DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Idm-E NO. 194

DMEA NO. 1198

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

- [x] Royalty Audits
- [x] Certification of Discovery
- [ ] Closing Letter
- [x] Cost Audits
- [x] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] 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 Comoleted analysis (final)

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

- [x] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [ ] 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

17763

Government's copy

RECEIVED
OCT 15 1956

EXPLORATION PROJECT CONTRACT
THE HITCHCOCK CORPORATION
DOCKET NO. DMEA-1198X

AGREEMENT CONCERNING ROYALTY

This Agreement, made and entered into this 1st day of October, 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration (hereinafter referred to as the "Government"), and The Hitchcock Corporation (hereinafter referred to as the "Operator");

WITNESSETH THAT:

WHEREAS, the Government and the Operator entered into Exploration Project Contract Idm-E194 (Docket No. DMEA-1198X) under date of October 24, 1951, which Contract, as amended, is hereinafter referred to as the "Contract"; and

WHEREAS, the Operator is obligated, pursuant to Article 15 of the Contract and the Certification of Discovery or Development thereunder dated May 28, 1953, to pay royalty to the Government on the net smelter returns or other net proceeds realized from the ore, concentrates, or metal produced within ten (10) years from October 24, 1951, from the land described in the Contract, until the total amount of $11,662.32 contributed by the Government, without interest, is fully repaid or until October 24, 1961, whichever occurs first, the amount of such royalty being measured on the sliding percentage basis set forth in said Article 15; and

WHEREAS, the Operator has begun production of talc from the land described in the Contract, which talc will be mixed with talc produced from other lands not subject to the Contract and it will be difficult or impossible to determine the value of the proceeds of the talc from the land described in the Contract; and

WHEREAS, the parties desire to simplify the method of payment of royalties to the Government under the Contract;

NOW, THEREFORE, the parties hereto mutually agree as follows:

Royalty payments to the Government on any talc produced from the land described in the contract shall be

at the rate of $3.75 per short dry ton of such talc, and not on the basis of the percentages set forth in Article 15 of the Contract.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By C. Mitchenoy
Administrator, Defense Minerals
Exploration Administration

THE HITCHCOCK CORPORATION

By J. C. Barney Jr.

Title Sec. Treas.

THE HITCHCOCK CORPORATION

P. O. Box 35 [redacted] PHONE
MURPHY, N. C. VERNON 7-2713

HIGH QUALITY TALCS

TALC MARKING CRAYONS CRUSHED STONE

October 10, 1956

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

Re: DMA-1198, Idm-E194 (talc)
Nancy Jordan No. 3 Mine
Cherokee County, N. C.

Dear Mr. Laurence:

As requested in your letter of October 4th I am enclosing the five executed copies of the royalty agreement in connection with the above captioned contract.

I would like to point out that we have opened the Nancy Jordan #3 Mine as insurance in case something should happen to any of our other sources of talc. In other words, we plan to use the #3 Mine only when needed. It is entirely possible that some months there may be no talc at all removed and in other months there may be quite a bit. We plan to use the #3 Mine only as a stand-by.

Yours very truly,

THE HITCHCOCK CORPORATION

F. C. Bourne Jr.

F. C. Bourne, Jr., Sec.-Treas.

FCBJr/amh
Encl.

RECEIVED
OCT 11 1956
U. ... Geologic Division
Knoxville, Tenn.

FILE COPY
SURNAME:

Robertson
Hook
a Etter
Burton
Clymer
H Jones
Kinder
Hodges
Selfridge

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

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

To: The Hitchcock Corporation
Box 35
Murphy, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Idm-K194, dated October 24, 1951, (Docket No. DMEA-1198), hereinafter called the "contract", between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the mineral deposit which is the subject of the exploration project, the Government considers and therefore certifies that a discovery or development has resulted from the work from which commercial production of ore may be made, in or upon that certain property situated in the State of North Carolina, County of Cherokee, described as follows:

> Commencing at the point where the severance line between land of the Tennessee Valley Authority and the Tarheel Investment Company, Inc., crosses Cool Spring Ridge and running thence a southwest course with the top of Cool Spring Ridge to a point opposite and southeast from Nancy Jordan Gap; thence leaving Cool Spring Ridge and running in a northwest direction, passing Nancy Jordan Gap, 1,500 feet to a stake; thence on a direct line toward the southwest corner of the Hayes Dockery Tract to the severance line between the land of the Tennessee Valley Authority and the Tarheel Investment Company, Inc.; thence with said severance line on a southeast course to the point of beginning. And in addition the land lying northwest of Cool Spring Ridge, southwest of the ridge on which Nancy Jordan Gap is situated, southeast of a line one-half mile from Cool Spring Ridge, and northeast of the severance line of the Tennessee Valley Authority, north of the Notla River.

The Government's estimate of said discovery or development is particularly described and delimited as follows:

Diamond drilling, totaling 6,355 feet of holes in the Murphy Marble Belt, drilled under the contract, resulted in the discovery of commercial grinding grades of talc. Talc was disclosed in about 30 percent of the holes drilled increasing the inferred ore reserves of the property.

THE UNITED STATES OF AMERICA

By C O Mittendorf
Administrator, Defense Minerals
Exploration Administration

Dated: MAY 2 8 1953

J.H.
5-29-53

JTRobertson:gad 5/25/53

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTRACT ADMINISTRATION AND AUDIT DIVISION

AUDIT CERTIFICATE

I have examined the records and transactions of:

The Hitchcock Corporation

Murphy, North Carolina

pertaining to Exploration Project Contract No. Idm-E194, Docket No. DMTA-1198K, including Amendments Nos. 1 and 2 dated November 23, 1951 and February 27, 1952, for the period January 22, 1952 to April 14, 1953, covering a project for the exploration of Steatite Talc.

My examination was made in accordance with generally accepted standards applicable to the circumstances.

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

Total cost as billed by Contractor		$13,023.81
Exceptions (see Audit Report for details):		
Prior to this audit	$ -0-	
During this audit	65.68	65.68
Total Accepted Cost		$12,958.13

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Eleven thousand six hundred sixty-two and 32/100 Dollars,

— $11,662.32 —

is valid and proper.

This certificate is issued on the provision 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. J. Brekhus, Auditor

April 20, 1953

I INTRODUCTION

On April 8, 9 and 10, 1953, a final audit (covering the period January 22, 1952 to April 14, 1953) was made of the records and accounts of operations pertaining to Contract No. Idm-2194, Docket No. DMA-1198X, including Amendments Nos. 1 and 2, with the:

Hitchcock Corporation
Murphy, North Carolina

covering a project for exploration for Steatite Talc.

The accounting records under this contract are located in the Company's offices at its mine and mill site on the southern outskirts of Murphy, North Carolina.

During the course of the audit the following officers and employees of the Company were consulted as required:

Mr. E. C. Van Horn, Geologist and Assistant Superintendent
Mr. Eldridge Landermilk, Timekeeper and Clerk

Mr. W. A. Beck, Mining Engineer, Region VII, and Mr. E. D. Talbert, Assistant Chief, Contract Administration and Audit Division, DMEA, collaborated in the performance of this audit.

II GENERAL INFORMATION ON RECORDS

The accounting records for the exploration project are completely integrated with the general accounts covering the Company's exploration, mining, and mill operations. Project costs for labor covering this contract were maintained on subsidiary time records. Issuances of materials were recorded in a log book maintained individually for this contract. While issuances of material to the exploration project were made from stores, pricing was obtained by reference to invoices covering purchases of these items. No perpetual inventory or other stores records are maintained.

III SCOPE OF AUDIT AND FINDINGS

As documentation was waived after a substantial portion of the work had been performed, and progress payments made, this audit was preceded by a review of the documents which had been submitted to the DMEA Certifying Officer in Knoxville. Review of the remaining documents was made at the office of the Operator at the site of operations at Murphy, North Carolina.

The audit was limited to ascertaining the accuracy propriety and validity of the final costs as submitted with the Operator's October 1952 Form MF-104. The extent of the audit and the findings under each of the "Items of Costs" follow:

(1) Independent Contracts:

Not applicable to this contract.

(2) Labor and Supervision:

All employees working on an hourly rate basis were paid time and one-half after the first 40 hours worked per week, regardless of number of hours worked in any one day. The week started Monday morning. As all employees working on the DMEA exploration project also at various times worked on other assignments, the Company established a rule to charge overtime to whichever job the employee worked on after the initial 40 hours in a week. The share of overtime charged to DMEA under this procedure was determined to be reasonable. However, since a spot check disclosed some errors in calculations, all charges for direct labor were checked in detail to payrolls and weekly time summaries for the individuals. The charges for straight time and overtime were re-calculated, and where errors occured, adjustments were made. Spot checks were made to canceled payroll checks to verify payments.

The audit disclosed that the costs shown under labor on the final MF-104 as compared to the costs properly chargeable and allowable under the terms of this contract to be:

		Hourly Rate	Hours	Charged	Not Allowable	Allowable
Diamond Drillers	ST	$1.15	377	$ 433.55	$	$ 433.55
" "	OT	1.725	95½	189.30	24.56 (2)	164.74
" "	ST	1.00	1217	1,217.00		1,217.00
" "	OT	1.50	148½	230.62	7.87 (2)	222.75
Driller Helpers	ST	.875	372	325.50		325.50
" "	OT	1.3125	86½	132.05	18.52 (2)	113.53
" "	ST	.825	1166	961.96		961.96
" "	OT	1.2375	161½	206.70	6.83 (2)	199.87
" "	ST	.775	8½	6.59		6.59
Mechanics	ST	1.00	81	81.20	20 (2)	81.00
"	OT	1.50	10½	13.53	(2.22) (2)	15.75
Laborers	ST	1.15	9½	10.92	.62 (3)	10.30
"	ST	Various (1)	208	166.84	3.34 (2)	163.90
"	OT	Various (1)	9½	11.35		11.35
				$3,987.11	$59.72	$3,927.39

(1) Various rates paid for labor, all within contract authorization.

(2) Except for a few minor errors all disallowances are for charging overtime rates when straight time rates were applicable.

(3) Paid labor foreman $1.15 per hour, which is in excess of rate for labor authorized by contract.

Mr. E. C. Van Horn, Assistant Superintendent, was actively engaged in supervision of work called for under this contract. For his services the DMRA project was charged for one-half of his time at the rate of $20.00 per day. The payroll records disclosed the Assistant Superintendent was paid $900.00 per month, which is equivalent to the rate charged to the costs. The total charged to supervision for the approximate nine months when the work was under way was $1,910.00. The Executive Officer of the Field Team concurred that this was a reasonable charge for the supervision of the project.

(3) Operating Materials and Supplies:

Charges against this category were checked to the daily log book maintained by the company for recording activities under this contract. At the time these materials and supplies were recorded in the log book, the cost price was entered from the invoices covering acquisition. The prices as shown were spot checked to original invoices, computations verified, and a limited number of the invoices were traced to canceled checks for evidence that payments had been made regularly, and in the amounts shown.

At the time of initiating the work under this contract an initial supply of bits, rods, casing, pipe and other miscellaneous hardware and tools were issued to the job. Some of these items were new, and some were used and therefore charged for at various percentages of new value ranging from 40 percent to 100 percent (averaging approximately 81 percent) as determined by the company. This lot was priced out to the job for $2291.90 and was accepted by the Executive Officer of the Government as being reasonable.

The total costs properly chargeable and allowable under this item were found to consist of the following:

Bits	$1,837.95
Rods	1,790.09
Casing	1,895.07
Pipe	822.08
Core Boxes	64.00
Gas Oil and Grease	456.80
Miscellaneous, Hardware, Tools, etc.	470.08
Total	$7,336.07

At the time contract was terminated a quantity of gasoline oil and grease remained which was returned to company stores and credit for full value of $26.20 issued therefor. A credit was also received for salvage of diamonds on diamond drill bits amounting to $1,284.18. The above Operating Materials and Supplies costs of $7,336.07 are the net amount after giving effect to these credits.

(4) Operating Equipment:

The charges for Operating Equipment were checked against rental payments, purchase invoices, and shifts of drilling operations by reference to drillers daily time records. The costs properly allowable under this category are as follows:

Rental of truck 5 hours @ $1.00 per hour	$ 5.00
Purchase of high head pump	228.11
Depreciation allowance for drill riggs and bulldozer	679.50
Total	$912.61

The rental of the truck for hauling the equipment and supplies to drilling site was informally accepted by the executive officer as a necessary cost to perform the work under this contract. The purchase of the high head pump is authorized under Amendment No. 2 with an estimate of $1,000.00 for acquisition cost. The operator stated he was unalbe to obtain a new pump and therefore purchased a used high head pump for $75.00, and spent $153.11 rehabilitating this pump. These costs were supported by detailed listings of materials used, and invoices for the pump and work performed on it by outside vendors.

Exhibit "A" of the contract provides for an allowance of $3.00 per shift for use of operators core drilling rigs. The operator has billed for 216½ shifts in the sum of $649.50. A check of the drillers time sheets indicated the charge was in order. The charge of $30.00 for bulldozing is not specifically authorized under Exhibit "A" or the amendments to the contract. However, as the work was for three hours clearing a drill site, it was informally approved by the executive officer, and appears to be a proper cost in performing the work called for under the contract.

(5) Initial Rehabilitation and Repairs:

Not applicable to this contract.

(6) New Buildings, Improvements, etc.:

Not applicable to this contract.

(7) Miscellaneous:

All charges for payroll taxes and insurance were checked by computation at the rates shown by the Company's files to be in effect. These rates were:

Social Security Tax	1.5%	
Unemployment: Federal	3%	
	2.7%	4.5%

Workman's Compensation Insurance:

For January, February and March 1952	4.785%
For April to October 1952, inclusive	4.683%

Disallowances for overcharges in direct labor under item (2) above required corresponding disallowances in payroll taxes and liability insurance measured on labor. Accordingly, these costs were recalculated at the rates shown above resulting in acceptable costs as follows:

	Charged	Disallowed	Allowable
Payroll Taxes	$179.42	$2.69	$176.73
Liability Insurance	188.60	3.27	185.33

Accounting costs provided for under Exhibit "A" of this contract allow $10.00 per day for the bookkeeper for part time services. The billings were made for two days per month for each month except the last month, for which three days was billed. As the bookkeeper was paid at a salary averaging $12.00 per day the amount of $210.00 billed for his services appears to be reasonable and is allowed.

IV CONCLUSIONS AND RECOMMENDATIONS

This audit has disclosed that all costs as charged to this project, with the exception of the disallowances itemized under (2) Labor and Supervision, and (7) Miscellaneous, of the preceding sections of this report, are reasonable and proper under the terms of the contract, including the Exhibit "A", as amended.

Equipment and supplies not expended at time the contract was terminated were disposed of in accordance with Article 6 and 7 of the contract. Their valuation is as follows:

Gas, Oil and Grease	$ 26.20
Salvage on Diamond Drill Bits	1,284.18
One lot, consisting of High Head Pump, Pipe, Casing, Rods and Bits	1,700.00
Total credits	$3,010.38

Gas, oil and grease was returned to stock and credited to this project at same value as when issued. The credit received from the supplier for salvaged diamonds was passed on to this job. Notice of offer to sell the high head pump, pipe, casing, rods and bits, was posted in the county courthouse, but only one bid of $900.00 was received. The Hitchcock Corporation offered $1,700.00 for the lot, which was accepted by the Executive Officer, per letter and assignment of interest dated April 14, 1953.

The adjustments between Items of Costs, as shown on the October 1952 MF-104, the recommended disallowances, and approved amounts, are summarized as follows:

	Totals Oct-MF-104	Distribution Corrected	Disallowed by Audit	Allowed by Audit
(2) Labor & Supervision:				
Labor	$ 3,987.11	$ 3,987.11	$59.72	$ 3,927.39
Supervision	1,910.00	1,910.00		1,910.00
Technical Services	210.00			
(3) Oper. Mat'ls & Supplies:				
Timber	64.00			
Pipe and Casing		2,717.15		2,717.15
Bits and Rods		3,628.04		3,628.04
Core Boxes		64.00		64.00
Gas, Oil and Grease	476.35	456.80		456.80
Misc.Mchs.,Tools,etc.	8,106.10	470.08		470.08
(4) Operating Equipment:				
Rental	679.50	5.00		5.00
Purchase	228.11	228.11		228.11
Depreciation		679.50		679.50
(7) Miscellaneous:				
Payroll Taxes	368.02	179.42	2.69	176.73
Liability Insurances		188.60	3.27	185.33
Transportation	5.00			
Accounting		210.00		210.00
Less: Credit for Equipment and Supplies Sold	(3,010.38)	(1,700.00)	____	(1,700.00)
Totals	$13,023.81	$13,023.81	$65.68	$12,958.13

At the conclusion of the audit the findings were discussed with Mr. E. C. Van Horn, Assistant Superintendent, and the variations causing the disallowances were pointed out in detail and agreement was obtained.

April 20, 1953

B. J. Brekhus, Auditor

Government Copy

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

It is agreed this 14th day of April, 1953, RAL JCS Jr.
between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and The Hitchcock Corporation, Box 35, Murphy, North Carolina,
hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E 194, Docket No. DMEA-1198, dated 24th October 1951, that the said contract shall be and is hereby terminated as of the first date above written.

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

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

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

UNITED STATES OF AMERICA

By Robert A. Lawrence EXECUTIVE OFFICER DMEA REGION VII

THE HITCHCOCK CORPORATION
(Operator)

By J. C. Barnes Jr.
Treasurer

18262-1

Contracts & Audit Copy

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Contract Amendment No. 2

DMA Docket No. 1198X, Idm-E194, The Hitchcock Corporation

Contract Docket-DMA-1198X, Idm-E194, dated 24 October 1951, between THE UNITED STATES OF AMERICA and THE HITCHCOCK CORPORATION is hereby amended as follows:

Exhibit "A" is amended to provide that item 2,"Equipment to be purchased" under section "Total Estimated Costs" be changed to $1000.00 instead of $8,500.00 as provided in the original contract, and item 3, "Supplies, oil, fuel, etc., under the same section be changed to $9,250 instead of $1,750.00.

Operating Equipment, "To be Purchased" is amended to read as follows:

1	High head pump	$1,000.00
	Total equipment to be purchased	$1,000.00

The $9250 for supplies includes:

5,000 ft. of 2" pipe @ 30¢ per ft.	$1,500.00
Drill accessories, rods, core bits, casing, etc.	6,000.00
Oil, fuel, etc.	1,750.00
	$9,250.00

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

THE HITCHCOCK CORPORATION

By F. Bromme
Treasurer

THE UNITED STATES OF AMERICA

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

Reviewed by Division DB 2/26

AMENDMENT No. II, was written to delete from equipment purchased such items as pipe, drill accessories, rods, core bits, casing etc., and place them under supplies. These items are expendable and should be placed under that category.

Contract Adm., Credit Div.

CONTRACT AMENDMENT I.

Contract Docket No. DMA-1198X, Idm-E 194, dated October 24, 1951, between the United States of America and The Hitchcock Corporation, is hereby amended as follows:

1. Item 3 is amended to read, "The Operator, within 90 days from the date of this contract, shall commence work----" instead of 30 days, and to provide for completion within 24 months from date of contract instead of 23 months.

