GEORGIA PORTION OF THE HARTWELL DISTRICT OF GEORGIA AND SOUTH CAROLINA, SHOWING LOCATIONS OF MICA DEPOSITS

234911

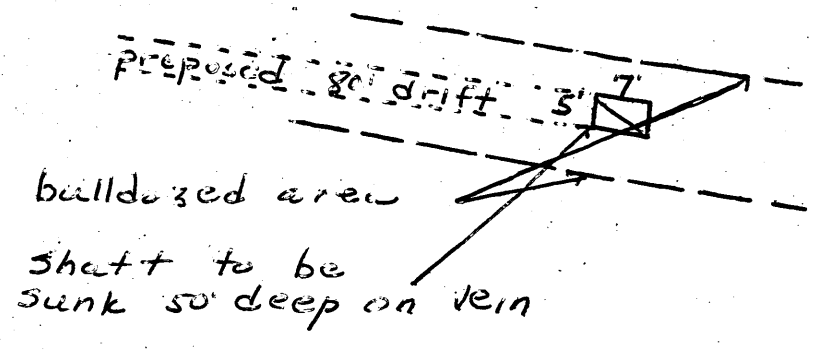
BRAY PROSPECTS #1 AND #2

HART CO., GEORGIA

PROSPECT #1

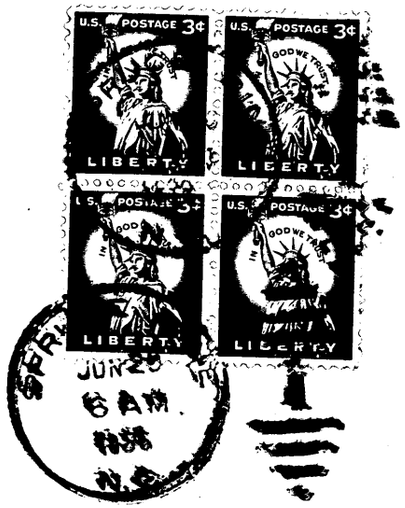


PROSPECT #2



CARROLLTON KLASP—10 x 13
MADE BY
THE AMERICAN ENVELOPE CO.
CARROLLTON, OHIO

John Phillips
Spruce Pine, N. C.



Mr. Laurence G. Hawk, Chief
Nonmetallic Minerals Division
U. S. Dept. of the Interior, D. M. E. A.
Washington 25, D. C.

DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 4351

DO NOT DETACH THIS SLIP

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

This document has been recorded as

Exploration Project

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

Routing Slip Cys to USGS, BM

To:	600	Date	6/21/56
To:	Mr. Anderson	Date	6-21-56
To:	Oper Com	Date	6-27-56
To:	F.C. Johnson	Date	6-29-56
To:	Oper Com	Date	8-30-56
To:	M & T	Date	9-4-56
To:	130	Date	2-14-58
To:	110	Date	2-14-58
To:	130	Date	3-31-58
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

A Form 7
12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/3	Anderson	600
2/4	Hooks	600
"	Hay	~~110~~
		100
		220

600

February 3, 1958

Project Summary Report

By: Walter C. Anderson, Division of Nonmetallic Minerals

1 Docket No. DMEA-4351-Mica
Contract No. Idm-E1007
Bray No. 1 Prospect
Hart County, Georgia

Application: Form MF-103(April 1952) received June 21, 1956.
Work Proposed by Applicant - Proposed to work Bray No. 2 in addition to Bray No. 1.

Bray No. 1

30 hours bulldozing @ $10/hr.	$300.00
50 feet of shaft @ $50/ft.	2,500.00
80 feet of drifts @ $35/ft.	2,800.00
Total Bray No. 1	$5,600.00
Bray No. 2 - Same as Bray No. 1	5,600.00
Total amount requested	$11,200.00

Operator: John Phillips
Spruce Pine, North Carolina

Operator's Property Rights: Five year mining lease on the John C. McBee Property consisting of 24 acres, more or less, dated June 19, 1956. Consent to Lien and Subordination Agreement, dated June 19, 1956.

2. Contract: Form MF-200A(April 1956) dated September 5, 1956.
Work Authorized: - Two stages.

Stage I

Trench excavation - 560 Cu.Yds. @ $0.30/c.yd.	$168.00

Stage II

Construction- Toolhouse, powder & exploder magazines	$116.00
60 feet of shaft @ $43.20/ft.	2,592.00
100 feet of drifts and/or crosscuts @ $34/ft.	3,400.00
Estimated total cost of project	$6,276.00
Government participation @ 75%	$4,707.00

Amendments - None.
Work Completed - Same as authorized.
Work began on September 10, 1956, and was completed on February 21, 1957. Field Team Final Report received January 20, 1958. Operator's Final Report received March 4, 1957. No equipment purchased under contract.

Value of mica produced during project -------	$238.55
Royalty paid to date -------	$11.93

3. Audit: Report of Review issued March 14, 1957.

Total accepted cost	$6,276.00
Government participation	$4,707.00

4. Certification of Discovery - None issued.

5. Comments:

How Conducted: All of the work in which the Government participated was acceptable.

Operation: Good.

Engineering: Reporting by Operator was acceptable.

Geologic Premise: A zoned vertical 7 foot pegmatite containing abundant flat and clear mica as indicated at the surface was not encountered by the work.

Geologic Criteria upon which work was based:

1. Pegmatite: Seven foot thick, zoned vertical pegmatite composed of plagioclase, quartz, abundant muscovite and some tourmaline and beryl. Discordant to sillimanite-mica schist.
2. Mica: Flat, clear, free-splitting, ruby, up to 3 inches across.
3. Past Production:

Geologic Criteria Developed During Project:

1. Pegmatite: As exposed by bulldozing, is 10 feet thick, 100 feet long. At 23 feet, it became a mixed pegmatite and country rock, without any strategic mica content, moderately zoned, discordantly emplaced in contorted, fractured, and highly migmatized sillimanitic quartz-muscovite gneiss and schist.
2. Mica: Flat, reddish-brown books up to 4 by 6 inch size. Generally of excellent quality.

Future Possibilities: None, no productive ground in upper shaft because of old workings, and handicapped by irregular and indefinite pegmatite structures.

Recommendations: The Division of Nonmetallic Minerals and the Commodity Members of the Bureau of Mines and Geological Survey concur in the Field Team's recommendation not to certify.

Walter C. Anderson

Walter C. Anderson
Division of Nonmetallic Minerals

WCAnderson:rsi 2/3/58
Copy to: Admr. R. File
Mr. Houk

March 14, 1958

Justification for denial - Docket No. DMEA-4898-Mica

Background:

The results of our work in this area have been disappointing. There have been three DMEA contracts within 1,500 feet of the proposed work. Two completed without certification and one in force.

The Bray (Waterhole) DMEA-4351 is 350 feet about N 40 W from the Taylor #2 Prospect. The examination report stated: "Flat and clear ruby muscovite is abundant in a zoned 7 foot (possibly 20 feet) thick pegmatite." The bulldozing and subsequent work disclosed the pegmatite to be 6 - 10 feet thick, - target pegmatite plunged southward out of shaft at 23 feet. The additional 37 feet of shaft and 84 feet of drifting on 55 foot level could have been more effectively used on the target pegmatite. The exploration was unsuccessful. The Field Team states: "Discordant, fracture - controlled pegmatite locally appear to have little vertical extent."

The E. B. Wood, DMEA-4305. 1,200 feet N.30E. Field Team premise "clear and flat strategic muscovite is in a mica bearing pegmatite of large size." It developed there were two pegmatites 3 to 6 feet wide on surface. The H W pegmatite pinched out down dip and to the north and to south old workings were encountered. The F.W. pegmatite had poor textural environment with little or no mica potential. Terminated prior to completion. Spent G.P. $2,344.88 on 43 foot shaft and 27 foot drift - 24.06 lbs. produced during contract.

The Taylor Prospect, DMEA-4534. Taylor #1 - 1,350 feet N. 30 W. of Taylor #2. The examination reports strong mica bearing pegmatite of excellent mineralogical and textural environment - concordant. Strong 3 foot massive quartz core. Quality of mica excellent - bulldozing exposed body 75 feet long 8 feet wide at center, tapering to 3-4 foot at ends with 5 foot quartz core. Core left shaft at 12 feet. Produced 200 lbs. from shaft, 2,000 lbs. from drift. Examiners strongly recommend 70 feet of additional work. We are reluctant until evaluation made. Amendment granted.

Taylor #2 - Mica rich pegmatite body more than 40 feet long and 14 feet wide.

Docket No. DMEA-4351-Mica
John Phillips
Bray No. 1 Prospect
Hart County, Georgia
Contract No. Idm-E1007

E.R. 7/18/56

Summary: Flat and clear ruby muscovite is abundant in a zoned, vertical 7-foot thick pegmatite.
Geology: A zoned, vertical pegmatite, at least 7 ft thick (possibly 20 ft thick) contains abundant muscovite, ~~XXXXXX XXXXXXXXXXXXXXXXXXXXXXXXXXX~~

I.R. 9/20/56

Trench is 110 feet long by 15 feet wide by 6 to 10 feet deep. ...exposed pegmatite at least 100 feet striking N 10° W and dipping near vertical. Body is 6 to 10 feet thick, ...hard books of excellent quality muscovite mica. ...300 pounds of mine-run book was recovered from the trenching.