2. Exhibit "A", under 'Proposed Exploration Work, third paragraph is amended to read, "All cores will be AX or larger. Upon mutual agreement of the Operator and the Field Team, holes of BX or larger size will be drilled to obtain larger samples from talc deposits which have been discovered by the AX holes."

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the cost which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

Dated November 23, 1951

UNITED STATES OF AMERICA

By Robert A. Lawrence

Executive Officer, DMEA, Region VII

THE HITCHCOCK CORPORATION

By F. Byrne

Treasurer

COPY

DMA-1198X, Idm-E194. The Hitchcock Corp. Inc. (Steatite)

Amendment No.1, dated November 23, 1951 was made to begin work within 90 days instead of 30 days and completion within 24 months instead of 23 months because adverse weather conditions during the early months of the contract would hinder the drilling operations. It was felt that it was in the Government's interest to make this amendment.

Item 2, Amendment No. 1, was made to drill holes AX size instead of BX size as written in the contract because it was felt that most of the holes would not cut talc and it would be cheaper to drill the smaller holes. The few holes that would cut talc would be redrilled BX size to get samples.

MF-260
(June 1951)

Docket No. DMA 1198X
Commodity Steatite
Talc
Idm-E 194

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract Signed
Date Received

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C. NOV 20 8 47 AM '51

EXPLORATION PROJECT CONTRACT [1]

This agreement this 24th day of October, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2]

The Hitchcock Corporation
Box 35
Murphy, North Carolina

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of North Carolina, County of Cherokee described as follows: [3]

See Appendix I

with respect to which the Operator represents and undertakes: [4]

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

(*b*) That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.

3. *Exploration project.* The Operator, within Thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] Steatite Talc; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] Twenty-three (23) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Any additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute currently its agreed pro rata share, are listed in Exhibit "A" attached hereto. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged as a cost of the project to which the Government has contributed its pro rata share.

6. *Operating equipment.* Any operating equipment to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or depreciation, as the case may be, is listed under appropriate headings in Exhibit "A" attached hereto. As to equipment purchased for the project, the Government will contribute its agreed pro rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged as a cost of the project to which the Government has contributed its pro rata share.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property.
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, and other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* An itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project is set forth in Exhibit "A" attached hereto.

9. *Rehabilitation and repairs.* A statement of the cost of any necessary rehabilitation or repairs to put existing facilities, buildings, installations, and fixtures into useful and operable condition and which are to be allowed as costs of the project is included in Exhibit "A."

10. *Allowable costs of the project.* The costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, analytical work, accounting, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in this contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, taxes, or any other indirect costs not expressly allowed by these provisions, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

12. *Progress reports.* The Operator shall provide the Government with monthly reports of work performed under the contract upon forms to be provided by the Government. Each monthly progress report shall bear the certification of the Operator and shall constitute the Operator's invoice of costs incurred on the project during the period covered by the report.

13. *Payment to the Operator.* The monthly progress report (invoice), to the extent approved by the Government, shall be processed for payment by the Government. Payment shall be made in the amount of 90 percent of the approved costs incurred; *Provided,* That the aggregate total of all sums paid by the Government under this agreement shall not exceed $ 29,267.10, which is 90 percent of the agreed estimated total cost of this project, $ 32,519.00.

14. *Final reports by Operator.* Upon completion of the project or termination of this contract, the Operator shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

15. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter, shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent for each additional full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the mineral deposit which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

16. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

17. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in sextuplicate the day and year first above written.

The Hitchcock Corporation
(Operator)

By [signature]
Treasurer

THE UNITED STATES OF AMERICA

By Frank E. Johnson
Acting Director, Production Expansion Division
Defense Minerals Administration

U. S. GOVERNMENT PRINTING OFFICE 16—64066-2

APPENDIX I

Commencing at the point where the severance line between land of the Tennessee Valley Authority and the Tarheel Investment Company, Inc., crosses Cool Spring Ridge and running thence a southwest course with the top of Cool Spring Ridge to a point opposite and southeast from Nancy Jordan Gap; thence leaving Cool Spring Ridge and running in a northwest direction, passing Nancy Jordan Gap, 1500 feet to a stake; thence on a direct line toward the southwest corner of the Hayes Dockery Tract to the severance line between the land of the Tennessee Valley Authority and the Tarheel Investment Company, Inc.; thence with said severance line on a southeast course to the point of beginning. And in addition the land lying northwest of Cool Spring Ridge, southwest of the ridge on which Nancy Jordan Gap is situated, southeast of a line one-half mile from Cool Spring Ridge, and northeast of the severance line of the Tennessee Valley Authority, north of the Notla River.

Docket No. DMA 1198X
The Hitchcock Corporation

EXHIBIT "A"

Exploration Project:

To explore by diamond drilling for steatite talc.

Proposed Exploratory Work:

A maximum of 10,000 feet of diamond drilling will be done as indicated on the attached map. Individual holes will vary from 100 feet to 300 feet in depth; exact depths and locations will be mutually agreed upon by the Government and the Operator as work progresses.

The Operator will log all cores and preserve them for inspection by the Government who will make periodical examinations of the cores recovered. The Government may select any part of the cores which in its opinion merits special testing for further inspection and testing in Government laboratories. Results of tests in Government laboratories will be made available to Operator. Core testing may also be made in commercial laboratories if necessary, and mutually agreeable to the Government and the Operator.

All cores will be BX or larger.

The Operator may use one or two drill rigs on the project and will operate six shifts per week.

Total Estimated Cost:

1.	Allowance for use of Operator's equipment	$ 1,050.00	
2.	Equipment to be purchased	8,500.00	1,000.00
3.	Supplies, oil, fuel, etc.	1,750.00	9,250.
4.	Labor	11,529.00	
5.	Supervision	4,190.00	
6.	Core handling, shipping, testing	4,000.00	
7.	Payroll taxes, insurance, etc.	1,500.00	
	Total Cost	$32,519.00	

On 10,000 feet of drilling, the approximate cost is $3.25 per foot of drilling.

Fixtures and Improvements:

None

Operating Equipment:

To be rented:

None

To be purchased:

1 High head pump	$1,000.00
5,000 feet of 2" pipe at 30¢ per foot	1,500.00
Drill accessories, rods, core bits, casing, etc.	6,000.00
Total equipment to be purchased	$8,500.00

Equipment furnished by Operator:

The Operator owns two drill rigs, and the allowance for the use of these will be $3.00 per shift; either one or two rigs may be operated at the discretion of the Operator. Allowance for use does not include accessories, gas, oil or repairs, and applies only when drill is in operation.

Total estimated allowance for the use of these drill rigs is 350 shifts at $3.00 per shift = $1,050.00

Labor and Supervision:

1 or 2 drill runners at $13.00 per day
1 or 2 drill helpers at $8.67 per day
1 or 2 laborers at $8.67 per day
1 Mechanic at $13.00 per day
1 Engineer-superintendent ½ time at $20.00 per day
1 Bookkeeper - part time at $10.00 per day

Rehabilitation and Repairs:

None

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Cherokee, State of North Carolina, described in a certain Exploration Project Contract dated October 24, 1951, between THE HITCHCOCK CORPORATION, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated September 20, 1939, and amended April 11, 1944, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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

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

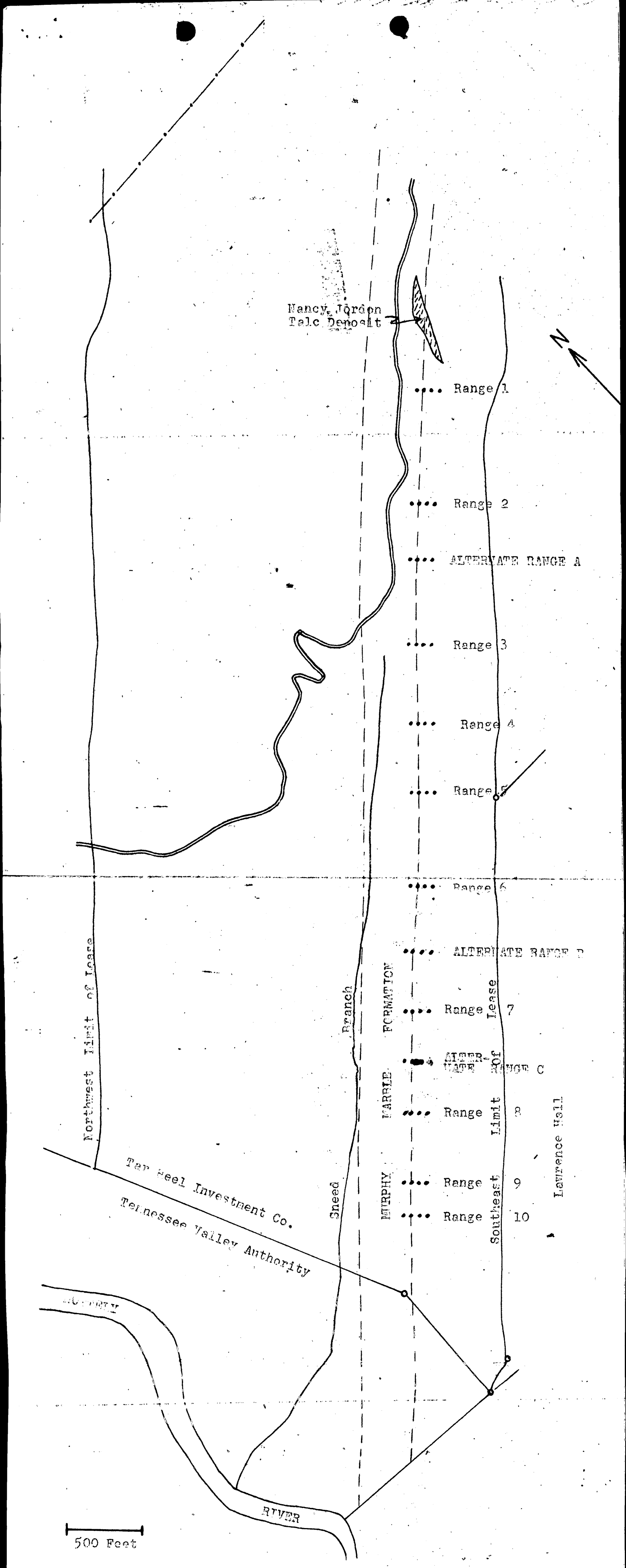
This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 24th day of September, 1951.

TARHEEL INVESTMENT COMPANY

By- H Moore Pres.

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1



THE HITCHCOCK CORPORATION
MURPHY, N.C.

PROPOSED LAYOUT OF
COREDRILLING RANGES

DMA PROJECT 1198X SEPT. 22, 1951

NOTE:
Exact locations of holes subject to adjustment as drilling progresses.

Map adapted from TVA Dwg. 8-4162-16.14

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMA-1198X

Date received 6/5/51

Participation

THE HITCHCOCK CORPORATION
PO BOX 35
MURPHY, N. C.

Name and address of applicant

Date May 29, 1951

FILL IN THIS BLOCK

Date of application May 29, 1951

Estimated cost $185,965.00

Mineral or metal Steatite Talc

Percentage of Government participation 90%

Location of mine s Nancy Jordan Property: 1¼ miles southwest of Murphy, N. C.
Carolina Property: 5½ miles southwest of Murphy, N. C.

Date of filing MF-100 May 29, 1951

DMA Docket Number, if available

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.
*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.
*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.
*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.
15. State in detail how the ore could be shipped and how and where milled.
*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.
*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.
19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?
21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.
24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

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

THE HITCHCOCK CORPORATION
(Name of company)

By [signature]
(Signature of authorized official)

MAY 29, 1951
(Date)

[signature]
(Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

Form MF-103 Supplement Sheet 1
Defense Minerals Administration

THE HITCHCOCK CORPORATION
PO BOX 35
MURPHY, N. C.

1-5 See Form MF-100
6- Not applicable

7- The lease contracts, which are in good standing, will be made available for attachment to the exploration contract.

8- Financial statement attached.

9- The Corporation is prepared to invest $18,596.50, sufficient to pay its part of the project cost.

10-(a) The Nancy Jordon mine property includes that part of the Tar Heel property adjoining the southwest boundary of the Tar Heel tract, being "the land lying northwest of the Cool Springs Ridge, southwest of the ridge on which Nancy Jordon Gap is situated, southeast of a line one-half mile from Cool Springs Ridge, and northeast of the severance line of the TVA, north of the Notla River" (a strip approximately one-half mile wide and 10,000 feet long, in Cherokee County, N. C.
The Carolina property includes "tracts FBR-221, FBR-490, and parts of FBR-291 and FBR-286, as included in TVA License Agreement No. TV-99617, amended.
NOTE: See Sheet 1 of Geologic Map in pocket of North Carolina Bulletin 56, attached to Form MF-100.

10-(b) The plots on which the project will be conducted are the same as in 10(a) above, excepting the currently operated Nancy Jordon deposit, the Bourne deposit, the 6/51 deposit, the Stalcup deposit, and the Carolina deposit, these deposits totaling approximately 5 acres.

11-14 See Form MF-100

15- Ore can be trucked to the Nancy Jordon mills, and shipped via Southern or L&N railways or by one of four trucking concerns from Murphy.

16-19 See Form MF-100

20- Exploration will be conducted for steatite talc.

21- The proposed program consists of core drilling approximately 200 core holes totaling 60,000 lineal feet, requiring a total time of 23 months. It is proposed that approximately 40 cross-cut ranges of four holes each, averaging 300 feet in depth, be drilled across the talc-bearing portion of the Murphy marble formation. The cross-cut ranges would be on nominal 300-foot centers along the strike. It is proposed that approximately

THE HITCHCOCK CORPORATION
PO BOX 35
MURPHY, N. C.

21-(cont.)

40 drill holes be reserved to explore in detail such locations that are indicated to be most favorable. It is proposed that approximately 17 percent of the holes be drilled on the Carolina property and 83 percent on the Tar Heel property.

22-Exploration for talc deposits in general in the Murphy marble belt is no longer the hit-or-miss problem of just a few years ago. It is now known that the Murphy marble formation is the only host to talc deposits in the Murphy district. It is known also that the Murphy marble, which has a true stratigraphic thickness of about 350 feet, contains talc deposits only in a central, recognizable stratigraphic zone. With this definite geological relationship, and since the areal extent of the marble formation has been mapped on a scale of one inch to 2000 feet, exploration locations can be restricted within very close limits and economy and efficiency of exploration is effected.

Although most of the marble formation, and nearly all of its contained talc, are concealed by 30 or more feet of overburden, the staff of the applicant corporation is able by experience reasonably to establish probabilities of talc occurrences along the strike from seemingly meager information. For example, several prospect locations have been abandoned as having little or no possibility for commercial talc, on the basis of data furnished from single drill holes.

Occurrences of numerous talc showings, each with excellent although differing physical characteristics, throughout the subject properties, indicates with little doubt that much talc remains to be found in the area, and that possibilities for steatite- and lava -grades of talc are most promising. Three of our most recent discoveries of talc have indications of containing some steatite grade, and one of these discoveries might supply a small quantity of lava-grade talc. It hs been noted in our mining operations that the more deeply seated talcs tend to have better steatite and lava characteristics than do the more shallow talcs. To date our exploration and development work has not extended to great depths, as for example below the zone of erosional pressure-relief effects which have been found significant in this area. One deposit of talc, northeast of the applicant's deposits, formerly produced talc that could be machined and fired for the manufacture of gas -burner tips. That deposit has been exhausted, but certain of our talcs have had similar characteristics.

One of the most regular and most typical portions of the entire Murphy marble belt is included in the two miles of strike length contained on the Tar Heel property of the present applicant. The The average strike and dip of the formation is N42°E, 50°SE. Talc showings have been encountered in at least seven locations, well

THE HITCHCOCK CORPORATION
PO BOX 35
MURPHY, N. C.

22-(cont.)

distributed along the length of the property. As yet, however, only two of these locations have been explored extensively. The largest known deposit is a lense-shaped mass approximately 750 feet long, 150 feet wide, and having as much as 50 feet of vertical thickness. Comparatively little rock is contained within the talc mass, and the chemical composition of the talc approaches the theoretical composition. Its suitability for steatite purposes would be aided by its notable lack of CaO content and of tremolite.

Similar geological conditions exist on the one-half mile of strike length contained on the Carolina property. This property is especially significant because of the proven mineralization in the old Carolina talc mine, and the extensions shown by recent work. NOTE: See Bulletin 56, N. C. Dept. Of Conservation and Development, "Talc Deposits of the Murphy Marble Belt", appended to Form MF-100.

It is significant that the U. S. Bureau of Mines, it its Report of Investigations No. 3804, reported that certain of the applicant's talcs would be suitable for use in high -frequency insulators, Since the time when that work was reporte d additional qualities of talc, possibly even more suitable, have been discovered. The U. S. Bureau of Mines Technical Laboratory, Norris, Tennessee, recently has indicated interest in out talcs as material for use in synthesizing steatite blocks. Messrs. A.E.J. Engle and A.H. Chidester, Mineral Deposits Branch, U.S. Geological Survey, have inspected our properties in the field and apparently were favorably impressed with the possibilities for steatite discovery.

23-Estimated cost of project:

(a) Labor 3 drillers @ $1.50/hr
3 helpers @ 1.00
1 mechanic @ 1.50

(b) Supervision
1 geologist supervisor
@ $500 per mo(prorated)

Total $0.81 per lin ft

(c) None

(d) None

(e) Two core drill outfits complete
with tools and pumping equipment @ $5750 $11,500

(f)None

THE HITCHCOCK CORPORATION
PONBOX 35
MURPHY, N. C.

23-(cont.)	Brought forward	$11,500
(g) One Sullivan core drill outfit complete with equipment and pump	@ $0.05 per lin ft	
(h) Material and supplies, Including diamond bits	@ 1.50 per lin ft	
(i) Utilities, payroll taxes, insurance, et. cet.	@ 0.64 per lin ft	
60,000 lin ft	@ $3.00 per lin ft	$180,000
	Gross cost	$191,500
	Less salvage	5,535
	TOTAL ESTIMATED COST	$185,965

24- Project schedule:

(a) By the end of two months, purchase two core drill outfits and complete 2000 feet of drilling. Expend $17,500

(b) For the next 20 months , complete 2762 feet of drilling per month. Expend $8,286 per month.

(c) Complete the project at the end of the 23 month and expend $2,745.

Form MF-103 Supplement Sheet 5
Defense Minerals Administration

THE HITCHCOCK CORPORATION
PO BOX 35
MURPHY, N. C.