I.R. 10/18/56

At a point 17 feet from the collar on the north end of the shaft there is an indication that the pegmatite plunges 30° to the south... About 600 pounds of excellent quality mine-run book mica has been recovered to date.

I.R. 11/15/56

Crosscutting from the 35 foot totals 16 feet. ...bottom of an old shaft was encountered... The operator was advised to return to the shaft and continue sinking to a total depth of 60 feet. The Examiners are of the opinion that the target is of sufficient importance to warrant the necessary crosscutting involved.

I.R. 2/21/57

Work completed trench 600 cubic yards.
60 feet of 5'x7' two compartment vertical shaft.
100 feet of crosscut and drift.

The target pegmatite appeared to plunge out of the shaft to the south on an angle of -30° at the 23 foot shaft level.

F.R. 1/17/58

A total of 60 feet of vertical shaft and 100 feet of drift was completed under the contract.

Discordant, fracture-controlled pegmatites locally appear to have little vertical extent and to be complicated by the high metamorphic rank of the area.

Work set out in the contract:

Stage I	Trench excavation 560 cu.yds.	$168.00
Stage II	Construction	116.00
	60 ft. shaft $43.20/ft.	2,592.00
	100 ft. drift $34.00/ft.	3,400.00
	Total	$6,276.00
	G.P. 75%	$4,707.00

Work accomplished:

Bulldozing	$168.00
Construction	116.00
60 ft. shafts	2,592.00
100 ft. drift	3,400.00
Total	$6,276.00
G.P. 75%	$4,707.00

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/14	Houk	600
2/14	Martin	130
"	Johnson	110
"	Whitenton	100
		220

600

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

FEB 14 1958

Re: Docket No. DMEA-4898-Mica
Howard Boone, et al.
Taylor Prospect
Hart County, Georgia

Dear Mr. Laurence:

A study of the Field Examination Report fails, in our opinion, to justify the contract work proposed, as we have had three previous DMEA projects (4305, 4534, 4351) in the immediate vicinity none of which have been notably successful. The vertical extent of the pegmatites prospected to date would hardly justify setting up a contract for a 75-foot shaft. The 120 feet of drifting and/or crosscutting seems more than adequate for a 40-foot strike length pegmatite.

As the applicants on this and DMEA-4534 are the same group and the land owned by the same individual, this application would, if considered, be as an amendment to DMEA-4534.

We contemplate denial of the application but will appreciate your comments before taking action.

Sincerely yours,

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

Approved:

Frank D. Lamb (LHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (LHB)
Member, Geological Survey

LGHouk:gad 2/14/58
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

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Date	Surname	Code
2/3	Anderson	600
2/4	Houk	600
"	Chambers	800
2/5	Selfridge	120
"	Johnson	110
"	Hartenedorf	100
		220

600

FEB 5 1958

Mr. John C. McBee

Spruce Pine, North Carolina

Re: Docket No. DMEA-4351-Mica
John Phillips
Bray No. 1 Prospect
Hart County, Georgia
Contract No. Idm-E1007

Dear Mr. McBee:

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

This correspondence relates to the Consent to Lien and Subordination Agreement signed by you on June 19, 1956.

Sincerely yours,

W. C. Anderson (for)

Administrator

Enclosure

WCAnderson:rsi 2/3/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

IN REPLY REFER TO:

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 1959
DATE 1/24
C 220 225

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

January 23, 1958

Re: DMEA 4351 Idm E-1007
John Phillips
Bray No. 1 Prospect
Hart County, Georgia
Mica

Memorandum

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

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team Final Report

The applicant requested assistance in exploring 2 pegmatites, described as a new prospect, and no past production. The examiners found but one pegmatite and enough work had been done upon it to tentatively identify it as the Waterhole mine, but the pits were not identified as those mapped by W. R. Griffitts, U.S.G.S. Prof. Paper 248, pg. 313. Griffitts says the Waterhole dike is at least 20 feet thick.

Two pits were found and a discordant, vertical zoned north and south pegmatite at least 7 feet wide was seen for 100 feet in a trench. The pegmatite contained abundant muscovite of, in general, excellent quality. The vertical shaft is sunk on the east side of the pegmatite, probably about 55 feet from the north end of the 100-foot length of pegmatite exposed in the trench. Approximately 300 pounds of mine-run book was recovered in the trenching and 600 pounds of excellent quality mica had been recovered at the time the shaft was 23 feet deep. (Interim report October 18, 1956)

out At a depth of 17 feet the pegmatite appeared to pitch southward/of the shaft and from the 23-foot point on all contact with the main pegmatite appears to have been lost and no more mica was recovered. At the 55-foot level a combination drift-crosscut was driven into the east wall of the shaft on a non-descript structure. No mica appears to have been seen.

At 29 feet a southerly opening from the shaft (drift?) encountered old workings at 16 feet, presumedly one of the old shafts.

Perhaps some of the drifting-crosscutting footage should have been used by the operator around the 20-foot level in the shaft in an attempt to resolve the mix-up due to the sudden change in structure and drop in mica content at about that level.

The approved expenditure, $6,276.00, was made and mica worth $238.55 was sold. Royalty remitted totals $11.93.

As the work did not result in the finding of extensions or duplicates of the mica-rich pegmatite exposed on the surface, the examiners and Field Team recommend that certification not be made. I concur with the recommendation.

N. E. Nelson

N. E. Nelson

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 23 1958
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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
WASHINGTON 25, D. C.

January 22, 1958

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4351 (mica)

Applicant: John Phillips

Name and Location of Property: Bray No. 1 Prospect, Hart County, Ga.

Contract Number: Idm-E 1007

Date of Field Team Final Report: January 17, 1958

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: January 21, 1958

Field Team Recommendation: Recommend that no certification be issued.

Comments:

1. Work consisting of bulldozing, 60 feet of shaft sinking and 100 feet of drifting was completed under contract.

2. Mica-rich pegmatite exposed on the surface appears to pinch out laterally and with depth and practically no reserves of mica were found.

3. A total of 900 pounds of mine-run block muscovite was recovered during contract work.

4. Expenditures -

Total approved	$6,276.00
Total cost	6,276.00
Gov't. share of the cost	4,707.00
Value of production during operation	238.55
Royalty paid to date	11.93

Recommendation:

I concur with the recommendation of the field team that no certification be issued.

W F Dietrich

W. F. Dietrich

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

January 17, 1958

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"	Cpm	100
1/24	Hark	600

Memorandum

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

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

Subject: Final Report - Docket No. DMEA-4351, Contract No. Idm-E1007
John Phillips, Spruce Pine, North Carolina
Bray No. 1 Prospect, Hart County, Georgia

Enclosed are the original and two copies of the subject final report. We agree that it should not be certified.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 3

Field Team Final Rpt.

1-22-58

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UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

FIELD TEAM - REVION V

DMEA-4351, Idm-E1007, BRAY NO. 1 PROSPECT (Mica)
Hart County, Georgia

S. C. Bergman, Geologist
U. S. Geological Survey

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

January 17, 1958

Received in
DMEA Office
1-28-58

FIELD TEAM FINAL REPORT

DMEA-4351, Idm-E1007 (mica) BRAY No. 1, PROSPECT
Hart County, Georgia

Operator: John Phillips, Spruce Pine, North Carolina

SUMMARY

A total of 60 feet of vertical shaft and 100 feet of drift was completed under the contract. The shaft cut the pegmatite keel at 17-20 feet and old works along the keel, 16 feet south in a drift from the 29-foot level. The shaft was deepened to 60 feet in mixed pegmatite and country rock. From the 55-foot level, 84 feet of drift were driven, following minor pegmatite structures without finding any productive material. Exploration was handicapped by the irregularity and indefinite nature of the pegmatite structures which are of both dilation and absorption or replacement origin. Little productive ground remains in the upper shaft area because of old works and the downward limitation of structure.

INTRODUCTION

Location

The prospect is located on a gently-sloping open pasture and farm land, 1.25 airline miles S. 69° W. of Crossroads and 2.55 airline miles N. 76° E. of Bowersville, Hart County, Georgia. The site is located on plate 25, location 28 of USGS Professional Paper 248-E.

Previous Work

The prospect was formerly known as the Waterhole Mine and is described on pages 312-313 of USGS Professional Paper 248-E, Mica Deposits of the Southeastern Piedmont, Part 7, Hartwell District, Georgia and South Carolina.

It was originally mined by Lon Allen in 1935. His works were deepened in 1944 by Corb Robinson and H. R. Grindstaff of Celo, N. C. The amount of mica produced during these periods is unknown, but production

was limited to a narrow zone adjacent to the east contact of the pegmatite. No other periods of activity are known.

Contract Work

The exploration work started on September 10, 1956, and was completed on February 21, 1957. A north-south trending bulldozer trench 110 x 15 x approximately 10 feet deep was excavated along the strike of the pegmatite. A vertical shaft was collared along the east side of the excavation and sunk to an initial depth of 35 feet. The southward-plunging keel of the pegmatite was cut at a depth of 17 to 20 feet in the shaft, and two horizontal percussion holes drilled due south and S. 20° E. with negative results. Old works were intercepted in the heading of a 16 foot drift driven south from the 29 foot level. The Operator returned to the shaft and deepened it to 60 feet. From the 55 foot level, a total of 84 feet of drift was driven southeast and east on minor and highly irregular pegmatite structures (19½' - S. 70° E., 20' - N. 75° E., 23 ' - N. 59½° E., 8' - S. 40° E., and 14' - S. 10° E.). In addition to the excavation and underground work, a tool house, and exploder and powder magazines were constructed.