THE HITCHCOCK CORPORATION

BALANCE SHEET - DECEMBER 31, 1950

ASSETS

CURRENT ASSETS:			
Cash,		$44,205.18	
Accounts Receivable - Trade,		52,107.93	
Inventories,		3,200.00	$ 99,513.11
FIXED ASSETS:			
Buildings,		$ 14,451.78	
Machinery and Equipment,		428,169.16	
Total,		$442,620.94	
Less Reserve for Depreciation,		94,172.56	348,448.38
OTHER ASSETS:			
U. S. Treasury Bonds - Cost,		$ 2,076.11	
Accounts Receivable - Employees,		189.27	
Due from Officer - Francis C. Bourne		5,102.86	
Unexpired Insurance,		1,687.08	
Development Costs:			
Bleach Process,	$ 495.31		
Carolina Mine,	3,635.71	4,131.02	13,186.34
TOTAL ASSETS,			$461,147.83

LIABILITIES AND NET WORTH

CURRENT LIABILITIES:			
Accounts Payable,		$ 19,608.25	
Salaries Payable,		7,623.04	
Taxes Payable,		5,154.61	
Notes Payable - Current Portion,		92,658.04	
Due Minerals and Metals Corporation		4,756.58	
Reserve for Income Taxes,		52,000.00	$181,800.52
OTHER LIABILITIES:			
Notes Payable:			
E. F. Craven Company,	$57,431.00		
Carolina Tractor and Equipment Co.,	8,073.00		
Asheville Contracting Company,	32,375.04		
Total,	$97,879.04		
Less Current Portion Shown Above,	92,658.04	$ 5,221.00	
W. H. Anderson Construction Company,		64,341.90	69,562.90
NET WORTH:			
Capital Stock,		$100,000.00	
Surplus,		109,784.41	209,784.41
TOTAL LIABILITIES AND NET WORTH,			$461,147.83

NOTE: Provision has not been made for U.S. Excess Profits Tax.

Form MF-103 Supplement Sheet 6
Defense Minerals
Administration

THE HITCHCOCK CORPORATION

The Hitchcock Corp.
PO Box 35
Murphy, N. C.

INCOME AND EXPENSE - TALC OPERATION
FOR THE YEAR ENDED DECEMBER 31, 1950

	Mining	Processing Crayons	Processing Pulverized	Total
SALES,.....		$132,716.50	$170,860.54	$303,577.04
COST OF SALES:				
Talc Purchased,.....	$ 419.75			$ 419.75
Salaries and Wages,....	46,744.48	$ 26,965.25	$ 21,672.29	95,382.02
Core Drilling,.....	3,805.62			3,805.62
Royalties,.....	11,350.03			11,350.03
Explosives and Supplies	4,962.16	599.90	1,098.88	6,660.94
Timbers for Shafts,....	2,516.96			2,516.96
Electricity and Power,.	2,158.93	1,933.92	2,579.63	6,672.48
Repairs,.....	1,747.28	300.25	1,321.42	3,368.95
Depreciation,.....	1,342.85	737.81	3,513.46	5,594.12
Insurance,.....	2,692.68	477.33	563.09	3,733.10
Payroll Taxes,.....	2,772.95	1,235.76	975.57	4,984.28
Storing and Packing,...		2,199.85	9,614.42	11,814.27
Total Cost of Sales,	$80,513.69	$ 34,450.07	$ 41,338.76	$156,302.52
GROSS PROFIT FROM SALES,.....				$147,274.52

EXPENSES:	
Selling and Delivery:	$ 4,199.66
Commissions,.....	$ 4,199.66
Discounts,.....	607.53
Advertising,.....	15.00
Freight and Hauling,.....	287.76
Truck Expense,.....	5,644.56
Truck Depreciation,.....	1,603.98
Truck Insurance,.....	449.31
Total Selling and Delivery,.....	$ 12,807.80
Other:	
Officers' Salaries,.....	$ 30,000.00
Superintendents' Salaries,.....	11,500.00
Ad Valorem Taxes,.....	629.80
Travel,.....	432.83
Hospital Insurance,.....	1,912.27
Allocation of Other Administrative and General Expense,...	9,386.86
Total Other,.....	$ 53,861.76
Total Expenses,.....	$ 66,669.56
NET INCOME,.....	$ 80,604.96
% of Sales,.....	26.55

NOTE: Stone and gravel plants make up differences to total Balance Sheet

Form MF-100
(March 1951)

U. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMA-1198X

Date received 6/5/51

MS 2036

THE HITCHCOCK CORPORATION
PO BOX 35
MURPHY, N. C.

Name and address of applicant

Date May 29, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124-A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products?
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts.
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following:
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated.
   (*b*) Are you operating this property as:
   - ☐ Owner.
   - ☒ Lessee.
   - ☐ Contractor.
5. Number of years in production _____

   If not in production or operation, estimated date when production will begin _____
6. Experience of operators:
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History:
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
Mrs. W.H. Anderson	(D)President	$15,000	Not Known	None	None	None	None
W.H.Anderson Estate	----------	----	Not Known	3,999	None	None	None
Francis C. Bourne	D Treasurer	30,000	$100,000	3,999	None	None	None
S. G. Bernard	D Secretary	None	Not Known	1	None	None	None
Margaret Taylor	D --------	None	Not Known	1	None	None	None
	Total	$45,000	x x x x x	8,000		x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues:

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$100,000	$100,000	$12.50	8,000	1950 $2.50 per share
Preferred stock	$ None	$ None	$ None	None	None

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
		Sh tons	sh tons		sh tons
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)	Talc	4400	4412	3610	400
2. Quantity of product processed (specify unit of measure and type of process)	Powder Crayons	4200 200	4210 202	3702 212	382 18
3. Quantity and grade of product sold or shipped (specify units of measure)	Powder Crayons	4400	4412	3914	400

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change.

12. Ore or Mineral Reserves:

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

Form MF-100 Supplement Sheet 1
Defense Minerals Administration

THE HITCHCOCK CORPORATION
P O BOX 35
MURPHY, N.C.

1. Minerals produced;

   (a) Chief mine and mill products are pure talc crayons and powder.
   (b) No by-products are produced.

2. The Hitchcock Corporation operates it's Nancy Jordan talc mine on property leased from the Tar Heel Investment Company and known as the Tar Heel property or the Cool Spring property. This is the principal operation of the Hitchcock Corporation. It's mills include one pulverizing plant and one crayon plant. It's mine has the following extent:

   (a) A single shaft 240 feet deep.
   (b) 685 feet of drifts, cross-cuts, and inclines.
   (c) No tunnels or adits.
   (d) Approximately 5000 cu. yds. of square-set stope area, the ore body being approximately 750 feet long and 150 feet wide, with a vertical thickness of as much as 50 feet.

   The mine is kept dry by pumping about 10,000 gallons per 24 hours from sumps. Mine water is not considered to be a problem.

   In addition to the Tar Heel property, the Hitchcock Corporation has begun operations at the site of the abandoned Carolina Talc Mine on property licensed from the Tennessee Valley Authority. The extent of the old mine workins is not applicable to this form, as the Corporation is preparing to mine talc by open pit on the up-plunge side of the abandoned workings. The property is situated in the TVA Hiwassee Reservoir area, but it is above low reservoir level during the three winter months and can be worked by pumping approximately 4,000 gpm from a sump-shaft.

3. The Nancy Jordan mine is
   (a) 1-1/4 miles from the Southern and L & N rail stations in Murphy, N. C.
   (b) In the Murphy District.
   (c) Township and range system not used.
   (d) In Cherokee County, N. C.

   The Carolina Mine is
   (a) 4-1/2 miles by paved highway from the above rail stations in Murphy.
   (b) In the Murphy District.
   (c) Township and Range System not used.
   (d) In Cherokee County, N. C.

4. The Nancy Jordan mine is in continuous operation under lease by the Hitchcock Corporation.

Form MF-100 Supplement Sheet 2
Defense Minerals Administration

THE HITCHCOCK CORPORATION
P O BOX 35
MURPHY, N.C.

4. The Carolina Mine is operated during the winter months under license by the Hitchcock Corporation.

5. The Nancy Jordan mine has been in production for 6-1/2 years.
The Carolina Mine has been in production for one year.

6. (a) The Hitchcock Corporation was organized in 1938 to mine and mill talc on the Tar Heel property described herein. At present the Corporation, under it's own name, is operating two talc mines, a talc grinding plant, a talc crayon plant, and two large stone crushing plants. In addition, the Corporation's Management for the past five years has been operating an additional talc mine and crayon plant for the Minerals and Metals Corporation of Murphy, N. C. Associated with the Hitchcock Corporation are one full time minerals research engineer and one part time consulting minerals beneficiation engineer. The integrity, aggressiveness, and technical know-how of the Corporation's management has gained wide spread respect among business interests and and governmental organizations. It's abilities are reflected in it's growth within six years from an infant company to a well established producer of high grade talc powder and nearly one half of the total talc crayons produced or used in the United States.

6. (b) Francis C. Bourne, Treasurer and General Manager of the Hitchcock Corporation, and Treasurer of the Tar Heel Investment Company, has been associated with the talc industry for many years, and a successful merchandizing executive. He is the organizer of the Hitchcock operations and his experience is reflected in that of the Corporation.

Joe W. Bailey, General Superintendent, has been associated with talc mining since boyhood. He has had experience as Cost Engineer for the Tennessee Valley Authority, and as operator in mica mining in the Georgia and Alabama mica Districts. He has been Superintendent of the Hitchcock operations throughout their growth.

Earl C. Van Horn, Geologist and Assistant Superintendent, was for 13 years geologist for the Tennessee Valley Authority in foundation exploration and minerals investigation work. Much of his time since 1945 has been spent in the Murphy talc district, and he is author of the North Carolina Department of Conservation and Development Bulletin 56, "Talc Deposits of the Murphy Marble Belt", published in 1948.

Form MF-100 Supplement - Sheet 3
Defense Minerals Administration

THE HITCHCOCK CORPORATION
P O BOX 35
MURPHY, N.C.

7. (a) The principal property operated by the Hitchcock Corporation, the Tar Heel property, includes a strip of land one-half mile wide, southwest of and immediately adjoining the town of Murphy. It contains approximately 10,000 feet of strike length of the Murphy marble formation which is the host-rock of the talc deposits of the area. The Nancy Jordan talc mine, the major mine of the Murphy district, is in the approximate center of the property. The Nancy Jordan deposit was discovered in 1941 by a core-drilling program, and production was begun in 1944. Some 23,000 tons of exceptionally high grade talc has been produced to date in continued operation. On the same property, in addition to the Nancy Jordan deposit, talc is known to occur at intervals throughout the length of the marble strike. One additional talc deposit has been outlined for future operation and a second deposit is being explored at the present time.

7. (b) SEE NORTH CAROLINA BULLETIN 56, ATTACHED.

7. (c) All available information is contained in the Bulletin noted above, and in U. S. Bureau of Mines, Report of Investigation No. 3804, "Suitability of steatite talcs for high-frequency insulators". Results of recent tests by M. Kirchberger & Company, Inc., Brooklyn, New York, have brought orders for certain of our talcs for use as steatite or lava purposes, but at the present the material is not available because of temporary suspension of operations for mine construction work. The U. S. Bureau of Mines Technical Laboratory, Norris, Tennessee, recently has indicated interest in our talcs as material for synthesizing steatite blocks. Messrs. A. E. Engle and A. H. Chidester, Minerals Deposits Branch, U. S. Geological Survey, have inspected our properties in the field, and apparently were favorably impressed with the possibilities for steatite discoveries.

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11. An increase of about 10% is contemplated at the Nancy Jordan mine. Production should be increased at the Carolina mine but the extent of change is not known.

12. (a) The talc occurs as ellipsoidal replacement masses in a central dolomitic zone of the Murphy marble formation. SEE NORTH CAROLINA BULLETIN 56, ATTACHED.

Form MF-100 Supplement Sheet 4
Defense Minerals Administration

THE HITCHCOCK CORPORATION
P O BOX 35
MURPHY, N. C.

13. Nancy Jordan Mine: 1-1/4 miles to town of Murphy; 1 mile graveled and 1/4 mile paved.

    Carolina Mine: 5-1/2 miles to town of Murphy; 1/2 mile rocked and 5 miles paved.

14. Sufficient water is available the year around.

15. 47,240 KWH per month, averaging $0.0147 per KWH including demand charge. TVA power distributed by the town of Murphy.

16. 26 Miners
    16 Crayon millers
    6 Pulverizing millers
    11 Construction workers
    2 Clerks

17. SEE NORTH CAROLINA BULLETIN 56 ATTACHED

18. The Corporation has developed and partly installed a process for removing iron-stain from yellow surface talc. The cleaned product will have possible use for steatite purposes. The Corporation has been advised by private companies and government agencies that certain of it's talcs might be usable as steatite talc. A small part of current development and explorational work is being directed toward discovery and recovery of this material.

(*b*) If deposit is other than plac

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)	Not applicable				
Nancy Jordon	50,000 sh t	90%	$65	$65	$48.75
Indicated (probable) Carolina	30,000	60%	40	40	30

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads:

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply:

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power:

State amount of power used, rate per hour, and source thereof.

16. Labor:

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities:

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

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

THE HITCHCOCK CORPORATION
(Name of company)

By F. Bourne
(Signature of authorized official)

MAY 29, 1951
(Date)

Treas.
(Title)

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—63792-1

STATE OF NORTH CAROLINA

COUNTY OF CHEROKEE

THIS AGREEMENT, Made and entered into this the 11th day of April, 1944, by and between the TARHEEL INVESTMENT COMPANY, INC., a corporation organized and existing under the laws of the State of North Carolina with its principal place of business at Asheville, North Carolina, party of the first part, hereinafter designated Lessor, and THE HITCHCOCK CORPORATION, a corporation organized and existing under the laws of the State of North Carolina with its principal place of business at Asheville, North Carolina, party of the second part, hereinafter designated Lessee.

WHEREAS, on or about the 20th day of September, 1939, the Lessor and Lesse herein entered into a contract of lease, as will fully appear by reference to a contract in writing; and,

WHEREAS, the Lessor and Lessee have agreed to amend said contract in the following respects, to-wit:

The boundary of land belonging to the Lessor and described in said lease shall be extended so as to cover all the right, title, interest and estate of the Lessor in and to the land lying and being in Cherokee County, adjoining the above mentioned boundary on the Southwest, and more particularly described as follows:

> The land lying Northwest of Cool Spring Ridge, Southwest of the ridge on which Nancy Jordan Gap is situated, Southeast of a line one-half mile from Cool Spring Ridge, and Northeast of the severance line of the Tennessee Valley Authority, North of the Notla River.

The term of said lease shall be ten (10) years from date hereof unless sooner terminated as in said lease provided, with the privilege to the Lessee of extending the term of said lease for a period of Fifteen (15) years after the expiration of said Ten (10) year term upon sixty (60) days written notice

of Lessee's inte ntion to extend the term of said lease.

The rent or royalty on all talc mined and removed from the premises of the Lessor during the term of this lease or any extension thereof shall be Three ($3.00) Dollars per net ton of 2000 pounds.

Commencing Six (6) months from the date of this amendment to said lease the Lessee shall pay to the Lessor minimum rents or royalties in the amount of Fifty ($50.00) Dollars per month during the remainder of the term of this lease or any extension thereof

In consideration of the rights and privileges granted under this amended lease, the Lessee agrees and binds itself to reimburse the Lessor for all costs and expenses incurred in prospecting for talc on the lands covered by the original and this ammended lease, the same to be paid out of profits earned in mining, manufacturing and selling talc found upon the premises afroesaid at any time within 5 years from the date hereof when authorized by Lessee's Board of Directors.

IN WITNESS WHEREOF, the Lessor has caused these present to be signed in its name by its President, attested by its Secretary and its Corporate Seal to be hereunto affixed, and the Lessee has caused these presents to be signed in its name by its President, attested by its Secretary and its Corporate Seal to be hereunto affixed, all by authority duly given, the day and year first above written.

TARHEEL INVESTMENT COMPANY, INC.

(Signed) By- Francis C. Bourne
President

Attest:

(Signed) S. G. Bernard
Secretary

THE HITCHCOCK CORPORATION

(Signed) BY W. H. Anderson
President

Attest:

(Signed) S. G. Bernard
Secretary

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

This 31 day of December, 1948, personally appeared before me, DORIS P. RICKMAN, a Notary Public in and for said County and State, FRANCIS C. BOURNE, who, being by me first duly sworn, says that he is Preaident of The Tarheel Investment Co., Inc., anf that the seal affixed to the foregoing and annexed instrument is the corporate seal of the company, and that said writing was signed and sealed by hin in behalf of said corporation by its authority duly given; that said instrument was attested by S. G. Bernard, Secretary, and the said Francis C. Bourne acknowledged said writing to be act and deed of said corporation.

Witness my hand and notarial seal, this the date last above written.

My comm. expires:

June 18, 1950

(Signed) Doris Paschall
Notary Public
Now Doris Rickman

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

This the 31 day of December, 1948, personally appeared before me DORIS P. RICKMAN, a Notary Public in and for said County and State, W. H. ANDERSSON, who, being by me duly sworn, says that he is President of the Hitchcock Corporation and that the seal affixed to the foregoing and annexed instrument is the corporate seal of the company, and that siad writing was signed and sealed by him in be-half of said corporation by its authority duly given, and said instrument attested by S. G. Bernard, Secretary, and the said W. H. Anderson acknowledged said writing to be the act and deed of said corporation.

Witness my hand and notarial seal, this the date last above written.

(Signed) Doris Paschall
Notary Public
Now Doris Rickman

My Comm. expires:

June 18, 1950

STATE OF NORTH CAROLINA
COUNTY OF CHEROKEE

The foregoing certificates of Doris Paschall now Doris P. Rickman, Notary Public in and for Buncombe County North Carolina, with her notarial seal attached, are adjudged to be correct, in due form and according to law. It is therefore ordered and adjudged that the foregoing instrumant, together with the certifi cates, be registered.

This the 3rd day of January, 1949.

(Signed) J. L. Hall
Clerk of Superior Court, Cherokee County, N. C.

NORTH CAROLINA

CHEROKEE COUNTY

BY AND BETWEEN:

TARHEEL INVESTMENT CO., INC.

and,

THE HITCHCOCK CORPORATION

AMENDMENT TO LEASE

Cherokee County, N.C.
1-3-49
Book 164, Page 298

STATE OF NORTH CAROLINA,

COUNTY OF CHEROKEE.

THIS AGREEMENT made and entered into this the 20th day of September, 1939, by and between the TARHEEL INVESTMENT COMPANY, INC., a Corporation organized and existing under the laws of the State of North Carolina with its principal place of business at Asheville, North Carolina, party of the first part, hereinafter designated Lessor, and the HITCHCOCK CORPORATION, A corporation organized and existing under the laws of the State of North Carolina with its principal place of business at Asheville, North Carolina, party of the second part, hereinafter designated Lessee,

W I T N E S S E T H:

That the Lessor, for and in consideration of the covenants hereinafter set forth to be kept and performed on the part of the Lessee, its successors and assigns, the said Lessor and Lessee mutually agree as follows:

WHEREAS, the Lessor in a deed dated the ____ day of May, 1939, sold and conveyed certain property situated in Cherokee County, North Carolina, to the United States of America, and in which said deed the Lessor expressly reserved the right to conduct mining operations and remove from said property any and all minerals found in the land until April 1, 1940, or until the closure of Hiawassee Dam, whichever date is earlier; and

WHEREAS, it is known that there are valuable deposits of talc within that part of the land conveyed as foresaid and as to which the right to conduct mining operations was expressly reserved, situate, lying and being in said County of Cherokee abutting on and immediately west of Hiawassee River extending

west to the severance line between the Lessor and the United States of America as described in said deed, South of a tract of land well known as the Hayes Dockery tract, and North of the Cool Spring Ridge,

NOW, THEREFORE, the Lessor hereby leases unto the Lessee, its successors and assigns, and said Lessee leases from said Lessor the right and privilege of conducting mining operations for talc upon the tract of land last above described during the timewithin which the Lessor is entitled to remove minerals therefrom as hereinabove set forth and to remove from said premises all talc found therein and to sell and dispose of the same.