The contract work was done efficiently in spite of extremely wet, disadvantageous working conditions.

GEOLOGY

A relatively large N. 10° W. trending pegmatite was exposed for about 100 feet along strike by the contract bulldozing. The structure is at least 10 feet thick and from a description given in the USGS Professional Paper, may be at least 20 feet thick. The exposed eastern contact is

essentially vertical at the surface. Pegmatite appears to pinch out on the surface about 45 feet south of the contract shaft. An undulatory keel which plunges about 15° to the south-southeast was cut at a depth of from 17 to 20 feet in the shaft. The structure is discordantly emplaced in a contorted, fractured and highly migmatized sillimanitic quartz-muscovite gneiss and schist. Random irregular masses and stringers of fine-grained plagioclase-quartz pegmatite are common and are at least partly of replacement origin. Some of these structures were followed by the contract drifting in the belief that they might lead to more comprehensive, mica-rich structures at depth. Pegmatite is only moderately zoned, with isolated masses of more or less centrally (?) located quartz, and wall zones of medium grained plagioclase, interstitial quartz and muscovite. Muscovite concentrations appear to be limited to a 1-to 2-foot thick zone along the eastern contact. Accessory minerals recovered include black tourmaline, green beryl, and garnet. About 300 pounds of mine-run block muscovite was recovered from the contract bulldozing, and about 600 pounds from the upper shaft area. Muscovite is found in flat, reddish-brown books up to 4 x 6 inches across. The mica is occasionally ruled and edge-cracked, but generally of excellent quality. Only a few inclusions of quartz and tourmaline were noted near the crystal edges. One sale is recorded at the GSA depot, of 15.94 pounds of sheet valued at $238.55.

CONCLUSIONS AND RECOMMENDATIONS

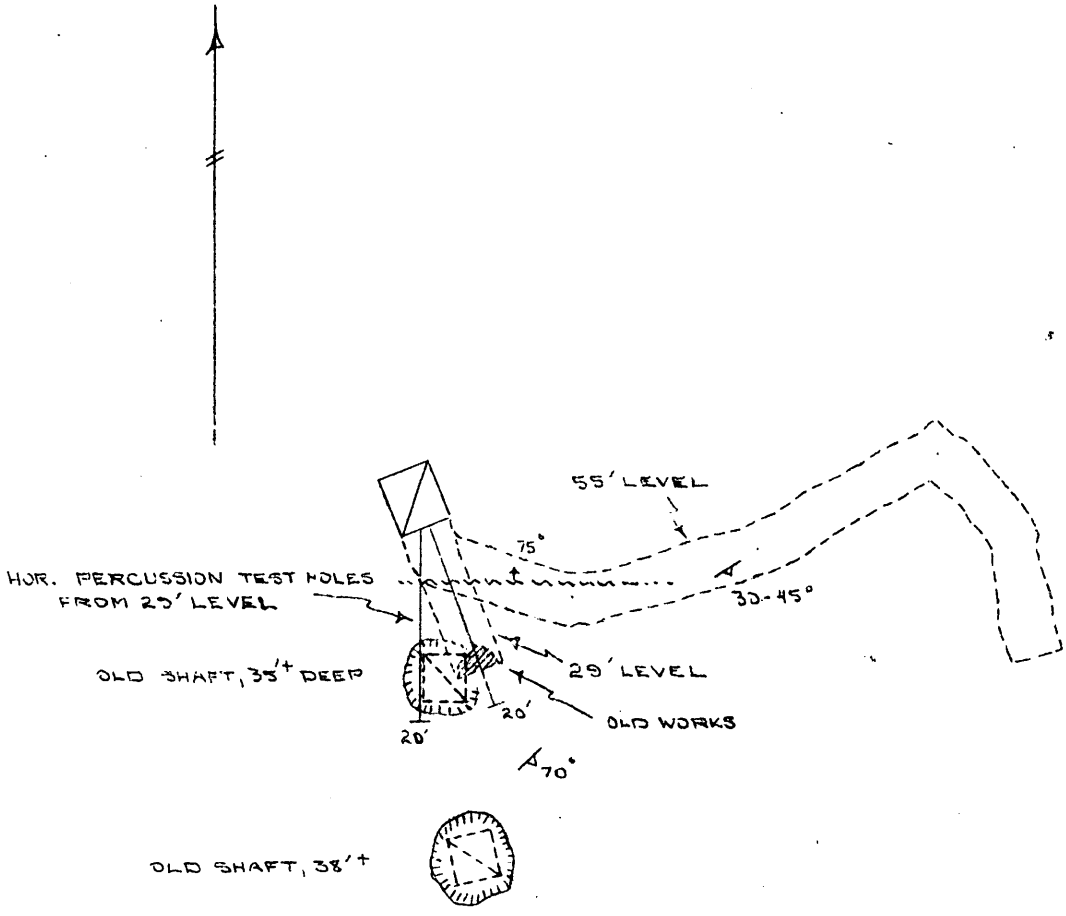
Exploration at the site was unsuccessful in finding either extensions or duplicates of mica-rich pegmatite exposed on the surface. Discordant, fracture-controlled pegmatites locally appear to have little vertical extent, and to be complicated by the high metamorphic rank of the area. Practically no reserves of mica were found and no certification is recommended.

EXPENDITURES

(a)	Total approved	$6,276.00
(b)	Total cost of project	6,276.00
(c)	Government's share of cost	4,707.00
(d)	Government's share unexpended	0.00
(e)	Value of production	238.55
(f)	Royalty paid to date	11.93

S. C. Bergman, Geologist
U. S. Geological Survey

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines



BRAY NO. 1 PROSPECT
HART COUNTY, GEORGIA

DMEA-4351, Idm.-E1007
(MICA).

SCALE: 1" = 20'

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

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3/14	Talbert	800
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MAR 14 1957

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

Re: Docket No. DMEA-4351 (Mica)
John Phillips
Bray Prospect
Hart County, Georgia
Contract No. Idm-E1007

Dear Mr. Laurence:

Enclosed are the original and two copies of a Report of Review, in lieu of a final audit of the referenced project, prepared in accordance with your memorandum advice of March 4, 1957.

If you concur with the facts as stated in this report, the original and one copy should be forwarded to the certifying officer and one copy should be retained in your files. If the report does not have your concurrence, please return the original and both copies to this Division with your comments.

Your communication of March 4, 1957, did not specifically confirm the number of units of work performed under this contract; therefore the confirmation of work has been taken from the interim inspection report prepared by L. E. Shirley, Mining Engineer, USBM, after his examination on February 21, 1957. In the future, however, it is requested that specific confirmation of the units of work performed under a contract be included in your advice to this Division that a review or audit is in order.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
March 14, 1957

Copy to: Docket
Admr. Reading File
Helen R. Miller
Mr. Chambers
Mr. Houk

8623

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT
Date 3-4

Referred to:

1. ~~Mr. Mittenderf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. ~~Mr. [illegible] Division~~
6. Docket Control Mails and Files

Note comments in report regarding:

1. Finished — Best!
2.
3.
4.

and take appropriate action.

- - - - - - - - -

Action taken by Division Contents noted. Agree

Robert E. Adams

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RECEIVED MAR 4 1957

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INTERIM REPORT

DMEA-4351, Idm-E1007 (mica) BRAY PROSPECT

Operator: John Phillips, Spruce Pine, N. C.

Location: 1.4 miles southwest of Crossroads, Hart County, Georgia

This contract has been completed without making a worthwhile discovery of strategic mica. Sufficient reserves cannot be outlined to warrant a recommendation for certification by the Field Examiners. No additional exploration at government expense appears warranted.

Work completed consisted of trench excavation of 600 cubic yards of material, building a tool house, powder magazine, and exploder magazine, sinking 60 feet of 5' x 7' two compartment vertical shaft and driving 100 feet of crosscut and drift. Underground work other than shaft sinking consisted of driving 16 feet of exploratory crosscut at the 35 foot level and driving 84 feet of drift from the 55 foot shaft level as follows: 18 feet S65°E, 20 feet N75°E, 25 feet N60°E, 8.5 feet S40°E, and 14 feet S10°E. Fine grained pegmatite material was followed for the first 49 feet of drift, and coarse grained pegmatite containing scattered 1 inch crystals of mica and added quartz was followed for the additional distance. A contact near the present face showed the pegmatite to be trending N10°E and dipping 65°SE. The enclosing rock was a biotite-muscovite schist.

The target pegmatite appeared to plunge out of the shaft to the south on an angle of -30° at the 23 foot shaft level. The Operator was instructed to continue sinking, keeping in touch with the body with extension steel. Two 20-foot test holes to the south at the 29-foot

shaft level did not cut pegmatite but bottomed in footwall. Instructions were given for turning off at the 35 foot level, and 16 feet of cross-cut was driven which intercepted pegmatite and the bottom of old workings. The Operator was advised to return to the shaft and continue sinking to 60 feet, and material encountered consisted of pegmatite lenses and pegmatite-schist mixture. The shaft bottomed in a thick pegmatite, barren of mica. A 5-foot sump was provided for the heavy intake of water. Turnoff was again made to the southeast and the level work completed as outlined in the above paragraph.

Authorization was given for all work completed, and the Operator was very cooperative during the course of the project, although many operating difficulties were encountered.