IT IS UNDERSTOOD AND AGREED between the Lessor and the Lessee that the said Lessee, its successors and assigns, shall have and enjoy all the privileges and easements with respect to the property last above described which the said Lessor has under the reservation in its deed to the United States of America.

IT IS FURTHER UNDERSTOOD AND AGREED between the Lessor and the Lessee that the Lessee, its suceessors and assigns, shall conduct its mining operations upon said property in the usual and customary way and that the said Lessee, its successors and assigns, shall not commit any waste or unnecessary damage to said property other than such as necessarily redults from the sort of operation necessary to remove talc therefrom.

IT IS UNDERSTOOD AND AGREED that the Lessee, its successors and assigns, shall pay to the Lessor, its successors or assigns, for all talc removed from said last mentioned property and sold thirty-three and one-third (33-1/3%) per cent of the net proceeds from such sales, such net proceeds being the gross receipts from sales less all costs and expenses of operation and retirement of all outstanding preferred stock of the Lessee.

IT IS FURTHER UNDERSTOOD AND AGREED that upon the expiration of the term of this lease said Lessee, its successors

and assigns, may and shall remove from the premises all buildings, equipment and supplies placed thereon by it.

AND WHEREAS, the said Lessor is the owner of a tract of land situated in Cherokee County, North Carolina, adjoining the severance line of the tract above described, commencing at the point where the severance between the Tom Valley Corporation and the Tarheel Investment Co. line above mentioned crosses Cool Spring Ridge and runs thence a Southwest course with the top of Cool Spring Ridge to a point opposite and Southeast from Nancy Jordan Gap; thence leaving Cool Spring Ridge and running in a Northwest direction, passing Nancy Jordan Gap, 1500 feet to a stake; thence on a direct line toward the Southwest corner of the Hayes Dockery tract to the severance line between the United States of America and the Tarheel Investment Company; thence with said severance line a Southeast course to the beginning.

NOW, THEREFORE, the Lessor leases unto the Lessee, its successors and assigns, and the Lessee leases from the Lessor for and during the term of ten (10) years from the date hereof, unless sooner terminated as herein provided, the exclusive right of prospecting for, mining, refining and removing all merchantable talc in and upon the last mentioned tract of land.

The Lessor covenants and Agrees that it owns the land last above described in fee simple, free and clear of all encumbrances, and that it has authority to lease said land to the Lessee; that the Lessee, its successors and assigns, shall have the exclusive and uninterrupted right of prospecting for, mining, removing and refining talc from the last above described tract of land, together with the right of ingress, regress and egress to, over and upon said lands; the right and privilege, free of charge, to use water on said lands in necessary quantities for all purposes connected with its mining, refining and preparing

talc for the market; also the right to erect such buildings, plants, machinery and other mining equipment and to build such roads, railroads, tramways and aerial trams as may be needed and necessary for carrying on mining operations and preparing the product thereof for the market; also the right to create dump piles where necessary without being held liable for damage, provided said dump piles are located so as to do as little damage as possible to the lands of the Lessor; provided always, all of said rights and privileges are to be exercised in a reasonable way with due regard to the rights of the Lessor, its successors and assigns, to use said land for its purposes.

IT IS UNDERSTOOD AND AGREED that talc is the only substance which the Lessee, its successors or assigns, shall have the right to remove from said lands, and the Lessee agrees that if in the course of its operations any other mineral or substance is discovered on or in said land it will promptly notify the Lessor, its successors or assigns, os such fact.

IT IS FURTHER AGREED that the Lessee, its successors or assigns, shall pay to the Lessor, its successors or assigns, rent or royalty on all talc mined and removed from said last described tract of land, during the term of this lease the sum of $2.50 per net ton of 2,000 pounds. Such talc as the Lessee, its servants, agents, employees, successors and assigns, shall not remove from the premisies but place in piles or dumps, shall be jointly inspected from time to time by the Lessor and Lessee, or their agents, and so much thereof as said joint inspectors shall agree upon shall be sold to the Lessee, its suceessors or assigns, at 50 cents per net ton of 2,000 pounds. In the event the Lessor and Lessee, or their agents, fail to agree upon talc to be sold to the Lessee, its successors and assigns, as aforesaid, then the talc as to which they do not agree upon shall be

submitted to arbitrators, one arbitrator to be chosen by the Lessor, one by the Lessee and the third by the two thus chosen, and the decision of said arbitrators to be final and binding on all parties. The costs of arbibration to be born equally by the Lessor and Lessee. Payments of rent or royaltyshall be made on the 15th day of each and every month for all talc mined and removed from the premises during the preceeding month. At the beginning of each month, the Lessee shall transmit to the Lessor an exact and truthful statement of the amount of talc mined and removed from the premises during the month preceding by some one having knowledge of the facts, and the talc so taken by the Lessee from said land shall be weighed by the railroad or other company or person transportingthe same from said land. Said Lessor shall have access at all reasonable times to the books and records of the Lessee and any railroad or other company or person transporting talc from the premises aforesaid, for the verification of any statement furnished it by the Lessee, and any errors found in any of said statements shall be corrected. And the Lessor shall, at all times, have, possess and hold a lien upon all the talc mined and all improvements made on said premises as security for any unpaid balances of rent, royalties or taxes due and payable under this lease by the Lessee.

After April 1, 1940, the Lessee agrees to pay the Lessor minimum rents or royalties on the 15th day of each month whether any talc is mined and/or removed from the land or not as follows: $50.00 per month during the first twelve months thereafter; $100.00 per month during the second, third, fourth and fifth years following; and $200.00 per month during the remaning term of this lease.

The Lessee, its successors and assigns, shall have the right to remove any machinery, tools, buildings, planta and any and all other equipment placed or erected upon said property by it during the period of said lease whether permanently attached to the land or not, within a reasonable time after the termination of this

contract, by expiration or otherwise, provided the Lessee shall have paid the pro rata part of the taxes attributable to its improvemnets on said property, and all obligations due by it under this contract, and not otherwise.

The said Lessor shall pay the taxes on the fee simple title in said land and such building or other improvements thereon as said Lessor may see fit to erect or make, such buildings or improvements, however, shall not interfere with necessary work of Lessee, and the Lesse shall pay the taxes on this leasehold interest or estate, together with the teaxes on all improvements, machinery, fixtures, buildings and betterments erected or made by said Lessee.

The Lessee covenants and agrees that it will not molest, injure, or interfere with said Lessor, or its successors or assigns, in the full use, occupation and enjoyment of said lands and the buildings and improvements thereon, further than it may be necessary for the efficient and successful working of the mines and marketing talc from said land.

The Lessee further covenants and agrees that upon the termination of this lease, by expiration of the term thereof or otherwise, it, or its successors or assigns, shall deliver up the premises with all the sluice-ways, shafts, tunnels and other passages clear of rubbish, properly supported and the mines in all points ready for continued immediate working.

IT IS FURTHER UNDERSTOOD by the parties hereto that should the Lessee at any time after April 1st, 1940, fail to carry on mining operations upon the lands last described continuously, efficiently, skilfully and in a workmanlike manner(subjest to interruptions due to strikes or unavoidable weather, or market conditions) or fail to pay the royalty or other lease dues herein provided for, then and in that event, it is expressly understood that such failure on its part or on the part of its successord or assigns, shall work an immediate doefeiture, after ten days' written notice from the Lessor to Lessee, its successors or assigns, of all rights granted hereunderm rendering the same null and void;

and said Lessor, its successors or assigns, shall have the right and privilege to re-enter upon said property and take possession thereof, which possession shall be surrendered peaceably and quietly by said Lessee; provided, further, that said Lessee shall have the right and privilege, after 90 days notice in writing to the Lessor, in case Lessee finds that the talc on said premises cannot be operated thereon as a profitable, commercial or merchantable proposition, to surrender the lease, and at the end of said 90 days notice this lease shall become null and void and all the parties hereto shall forever released and discharged from all further obligations, liabilities, duties and payments hereunder; but only on the conditon herein stated, that all pbligations of the Lesse to the Lessor have been fully satisfied.

That the Lessee, its successors or assigns, shall not have the right to transfer or assigns this lease, nor to sublet any part of the property hereinabove described, without the written assent of the Lessor, its successors and assigns.

IN WITNESS WHEREOF, the Lessor has caused these presents to be signed in its name by its President, attested by its Secretary, and its corporate seal to be affixed, and the Lessee has caused these presents to be signed in its name by its President, attested by its Secretary, and its corporate seal to be affixed, all by authority duly given, the day and year first above written.

TARHEEL INVESTMENT COMPANY, INC.

By: (Signed) Francis C. Bourne
President

ATTEST:

Signed: S. G. Bernard
Secretary

THE HITCHCOCK CORPORATION

By: (Signed) F. E. Laycock

ATTEST:

Signed : S. G. Bernard

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

This 14th day of January, 1941, personally appeared before me, Doris Pasehall, a notary public in and for said County and State, FRANCIS C. BOURNE, who, being by me duly sworn, says that he is President of the Tarheel Investment Company and that the seal affixed to the foregoing and annexed instrument is the corporate seal of the company, and that said writing was signed and sealed by him in behalf of said corporation by its authority duly given; and the said FRANCIS C. BOURNE acknowledged said writing to be the act and deed of siad corporation.

Witness my hane and notarial seal, this the date last above written.

SIGNED Doris R. Pasehall
Notary Public

My. commission expires:
Jan 2, 1942

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

This 6th day of November, 1939, personally appeared before me, J. B. Williams, a notary public in an d for said County and State, F. E. LAYCOCK who, being by me duly sworn, saye that he is President of the HITCHCOCK CORPORATION and that the seal affixed to the foregoing and annexed instrument is the corporate seal of the compny, and that said writing was signed and sealed by him in behalf of said corporation by its authority duly given; and that the said F. E. LAYCOCK acknowledged said writing to be the act and deed of said corporation.

Witness my hand and notarial seal, this the date last above written.

SIGNED J. B. Williams
Notary Public

My commission expires:
Sept. 16, 1940

STATE OF NORTH CAROLINA
COUNTY OF CHEROKEE

The foregoing certificates of Doris Pasehall and J. B. Williams, notary publics in and for Buncombe County, North Carolina, with their notarial seals attached, are adjudged to be correct, in due form and according to law. It is, therefore, ordered and adjudged that the foregoing instruments, together with the certificates be registered.

This 3rd day of January, 1949.

SIGNED: J. L. Hall
Clerk of Superior Court
Cherokee County, N. C.

TARHEEL INVESTMENT COMPANY

to

THE HITCHCOCK CORPORATION

L E A S E

Cherokee County, N.C.

1-3-49

Book 164, page 294

FILE COPY
SURNAME:

Robertson
Hosch
Chamber

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

May 13, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: A closing review of Docket No. DMEA-1198 - Talc
Contract No. Idm-E194
Property: The Hitchcock Corporation
Murphy Marble Belt
Cherokee County, North Carolina
Operator: The Hitchcock Corporation
Box 35
Murphy, North Carolina
(F. C. Bourne, Treasurer)
(E. C. Van Horn, Asst. Supt.)
Contract amount approved: $32,519.00
Accepted cost of project: $12,958.13
Government participation 90% $11,662.32
Work performed 6,355 ft. of diamond drilling.
Project work started January 22, 1952
Project work stopped October 16, 1952

Discovery: See Certification of Discovery or Development.

Docket Summary:

6/5/51 Received application MF-103, dated 5/29/51
Received General Technical Data MF-100
6/19/51 Application acknowledged. Assigned DMA-1198X, and referred to Chief, Industrial Minerals Branch.
9/2/51 Letter - Alfred H. Chidester to J.J. Norton, USGS, suggests project in amount of $25,000.00.
9/11/51 Memorandum - Norton to Waskey, DMA, submitting views of Chidester on project.
9/14/51 Application referred to Field Team, Region VII.
10/1/51 Received Report of Examination from Region VII. Report by Wm. A. Beck, USBM, and Robert A. Laurence & K. H. Teague, USGS, recommending project.
10/3/51 Memorandum: J. A. Barr to Director of Expansion Division. Recommends project in amount of $33,569.
11/2/51 Original and five copies of a contract sent to Region VII for signatures.
11/23/51 Date of Amendment No. 1.
11/28/51 Signed contract returned to Washington Office.

12/17/51	Amendment No. 1 extending time received.
2/19/52	Amendment No. 2 received.
7/18/52	Samples of talc from drill holes sent to G. A. Roush, GSA, Samples 11981 to 6.
7/23/52	Letter. Federal Supply Service reports results of tests on samples.
7/29/52	Memorandum - Laurence to Operating Committee asking if contract should be terminated.
8/5/52	Operating Committee recommends that drilling be stopped after completion of holes in Range 6.
8/7/52	Letter. Laurence to Earl C. Van Horn, Asst. Supt., The Hitchcock Corporation, advises him Washington Office feels that continuation of drilling is not justified and work should be terminated.
11/5/52	Interim field team report received.
1/7/53	Letter. Operating Committee to Laurence. Project to be terminated by mutual consent.
1/9/53	Letter. Laurence to Operating Committee - will send termination forms for operator's signature.
2/27/53	Memorandum - Mr. Houk to Mr. Mittendorf.
4/3/53	Copy of bid for machinery.
4/14/53	Bill of sale to The Hitchcock Corporation for machinery $1,700.
4/20/53	Date of final audit report.
4/22/53	Date of final field team report.

Project Cost: (Final audit report 4/20/53, B. J. Brekhus, Auditor.)

The audit disclosed the following facts in regard to the amount paid the contractor:

Total cost as billed contractor		$13,023.81
Exceptions:		
Prior to audit	$ -0-	
During audit	65.68	65.68
Total accepted cost		$12,958.13

The contract calls for a 90% participation of exploration expenses by the U. S. Government in the amount of Eleven thousand six hundred sixty-two and 32/100 Dollars

- $11,662.32 -

is valid and proper.

Resume:

The exploration project, as approved, provided for a maximum of 10,000 feet of diamond drilling; the holes to be spaced at intervals on about a one mile strip along the Murphy Marble Belt. However, the project drilling was terminated after 22 holes, totaling 6,355 feet were drilled:

Range	No. of Holes	Footage
1	3	888
2	3	1,060
3	3	737
4	3	567
5	6	1,686
6	4	1,417
	22	6,355 ft.

The drilling failed to develop stockpile strategic steatite but did encounter in seven of the holes talc (probably grinding grade) of commercial value. The inferred tonnage of talc estimated from the results of these seven holes is as follows:

Range 2 included three holes on 50-foot centers, totaling 1,060 feet. Hole No. 2 intercepted 33.1 feet of talc over a length of 42.3 feet beginning at a depth of 300.0 feet. Hole No. 3 intercepted 23.6 feet of talc over a length of 80.6 feet beginning at a depth of 345 feet.

A projection of the work indicates a possible 35,000 tons of talc of which 8,000 tons or 23% is gritty impure talc.

Range 6 includes four holes on 50-foot centers, totaling 1,417 feet in depth. A total of 20.9 feet of talc was encountered in Hole No. 2 at a depth of 273.0 feet, and Hole No. 3 encountered 0.5 feet of talc at a depth of 347 feet. A projection of the work indicates a possible 10,000 tons of talc of which 3,400 tons or 34% is gritty impure talc.

While no definite dollar value can be made of the inferred reserves in place, yet the ore encountered has a potential value for royalty repayment, when and if mined. An estimate of its value in the finished product could well be in the range of 20,000 tons valued at $35.00 per ton or a total of $700,000.

Baking tests on ten of the better samples from Ranges 2, 3, 4 and 6 indicated that the talc was not suitable for block strategic steatite. It is unsuitable for tube spacers as it cracked upon baking along numerous lines of stratification.

It was decided to terminate the work because the Government could not justify participation in non-strategic talc development without some measure of success in also uncovering strategic stockpile steatite.

Comment:

For more detail and comprehensive reports, reference is made to the field team report, dated April 22, 1953, prepared by

Benj. Gildersleave and Wm. A. Beck, Engineers, Region VII.

The operator's final report is complete and includes the logs of all holes drilled.

The project was well conducted and the Nonmetallic Minerals Division concurs with the Field Team's Final Examination Report that the project should be terminated, and that a certification of discovery or development should be made because of finding substantial tonnages of grinding-grade talc.

Jasper T. Robertson
Nonmetallic Minerals Division

JTRobertson:gad 5/13/53

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

☒ Audited

☒ Certified

WORK ANALYSIS SHEET — DMEA PROJECT

Analysis as of 12-2-54
Incl. Voucher for 10-14-54

☒ Actual Cost

☐ Agreed Unit Costs

Name The Hitchcock Corporation

Docket No. 1198x

State North Carolina

Commodity Steatite Talc

Idm-E No. 194

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting					
Raising					
Shafts					
Winzes					
Drilling (Specify) Diamond Drilling BX	10000 ft	$18519.00	6355 ft	$14430.02	12958.13
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased		$8500.00		$228.11	-0-
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.		$1500.00			
Other (Specify) Payroll taxes and Insurance Core handling + Testing		$4000.00			
Totals		$32519.00		$14658.13	$12958.13

Prepared by Keating

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 29 1958

PROJECT	DATE	INITIALS	CODE
	9-29	C	220
	29	Cpu	100
	4		110
	9/30		800
			600

SEMI-ANNUAL REPORT OF CERTIFIED

DMA-1198X, Idm-E194-Steatite Talc

Nancy Jordon Mine No.3
Cherokee County, N.C.

Operator: The Hitchcock Corporation, P.O. Box 35, Murphy, N.C.

Reporting Period: January 1, 1958 to July 1, 1958.

The Government's participation of $11,662.32 was completely repaid on October 10, 1957.

This project was visited September 10, 1958. Both the Nancy Jordon No.2 and Nancy Jordon No.3 were in production at the time. About 25 percent of the production comes from No.2, while the balance is from No.3 the DMEA deposit. Stoping was being done in the northeast end of the lens where the stope was approximately 60 feet long, 25 feet wide and 70 feet high. The talc in this area is of excellent grade. B. T. Sanders, the Superintendent stated the grade of talc in the southwest stope improved as they advanced toward the northeast.

Drilling was resumed on Range 6 in July after being off since March. To the date of this inspection 3532 feet of AX hole has been drilled in 12 holes. Six holes totaling 1640 feet having been drilled since the last report. Holes are spaced at 50-foot intervals. The ground on this range is rather cavernous and several holes had to be abandoned due to cavities.