L. E. Shirley

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

February 21, 1957

Operating Committee

EXTRA COPY
DMEA
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DATE	[illegible]	CODE
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March 4, 1957

Memorandum

To: Jay L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region V

Subject: Completion of DMEA-4351, Idm-K1005 (Mica)
John Phillips, Spruce Pine, North Carolina
Bray Prospect, Hart County, Georgia

This project was completed on February 21, 1957. The Operator's final report has been received, and the final voucher approved and forwarded to the Finance Office. This was a unit-cost (short form) contract.

Therefore, a Report of Review on this contract is now in order.

Robert A. Laurence

RAL/mg
cc
Operating Committee (3)
Lynch
Shirley
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1, POST OFFICE BLDG.
KNOXVILLE 2, TENNESSEE

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March 1, 1957

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Operator's Final Report - Idm-E1007, DMEA-4351, John Phillips, Bray Prospect, Hart County, Ga.

Attached are three copies and the original of the subject report.

Final vouchers for this contract has been received and passed for payment. The Field Teams final report is in progress.

Robert A. Laurence

Robert A. Laurence

Operator's Final Rpt

OFFICIAL FILE COPY
D M E A
RECEIVED MAR 4 1957

DATE	INITIALS	CODE

Spruce Pine, North Carolina
February 25, 1957

Mr. Robert A. Laurence, Executive Officer
D.M.E.A., Region V
Room 13, Post Office Building
Knoxville, Tennessee

Re: DMEA-4351, Idm-E 1007 (Mica)
Bray Prospect, Hart County, Ga.
Final Report

Dear Mr. Laurence:

We began work on the above prospect September 17, 1956, and completed all the work called for in the contract on February 21, 1957.

In September we moved in bulldozer and excavated a trench 100' long. In October we moved in equipment, sat up powder and exploder magazines, constructed toolhouse, and completed 35' of shaft. In November we completed 14' more shaft making a total of 49', we began work on drift and completed 14' in this month. There was very little work done in December, because of the holidays, 8' of shaft was completed making a total of 57'. In January we completed 3' of shaft making the total 60' which the contract called for, we also completed 41' of drift. In February we completed 45' of drift making a total of 100' and completing the contract. We recovered approximately 500# of mica from the entire contract.

We wish to thank the field team for their assistance on the Bray Project.

Very truly yours,

John Phillips

John Phillips

P/b

RECEIVED
FEB 28 1957
U. S. Geologic Survey
Geologic Division
Knoxville, Tenn.

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 55

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of February, 1957 Docket No. DMEA 4351 Contract No. Idm-E 1007
Operator's Name John Phillips Minerals Mica
Address Spruce Pine, N.C.
Contract Amount, $ 6,276.00 Government Participation: 75 % Amount, $ 4,707.00

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		168.00	168.00			
Crosscutting						
45' Drifting @ $34.00	1530.00	1870.00	3400.00			
Shaft		2592.00	2592.00			
(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.		76.00	76.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		40.00	40.00			
(8) Contingencies (specify):						
TOTALS	1530.00	4746.00	6276.00	1530.00	4746.00	6276.00

RECEIVED MAR 11 1957 D.M.E.A.

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

Date 2-25-57 *Payee John Phillips

Per John Phillips Title Partner

*When 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:

$ 1,147.50

Signature Helen R. Miller (Authorized Certifying Officer)

Date MAR 7 1957 Vou. No. 141

(See other side)

6 d 7

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(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. E108 2 in accordance with the terms of the contract.

Signature S. C. Bergman Title GEOLOGIST, U. S. G. S. Date MAR 4 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lamenny Title EXECUTIVE OFFICER DMEA REGION V Date MAR 4 1957

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-R1151.2

RECEIVED MAR 1957 D.M.E.A.

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

Month of February 195 7 Docket No. DMEA 4351 Contract No. Idm-E 1007
Operator's Name John Phillips Minerals Mica
Address Spruce Pine, 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	Ft.	1530.00	45	3400.00	100	34.00	100	34.00
Crosscutting								
Raising								
Shafts	Ft.			2592.00	60	43.20	60	43.20
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	Cu. Yds.			168.00	560	0.30	560	0.30
TOTAL DISTRIBUTED COSTS		1530.00		6160.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				76.00				
Powder and Exploder Mags.				40.00				
TOTAL COSTS		1530.00		6276.00				

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 2-25-57 Operator John Phillips

Per John Phillips Title Partner

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)

S. C. Bergman

GEOLOGIST, U. S. G. S. MAR 4 1957

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 872894

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D M E A
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DATE | INITIALS | CODE

Operator's

Monthly Progress Report

February

DMEA-4351, Idm-E 1007
Bray Prospect, Hart Co., Ga.
Final Report

Work Accomplished:

In this month we completed 45' of drift, making a total of 100' and completing our contract. From the entire contract we recovered approximately 500# of mica.

Daily Notes:

4 - 8 : Drilled, shot, mucked out waste, and pumped out water daily.

11 - 15 : Continued to work on drift.

18 - [illegible] : Completed 100' of drift which completes all the work called for in the contract.

5
5
5
15 days - 45'

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1, POST OFFICE BLDG.
KNOXVILLE 2, TENNESSEE

WASHINGTON 25, D.C.

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 11 1957

DATE	INITIALS	CODE

March 4, 1957

Memorandum

To: Finance Officer, Region V - DMEA

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

Subject: DMEA-4351, Idm-E1007-Mica. John Phillips, Spruce Pine Bray Prospect, Hart County, Georgia

Enclosed is the Operator's final vouchers on the subject contract. Date of completion was February 22, 1957.

The Operator's final engineering and geological report has been received.

Robert A. Laurence
Executive Officer, DMEA
Region V

z

RECEIVED FEB 18 1957 D.M.E.A.

INTERIM REPORT

DMEA-4351, Idm-E1007 (mica) BRAY PROSPECT

Operator: John Phillips, Spruce Pine, N. C.

Location: 1.4 miles southwest of Crossroads, Hart County, Georgia

The prospect was inspected on February 7, 1957, at which time a total of 78 feet of drift work had been completed. A total of 62 feet has been driven at the 55-foot level; 18½ feet S. 70° E., 20 feet N. 75° E., and 23½ feet N. 60° E. in an attempt to intercept the plunge projection of the pegmatite bottom intercepted in the shaft and in the drift at the 35-foot level. The last 8 feet of the drift back and the last 3 feet of drift as a whole is in fine grain pegmatite material.

The Operator was instructed to continue his heading in pegmatite. It is anticipated that coarser more favorable pegmatite will be encountered since similar limited irregular and randomly distributed fine grain areas have been observed in other parts of this and other pegmatites in the area. Progress on this contract has been good in spite of heavy and bothersome ground water influx.

S. C. Bergman, Geologist
U. S. Geological Survey

E. L. Boudette, Geologist
U. S. Geological Survey

Wm. A. Beck, Mining Engineer
U. S. Geological Survey

RECEIVED
FEB 15 1957
D.M.E.A.

INTERIM REPORT

DMEA-4351, Idm-E1007 (mica) BRAY PROSPECT

Operator: John Phillips, Spruce Pine, N. C.

Location: 1.4 miles southwest of Crossroads, Hart County, Georgia

Drifting continues on this contract, and coupled with 16 feet of crosscut previously completed now totals 57 feet. From the 55 foot level, 18 feet have been driven S70°E, and 23 feet have been driven N75°E. In the present heading changes were noted in the dip of the enclosing rock. The work continues to follow pegmatite, barren of mica. Instructions were given for continuing the present drift on the same level.

Recent progress on this contract has been good.

L. E. Shirley

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

S. C. Bergman, Geologist
U. S. Geological Survey

January 24, 1957

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

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-45

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

Month of January, 1957 Docket No. DMEA 4351 Contract No. Idm-E 1007
Operator's Name John Phillips Minerals Mica
Address Spruce Pine, N.C.
Contract Amount, $ 6,276.00 Government Participation: 75 % Amount, $ 4,707.00

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		168.00	168.00			
Crosscutting						
41' Drifting @ $34.00	1394.00	476.00	1870.00			
3' Shaft @ $43.20	129.60	2462.40	2592.00			
(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		76.00	76.00			
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		40.00	40.00			
(8) Contingencies (specify):						
TOTALS	1523.60	3222.40	4746.00	1523.60	3222.40	4746.00

RECEIVED FEB 11 1957 D.M.E.A.

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

Date 2-1-57 *Payee John Phillips

Per John Phillips Title Partner

*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:

$1142.70

Signature Helen R. Muller
(Authorized Certifying Officer)

Date FEB 8 1957 Vou. No. 123

(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. Idu-E1007 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title MINING ENGINEER U. S. BUREAU OF MINES Date Feb. 6, 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Remaley Title EXECUTIVE OFFICER DMEA REGION V Date FEB 7 1957

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-R1151.2

RECEIVED FEB 11 1957 D.M.E.A.

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

Month of January 1957 Docket No. DMEA 4351 Contract No. Idm-E 1007
Operator's Name John Phillips Minerals Mica
Address Spruce Pine, 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	Ft.	1394.00	41	1870.00	55	34.00	100	34.00
Crosscutting								
Raising								
Shafts @ 43.20	Ft.	129.60	3	2592.00	60	43.20	60	43.20
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	Cu. Yds.			168.00				
Total Distributed Costs		1523.60		4630.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				76.00				
Powder & Exploder Mags.				40.00				
Total Costs		1523.60		4746.00				

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 2-1-57 Operator John Phillips

Per John Phillips Title Partner

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)

L. E. Shirley
MINING ENGINEER
U. S. BUREAU OF MINES
Feb. 6, 1957

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 872894

Operator's

Monthly Progress Report

DMEA-4351, Idm-E 1007

Bray Prospect, Hart Co., Ga.