Below are the production figures from Nancy Jordon No.3:

Production DMEA Ore	(this period)	2,241.31 tons
	(previous)	4,058.10 "
	(to date)	6,299.41 "

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

Sept. 25, 1958

Why doesn't Beck use std. form?

z

DMEA EXPLORATION PROJECTS

Semi-Annual Report of Certified Projects

Reporting Period 6-1-57-1-1-58 Date of Examination: March 4, 1958

Mine Name: Nancy Jordon Mine No.3
Operator: The Hitchcock Corp. Box 35, Murphy, North Carolina
County: Cherokee State: North Carolina

DMEA-1198X Contract No. Idm-E 194 Commodity: steatite talc

Date of Contract: 10-24-51 Date of Certification 5-29-53

Expiration Date of Royalty Payments: 10-24-61

Total Amount of Contract: $32,519.00

Total Expenditures under contract: $12,958.13

Amount of Government Participation at 90 % $11,662.32

Royalty Payments this Period: $5,009.25 (Previously Paid)

Previous Royalty Payments : 6,653.07

Total Royalty paid to Date : 11,662.32

Percent Government Participation Repaid: 100%

Royalty Due on Production to Date: none

Royalty Remarks: Final payment was made on October 10, 1957

DMEA
RECEIVED MAR 11 1958

DATE	INITIALS	CODE
3/12	C	220
12	COM	100
"	FEJ	110
"	C.E.G.	800
"	Hal	600

	Tons	Analysis
Original Estimate of DMEA Reserves (Field Team Final Report) Range-2	35,000	Talc
Mines Survey Joint Range 6	10,000	"
Revised Estimate of DMEA Reserves (~~Field Team~~) Operator Range-2	70,600	"
Mines Survey Joint		
Increase of Reserves by work performed subsequent to DMEA project work	25,600	"
Production DMEA ore (This period)	2,285.700	"
(Previous)	1,772.400	"
(To date)	4,058.100	"
Production Operator's ore (This period)		
found subsequent (Previous)		
to DMEA work (to date)		
Percent Revised Reserves Mined	5.75%	

Investment Data

Shafts Size	Shafts Feet	Shafts Cost	Winzes Size	Winzes Feet	Winzes Cost	Drifts & Crosscuts Size	Drifts & Crosscuts Feet	Drifts & Crosscuts Cost
5' x8'	346 1/2	$35,000	Approx.			5'x 6'	66	?

Raises incline Size	Feet	Cost
5' x 6'	220	?

Drilling Type & Size	Feet	Cost	Rehabilitation
AX	7,880	?	Range -2
AE	1,892	?	Range -6

Facilities: Mine Plant Description	Cost	Mill Description	Cost	Roads Description	Cost

Remarks: The writer visited the subject property March 4, 1958 and conferred with Francis C. Bourne, Jr. Manager and Sec. &Treas. of the Company and B. E. Warner their geologist. The incline on the talc lens has been driven 220 ft to its pinchout in the southwest where stoping is now being carried on. This stope is presently 70 ft long, 20 ft. wide and 20 ft high. The grade of talc in area is of inferior quality and most of it is being stockpiled. The stope on the northeast end of the lens is 58 ft long, 18 ft wide and 70 ft high. The talc here is of better grade.

Additional drilling, with holes being spaced at 50 ft intervals is being done on Range-6 to delimit the body. Hole No.6 is now in progress and is down 270 ft. The Engineer to Arbeck The 5th hole had to be abandoned at 200 ft. The others were from 311 to 417 ft in depth.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
10/18	Alley	800
10-18	Chambers	800
10-18	Anderson	600
10/21	Houk	600
10/21	Selfridge	120
"	Johnson	110
"	Mittendorf	100
10/22	C	220
		225

Mr. Howard Martin
The Hitchcock Corporation
P. O. Box 35
Murphy, North Carolina

OCT 21 1957

Re: Docket No. DMEA-1198 (Talc)
The Hitchcock Corporation
Nancy Jordan No. 3
Cherokee County, North Carolina
Contract No. Idm-E194

Dear Mr. Martin:

Under the above-cited contract for exploration for talc the Government agreed to share 90 percent of the cost, not in excess of $32,519.00, as approved and accepted by this Administration. The accepted cost was determined to be $12,958.13 and the Government's share at 90 percent participation to be $11,662.32.

As the exploration work resulted in a discovery the Government was to receive a royalty percentage for a period of 10 years, or until the amount advanced by the Government was liquidated, whichever occurred first. As a result of the production from the land under this contract the Government's advance was repaid considerably before the expiration of the ten year repayment period provided for in the contract.

As a result of this repayment the Government retains no claim or lien against the property subject to the contract or any future production therefrom.

I wish to congratulate you for a successful exploration and to thank you for the payment of your account under the contract. It has been a pleasure to participate in this very fine undertaking.

AMAlley/ama
October 18, 1957

Copy to: Docket
Admr. Read. File
Administrator
Mr. Johnson
Mr. Houk
Mr. Chambers
Mr. Kiilsgaard
Mr. Irving

Sincerely yours,

C. O. Mittendorf

Administrator

Tarheel Investment Company
Field Team, Region V (2)

8623

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO. 14-23-070-26

For credit of 5369 Br. Tray. National Office, Oak Ridge, Tenn. [redacted]-16-57
(Name, title, and disbursing or ot[redacted]entification symbol of accountable officer) [redacted]sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 2,504.25

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E194 The Hitchcock Company (Royalty Payment)	2,504.25

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Personal Assistant
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

OFFICIAL FILE COPY
DMEA

RECEIVED SEP 19 1957

DATE	INITIALS	CODE
9/19/57	H.S.	220
		800

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK Oak Ridge, Tennessee

For credit of 5369 Br. Troy Regional Office, Oak Ridge, Tenn. 10-16-57
(Name, title, and disbursing other identification symbol of accountable officer) (Date sent)

DEPOSIT NO. 14-23-070-34

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 1,163.25

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E194 The Hitchcock Corp. (Royalty Payment)	$1,163.25

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen E. Miller, Personal Assistant
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

OCT 13 1958

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 18 1957

DATE	INITIALS	CODE
10/18/	H.H.	220
		800

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

October 15, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 17 1957

DATE	INITIALS	CODE
10/17	C	220
		600

Memorandum

To: Finance Officer, Region V (DMEA)

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

Subject: Royalty Payment - Idm-E194, DMA-1198X (talc)
The Hitchcock Corp. Murphy N. C.
Nancy Jordon No.3 Mine, Cherokee County, N.C.

Attached are sales tickets from the subject mine and their check for $1,163.25, royalty due on the sales.

zm.
Enc.
Check No.27556
dated 10/10/57

Mittendorf
Lynch
Files

z

THE HITCHCOCK CORPORATION

P. O. Box 35 Tel. 226
MURPHY, N. C.

HIGH QUALITY TALCS

TALC MARKING CRAYONS CRUSHED STONE

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROYALTY STATEMENT

The following talc was removed from the #3 Nancy Jordan Mine during the month of September, 1957.

DATE	LOAD NO.	WEIGHT
9-2-57	532	15,600 LBS.
9-2-57	533	16,100 "
9-2-57	534	15,500 "
9-2-57	535	12,500 "
9-3-57	536	16,600 "
9-3-57	537	17,100 "
9-4-57	538	15,000 "
9-5-57	539	14,700 "
9-5-57	540	7,500 "
9-6-57	541	13,300 "
9-6-57	542	14,200 "
9-6-57	543	14,800 "
9-7-57	544	16,400 "
9-7-57	545	6,200 "
9-9-57	546	10,500 "
9-9-57	547	11,300 "
9-9-57	548	14,800 "
9-10-57	549	13,100 "
9-10-57	550	12,100 "
9-11-57	551	13,200 "
9-11-57	552	6,500 "
9-12-57	553	9,300 "
9-12-57	554	10,000 "
9-12-57	555	11,500 "
9-12-57	556	12,900 "
9-13-57	557	13,500 "
9-13-57	558	6,000 "
9-13-57	559	11,700 "
9-14-57	560	7,700 "
9-16-57	561	14,600 "
9-16-57	562	11,400 "
9-16-57	563	8,700 "
9-17-57	564	9,600 "
9-17-57	565	13,200 "
9-18-57	566	15,400 "
9-19-57	567	15,900 "

D. M. E. A. Royalty Statement Cont'd.

DATE	LOAD NO.	WEIGHT	
9-20-57	568	12,900	LBS.
9-20-57	569	14,100	"
9-21-57	570	11,900	"
9-23-57	571	12,500	"
9-23-57	572	16,000	"
9-25-57	573	14,400	"
9-26-57	574	14,200	"
9-27-57	575	15,000	"
9-27-57	576	9,900	"
9-28-57	577	13,500	"
9-30-57	578	12,700	"
9-30-57	579	11,300	"
9-30-57	580	11,900	"
9-30-57	581	12,700	"
9-30-57	582	14,200	"
9-30-57	583	12,700	"
		658,100	LBS.
Plus error in ticket No. 443		1,000	LBS.
		659,100	LBS.

Total Weight . . . . . 329.55 Tons
Royalty due @$3.75 per ton . . . $1,235.81

The amount of $1,163.25 completes our obligation to D.M.E.A.

THE HITCHCOCK LUMBER TRUST

Howard Martin

Howard Martin

RECEIVED
OCT 15 1957
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

Mullendorf

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

September 13, 1957

Memorandum

To: Finance Officer, Region V - (DMEA)

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

Subject: Royalty Payment - Idm-E194, DMA-1198X (talc)
The Hitchcock Corporation,
Nancy Jordon No.3 Mine, Cherokee County, N.C.

Attached are sales tickets from the subject mine and their check for $2,504.25 royalty due on the sales.

zm.

Enc.-2
Ch. No.27332
(dated 9/10/57)
Sales tickets-432 thru 531.

Robert A. Laurence

9-17 C 220
9/17 Hauk 600

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

September 13, 1957

Mr. Howard Martin
The Hitchcock Corporation
P.O. Box 36
Murphy, North Carolina

Re: DMEA-1198X, Idm-E194-Talc
Nancy Jordon No.3 Mine
Cherokee County, N.C.
August 1957 Royalty Statement

Dear Mr. Martin:

Your check number 27332, dated September 10, 1957 in the amount of $2,504.25, royalty payment on production for the month of August 1957 has been received.

There was an arithmetical error in delivery ticket No.443, dated August 7, 1957 of 1000 pounds. Your ticket showed:

Gross	21,000
Tare	7,500
Net	12,500

as you see this should have been 13,500.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA- Region V

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 17 1957
DATE | INITIAL | CODE

z
Lynch
Mittendorf
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Millendorf

THE HITCHCOCK CORPORATION

P. O. Box 35 TEL. 226
MURPHY, N. C.

HIGH QUALITY TALCS

TALC MARKING CRAYONS CRUSHED STONE

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROYALTY STATEMENT

The following talc was removed from the #3 Nancy Jordan Mine during the Month of August, 1957.

DATE	LOAD NO.	WEIGHT	
8-1-57	432	7,700	LBS.
8-2-57	433	12,000	"
8-3-57	434	10,500	"
8-5-57	435	11,500	"
8-5-57	436	11,300	"
8-5-57	437	13,300	"
8-5-57	438	15,500	"
8-5-57	439	7,500	"
8-7-57	440	15,000	"
8-7-57	441	10,900	"
8-7-57	442	12,200	"
8-7-57	443	12,500	" + 1000
8-8-57	444	13,300	"
8-8-57	445	14,600	"
8-8-57	446	12,000	"
8-8-57	447	8,000	"
8-9-57	448	9,300	"
8-9-57	449	14,200	"
8-9-57	450	14,600	"
8-9-57	451	14,400	"
8-10-57	452	17,000	"
8-10-57	453	15,300	"
8-10-57	454	14,000	"
8-10-57	455	16,500	"
8-10-57	456	15,200	"
8-10-57	457	15,600	"
8-13-57	458	15,800	"
8-13-57	459	12,800	"
8-13-57	460	15,100	"
8-13-57	461	11,500	"
8-13-57	462	15,200	"
8-14-57	463	15,100	"
8-14-57	464	14,000	"
8-14-57	465	12,800	"
8-14-57	466	11,800	"
8-14-57	467	10,600	"
8-14-57	468	11,600	"
8-15-57	469	15,000	"
8-15-57	470	15,200	"
8-15-57	471	7,700	"
8-15-57	472	13,100	"

D.M.E.A. Royalty Statement Cont'd.

DATE	LOAD NO.	WEIGHT	
8-15-57	473	12,600	LBS.
8-15-57	474	14,000	"
8-15-57	475	13,500	"
8-15-57	476	13,100	"
8-16-57	477	14,700	"
8-16-57	478	14,300	"
8-16-57	479	16,800	"
8-16-57	480	13,000	"
8-16-57	481	16,000	"
8-19-57	482	5,200	"
8-19-57	483	16,500	"
8-19-57	484	15,500	"
8-19-57	485	14,600	"
8-19-57	486	7,200	"
8-20-57	487	13,100	"
8-20-57	488	9,500	"
8-22-57	489	9,500	"
8-22-57	490	13,600	"
8-22-57	491	14,700	"
8-22-57	492	12,400	"
8-22-57	493	15,400	"
8-22-57	494	14,000	"
8-22-57	495	9,100	"
8-23-57	496	12,000	"
8-23-57	497	13,500	"
8-23-57	498	14,000	"
8-23-57	499	15,000	"
8-23-57	500	13,600	"
8-23-57	501	12,400	"
8-24-57	502	12,300	"
8-24-57	503	13,800	"
8-24-57	504	14,400	"
8-24-57	505	14,100	"
8-24-57	506	14,700	"
8-26-57	507	13,100	"
8-26-57	508	13,500	"
8-26-57	509	15,900	"
8-27-57	510	14,700	"
8-27-57	511	18,500	"
8-27-57	512	15,700	"
8-27-57	513	13,900	"
8-27-57	514	13,000	"
8-27-57	515	12,100	"
8-27-57	516	14,700	"
8-28-57	517	18,100	"
8-20-57	518	14,200	"
8-28-57	519	16,900	"
8-28-57	520	16,900	"
8-29-57	521	15,400	"

D.M.E.A. Royalty Statement Cont'd

DATE	LOAD NO.	WEIGHT	
8-29-57	522	14,300	LBS.
8-29-57	523	14,700	"
8-30-57	524	14,500	"
8-30-57	525	10,300	"
8-30-57	526	8,000	"
8-30-57	527	14,600	"
8-30-57	528	14,500	"
8-30-57	529	16,200	"
8-31-57	530	12,800	"
8-31-57	531	13,800	"
		1,339,600	LBS.
Less errors on Tickets 420 and 426		4,000	
		1,335,600	LBS.

Total weight 667.800

Royalty due @$3.75 per ton $2,504.25

THE HITCHCOCK CORPORATION

Howard Martin

Howard Martin

RECEIVED
SEP 1 . 1957

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO. 14-23-070-13

For credit of 5369 Br. Tray. Regional Office, Oak Ridge, Tenn. [illegible]-57
(Name, title, and disbursing or d[illegible] identification symbol of accountable officer) [illegible]e sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 898.31

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E194 Hitchcock Corp. (Royalty Payment)	$ 898.31

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Personal Assistant
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO. 14-23-070-4

For credit of 5369 Br. Tray. Regional Office, Oak Ridge, Tenn. [illegible]6/57
(Name, title, and disbursing or ot[illegible] identification symbol of accountable officer) [illegible] sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 443.44

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E194 The Hitchcock Corp. (Royalty Payment)	443.44

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Personal Assistant
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

JUL 16 195[illegible] (Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

Mittendorf

August 12, 1957

Memorandum

To: Finance Officer - Region V - (DMEA)

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty Payment - July 1957 - Idm-E194, DMA-1198X-talc
Hitchcock Corporation

Attached is a royalty statement for talc sold during the month of July 1957, and a check for $898.31 royalty on the sale.

Robert A. Laurence

zm
cc
Lynch
Files
Mittendorf

OFFICIAL FILE COPY DMEA RECEIVED AUG 14 1957		
DATE	INITIALS	CODE
8/14	R	220
8/14	Lynch	600

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

August 12, 1957

Mr. Howard Martin
The Hitchcock Corporation
P.O. Box 36
Murphy, North Carolina

Re: DMA-1198X, Idm-E194-Talc
Nancy Jordon No.3 Mine
Cherokee County, N.C.

Dear Mr. Martin:

Receipt of a check in the amount of $898.31 for royalty on production during July, 1957 is acknowledged.

There were arithmetical errors in delivery tickets Nos. 420 and 426 totalling 4000 pounds. Thus the total production during July should have been 476,600 pounds instead of 480,600 pounds. You may claim overpayment in the amount of $7.50 on your next royalty payment or allow it to apply on your royalty balance, whichever you choose.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

WAB/zm
cc
Finance office
Lynch
Files
Mittendorf

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 14 1957
DATE | INITIALS | CODE

THE HITCHCOCK CORPORATION

P. O. Box 35 TEL. 226
MURPHY, N. C.

HIGH QUALITY TALCS

TALC MARKING CRAYONS CRUSHED STONE

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROYALTY STATEMENT

The following talc was removed from the #3 Nancy Jordan Mine during the month of July, 1957.

DATE	LOAD NO.	WEIGHT	
7-1-57	391	13,500	LBS.
7-1-57	392	14,900	"
7-1-57	393	11,100	"
7-2-57	394	12,600	"
7-2-57	395	13,100	"
7-2-57	396	12,100	"
7-5-57	397	14,100	"
7-5-57	398	7,800	"
7-6-57	399	12,900	"
7-6-57	400	10,700	"
7-6-57	401	10,100	"
7-8-57	402	9,500	"
7-8-57	403	11,500	"
7-9-57	404	12,900	"
7-10-57	405	13,000	"
7-10-57	406	11,100	"
7-12-57	407	11,100	"
7-12-57	408	11,600	"
7-13-57	409	10,000	"
7-15-57	410	13,800	"
7-15-57	411	7,400	"
7-16-57	412	10,900	"
7-16-57	413	7,800	"
7-17-57	414	10,700	"
7-17-57	415	6,600	"
7-18-57	416	8,300	"
7-19-57	417	12,600	"
7-19-57	418	14,000	"
7-23-57	419	11,400	"
7-24-57	420	15,500	"
7-24-57	421	13,000	"
7-24-57	422	13,300	"
7-24-57	423	13,800	"
7-24-57	424	11,100	"
7-25-57	425	12,500	"
7-25-57	426	17,000	"
7-25-57	427	13,000	"
7-25-57	428	6,900	"
7-31-57	429	11,700	"

THE HITCHCOCK CORPORATION

P. O. Box 35 TEL. 226

MURPHY, N. C.

HIGH QUALITY TALCS

TALC MARKING CRAYONS CRUSHED STONE

D.M.T.A. Royalty Statement - Cont'd

DATE	LOAD NO.	WEIGHT
7-31-57	430	12,700 LBS.
7-31-57	431	13,000 "
		480,600 LBS.
Less: Error in tickets #341 & 342		1,500 "
		479,100 LBS.

Total weight . . . . . 239.55 Tons

Royalty due $3.75 per ton $898.31

THE HITCHCOCK CORPORATION

Howard Martin

Howard Martin

RECEIVED
AUG 12 1957
U. S. Geological Survey
Knoxville, Tenn

Mittendorf

13

July 15, 1957

OFFICIAL FILE COPY
DMEA 17
RECEIVED JUL 1957

DATE	INITIALS	CODE
7/17	C	220
7/18	[illegible]	600

Memorandum

To: Finance Officer, Region V (DMEA)

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty Payment - Idm-E194, DMA-1198X (talc)
The Hitchcock Corp. ~~Franklin~~ Murphy, North Carolina

Attached is a statement of talc sold from the subject contract (Nancy Jordon Mine) during the month of June 1957, and a royalty check in the amount of $443.44 to be credited to their account.

Robert A. Laurence

ZM.
cc
Lynch
Shirley
Mittendorf

Files

THE HITCHCOCK CORPORATION
P. O. Box 35 [redacted] PHONE
MURPHY, N. C. VERNON 7-2713
HIGH QUALITY TALCS
TALC MARKING CRAYONS CRUSHED STONE

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROYALTY STATEMENT

The following talc was removed from the #3 Nancy Jordan Mine during the month of June, 1957.