Work Accomplished:

In this month we completed 3' of shaft, making the total of 60' which the contract called for. We also completed 41' of drift. There is no vein.

Daily Notes:

2 - 11 : Shot, drilled and mucked out waste daily.

14 - 18 : Completed work on shaft, total of 60'.

21 - 25 : Continued work on drift. There is no vein.

28 - 31 : We completed 41' of drift in this month making a total of 55' to date.

8 5 4/2 #1

INTERIM REPORT

DMEA-4351, Idm-E1007 (mica) BRAY PROSPECT

RECEIVED JAN 22 1957 D.M.E.A.

Operator: John Phillips, Spruce Pine, North Carolina
Location: 1.4 miles southwest of Crossroads, Hart County, Georgia

Shaft sinking has continued on this contract during the interim and is now at 58 feet; the additional two feet under contract will be sunk at an early date to provide a sump. The present shaft bottom is in barren pegmatite. Turnoff has been made from the 55 foot level and 16 feet of advance has been made in a S70°E direction. The drift has followed narrow pegmatite and the last round of holes drilled, but not pulled, during this visit were in pegmatite. The operator was advised to continue the drift in the present direction.

The mine continues to made considerable water but this is being handled satisfactorily since a power line has been run to the mine and electric pumps placed in use. Recent progress on this contract is satisfactory.

L. E. Shirley

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

S. C. Bergman
U. S. Geological Survey

January 10, 1957

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE
PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1956 Docket No. DMEA 4351 Contract No. Idm-E 1007
Operator's Name John Phillips Minerals Mica
Address Spruce Pine, N.C.
Contract Amount, $ 6,276.00 Government Participation: 75 % Amount, $ 4,707.00

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		168.00	168.00			
Crosscutting						
Drifting		476.00	476.00			
8' Shaft @ $43.20	345.60	2116.80	2462.40			
(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.		76.00	76.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		40.00	40.00			
(8) Contingencies (specify):						
TOTALS	345.60	2876.80	3222.40	345.60	2876.80	3222.40

RECEIVED JAN 7 1957 D.M.E.A.

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

Date 12-31-56 *Payee John Phillips

Per John Phillips Title Partner

*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:

$ 259.20

Signature Helen R. Miller
(Authorized Certifying Officer)

Date JAN 4 1957 Vou. No. 99
(See other side)

86.40

(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-1007 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist Date 1-2-1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Lynch. Title ACTING EXECUTIVE OFFICER DMEA - REGION V Date JAN 2 1957

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-R1151.2

RECEIVED JAN 7 1957 DMEA

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

Month of Dec. 1956 Docket No. DMEA 4351 Contract No. Idm-E 1007
Operator's Name John Phillips Minerals Mica
Address Spruce Pine, 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	Ft.			476.00	14	34.00	100	34.00
Crosscutting								
Raising								
8' Shafts @ $43.20	Ft.	345.60	8	2462.40	57	43.20	60	43.20
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	Cu.Yds.			168.00				
TOTAL DISTRIBUTED COSTS		345.60		3106.40				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				76.00				
Powder & Exploder Magz.				40.00				
TOTAL COSTS		345.60		3222.40				

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 12-31-56 Operator John Phillips

Per John Phillips Title Partner

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)

Alfred R. Taylor
Geologist, USGS

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 872894

RECEIVED JAN 2 1977 DMEA

OPERATOR'S

Monthly Progress Report

DMEA-#4351, Idm-E 1007

Bray Prospect

Work Accomplished:

We have completed 8' of shaft in this month,making a total of 57' to date. We are not finding any mica. The men did not work the last week in this month, because they came home for the holidays.

Daily Notes:

3 - 7 : Shot, Drilled and Mucked out waste daily, pumped water daily.

10 - 14 : We completed 8' of shaft in this month.

17 - 21 : We have completed a total of 57' of shaft to date, but we have not recovered any mica.

RECEIVED
DEC 23 1956

INTERIM REPORT

DMEA-4351, Idm-E1007 (mica) BRAY PROSPECT

Operator: John Phillips, Spruce Pine, North Carolina

Location: 1.4 miles Southwest of Crossroads, Hart County, Georgia

Two recent visits to this prospect while in the area has found the shaft containing considerable water and no one at the prospect. A later contact with the operator divulged that pump troubles was causing the delay. Little or no additional shaft sinking has been accomplished from that reported in the last preceding Interim.

Mr. R. A. Laurence, Executive Officer of DMEA, Region V, accompanied the Examiners on the December 6, 1956 visit to the mine.

L. E. Shirley

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

A. R. Taylor & S. C. Bergman
Geologists, U.S. Geological Survey

December 6 and 13, 1956

RECEIVED
DEC 10 1956
DMEA

INTERIM REPORT

DMEA-4351, Idm-E1007 (mica) BRAY PROSPECT

Operator: John Phillips, Spruce Pine, North Carolina
Location: 1.4 miles southwest of crossroads, Hart County, Georgia

Vertical shaft sinking continues on this contract and is now at 49 feet. Material encountered has been granitic and pegmatitic stringers, and sillimanitic schist and chloritic schist country rock. No mica has been recovered since shafting resumed. Instructions were given for continued sinking to a total depth of 60 feet before turning off a crosscut level at 55 feet. A 4 to 5 foot sump will be necessary because of strong water intake. A power line has been recently run to the mine and an electric pump is handling the water satisfactorily.

L. E. Shirley

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

A. R. Taylor & S. C. Bergman
Geologists, U. S. Geological Survey

November 29, 1956

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1956 Docket No. DMEA 4351 A Contract No. Idm-E 1007
Operator's Name John Phillips Minerals Mica
Address Spruce Pine, N.C.
Contract Amount, $ 6,276.00 Government Participation: 75 % Amount, $ 4,707.00

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		168.00	168.00			
Crosscutting						
14' Drifting @ 34.00	476.00		476.00			
14' Shaft @ 43.20	604.80	1512.00	2116.80			
(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.		76.00	76.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Nags.		40.00	40.00			
(8) Contingencies (specify):						
TOTALS	1080.80	1796.00	2876.80	1080.80	1796.00	2876.80

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

Date 12-3-56 *Payee John Phillips

Per John Phillips Title Partner

*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:

$ 810.60

Signature Helen R. Miller
(Authorized Certifying Officer)

Date DEC 6 1956 Vou. No. 87
(See other side)

RECEIVED DEC 1956 D.M.E.A.

270.20

(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-1007 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title GEOLOGIST, U. S. G. S. Date DEC 5 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA—REGION V Date DEC 4 1956

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-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1956 Docket No. DMEA 4351 Contract No. Idm-E 1007
Operator's Name John Phillips Minerals Mica
Address Spruce Pine, 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
14 Drifting @ $34.00	Ft.	476.00	14	476.00	14	34.00	100	34.00
Crosscutting								
Raising								
14' Shafts @ $43.20	Ft.	604.80	14	2116.80	14 49	43.20	60	43.20
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	Cy. Yds.			168.00				
Total Distributed Costs		1080.80		2760.00				Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				76.00				
Powder & Exploder Mags.				40.00				
Total Costs		1080.80		2876.80				

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 12-3-56 Operator John Phillips

Per John Phillips Title Partner

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)

Remarks:

(For Government use only)

Alfred R. Taylor
GEOLOGIST, U. S. G. S.
DEC 5 1956

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 872894

OPERATOR'S

Monthly Progress Report

DMEA-#4351, Idm-E 1007

Bray Prospect

Work Accomplished:

In this month we completed 14' of shaft, making a total of 49' to date. We also completed 14' of drift, we are finding no mica.

Daily Notes:

1 - 9	Drilled, shot and mucked out waste daily.
12 - 16	We still have an enormous amount of water, that has to be pumped out often.
19 - 23	We have completed 14' of shaft this month, also we have 14' of drift work.
26 - 30	We are making good progress with the work, but we are finding no mica.

9 3 2

7 3 2

RECEIVED
NOV 23 1956
D.M.E.A.

INTERIM REPORT

DMEA-4351, Idm-E1007 (mica) BRAY PROSPECT

Operator: John Phillips, Spruce Pine, North Carolina
Location: 1.4 miles southwest of Crossroads, Hart County, Georgia

Crosscutting has been in progress from the 35 foot shaft level on this contract and totals 16 feet. At this point the bottom of an old shaft was encountered in the roof area near the present face. The operator was advised to return to the shaft and continue sinking to a total depth of 60 feet. The Examiners are of the opinion that the target is of sufficient importance to warrant the necessary crosscutting involved. Test hole drilling to the south from the shaft at the 29 foot level bottomed in the footwall due to change in dip of the body. No mica was recovered during the interim. Progress on this contract has been satisfactory.

L. E. Shirley

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

A. R. Taylor, Geologist
U. S. Geological Survey

November 15, 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1055 POST OFFICE BLDG.
KNOXVILLE 2, TENNESSEE

A

RECEIVED NOV 28 1956 DMEA

November 21, 1956

Memorandum

To: Finance Officer, Region V

From: Acting Executive Officer, DMEA - Region V

Subject: Royalty Payment - Idm-E 1007-DMEA-4351, (mica)
John Phillips, Spruce Pine, N.C.
Bray Prospect, Hart County, Georgia

Attached is a bill-of-sale from the subject contract in the amount of $85.64 and a check No.42, for 5% of the sale in the amount of $4.28 to be credited to the contract.

V. J. Lynch

ZM
cc
Lynch
Mittendorf
Shirley
Files

Copy

RECEIVED NOV 23 1956

GENERAL SERVICES ADMINISTRATION
FINAL SETTLEMENT
Mica Purchasing Depot, Spruce Pine, N. C.

Date Purchased 10-19-56

Acceptance No. AR4-690(a)

Certificate Authorization No. 1928A LOT No. SP-

VOUCHER No.

	TOTAL Wt. Lb	Lbs-G.S	Lbs-Stained	Lbs-Hy-Stained	Total Value
Processed for Payment	15.94	5.63	6.78	3.53	238.55

No Processed Pay't	
THINS	
BLACK Dots	
BLACK Spots	
BLACK Stains	
Undersized	
Process- Gain ~~Loss~~	.02
Total Lbs Purchased	15.92

Less: Initial Payment - Voucher No.		Sch. No.	152.91
Balance Due	Government	Seller	85.64

Seller's Name: John Phillips (Betty Mining Co)

Address: Spruce Pine, N.C.

CK. No. 42

NAME OF MINE: Bray Bros.

DMEA No. 4351 Idm-E 1007

Hart County, Georgia

Approved

Date:

RECEIVED
NOV 9 1956

INTERIM REPORT

DMEA-4351, Idm-E1007 (mica) BRAY PROSPECT

Operator: John Phillips, Spruce Pine, North Carolina
Location: 1.4 miles southwest of Cross roads, Hart County, Georgia

Shaft sinking has been in progress on this contract and is now at 35 feet from the excavated surface. Instructions were given for pulling another round of holes, establishing a sump, flooring the shaft, and turning off on a drift level. Practically all of the material encountered from the 23 foot level has been granitic stringers and a mixture of sillimnitic schist. As per instructions the operator continued to drill test holes to the pegmatite from the south end of the shaft. Two 20 foot holes were drilled from the 29 foot level, neither of which encountered pegmatite. Crosscutting to the south will begin in the coming week. Progress on this contract is satisfactory.

L. E. Shirley

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

A. R. Taylor

A. R. Taylor, Geologist
U. S. Geological Survey

November 1, 1956

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

RECEIVED NOV 2 1956 D.M.E.A.

October 31, 1956

Memorandum

To: Finance Officer, DMEA - Region V

From: Acting Executive Officer, DMEA - Region V -

Subject: Royalty payment - Idm-E1007, DMEA-4351, Mica. John Phillips, Applicant. Bray Prospect, Georgia

Transmitted is a bill-of-sale in the amount of $152.91 for mica sold from the subject project, and a check for 5% of the sale in the amount of $7,65 to be credited to the account.

V. J. Lynch

ZM.
cc
Lynch
Mittendorf
Shirley
Files

Copy

RECEIVED NOV 2 1956 D.M.E.A.

GENERAL SERVICES ADMINISTRATION WARRANTY, ACCEPTANCE AND INVOICE MICA PURCHASING DEPOT, SPRUCE PINE, N. C.		DATE PURCHASED 10-19-56 ACCEPTANCE No.
CERTIFICATE AUTHORIZATION No.	LOT No.	VOUCHER No.
RUBY X NON-RUBY	TOTAL LBS. PURHCASED	VALUE - INITIAL PAYMENT
PRELIMINARY PAYMENT	15.92	152.91
GENERAL SERVICES ADMINISTRATION		
By:	NAME OF MINE: Bray	COUNTY - STATE Hart Georgia
John Phillips, Applicant Spruce Pine, N. C.	DMEA No. 4351	Idm-E 1007-
	Seller: Betty Mining Co.	
Bray Prospect Hart County, Georgia	Address: Box 35 - Spruce Pine, N. C	
	Title: Sam Phillips, Partner	
Royalty Ck. No. 24		

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1956 Docket No. DMEA 4351 A Contract No. Idm-E 1007

Operator's Name John Phillips Minerals Mica

Address Spruce Pine, North Carolina

Contract Amount, $ 6,276.00 Government Participation: 75 % Amount, $ 4,707.00

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		168.00	168.00			
Crosscutting						
Drifting						
35' Shaft @ $43.20	1512.00	- - -	1512.00			
(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.	76.00	—	76.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.	40.00	—	40.00			
(8) Contingencies (specify):						
TOTALS	1628.00	168.00	1796.00	1628.00	168.00	1796.00

RECEIVED NOV 16 1956 D.M.E.A.

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

Date 11-1-56 *Payee John Phillips

Per John Phillips Title Partner

*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:

$ 1221.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date NOV 14 1956 Vou. No. 71
(See other side)

2

407.00

(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. 10M-E 1007 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist Date Nov. 5, 1956

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date NOV 8 1956

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-R1151.2

RECEIVED NOV 16 1956 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct. 195 6 Docket No. DMEA 4351 Contract No. Idm-E 1007
Operator's Name John Phillips Minerals Mica
Address Spruce Pine, 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								
35' Shafts @ $43.20	35	1512.00	35	1512.00	35	43.20	60	43.20
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing				168.00	560 c.y.	0.30	560c.y.	0.30
TOTAL DISTRIBUTED COSTS		1512.00		1680.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.		76.00		76.00				
Powder & Exploder Mags.		40.00		40.00				
TOTAL COSTS		1628.00		1796.00				

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 11-1-56 Operator John Phillips

Per John Phillips Title Partner

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)

Alfred R. Taylor
Geologist, USGS

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 872894

RECEIVED
NOV 16 1956
D.M.E.A.

OPERATOR'S

Monthly Progress Report

DMEA-4351, Idm-E1007

Bray Prospect, Hart County

Work Accomplished:

We moved in equipment, sat up powder and exploder magazines, constructed toolhouse, and begin shaft work. There is an enormous amount of water, causing a lot of extra work, however we have completed 35' of shaft and recovered approximately 400 lbs. of block mica.

Daily Notes:

October 1 - 5 : We moved in equipment, sat up powder and exploder magazines, constructed toolhouse.

8- 12 : Drilled, shot, and mucked out waste daily.

15 - 19 : We begin sinking the shaft, there is an enormous amount of water.

22 - 31 : We sank shaft a distance of 35', and recovered approximately 400 lbs. of block mica to date.

C

INTERIM REPORT

RECEIVED
OCT 25 1956

DMEA-4351, Idm-E1007 (mica) BRAY PROSPECT

Operator: John Phillips, Spruce Pine, North Carolina
Location: 1.4 miles southwest of crossroads, Hart County, Georgia

Vertical shaft sinking continues on this contract and is now at 23 feet. Practically all of the work to date has been conducted in pegmatite and the hanging wall of the body has been followed to the present depth. At a point 17 feet from the collar on the north end of the shaft there is an indication that the pegmatite plunges 30° to the south; the body is continuous on the south end of the shaft. The operator was advised to continue sinking vertically as long as pegmatite could be encountered on the south end with test hole drilling. About 600 pounds of excellent quality mine-run book mica has been recovered to date some of which contains small flattened crystals of tourmaline. In addition to mica, a few pounds of beryl of light green color has been produced from the west side of the body.

The operator was advised to continue cribbing the shaft. Mine water is being handled satisfactorily with an air sump pump. Progress om this contract has been good.

Mr. Bob McClay, Geologist, U. S. Geological Survey, accompanied the Field Examiners on this visit to the mine.

L. E. Shirley

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

A. R. Taylor

A. R. Taylor, Geologist
U. S. Geological Survey

October 18, 1956

RECEIVED
OCT 1 3 1956

INTERIM REPORT

DMEA-4351, Idm-E1007 (mica) BRAY PROSPECT

Operator: John Phillips, Spruce Pine, North Carolina
Location: 1.4 miles southwest of Crossroads, Hart County, Georgia

Shaft sinking is underway on this contract and is now at 6 feet. The shaft has not been collared as yet but cribbing will begin as soon as practicable. Material encountered is pegmatite, composed of kaolinized feldspar, small quartz stringers and small scrap sizes of muscovite mica.

Equipment on the property consists of a 105 c,f,m. air compressor, a single drum gasoline-powered hoist, conventional hoisting frame and necessary hand tools. A tool house-bunk house has been built and is in use. Progress on this contract has been good.

L. E. Shirley

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

A. R. Taylor, Geologist
U. S. Geological Survey

October 4, 1956

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

Budget Bureau No. 42-R1036.5

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

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-
RECEIVED
OCT 15 1956

Month of September, 1956 Docket No. DMEA 4351 Contract No. Idm-E 1007
Operator's Name John Phillips Minerals Mica
Address Spruce Pine, N.C.
Contract Amount, $ 6,276.00 Government Participation: 75 % Amount, $ 4,707.00

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						
560 Cu.Yds. Bulldozing @ 0.30	168.00		168.00			
Crosscutting						
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	168.00		168.00	168.00		168.00

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

Date 10-5-56 *Payee John Phillips

Per John Phillips Title Partner

*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:

$ 126.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date OCT 11 1956 Vou. No. 56
(See other side)

45.00

(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. F1007 in accordance with the terms of the contract.