DATE	LOAD NO.	WEIGHT	
6-10-57	370	9,500	LBS.
6-10-57	371	10,800	"
6-11-57	372	15,400	"
6-11-57	373	8,600	"
6-11-57	374	6,500	"
6-12-57	375	11,100	"
6-12-57	376	10,700	"
6-12-57	377	6,600	"
6-17-57	378	9,500	"
6-19-57	379	10,800	"
6-21-57	380	13,800	"
6-21-57	381	12,600	"
6-21-57	382	14,300	"
6-24-57	383	13,500	"
6-25-57	384	14,800	"
6-25-57	385	13,600	"
6-26-57	386	6,500	"
6-26-57	387	14,300	"
6-26-57	388	10,300	"
6-29-57	389	11,600	"
6-29-57	390	11,700	"
		236,500	LBS.

Total weight . . . . . 118.25 Tons

Royalty due @$3.75 per ton . . . . . $ 443.44

THE HITCHCOCK CORPORATION

Howard Martin

Howard Martin

RECEIVED
JUL 15 1957

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

June 17, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 18 1957

DATE	INITIALS	CODE
6/19	C	220
6/19	[illegible]	800
		225

Mr. Howard Martin
The Hitchcock Corporation
P.O. Box 35
Murphy, North Carolina

Re: DMA-1198X, Idm-E194-Talc
Nancy Jordon No.3 Mine
Cherokee County, N.C.

Dear Mr. Martin:

Receipt of a check in the amount of $595.13 for royalty on production of talc from the property covered by the subject contract is acknowledged. It is noted that there were arithmetical errors in delivery tickets Nos. 341 and 342 totaling 1500 pounds. Thus, the total production during May should have been 315,900 pounds instead of 317,400, and the royalty $592.31 instead of $595.13. You may claim this $2.82 on your next royalty payment or allow it to apply on your royalty balance, whichever you see fit.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

WAB/sm
cc
Opr. Com.-2
Lynch
Files

Finance

Oak Ridge, Tennessee

THIS DEPOSIT IS NOT SUBJECT TO CHECK

DEPOSIT NO. 14-23-070-111

For credit of 5369 Br. Tray. Regional Office, Oak Ridge, Tenn. [redacted]/17/57
(Name, title, and disbursing o[redacted]r identification symbol of accountable officer) [redacted]ate sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 595.13

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E194 Hitchcock Corporation (Royalty Payment)	$ 595.13

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Personal Assistant
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

Mittendorf

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

June 14, 1957

Memorandum

To: Finance Officer - Region V - DMEA

From: Executive Officer, DMEA - Region V-Knoxville

Subject: Royalty Payment: Idm-E9194, DMEA-1198X-Talc
The Hitchcock Corporation, Murphy, N.C.
Nancy Jordon No.3 Mine

Transmitted is a royalty statement on the subject contract for May 1957, and a check in the amount of $595.13 to be credited to the contract.

Robert A. Laurence

zm.

lynch
laurence
files
mittendorf

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 17 195

DATE		CODE
6/17	C	220
6/17	Hunt	600

THE HITCHCOCK CORPORATION
P. O. Box 35 TEL. 226
MURPHY, N. C.
HIGH QUALITY TALCS
TALC MARKING CRAYONS CRUSHED STONE

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROYALTY STATEMENT

June 7, 1957

The following talc was removed from the #3 Nancy Jordan Mine during the month of May, 1957.

DATE	LOAD NO.	WEIGHT	
5-3-57	341	11,700	LBS.
5-3-57	342	12,800	"
5-3-57	343	10,100	"
5-7-57	344	8,500	"
5-7-57	345	13,500	"
5-7-57	346	14,000	"
5-11-57	347	11,400	"
5-13-57	348	10,500	"
5-13-57	349	8,300	"
5-13-57	350	7,600	"
5-14-57	351	10,000	"
5-14-57	352	10,500	"
5-15-57	353	11,100	"
5-16-57	354	16,000	"
5-16-57	355	9,000	"
5-17-57	356	6,900	"
5-17-57	357	16,200	"
5-17-57	358	14,900	"
5-17-57	359	12,100	"
5-20-57	360	5,000	"
5-21-57	361	7,500	"
5-21-57	362	15,500	"
5-23-57	363	11,700	"
5-24-57	364	11,400	"
5-24-57	365	9,300	"
5-24-57	366	10,500	"
5-25-57	367	10,500	"
5-27-57	368	9,300	"
5-29-57	369	11,600	"
		317,400	LBS.

Total Weight . . . 158.7 Tons @$3.75 per ton . . . $595.13

The Hitchcock Corporation

Howard Martin

Howard Martin

RECEIVED
JUN 14 1957

DMEA EXPLORATION PROJECTS

Semi-Annual Report of Certified Projects

Reporting Period 1-1-57 to 6-1-57 Date of Examination: 6-12-57

Mine Name: Nancy Jordon. Operator: The Hitchcock Corporation.

County: Cherokee State: North Carolina

DMEAA 1198X Contract No. Idm-E 194 Commodity: Steatite Talc

Date of Contract: 10-24-51 Date of Certification 5-29-53

Expiration Date of Royalty Payments: 10-24-61

Total Amount of Contract: $32,519.00

Total Expenditures under contract: $12,958.13

Amount of Government Participation at 90 % $11,662.32

Royalty Payments this Period: $5,668.22 [illegible]

Previous Royalty Payments : 984.85

Total Royalty paid to Date : 6,653.07

Percent Government Participation Repaid: 57%

Royalty Due on Production to Date: None

Royalty Remarks: Operator has overpaid the Government $6.57 due to arithmetical errors on load slips in April and May production.

OFFICIAL FILE COPY
DMEA
RECEIVED JUL 8 1957

DATE	INITIALS	CODE
7-8	C	220
9	[illegible]	100

	Tons	Analysis
Original Estimate of DMEA Reserves (Field Team Final Report) Mines Survey Joint	45,000	Talc
Revised Estimate of DMEA Reserves (Field Team) Mines Survey Joint	70,600	"
Increase of Reserves by work performed subsequent to DMEA project work	25,600	Talc
Production DMEA ore (This period)	1,509,775	"
(Previous)	262,625	
(To date)	1,772,400	"
Production Operator's ore (This period)		
found subsequent (Previous)		
to DMEA work (to date)		

Percent Revised Reserves Mined 2.5

Investment Data

Shafts Size	Shafts Feet	Shafts Cost	Winzes Size	Winzes Feet	Winzes Cost	Drifts & Crosscuts Size	Drifts & Crosscuts Feet	Drifts & Crosscuts Cost
5' x 8'	346 1/2	?				5' x 6'	66	?

Size	~~Raises~~ Incline Feet	~~Raises~~ Incline Cost	Drilling Type & Size	Drilling Feet	Drilling Cost	Rehabilitation
5' x 6'	172	?	AX diamond	6,986	?	

Facilities

Mine Plant Description	Mine Plant Cost	Mill Description	Mill Cost	Roads Description	Roads Cost

Remarks: The writer visited the subject property June 12, 1957 and conferred with B.E. Warner, Jr. Geologist for the Company. Mr. Francis Bourne, Jr. Sec. & Treas. of the Company was out of town, so the costs on investment data were not available. Mr. Warner stated that they did not keep any accurate costs on the underground work. In drifting and driving the ~~six~~ incline the miners worked both on production in the stope and on development and the costs were not separated.

Engineer

When visited an incline had been driven down the plunge of the talc body for a distance of 172 feet and the body had been stoped for length of 42 feet, wide of about 18 feet and height of 42 feet..

At the current rate of production it is estimated there are sufficient reserves to last approximately 12 years.

June 12, 1957

Wm. A. Beck, Mining Engineer

z

DMEA Form 7
(12-56)

1198

OFFICIAL FILE COPY

Date	Surname	Code
5/29	Mittendorf	100
1/4	C	225
/		225

Mailed after hours for

MAY 29 1957

Mr. F. C. Bourne, Jr.
Secretary-Treasurer
The Hitchcock Corporation
P. O. Box 35
Murphy, North Carolina

Dear Mr. Bourne:

I wish to thank you for your letter of May 13, 1957, in which you express your willingness to cooperate with Mr. Argall by furnishing him with information regarding your DMEA talc project.

Accordingly, I have passed your name on to Mr. Argall and I presume he will contact you directly in due time.

Thanking you again for your cooperation in the matter, and with best wishes for your continued success, I remain

Sincerely yours,

C. O. Mittendorf (for)

Administrator

COMittendorf/esf
5-29-57
cc to: Mails & Files
Admr. R. File
Mr. Mittendorf

8623

For Certificate of Deposit No. 103, dated May 14, 1957, giving royalty payment of $1,164.94, see E-98.

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 15 1957

DATE	INITIALS	CODE
5/15	C	220
file		600

May 13, 1957

Memorandum

To: Finance Officer, Region V (DMEA)

From: Executive Officer, DMEA - Region V-Knoxville

Subject: Royalty Payment, Idm-#194, DMA-1198X -Talc.
The Hitchcock Corp. Murphy N. C.

Transmitted are sale slips for talc production from #3 Nancy Jordon Mine under the subject contract in the amount of 310.650 tons @ $3.75 per ton and a royalty check in the amount of $1,164.94 to be credited to the contract.

Robert A. Laurence
Executive Officer, DMEA
Region V

RM.
cc:
Lynch
Mittendorf
Files

THE HITCHCOCK CORPORATION
P. O. Box 35 [redacted] PHONE
MURPHY, N. C. VERNON 7-2713
HIGH QUALITY TALCS
TALC MARKING CRAYONS CRUSHED STONE

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROYALTY STATEMENT

May 7, 1957

The following talc was removed from the #3 Nancy Jordan Mine during the month of April, 1957.

DATE	LOAD NO.	WEIGHT	
4-1-57	283	7,700	LBS.
4-2-57	284	11,500	"
4-2-57	285	12,300	"
4-2-57	286	10,500	"
4-2-57	287	11,000	"
4-2-57	288	11,000	"
4-3-57	289	8,400	"
4-3-57	290	16,500	"
4-3-57	291	15,400	"
4-3-57	292	9,300	"
4-3-57	293	2,800	"
4-4-57	294	6,600	"
4-4-57	295	4,500	"
4-5-57	296	14,000	"
4-5-57	297	9,100	"
4-5-57	298	10,900	"
4-5-57	299	9,300	"
4-5-57	300	12,200	"
4-5-57	301	9,900	"
4-5-57	302	5.000	"
4-5-57	303	13,100	"
4-5-57	304	13,500	"
4-10-57	305	14,500	"
4-10-57	306	16,000	"
4-10-57	307	8,400	"
4-10-57	308	12,100	"
4-11-57	309	10,900	"
4-11-57	310	5,200	"
4-12-57	311	15,200	"
4-12-57	312	7,300	"
4-12-57	313	9,000	"
4-13-57	314	13,900	"
4-13-57	315	11,600	"
4-13-57	316	13,500	"
4-13-57	317	8,100	"
4-15-57	318	6,400	"
4-15-57	319	12,100	"
4-15-57	320	14,000	"

THE HITCHCOCK CORPORATION

P. O. Box 35 [redacted] PHONE
MURPHY, N. C. VERNON 7-2713

HIGH QUALITY TALCS

TALC MARKING CRAYONS CRUSHED STONE

DATE	LOAD NO.	WEIGHT
4-16-57	321	12,500 LBS.
4-16-57	322	10,500 "
4-16-57	323	7,500 "
4-16-57	324	10,300 "
4-17-57	325	7,700 "
4-17-57	326	8,200 "
4-19-57	327	14,200 "
4-19-57	328	13,000 "
4-21-57	329	11,300 "
4-21-57	330	13,200 "
4-22-57	331	14,500 "
4-22-57	332	9,900 "
4-23-57	333	3,000 "
4-24-57	334	12,500 "
4-24-57	335	13,000 "
4-26-57	336	10,400 "
4-26-57	337	13,400 "
4-27-57	338	10,500 "
4-29-57	339	13,500 "
4-29-57	340	9,500 "
		621,300 LBS.

Total Weight ;. . . . . 310.650 Tons

Royalty due @$3.75 per ton $1,164.94

THE HITCHCOCK CORPORATION

Howard Martin
Howard Martin

2 \ 621 300
310.65
3.75
1553 25
2174 55
93 195
1164 93 75

RECEIVED
MAY 13 1957
Knoxville, Tenn.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/3	Whitenday	100
5-7	C	220
		295

Mailed after board fee

MAY 3 - 1957

600

Mr. F. C. Bourne, Jr.
Secretary-Treasurer, The Hitchcock
Corporation
P. O. Box 35
Murphy, North Carolina

Dear Mr. Bourne:

I have had an exchange of correspondence recently with Mr. George O. Argall, Jr., Editor of the Mining World, who desires to publish an article in the nature of a review of some significant achievements of the DMEA program. He expresses his thoughts as follows:

> "I am thinking that a series of five or six case histories might prove exceptionally interesting to the entire geological and mining world. The examples should be carefully selected, perhaps one from each of the major regions, to illustrate how good geologic mapping or careful company analysis of structures, or an interpretation of geology on a district basis and applied to one deposit, contributed to major ore discoveries.
>
> "The purpose of this article would be to indicate that the DMEA has been worthwhile, that properly directed exploration is warranted, and that opportunity for exploration continues."

Mr. Argall hoped that my staff, together with a key engineer and key geologist in each of the regions, would cooperate with him in writing the article.

I have explained to Mr. Argall that it would be contrary to our policy to disclose any information about individual participants in the DMEA program. We do, of course, disclose the identity of a contract recipient at the time the contract is executed. After a contract is executed we conceal the percentage of committed funds actually spent, the results of the work accomplished, and whether a certification of discovery or development was issued. Likewise, we do not reveal the identity of those who have been denied DMEA assistance or of the applicants generally. I know you will readily appreciate the wisdom of this policy.

8623

I also told Mr. Argall that we of DMEA would like to see more articles of the type he has in mind, but that they must be initiated by the publishing medium and the individual operator working in cooperation with each other. He has expressed his willingness to proceed on that basis and appears anxious to get started as soon as possible.

One approach to the project would be to have Mr. Argall send out a fairly lengthy questionnaire to all of the 1013 operators who have received DMEA contracts, requesting certain specific information. The names, as you know, have already been made public through our regular press releases issued over the years. Such an approach would entail a long and tedious screening expedition with doubtful end results.

The general idea could be more effectively implemented if I furnished the Mining World with the names of several operators who have participated with DMEA in projects which I thought might provide interesting subject matter for case histories. In this connection it occurs to me that your project, DMEA-1198, Nancy Jordon No. 3 Mine, might be of special interest to the mining industry, but, of course, I would not even suggest your name without your prior approval. If granted, then I would expect the editorial staff of Mining World to assume responsibility for working up the details of the story, in cooperation with you or your representatives. I should appreciate your early reactions to this idea, and if favorable I will do no more than mention your name to Mr. Argall as one whom he might contact. If you do not approve, your reply will be kept confidential in my personal files.

Incidentally, Mr. Argall indicates to me that he will keep the name of the operator and the identity of the property confidential, by referring to case "A" or case "B", if the operator so desires.

With kindest personal regards,

Sincerely yours,

C. O. Mittendorf

Administrator

COMittendorf/gad
5/3/57
cc: Mails and Files
Admr. Reading File
Administrator
Field Team, Region V

Oak Ridge, Tennessee

THIS DEPOSIT IS NOT SUBJECT TO CHECK

DEPOSIT NO. 14-23-070-92

For credit of 1428 Br. Trsy. Re[illegible]nal Office, Oak Ridge, Tenn. [illegible]6/57
(Name, title, and disbursing or o[illegible]dentification symbol of accountable officer) [illegible]e sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 1,133.51

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-R194 The Hitchcock Corp. (Royalty Payment)	1,064.25
	Idm-R516 Caroling Mining Co. (Royalty Payment)	54.63
	Idm-R431 Dixie Minerals, Inc. (Royalty Payment)	14.67

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1) Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

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

RECEIVED APR 7 1957

April 15, 1957

Memorandum

To: Finance Officer, DMEA, Region V

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

Subject: Royalty Payment - DMEA-1198, Idm-E194 (talc)
The Hitchcock Corporation, Murphy, North Carolina.

Transmitted is a list of talc produced from the #3 Nancy Jordan Mine, and a royalty check in the amount of $1,064.25 to be credited to their contract.

Robert A. Laurence

as
cc
Mittendorf
Lynch
Files

DMEA-1198X

THE HITCHCOCK CORPORATION

P. O. Box 35 [redacted] PHONE
MURPHY, N. C. VERNON 7-2713

HIGH QUALITY TALCS

TALC MARKING CRAYONS CRUSHED STONE

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROYALTY STATEMENT

April 8, 1957

The following talc was removed from the #3 Nancy Jordan Mine during the month of March, 1957.

DATE	LOAD NO.	WEIGHT	
3-1-57	227	8,900	LBS.
3-1-57	228	11,900	"
3-1-57	229	15,300	"
3-1-57	230	13,600	"
3-2-57	231	9,800	"
3-2-57	232	4,200	"
3-2-57	233	9,800	"
3-2-57	234	11,100	"
3-2-57	235	7,300	"
3-2-57	236	13,100	"
3-4-57	237	14,000	"
3-4-57	238	13,000	"
3-4-57	239	9,900	"
3-4-57	240	11,700	
3-4-57	241	11,800	"
3-5-57	242	4,600	"
3-5-57	243	13,300	"
3-6-57	244	8,700	"
3-6-57	245	8,800	"
3-7-57	246	12,300	"
3-7-57	247	12,800	"
3-8-57	248	8,800	"
3-8-57	249	11,000	"
3-8-57	250	11,000	"
3-8-57	251	11,100	"
3-9-57	252	10,300	"
3-11-57	253	13,400	"
3-11-57	254	11,600	"
3-11-57	255	12,700	"
3-12-57	256	10,300	"
3-12-57	257	13,500	"
3-13-57	258	10,300	"
3-13-57	259	10,300	"
3-15-57	260	9,500	"
3-16-57	261	7,700	"
3-16-57	262	5,000	"
3-16-57	263	14,000	"
3-16-57	264	14,600	"
3-20-57	265	13,100	"

THE HITCHCOCK CORPORATION

P. O. Box 35 [redacted] PHONE
MURPHY, N. C. VERNON 7-2713

HIGH QUALITY TALCS

TALC MARKING CRAYONS CRUSHED STONE

DMFA Royalty Cont'd.

DATE	LOAD NO.	WEIGHT	
3-20-57	266	4,000	LBS.
3-20-57	267	10,000	"
3-22-57	268	10,400	"
3-23-57	269	10,200	"
3-23-57	270	13,000	"
3-23-57	271	6,000	"
3-23-57	272	12,000	"
3-23-57	273	2,600	"
3-23-57	274	6,800	"
3-25-57	275	7,700	"
3-25-57	276	9,200	"
3-25-57	277	10,100	"
3-28-57	278	5,100	"
3-28-57	279	6,700	"
3-28-57	280	12,500	"
3-29-57	281	11,400	"
3-29-57	282	5,800	"
		567,600	LBS.