Signature S. C. Bergman Title Geologist, USGS Date 10/8/56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date OCT 8 1956

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-R1151.2

RECEIVED
OCT 15 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1956 Docket No. DMEA 4351 Contract No. Idm-E 1007
Operator's Name John Phillips Minerals Mica
Address Spruce Pine, 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								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
560 Cu. Yds. Bulldozing	Cu.Yds.	168.00	560 c.y.	168.00	560 c.y.	0.30	560 c.y.	0.30
TOTAL DISTRIBUTED COSTS		168.00		168.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		168.00		168.00				

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 10-5-56 Operator John Phillips

Per John Phillips Title Partner

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)

S.C. Bergman - Geologist, USGS
10/8/56

INSTRUCTIONS

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GPO 872894

RECEIVED
OCT 2 1963

OPERATOR'S

Monthly Progress Report

DMEA-4351, Idm-E 1007

Bray Prospect, Hart County

Work Accomplished

In this month we begin work on the above project, we moved in a bulldozer, and excawated a trench 100 feet long, 15 feet wide, and 10 feet deep in order to strike vein, and to provide a suitable shaft site.

Work

Daily Notes:

September 17 - 28: We moved in bulldozer, and excavated trench 100 feet long as called for in the contract.

RECEIVED
SEP 2 6 1956

September 26, 1956

Mr. John Phillips

Spruce Pine, North Carolina

Re: DMEA-4351, Idm-81007 - Mica
Bray Prospect, Hart County, Ga.

Dear Mr. Phillips:

This will confirm the authorization to begin Stage II of the Bray Prospect contract, recently given verbally by our Field Examiners.

Very truly yours,

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

RAL/sm
cc:
Opr. Com.-4
Finance Office
Lynch
Shirley
Files

4351

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 9-28

Referred to:

1. ~~Mr. Hitchcock~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. Nonmetallics ~~Division~~
6. ~~Docket Control Mails and Files~~

Note comments in report regarding:

1. Recommends Stage II

2.

3.

4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

Robert E. Adams

RECEIVED
SEP 28 1956

INTERIM REPORT

DMEA-4351, Idm-E1007 (mica) BRAY PROSPECT

Operator: John Phillips, Spruce Pine, North Carolina
Location: 1.4 miles southwest of Crossroads, Hart County, Georgia

The starting date on this contract is September 10, 1956. Stage I consisting of trenching along the projected strike of a pegmatite by bulldozer has been completed and required approximately 15-1/2 hours of machine time. The trench is 110 feet long by 15 feet wide by 6 to 10 feet deep. The trench trends due north and has exposed pegmatite for at least 100 feet striking N10°W and dipping near vertical. The body is 6 to 10 feet thick and is composed of feldspar, considerable massive quartz and flat, hard books of excellent quality muscovite mica. Approximately 300 pounds of mine-run book was recovered from the trenching.

The Field Examiners recommend that Stage II of the contract be approved in writing, to confirm verbal authorization. A shaft site was spotted and sinking is expected to begin as soon as written approval is received.

Mr. Milford L. Skow, Commodity-Industry Analyst, Branch of Ceramic and Fertilizer Materials, Washington, D. C., accompanied the Field Examiners on this visit to the mine.

L. E. Shirley

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

A. R. Taylor, Geologist
S. C. Bergman, Geologist
U. S. Geological Survey

September 20, 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 15, OCH OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
SEP 17 1956

September 13, 1956

Memorandum

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

From: Executive Officer, DMEA, Field Team, Region V, Knoxville

Subject: Signed Contract Idm-E1007, Docket No. DMEA-4351
John Phillips, Spruce Pine, North Carolina
Bray Prospect No. 1 (Mica), Hart County, Georgia

Transmitted are the original and two copies of the subject contract.

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

Robert A. Laurence
Robert A. Laurence

Enclosures 3

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

DOCKET COPY
Surname:
Anderson
Houk
Talbutt
Selfridge
F E Johnson

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

SEP - 5 1956

Re: Docket No. DMEA-4351-mica
John Phillips
Bray Prospect No. 1
Hart County, Georgia

Dear Mr. Lawrence:

Enclosed are the original and five copies of a proposed contract which have been signed by the Administrator for the Government with effective date as shown. Attachments to the contract are Annex I, Consent to Lien, Exhibit "A" (2 pages), and map of the Bray Prospect. Two extra copies of Annex I, Exhibit "A" and the map are enclosed for the use of the Field Team.

If the proposed contract meets with your approval, present it to the applicant for execution. Please explain to the applicant that the contract is a firm commitment to complete the work outlined at the agreed cost. Copies of the executed contract are to be distributed in the usual manner.

If any part of this proposed contract does not have either your approval or that of the applicant and cannot be amended within your delegated authority, then the original and all copies of the contract and the two extra copies of Annex I, Exhibit "A" and the map are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated July 24 and 26, 1956, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Approved:

Frank D. Lamb (s/G)
Member, Bureau of Mines

N. E. Nelson (s/G)
Member, Geological Survey

Enclosures: 12

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (s/G)

WCAnderson:ms 8/28/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

PS: Please obtain the address of the landowner and have it written on the Consent to Lien forms.

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

August 22, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region V

Subject: Docket No. DMEA-4351 (Mica)
John Phillips, Spruce Pine, North Carolina
Bray Prospect #1 and #2, Hart County, Georgia

Enclosed are six signed copies of the Consent to Lien and four copies of the lease, submitted by the Applicant in response to Mr. Houk's request of August 14, 1956.

Robert A. Laurence

Robert A. Laurence

Enclosures 2

DOCKET COPY
Surname:
Anderson
Houk
Hyl

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

AUG 14 1956

Mr. John Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-4351-mica
John Phillips
Bray Prospect #1 and #2
Hart County, Georgia

Dear Mr. Phillips:

Reference is made to your letter of August 1, 1956, to Mr. Robert A. Lawrence, Executive Officer, DMEA Field Team, Region V, which contains an amendment to the legal description of the subject property.

In this description, the tie-in call is not clear to us. Please obtain the exact bearing of the line from the stake located at the center of the Bray Prospect #1 to the Poplar Tree, and insert in the description.

Enclosed are our copy of your lease, the old Consent to Lien and seven copies of a new Consent to Lien. Please complete the new Consent to Lien forms with the amended legal description and correct the land description on the lease to agree.

Upon receipt of these documents properly executed, we will continue to process your application.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosures: 14

WCAnderson:ms 8/14/56
Copy to: Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

R.C.S.

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

RECEIVED
AUG - 3 1956

August 3, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Amended Legal Descriptions of Properties

Enclosed are four copies each of letters from the Applicants, providing an amended legal description and tie-in from the leased area to a recorded property corner on each of the following:

DMEA-4237, (mica) Ed Huskins and F. Gage

DMEA-4239, (mica) John Phillips

DMEA-4248, (mica) Grover Grindstaff

DMEA-4332 (mica) John Phillips

DMEA-4351 (mica) John Phillips

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

W. J. Lynch, Member
Bureau of Mines

PAL/sm
cc:
Lynch
Shirley

RECEIVED
AUG - 6 1956

Spruce Pine, North Carolina
August 1, 1956

Mr. Robert A. Laurence, Executive Officer
D. M. E. A., Region V
Room 13, Post Office Building
Knoxville, Tennessee

Re: DMEA-4351 (Mica) Bray Prospects #1 and #2
Hartwell, Georgia, Hart County

Dear Mr. Laurence:

We wish to made an amended legal description on the Bray Prospects to read as follows:

Beginning on an iron stake at the center of Bray Prospect #1 which is located approximately 620' Northeast to a Poplar Tree and a large rock, this being a corner in the property line between John C. McBee, Sr. and Earnest Wood, as shown on deed recorded in Book Number 64, Page Number 143, Register of Deeds Officer, Hartwell, Ga., and running 500'North; thence 500' West; thence 1000' South; thence 1000' East; thence 1000' North; thence 500' West to a point of closing. This property located near Crossroads Church, between Bowersville and Hartwell, Ga.

Very truly yours,

John Phillips

John Phillips

P/b

RECEIVED
AUG 3 - 1956
U. ... ...vey
Geologic Division
Knoxville, Tenn.

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

July 26, 1956

RECEIVED
JUL 27 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: W. F. Dietrich, Chief
Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4351 (mica)

Applicant: J. Phillips

Name and Location of Property: Bray Prospect No. 1, Hart County, Ga.

Date of Field Team Report: 7/18/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 7/24/56

Field Team Recommendation: Recommend a 2-stage, unit-cost exploration contract.

Comments:

1. Flat and clear ruby muscovite was observed in a vertical 7-foot thick pegmatite.

2. This deposit appears to have possibilities for the development of strategic mica.

3. Total estimated costs are in the amount of $6,736.00.

Recommendation:

I concur with the field team's recommendation for an exploration project.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

RECEIVED
JUL 25 1956

July 24, 1956

Re: DMEA 4351
John Phillips
Bray Prospect No. 1
Hart County, Georgia
Appl. Est. $11,200.00
Rec'd. Est. $6,736.00
Mica

Memorandum

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

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of Field Team report

The applicant requested assistance in exploring by shaft and drifting two pegmatites.

The examiners found only one pegmatite which is tentatively identified as that of the Waterhole Mine. The examiners saw a 7-foot pegmatite whereas the Waterhole pegmatite is said to be at least 20 feet thick. Griffitts, W. R. and Olson, J. C. (1953) "Mica Deposits of the Southeastern Piedmont," Parts 7 & 8: U.S.G.S. Prof. Paper 248, p. 312 and Plate 25. The rock and mineral associations, as described, are similar to those at the referenced (Bray) prospect.