Total Weight . . . . . 283.8 Tons

Royalty due @$3.75 per ton . . . . . $ 1,064.25

THE HITCHCOCK CORPORATION

Howard Martin

Howard Martin

2 | 567,600
283.8
37
1 9 8 6
8 5 1 4
1,064.250

RECEIVED
APR 15 1957
Knoxville, Tenn.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/16	Houk	600
3/22	Selfridge	130
"	Johnson	110
	Butterworth	100
3/25	C	220
		225

600

MAR 25 1957

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

Re: Docket No. DMEA-1198-Talc
The Hitchcock Corporation
Nancy Jordan No. 3
Cherokee County, North Carolina
Contract No. Idm-E194

Dear Mr. Laurence:

Reference is made to the Semi-Annual Report of Certified Project, dated February 25, 1957, by W. A. Beck, on this certified contract.

The format of the first page generally follows that recommended in Memorandum No. 29, All Field Teams, dated January 27, 1956, but the second page does not follow the format suggested in Memorandum No. 29 (Supplement No. 1), dated November 14, 1956, particularly with respect to the ore reserve and investment data. We note that the field examiners have not been following the format on other semi-annual reports. In the future please have the engineers follow the outline in Memorandum No. 29 (Supplement No. 1). It is suggested that the second sheet outline could be duplicated and this would save time both for the field engineer and in tabulating the information here in this office.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JB)

Approved:

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

Thor H. Kiilsgaard (JB)
Member, Geological Survey

LGHouk:gad 3/20/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

For Certificate of Deposit No. 83, dated March 18, 1957, giving royalty payment of $1,545.56, see E-392.

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

WASHINGTON 25, D.C.

March 13, 1957

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

Memorandum

To: Finance Officer, Region V (DMEA)

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty Payment - DMEA-1198, Idm-E194 (talc)
The Hitchcock Corporation, Murphy, N.C.

Transmitted is a list of talc produced from the Nancy Jordon #3 Mine, and a royalty check in the amount of $1,545.56 to be credited to their contract.

Robert A. Laurence

zm
Mittendrf
Lynch
Files

Millendorf

THE HITCHCOCK CORPORATION

P. O. Box 35 TEL. 226
MURPHY, N. C.

HIGH QUALITY TALCS

TALC MARKING CRAYONS CRUSHED STONE

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION

ROYALTY STATEMENT

March 6, 1957

The following talc was removed from [illegible] Nancy Jordan Mine during the month of February, 1957.

DATE	LOAD NO.	WEIGHT	
2-1-57	148	12,700	LBS.
2-1-57	149	11,000	"
2-2-57	150	8,300	"
2-2-57	151	14,900	"
2-2-57	152	11,100	"
2-2-57	153	8,700	"
2-4-57	154	6,600	"
2-4-57	155	11,200	"
2-4-57	156	15,700	"
2-4-57	157	9,500	"
2-4-57	158	12,300	"
2-5-57	159	16,000	"
2-5-57	160	15,700	"
2-5-57	161	12,300	"
2-5-57	162	9,000	"
2-5-57	163	8,900	"
2-5-57	164	9,600	"
2-5-57	165	8,500	"
2-5-57	166	12,900	"
2-6-57	167	14,100	"
2-6-57	168	10,700	"
2-6-57	169	10,700	"
2-7-57	170	11,500	"
2-7-57	171	8,500	"
2-7-57	172	10,500	"
2-8-57	173	12,700	"
2-8-57	174	15,200	"
2-8-57	175	13,900	"
2-9-57	176	10,700	"
2-9-57	177	11,600	"
2-9-57	178	11,800	"
2-9-57	179	12,700	"
2-9-57	180	11,100	"
2-9-57	181	11,900	"
2-11-57	182	14,700	"
2-11-57	183	5,800	"
2-11-57	184	12,800	"
2-11-57	185	7,800	"
2-12-57	186	10,500	"

THE HITCHCOCK CORPORATION

P. O. Box 35 TEL. 220 PHONE
MURPHY, N. C.

HIGH QUALITY TALCS

TALC MARKING CRAYONS CRUSHED STONE

DMEA Royalty Cont'd.

DATE	LOAD NO.	WEIGHT	
2-12-57	187	5,700	LBS.
2-12-57	188	11,600	"
2-13-57	189	12,000	"
2-13-57	190	11,900	"
2-13-57	191	12,300	"
2-13-57	192	12,000	"
2-14-57	193	7,700	"
2-14-57	194	6,100	"
2-15-57	195	9,400	"
2-16-57	196	8,500	"
2-16-57	197	12,700	"
2-18-57	198	11,300	"
2-18-57	199	6,800	"
2-18-57	200	9,200	"
2-19-57	201	3,900	"
2-19-57	202	6,100	"
2-19-57	203	10,300	"
2-19-57	204	10,200	"
2-19-57	205	14,100	"
2-20-57	206	8,900	"
2-20-57	207	7,800	"
2-21-57	208	6,700	"
2-22-57	209	10,600	"
2-22-57	210	12,700	"
2-25-57	211	6,000	"
2-25-57	212	12,700	"
2-25-57	213	11,500	"
2-25-57	214	12,600	"
2-25-57	215	14,600	"
2-25-57	216	7,200	"
2-27-57	217	12,000	"
2-27-57	218	5,300	"
2-27-57	219	7,200	"
2-28-57	220	7,600	"
2-28-57	221	8,500	"
2-28-57	222	9,700	"
2-28-57	223	12,000	"
2-28-57	224	12,100	"
2-28-57	225	7,500	"
2-28-57	226	5,200	"
		824,300	LBS.

Total Weight . . . 412.15 Tons
Royalty due @$3.75 per ton . . . . . $ 1,545.56

THE HITCHCOCK CORPORATION

Howard Martin

Howard Martin

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO.
14-23-070-75

For credit of 1428 Br. Trsy. [illegible]ional Office, Oak Ridge, Tenn. [illegible]/13/57
(Name, title, and disbursing or o[illegible] identification symbol of accountable officer) [illegible]e sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 1,298.34

for accounts listed below. SCHEDULE Nos.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E194 The Hitchcock Company (Royalty Payment)	1,298.34

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

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

RECEIVED FEB 14 1957 D.M.E.A.

February 12, 1957

Memorandum

To: Finance Officer, Region V - (DMEA)

From: Acting Executive Officer, Region V

Subject: Royalty Payment on - Idm-#194, DMEA-1198X-Talc
The Hitchcock Corporation, Murphy, N.C.

Attached is a list of talc produced from the No.3 Nancy Jordon Mine during the month of January 1957, and a check dated February 9, for royalty on the sales in the amount of $1298.34.

V. J. Lynch

Zm.
cc
Mittendorf

Lynch
Files

RECEIVED FEB 14 1957 D.M.E.A.

ROYALTY STATEMENT

February 6, 1957

The following talc was removed from the #3 Nancy Jordan Mine during the month of January, 1957.

DATE	LOAD NO.	WEIGHT	
1-2-57	73	3,200	LBS.
1-2-57	74	8,500	"
1-2-57	75	4,500	"
1-3-57	76	8,900	"
1-3-57	77	3,900	"
1-4-57	78	9,100	"
1-4-57	79	6,000	"
1-4-57	80	3,900	"
1-5-57	81	6,000	"
1-5-57	82	3,900	"
1-7-57	83	8,600	"
1-7-57	84	8,500	"
1-8-57	85	15,400	"
1-8-57	86	3,200	"
1-9-57	87	8,700	"
1-9-57	88	5,300	"
1-10-57	89	8,700	"
1-10-57	90	14,400	"
1-11-57	91	10,600	"
1-11-57	92	14,100	"
1-11-57	93	7,600	"
1-11-57	94	10,700	"
1-11-57	95	12,500	"
1-11-57	96	10,900	"
1-11-57	97	11,400	"
1-11-57	98	10,950	"
1-12-57	99	14,000	"
1-12-57	100	10,700	"
1-12-57	101	7,400	"
1-12-57	102	8,200	"
1-12-57	103	11,400	"
1-12-57	104	12,600	"
1-14-57	105	15,500	"
1-14-57	106	13,700	"
1-15-57	107	4,200	"
1-15-57	108	9,800	"
1-15-57	109	4,600	"
1-15-57	110	9,100	"
1-15-57	111	9,000	"
1-15-57	112	10,600	"
1-16-57	113	7,300	"

Royalty statement - Continued

DATE	LOAD NO.	WEIGHT	
1-16-57	114	4,900	LBS.
1-16-57	115	9,800	"
1-16-57	116	11,100	"
1-17-57	117	11,100	"
1-17-57	118	12,300	"
1-18-57	119	8,900	"
1-18-57	120	14,700	"
1-19-57	121	13,300	"
1-19-57	122	11,100	"
1-21-57	123	3,400	"
1-21-57	124	11,500	"
1-21-57	125	12,900	"
1-21-57	126	6,500	"
1-22-57	127	6,350	"
1-22-57	128	13,700	"
1-22-57	129	13,800	"
1-22-57	130	9,600	"
1-22-57	131	11,800	"
1-22-57	132	12,600	"
1-23-57	133	12,300	"
1-23-57	134	10,200	"
1-23-57	135	5,400	"
1-23-57	136	9,000	"
1-24-57	137	11,200	"
1-24-57	138	6,000	"
1-24-57	139	11,000	"
1-25-57	140	7,500	"
1-25-57	141	4,900	"
1-25-57	142	10,900	"
1-25-57	143	12,000	"
1-25-57	144	4,700	"
1-25-57	145	9,800	"
1-26-57	146	3,650	"
1-29-57	147	7,000	"
		692,450	LBS.

Total weight . . . . 346.225 Tons
Royalty due @$3.75 per ton $1298.34

NORTH CAROLINA
CHEROKEE COUNTY

HOWARD MARTIN, Being first duly sworn, deposes and says: That he keeps all records concerning removal of talc by The Hitchcock Corporation, a North Carolina Corporation with its principal office and place of business in Murphy, North Carolina, and that the attached is a true and correct statement of all talc mined and removed from the lands covered by Exploration Project Contract TPH, 1194, (Docket No. MMA-1198X) with the United States of America dated October 24, 1951, acting through the Department of the Interior for the period of January 1, 1957 through January 31, 1957 both inclusive

Howard Martin
The Hitchcock Corporation, Cherokee County, North Carolina

Subscribed and sworn to before me this the 9th day of February, 1957.

W. W. Barrett
Notary Public

My Com. Expires:

Oak Ridge, Tennessee

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

For credit of 1428 Br. Trsy. Regional Office, Oak Ridge, Tenn. 1/22/57
(Name, title, and disbursing or o[illegible] identification symbol of accountable officer) [illegible]e sent)

DEPOSIT NO. 14-23-070-66

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 958.39

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E194 The Hitchcock Corp. (Royalty Payment)	470.63
	Idm-E1005 Frank Phillips (Royalty Payment)	61.11
	Idm-E245 Ivey Construction (Royalty Payment)	426.65

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Department of Interior, Bureau of Mines
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

[illegible]
(Authorized signature)

JAN 22 1957
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

Mittendorf

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

RECEIVED
JAN 23 1957
D.M.E.A.

January 21, 1957

Memorandum

To: Finance Officer, Region V - (DMEA)

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty Payment - Idm-E194, DMEA-1198X-Talc
The Hitchcock Corporation, Murphy, N.C.

Transmitted are delivery ticketsd of talc removed from the Nancy Jordon Mine during the month of December 1956; And a royalty check in the amount of $470.63 to be credited to their contract.

Robert A. Laurence

z

Mittendorf

THE HITCHCOCK CORPORATION

P. O. Box 35 [redacted]

MURPHY, N. C.

PHONE

VERNON 5-2713

HIGH QUALITY TALCS

TALC MARKING CRAYONS CRUSHED STONE

RECEIVED JAN 23 1957 D.M.E.A.

ROYALTY STATEMENT

January 11, 1957

The following talc was removed from the #3 Nancy Jordan Mine during the month of December, 1956.

DATE	LOAD NO.	WEIGHT	
12-1-56	43	7,400	LBS.
12-3-56	44	5,500	"
12-3-56	45	11,500	"
12-5-56	46	3,900	"
12-5-56	47	14,700	"
12-5-56	48	9,500	"
12-6-56	49	13,700	"
12-6-56	50	8,700	"
12-8-56	51	14,200	"
12-8-56	52	13,700	"
12-8-56	53	1,800	"
12-8-56	54	13,800	"
12-10-56	55	7,000	"
12-10-56	56	7,900	"
12-12-56	57	6,400	"
12-12-56	58	9,600	"
12-12-56	59	12,700	"
12-13-56	60	9,400	"
12-13-56	61	6,200	"
12-13-56	62	3,000	"
12-17-56	63	5,300	"
12-17-56	64	6,900	"
12-17-56	65	5,200	"
12-17-56	66	5,500	"
12-18-56	67	11,100	"
12-18-56	68	14,100	"
12-18-56	69	3,600	"
12-19-56	70	5,400	"
12-19-56	71	9,400	"
12-19-56	72	3,900	"
		251,000	LBS.

Total Weight . . . 125.5 Tons

Royalty due @$3.75 per ton. . . . . $ 470.63

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT
Date 3/12

Referred to:

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

Note comments in report regarding:

1. Incomplete!
2. Investment data omitted.
3. Why doesn't Beck follow format & instructions?
4.

and take appropriate action.

- - - - - - - -

Action taken by Division

Write letter to Jamison

Robert E. Adams

DMEA EXPLORATION PROJECTS

Semi-Annual Report of Certified Project

Reporting Period: 7/1/56 to 1/1/57 Date Examined: 2-25-27

Operator: The Hitchcock Corporation. P.O. Box 35, Murphy, N. C.

Name of Mine: Nancy Jordon, No.3 . County: Cherokee. State: N. C.

DMA-1198X. Contract: Idm-E194. Commodity: Steatite Talc.

Date of Contract: 10-24-51. Date of Certification: 5-29-53

Total Amount of Contract: $32,519.00

Total Expenditures under contract: $12,958.13

Amount of Government Participation; at 90%....$11,662.32

Royalty Payments this Period: $984.85

Previous Royalty Payments : None

Total Royalty Paid to Date: $984.85

Percent of Government Participation Repaid: 8.44%

Royalty Due on Production to Date: None

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 11 1957

DATE	INITIALS	CODE
3/12	C	220

Royalty Remarks: Operator pays royalty monthly on production during the previous month.

Original Estimates of Reserves:

Inferred Reserves: Range 2 - 35,000 tons of talc of which 8,000 tons (23 percent) is gritty, impure talc.

Range 6 - 10,000 tons of talc of which 3,400 tons (34 percent) is gritty, impure talc.

Production-DMEA (this period) 262.625 tons block talc
(previous) None
(todate) 262.625 " " "

Production Remarks: Production started October 1, 1956 from the deposit discovered by the DMEA exploration on Range 2. The shaft was sunk to a depth of 336 1/2 feet. From the 326-foot point in the shaft a cross cut was driven 38 feet to the talc body. Mining is being done by the square set method. Each set is 6' x 6' in dimension. The body had been mined to a width of 18 feet and a height of 36 feet when visited. Production was heavy during January because there was no production from the Minerals and Metals mine which the Hitchcock Corporation is operating for another company. Hitchcock filled orders that Minerals and Metals were obligated to fill.

Other Remarks: The writer visited this property February 25, 1957 and conferred with Francis Bourne, Jr. Secretary and Treasurer and manager of the operations. B. E. Warner, geologist for the Company was also present. They advised that the deposit found on Range 6 will eventually be mined from the new shaft at Nancy Jordon No.3.

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines (DMEA)

Visited: February 25, 1957

z

Oak Ridge, Tennessee

THIS DEPOSIT IS NOT SUBJECT TO CHECK

DEPOSIT NO. 1h-23-070-57

For credit of 1h28 Br. Trsy. Re[redacted]nal Office, Oak Ridge, Tenn. [redacted]h/56
(Name, title, and disbursing or ot[redacted]dentification symbol of accountable officer) ([redacted]te sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 303.15

for accounts listed below. SCHEDULE NOS.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
1hXh01	Idm-E194 Hitchcock Corporation (Royalty Payment)	294.66
	Idm-E712 Blue Rock Mining Co. (Royalty Payment)	8.49

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

(Authorized signature)

(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

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

RECEIVED DEC 17 1956 DMEA

December 13, 1956

Memorandum

To: Finance Officer, Region V

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

Subject: Royalty Payment - Idm-E194, DMEA-1198X (talc(
Hitchcock Corporation, Murphy, N.C. Nancy Jordon Mine.

Transmitted are delivery tickets from the Hitchcock Corporation totaling 157,150 pounds making a total of 78.575 tons. Royalty due at $3.75 per ton ...$294.66, check attached for royalty.

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

ZM.
cc
Mittendorf
Lynch
Files

December 5, 1956

ROYALTY STATEMENT

The following talc was removed from the #3 Nancy Jordan Mine during the month of November, 1956.

DATE	LOAD NO.	WEIGHT	
11-6-56	22	3,700	LBS.
11-8-56	23	6,600	"
11-8-56	24	6,400	"
11-8-56	25	6,900	"
11-8-56	26	5,000	"
11-8-56	27	5,600	"
11-9-56	28	9,750	"
11-9-56	29	3,400	"
11-9-56	30	6,000	"
11-10-56	31	12,600	"
11-10-56	32	11,400	"
11-10-56	33	2,600	"
11-14-56	34	4,700	"
11-14-56	35	8,500	"
11-14-56	36	6,800	"
11-16-56	37	7,600	"
11-19-56	38	12,300	"
11-22-56	39	10,000	"
11-22-56	40	12,500	"
11-23-56	41	10,100	"
11-23-56	42	4,700	"
		157,150	LBS.

Total Weight 78.575 Tons
Royalty due @$3.75 per ton $294.66

NORTH CAROLINA
CHEROKEE COUNTY

HOWARD MARTIN, Being first duly sworn, deposes and says: That he keeps all records concerning removal of talc by The Hitchcock Corporation, a North Carolina Corporation with its principal office and place of business in Murphy, North Carolina, and that the attached is a true and correct statement of all talc mined and removed from the lands covered by Exploration Project Contract IDM, E194, (Docket No. DMEA-1198X) with the United States of America dated October 24, 1951, acting through the Department of the Interior for the period of November 1, 1956 through November 30, 1956 both inclusive.

Howard Martin
The Hitchcock Corporation, Cherokee County, North Carolina

Subscribed and sworn to before me this the 6th day of December, 1956.

C. W. Barrett
Notary Public

My Com. Expires:
My Commission Expires March 7, 1957

TRIPLICATE

STANDARD FORM 201 (Formerly Cert. of Deposit, Form 1)
Promulgated Oct. 1949 by Treasury Dept., Fiscal Service

THIS DEPOSIT IS NOT SUBJECT TO CHECK

Oak Ridge, Tennessee

DEPOSIT NO.
14-23-070-49

For credit of 1429 Br. Trsy. R[redacted]onal Office, Oak Ridge, Tenn. [redacted]/15/56
(Name, title, and disbursing or d[redacted] identification symbol of accountable officer) [redacted]te sent)

deposited with Hamilton National Bank, Knoxville, Tennessee
(Name and location of depositary)

$ 219.56

for accounts listed below. SCHEDULE Nos.