The zoned pegmatite at the Bray prospect contains abundant muscovite, and beryl is reported.

The examiners and Field Team outline and recommend a work program, consisting of bulldozing, shaft sinking, and/or drifting and crosscutting.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

Memorandum

To: File

From: Walter C. Anderson Nonmetallic Minerals Division

Subject: Evaluation of application and field examination report
Docket No. DMEA-4351
John Phillips
Bray Prospect No. 1
Hart County, Georgia

A contract is recommended

Mica: Flat, clear ruby, free splitting, crystals up to 3 inches wide. Use of excellent quality.

Pegmatite: Zoned, vertical, at least 7 feet thick (possibly 20 feet thick, discordant to sillimanite-mica schist.

Old workings: Two circular shafts 12 feet apart, 35 and 38 feet deep respectively, in a bulldozed trench.

Method of exploring: Applicant proposed to work two prospects, each consisting of 50 feet of shaft and 80 feet of drifts at an estimated cost of $5,600, or $11,200 for both. The contract, as written, consists of 2 stages, No. I to excavate to determine extent of pegmatite, and if it looks promising, Stage II will consist of 60 feet of shaft and 100 feet of drifts, total estimated cost $6,276.00.

Economics and Costs: The exploration work will be confined entirely to pegmatite. Unit costs amount to $43.20 for shaft sinking and $34.00 for drifting which is reasonable.

Comments: Only $168 will be risked on this project if the excavating does not

appear a promising pegmatite.

Recommendation:

The Nonmetallic Minerals Division and the commodity members of the Bureau of Mines and Geological Survey concur in the Field Team recommendation for a contract.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
JUL 23 1956

July 19, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report - DMEA-4351, John Phillips, Spruce Pine, N. C., applicant. Bray Prospect No. 1, Hart County, Georgia

Transmitted are 4 copies of the subject report, with nine extra copies of two maps.

The Field Team concurs with the Field Examiners in their recommendation for a two stage, unit-cost contract for exploration on the subject application.

V. J. Lynch
V. J. Lynch, Acting
Executive Officer, DMEA
Region V

A. R. Taylor / for
S. C. Bergman, Geologist
U. S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
7/25/56
(date)

On-Site Exam Rpt

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JUL 2 3 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT
REGION V

On

DMEA-4351 (mica) BRAY PROSPECT No.1
Hart County, Georgia

By

A. R. Taylor, Geologist
U. S. Geological Survey

and

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
7/25/56
(date)

July 18, 1956

FIELD EXAMINATION REPORT

On

DMEA-4351 (mica) BRAY PROSPECT No.1

RECEIVED
JUL 23 1956

Applicant: John Phillips, Spruce Pine, North Carolina

Location: One mile west of Crossroads, Hart County, Georgia

Summary

Flat and clear ruby muscovite is abundant in a zoned, vertical 7-foot thick pegmatite. It is recommended that the application be approved and a unit-cost, two-stage program be undertaken.

Introduction

The Bray Prospect No. 1 was examined in the company of Mr. Sam L. Phillips on July 11, 1956. Two hours were spent on the examination.

This Prospect, possibly the same as the "Waterhole Mine," is on a gently sloping open hillside west of Crossroads, Hart County, Georgia (see attached index map).

Two circular shafts, 35-ft and 38-ft deep respectively, exist about 12 ft apart in a bulldozed trench that trends north-south. The shafts are approximately 700 ft S 45° W from the E. B. Wood Mine, DMEA-4305.

No facilities exist on the property. Electricity is within 1500 ft of the mine.

Geology

A zoned, vertical pegmatite, at least 7 ft thick (possibly 20 ft thick) contains abundant muscovite, and is composed essentially of plagioclase, quartz, muscovite, and a minor amount of black tourmaline (crystals 2" long). Beryl has been reported to be present (USGS Prof. Paper 248, p.312).

The general strike is north-south.

The pegmatite is discordant to the sillimanite-mica schist whose schistosity strikes N 50° E, and dips 60 to 70 degrees SE.

Flat, clear, free-splitting ruby muscovite crystals up to 3 inches wide exist on the dump. The sheets have some surface clay staining, and an occasional flattened tourmaline crystal. The quality in general is excellent.

Reference:

Griffitts, W. R., and Olson, J. C. (1953),"Mica Deposits of the Southeastern Piedmont," Parts 7 and 8; USGS Prof. Paper 248,E; P.312 and plate 25.

Estimated Costs

(see next page)

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JUL 23 1956

Estimated Costs

Stage I

Shaft-site Preparation---556 cu.yds. of dump and weathered rock (100' x 15' x 10' = 556 cu.yds @ $0.40/cu.yd. $222.00

StageII

Buildings:

Toolhouse	75.00	
Powder Magazine	25.00	
Exploder Magazine	14.00	114.00

Total cost of Stage I..... 336.00

Stage

Sink 60-feet of shaft, drive 100 ft. of drift and/or crosscut (90 shifts)

Shaft Costs, 40 shifts includes timbering time, etc.

Labor:

1 - Miner @ $1.50/hr.	480.00
1 - Hoistman @ $1.25/hr.	400.00
1 - Laborer @ $1.00/hr.	320.00

Equipment: (rental) (2 months)

Compressor, air portable, 105 cfm @ $200/Mo.	400.00
Drill, air, rock @ $50/Mo.	80.00
Hoist, single drum @ $50/Mo.	100.00

Supplies:

Explosives	230.00	
Gasoline and oil	150.00	
Drill steel and bits	90.00	
Timber, 3000 b.f. @ $65/M	195.00	
Small tools and pipe	100.00	
Miscellaneous	50.00	
Social Security	24.00	
Liability Insurance	27.00	
Sales Tax	25.00	$2,771.00

Drive 100 feet of drift and/or crosscut
(50 shifts)

Labor:

1 - Miner @ $1.50/hr.	$600.00
1 - Hoistman @ $1.25/hr	500.00
2 - Laborers @ $1.00/hr	800.00

Equipment: (rental)

Compresspr. portable air, 105 cfm @ $200/Mo.	500.00
Drill-air, rock, 51 lbs. cap @ $50/Mo.	125.00
Pump, @ $40/Mo.	100.00
Hoist, single drum, gasoline 8 H.P. @ $50/Mo.	125.00

Supplies:

Explosives	300.00
Gasoline and oil	150.00
Drill steel and bits	120.00
Timber, 2000 b.f. @ $65/M	130.00
Small tools and pipe	50.00
Social Security	81.00
Sales Tax	23.00
Miscellaneous	25.00

(100 ft of drift @ $36/ft)Total cost of Stage II $6,400.00

Estimated Total cost of Stages I and II..... $6,736.00

A. R. Taylor

A. R. Taylor, Geologist
Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

DOCKET COPY
Surname:
Anderson
Houk
Kiilsgaard
Yost
Selfridge
Fleming

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

JUN 28 1956

Mr. John Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-4351-mica
John Phillips
Bray Prospects #1 and #2
Hart County, Georgia

Dear Mr. Phillips:

Your application for assistance in exploring the subject 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 V, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

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

Sincerely yours,
G. O. Mittendorf

Administrator

WCAnderson:ms 6/26/56
Copy to: Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson
Admr. R. File

R.S.S.

DOCKET COPY
Surname:
Anderson
Houk
Selfridge
Hyman

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

JUN 28 1956

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

Re: Docket No. DMEA-4351-mica
John Phillips
Bray Prospects #1 and #2
Hart County, Georgia

Dear Mr. Laurence:

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

Copies of memoranda dated June 22, 1956, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GCS)

Approved:

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

Thor H. Kiilsgaard (THK)
Member, Geological Survey

Enclosures: 4

WCAnderson:ms 6/26/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson
Admr. R. File

RCA.

IN REPLY REFER TO:

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

RECEIVED
JUN 2 5 1956

June 22, 1956

Re: DMEA 4351
John Phillips
Bay Prospects 1 and 2
Hart Co., Georgia
$11,200.00 - Mica

Memorandum

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

From: N. E. Nelson, U. S. Geological Survey

Subject: Review of application.

The applicant requests assistance in exploring a 'new' pegmatite occurrence. Nothing seems to be known about the pegmatite except that "some vein materials are in evidence", but the applicant desires to work in two places bulldozing, sinking 2 shafts each 50 feet deep, and driving two drifts each 80 feet long.

The sketch map shows two pegmatites of slightly different strikes, but the application speaks of "new prospect".

Referral of the application to the Field Team for appropriate action is recommended.

N. E. Nelson

N. E. Nelson

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

RECEIVED
JUN 22 1956

June 22, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: W. F. Dietrich, Chief
Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4351 (mica)

Applicant: John Phillips, Spruce Pine, N. C.

Name and Location of Property: Bray Prospects #1 and #2, Hart County, Ga.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 6/21/56

Comments:

1. The applicant proposes to explore two separate new prospects, by doing the same work at each prospect.

2. The proposed work consists of bulldozing to uncover the pegmatite and aid in location of the shaft sites, sinking 50 feet on each prospect, and drifting 80 feet on each pegmatite.

3. The field team should consider the advisability of a 2-stage project at each location.

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

June 21, 1956

Mr. John Phillips
Spruce Pine,
North Carolina

Subject: DMEA 4351
Re: Exploration Assistance
Bray Prospects #1 and #2

Dear Mr. Phillips

The receipt of your application dated June 19, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 4351 and referred to the Nonmetallic Minerals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division