ACCOUNT SYMBOL	TITLE OF ACCOUNT TO BE CREDITED	AMOUNT
14X4401	Idm-E194 The Hitchcock Corp. (Royapty Payment)	219.56

(Depositor will insert below his name, title, Department or Agency concerned, and his address)

Defense Minerals Exploration Administration
Bureau of Mines, Dept. of Interior
Helen R. Miller, Adm. Asst.
P. O. Box 217
Norris, Tennessee

SPACE BELOW TO BE USED BY DEPOSITARY ONLY

I certify that the above amount has been received for credit in the account of the Treasurer of the United States on the date shown, subject to adjustment for uncollectible items included therein.

K. C. Clue COP
(Authorized signature)

NOV 23 1956
(Date of credit in Treasurer's account)

DEPOSITARY WILL DATE, SIGN, AND RETURN THIS TO DEPOSITOR FOR HIS RETAINED COPY

16—59686b-1 GPO

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

November 14, 1956

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

Memorandum

To: Finance Office - Region V - DMEA

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

Subject: Royalty Payment - Idm-E194, DMA-1198X (Talc)
The Hitchcock Corporation, ~~Franklin~~, N.C.
Murphy

Transmitted delivery tickets for 58.55 tons of talc removed from the Nancy Jordon Mine #3. And a check No.25079 for $219.56 for royalty on the sales at $3.75 per ton.

Robert A. Laurence

ZM.
cc
Mittendorf
Lynch
Files

TH[redacted]HITCHCOCK CORPORA[redacted]ON
P. O. Box 35 [redacted] PHONE
MURPHY, N. C. VERNON 7-2713
HIGH QUALITY TALCS
TALC MARKING CRAYONS CRUSHED STONE

NORTH CAROLINA
CHEROKEE COUNTY

HOWARD MARTIN, Being first duly sworn, deposes and says: That he keeps all records concerning removal of talc by The Hitchcock Corporation, a North Carolina Corporation with its principal office and place of business in Murphy, North Carolina, and that the attached is a true and correct statement of all talc mined and removed from the lands covered by Exploration Project Contract IDM. E194, (Docket No. DMEA-1198X) with the United States of America dated October 24, 1951, acting through the Department of the Interior for the period of October 1, 1956 through October 31, 1956 both inclusive.

Howard Martin
The Hitchcock Corporation, Cherokee County, North Carolina

Subscribed and sworn to before me this the 6th day of November, 1956.

Notary Public

My Com. Expires:

My Commission Expires March 7, 1957

THE HITCHCOCK CORPORATION
P. O. Box 35
MURPHY, N. C.
PHONE
VERNON 7-2713
HIGH QUALITY TALCS
TALC MARKING CRAYONS CRUSHED STONE

November 5, 1956

The following talc was removed from the #3 Nancy Jordan Mine during the month of October, 1956.

DATE	LOAD NO.	WEIGHT	
10-1-56	1	1,500	LBS.
10-1-56	2	2,500	"
10-2-56	3	1,900	"
10-18-56	4	1,500	"
10-19-56	5	1,900	"
10-19-56	6	2,100	"
10-19-56	7	9,400	"
10-19-56	8	4,200	"
10-20-56	9	8,900	"
10-20-56	10	9,700	"
10-22-56	11	11,700	"
10-24-56	12	7,700	"
10-24-56	13	4,300	"
10-27-56	14	6,100	"
10-29-56	15	3,100	"
10-29-56	16	3,600	"
10-29-56	17	10,500	"
10-29-56	18	15,700	"
10-29-56	19	4,700	"
10-29-56	20	2,500	"
10-29-56	21	3,600	"
		117,100	LBS.

Total 58.55 Tons
Royalty due @$3.75 per ton $219.56

RECEIVED
NOV 2 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

THE HITCHCOC[illegible]
CORPORATION

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

No ~~7061~~

Delivery Ticket

LOAD NO. 21

TRUCK NO. _____ DATE 10-29- 195 6

	WEIGHT	KIND
GROSS	11100 LBS.	
TARE	7500 LBS.	
NET	3600 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY R. Robinson

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

THE HITCHCOCK CORPORATION
P. O. Box 35 Murphy, N. C.

No ~~7043~~

Delivery Ticket

LOAD NO. 3

TRUCK NO. _____ DATE 10-1-1956

WEIGHT		KIND
GROSS	9400 LBS.	
TARE	7500 LBS.	
NET	1900 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Roberson

THE HITCHCOCK CORPORATION
P. O. Box 35 Murphy, N. C.

No ~~7041~~

Delivery Ticket

LOAD NO. 1

TRUCK NO. _____ DATE 10-1-1956

WEIGHT		KIND
GROSS	9000 LBS.	
TARE	7500 LBS.	
NET	1500 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Roberson

THE HITCHCOCK CORPORATION
P. O. Box 35 Murphy, N. C.

No ~~7044~~

Delivery Ticket

LOAD NO. 4

TRUCK NO. _____ DATE 10-2-1956

WEIGHT		KIND
GROSS	9000 LBS.	
TARE	7500 LBS.	
NET	1500 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Roberson

THE HITCHCOCK CORPORATION
P. O. Box 35 Murphy, N. C.

No ~~7042~~

Delivery Ticket

LOAD NO. 2

TRUCK NO. _____ DATE 10-1-1956

WEIGHT		KIND
GROSS	10000 LBS.	
TARE	7500 LBS.	
NET	2500 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Roberson

THE HITCHCOCK CORPORATION

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

No ~~7047~~

Delivery Ticket

LOAD NO. 7

TRUCK NO. _____ DATE 10-19-56 195

WEIGHT		KIND
Gross	16900 Lbs.	
Tare	7500 Lbs.	
Net	9400 Lbs.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Robinson

THE HITCHCOCK CORPORATION

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

No ~~7045~~

Delivery Ticket

LOAD NO. 5

TRUCK NO. _____ DATE 10-18-56 195

WEIGHT		KIND
Gross	9400 Lbs.	
Tare	7500 Lbs.	
Net	1900 Lbs.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Robinson

THE HITCHCOCK CORPORATION

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

No ~~7048~~

Delivery Ticket

LOAD NO. 8

TRUCK NO. _____ DATE 10-19- 195 6

WEIGHT		KIND
Gross	12500 Lbs.	
Tare	8300 Lbs.	
Net	4200 Lbs.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Hogsed

THE HITCHCOCK CORPORATION

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

No ~~7046~~

Delivery Ticket

LOAD NO. 6

TRUCK NO _____ DATE 10-19- 195 6

WEIGHT		KIND
Gross	9600 Lbs.	
Tare	7500 Lbs.	
Net	2100 Lbs.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Robinson

THE HITCHCOCK CORPORATION
P. O. Box 35 Murphy, N. C.
Delivery Ticket

№ ~~7051~~

LOAD NO. 11

TRUCK NO. _____ DATE 10-20-1956

WEIGHT		KIND
GROSS	20000 LBS.	
TARE	8300 LBS.	
NET	11700 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Hogsed

THE HITCHCOCK CORPORATION
P. O. Box 35 Murphy, N. C.
Delivery Ticket

№ ~~7049~~

LOAD NO. 9

TRUCK NO. _____ DATE 10-19-1956

WEIGHT		KIND
GROSS	17200 LBS.	
TARE	8300 LBS.	
NET	8900 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Hogsed

D.M.E.A.

THE HITCHCOCK CORPORATION
P. O. Box 35 Murphy, N. C.
Delivery Ticket

№ 7052

LOAD NO. 12

TRUCK NO. _____ DATE 10-22-1956

WEIGHT		KIND
GROSS	15200 LBS.	
TARE	7500 LBS.	
NET	7700 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Robinson

THE HITCHCOCK CORPORATION
P. O. Box 35 Murphy, N. C.
Delivery Ticket

№ ~~7050~~

LOAD NO. 10

TRUCK NO. _____ DATE 10-20-1956

WEIGHT		KIND
GROSS	17200 LBS.	
TARE	7500 LBS.	
NET	9700 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Hogsed

THE HITCHCOCK CORPORATION
P. O. Box 35 Murphy, N. C.

Nº ~~7055~~

Delivery Ticket

LOAD NO. 15

TRUCK NO. _____ DATE 10-27-1956

WEIGHT		KIND
GROSS	8000 LBS.	
TARE	5900 LBS.	
NET	3100 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Beaver

THE HITCHCOCK CORPORATION
P. O. Box 35 Murphy, N. C.

Nº ~~7053~~

Delivery Ticket

LOAD NO. 13

TRUCK NO. _____ DATE 10-24-1956

WEIGHT		KIND
GROSS	10200 LBS.	
TARE	5900 LBS.	
NET	4300 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Beaver

THE HITCHCOCK CORPORATION
P. O. Box 35 Murphy, N. C.

Nº ~~7056~~

Delivery Ticket

LOAD NO. 16

TRUCK NO. _____ DATE 10-29-1956

WEIGHT		KIND
GROSS	9500 LBS.	
TARE	5900 LBS.	
NET	3600 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Beaver

THE HITCHCOCK CORPORATION
P. O. Box 35 Murphy, N. C.

Nº ~~7054~~

Delivery Ticket

LOAD NO. 14

TRUCK NO. _____ DATE 10-24-1956

WEIGHT		KIND
GROSS	13600 LBS.	
TARE	7500 LBS.	
NET	6100 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Robinson

CORPORATION

P. O. Box 35 Murphy, N. C. № ~~7059~~

Delivery Ticket

LOAD NO. 19

TRUCK NO. _____ DATE 10-29- 195 6

WEIGHT		KIND
GROSS	13000 LBS.	
TARE	8300 LBS.	
NET	4700 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Hogsed

THE HITCHCOCK CORPORATION

P. O. Box 35 Murphy, N. C. № ~~7057~~

Delivery Ticket

LOAD NO. 17

TRUCK NO. _____ DATE 10-29 195 6

WEIGHT		KIND
GROSS	18000 LBS.	
TARE	7500 LBS.	
NET	10500 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Robinson

THE HITCHCOCK CORPORATION

P. O. Box 35 Murphy, N. C. № 7060

Delivery Ticket

LOAD NO. 20

TRUCK NO. _____ DATE 10-29- 195 6

WEIGHT		KIND
GROSS	10000 LBS.	
TARE	7500 LBS.	
NET	2500 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Robinson

THE HITCHCOCK CORPORATION

P. O. Box 35 Murphy, N. C. № ~~7058~~

Delivery Ticket

LOAD NO. 18

TRUCK NO. _____ DATE 10-29- 195 6

WEIGHT		KIND
GROSS	24000 LBS.	
TARE	8300 LBS.	
NET	15700 LBS.	

CASH SALE | CHARGE SALE

SOLD TO _____

ADDRESS _____

HAULED BY _____

RECEIVED BY _____

WEIGHED BY Hogsed

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

October 11, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V -

Subject: Idm-E194, DMEA-1198X, The Hitchcock Corporation Agreement Concerning Royalty (talc)

Transmitted are three signed copies of the subject Agreement, and three copies of the transmittal letter from The Hitchcock Corporation's secretary and treasurer.

The usual distribution of the other copies has been made.

Robert A. Laurence

Robert A. Laurence

THE HITCHCOCK CORPORATION

P. O. Box 35 [redacted]
MURPHY, N. C.
PHONE
VERNON 7-2713

HIGH QUALITY TALCS

TALC MARKING CRAYONS CRUSHED STONE

October 10, 1956

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

Re: DMA-1198, Idm-E194 (talc)
Nancy Jordan No. 3 Mine
Cherokee County, N. C.

Dear Mr. Laurence:

As requested in your letter of October 4th I am enclosing the five executed copies of the royalty agreement in connection with the above captioned contract.

I would like to point out that we have opened the Nancy Jordan #3 Mine as insurance in case something should happen to any of our other sources of talc. In other words, we plan to use the #3 Mine only when needed. It is entirely possible that some months there may be no talc at all removed and in other months there may be quite a bit. We plan to use the #3 Mine only as a stand-by.

Yours very truly,

THE HITCHCOCK CORPORATION

F. C. Bourne Jr.

F. C.Bourne, Jr., Sec.-Treas.

FCBJr/amh
Encl.

RECEIVED
OCT 11 1956
U. ... Geologic Division
Knoxville, Tenn.

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

DOCKET COPY
Surname:
Houk
Chairman
Selfridge

OCT - 2 1956

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

Re: Docket No. DMEA-1198-tale
The Hitchcock Corporation
Nancy Jordan No. 3
Cherokee County, North Carolina
Contract No. Idm-8194

Dear Mr. Lawrence:

Reference is made to your memorandum of September 20, 1956, recommending a royalty agreement on the basis of a flat rate of $3.75 per ton under the subject certified contract.

We have prepared and enclose the original and five copies of an Agreement Concerning Royalty which have been signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team. If it meets with your approval, please present it to the operator for approval and signature.

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

Sincerely yours,

Approved:

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

George C. Selfridge (GCS)
Chairman, Operating Committee

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

LGHouk:ms 10/1/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Irving, 3061
Mr. Houk
Admr. R. File

Enclosures: 8

R.C.S.

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

September 20, 1956

Air Mail

Memorandum

To: Operating Committee, DMEA, Washington 25, D. C.

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

Subject: Docket No. DMEA-1198, Contract Idm-E 194 (Talc)
The Hitchcock Corporation, Murphy, North Carolina
Nancy Jordan Mine No. 3, Cherokee County, North Carolina

In a letter dated September 18, Mr. F. C. Bourne, Jr., Secretary-Treasurer of the Hitchcock Corporation, states that a flat rate of $3.75 per ton will be an acceptable basis to them for payment of royalty due under the subject certified contract.

Therefore, we recommend that you prepare a royalty agreement on that basis. As production from the contract area is expected to begin very soon, the agreement should be prepared as soon as possible.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.
ROOM 1150
KNOXVILLE 2, TENN.

RECEIVED
SEP 13 1956

September 11, 1956

Mr. F. C. Bourne, Jr.
Secretary-Treasurer
The Hitchcock Corp.
P. O. Box 35
Murphy, North Carolina

Re: DMEA-1198, Idm-E194 (Talc)
Nancy Jordan No. 3 Mine
Cherokee County, North Carolina

Dear Mr. Bourne:

We have discussed your letter of August 17, concerning royalty payments, with our Washington office.

As all output of the Nancy Jordan mine will have a value of more than $11.50 per ton, a royalty of 5% will be due, according to the sliding scale provided in Article 15 of the contract. Your average figure of $75.00 per ton is acceptable, and 5% of this is $3.75 per ton. Therefore, a flat rate of $3.75 per ton on all talc mined from the Nancy Jordan No. 3 will be acceptable. Please advise me if this is agreeable; if so, we will have a royalty agreement prepared.

Very truly yours,

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

RAL/mg
cc
Oper. Comm. (2)
Lynch
Shirley
File

Docket Copy
Surname:
Houk
Talbert
Selfridge
Goldman

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

SEP - 7 1956

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

Subject: Docket No. DMEA-1198-Talc
The Hitchcock Corporation
Cherokee County, North Carolina
Contract No. Idm-K194

Dear Mr. Laurence:

Reference is made to your memorandum of August 20, 1956, to the Operating Committee recommending flat rates of $3.67 or $3.75 royalty on each ton of crude talc produced from the Nancy Jordon No. 3.

We would not be willing to accept the Operator's offer of a flat $3.00 rate on each ton of ore produced from the Nancy Jordon No. 3 because it is not in conformance with the terms of the contract nor does it appear to be a fair return to the Government. The royalty rate is based upon the product sold in the form sold; however, to simplify procedures we are willing to accept royalty based upon production from the Nancy Jordon No. 3 at the flat rate of $3.75 per ton. If this is agreeable to the Operator we will prepare a royalty agreement upon hearing from you.

Sincerely yours,

George C. Seifridge

Chairman, Operating Committee (GCS)

Approved:

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

N. E. Nelson (NEN)
Member, Geological Survey

LGHouk:gad 9/7/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.G.S.

BUREAU OF MINES STATISTICS

DMEA-1198X-talc
NANCY JORDON NO. 2 MINE

TONNAGE

	1952	1953	1954	1955
Crude	3330	4116	6056	5416
Ground (sold)	3145	3919	5810	5196
Sawed (sold)	180	197	246	260

VALUE

~~Crude~~ Ground	$150,500	$193,344	$240,000	$218,313
Sawed	120,000	137,929	140,000	172,971

1952-3-4-5

Crude	18.918
Ground	18.070
Sawed	8.83
	18.953 Tons

Statistics per Duving via telephone
copies 8/29/56 ms

August 21, 1956

Mr. F. C. Bourne, Jr.
Secretary-Treasurer
The Hitchcock Corporation
P. O. Box 35
Murphy, North Carolina

Re: DMEA-1198, Idm-E194 (Talc)
Nancy Jordan No. 3 Mine
Cherokee County, North Carolina

Dear Mr. Bourne:

As the field office does not have the authority to make the final decision on the method of calculating royalty payments, your letter of August 17 has been referred to our Washington office. We will notify you as soon as a definite decision has been reached.

Very truly yours,

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 12 POST OFFICE BLDG.
WASHINGTON 25, D.C.
KNOXVILLE 2, TENN.

August 20, 1956

Memorandum

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

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

Subject: DMEA-1198, Idm-E194 (Talc)
The Hitchcock Corporation, Murphy, N. C.
Nancy Jordan No. 3 mine, Cherokee County, North Carolina

Enclosed are two copies of a letter from the Operator, suggesting a flat rate per ton method of calculating royalties on the subject certified contract.

Because talc from the Company's three mines is mixed before it goes to the plant, exact value of that from each mine cannot be determined, and royalties to landowners are calculated on the flat-rate basis.

We are in agreement with the Operator's proposed method, but not with his figure. The entire output is in the 5% bracket; therefore, 5% royalty should be paid. On the basis of 20 tons @ $42 and 1 ton @ $700, the average per ton becomes $73.33 and the 5% royalty would be $3.67. Using the approximate value given in the Operator's letter ($75.00) the rate per ton would be $3.75.

We recommend acceptance of royalties at either one of these rates. An early decision will be appreciated, as production from the Nancy Jordan No. 3 is expected soon.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

C O P Y

THE HITCHCOCK CORPORATION
Murphy, North Carolina

August 17, 1956

Mr. Robert A. Lawrence
Executive Officer
DMEA Field Team
Region VII
Room 13, PO Bldg.
Knoxville 2, Tenn.

Re: Docket No. DMEA-1198-Talc
Cherokee County, N. C.
Contract No. Idm-E194

Dear Mr. Lawrence:

We are in the process of opening up our Nancy Jordon #3 mine which is located on Range 2 of the above captioned DMEA Project certified as a discovery May 28, 1953 and we expect to be producing talc from this mine in the very near future. The contract with the government provides for repayment by the operator based on a percent of net proceeds not to exceed 5%. In the case of the Nancy Jordon #3 mine it will not be possible to determine the proceeds from this mine as such because the talc will be mixed with talc from other mines to be processed. We think that a flat rate per ton would be the best method by which to repay the government.

Our talc shipments have run fairly constant for quite a few years in that pulverized tonnage to crayon tonnage ~~xxxxx~~ stays at a ratio of approximately 20 to 1. At the present time our average price per ton for pulverized talc is approximately $42.00 and the average price per ton of crayon talc is approximately $700.00. This gives us an average price per ton of all talc shipments of approximately $75.00.

We would suggest payment to the government of $3.00 per ton for all talc removed from the Nancy Jordon mine. It will all be hauled away from the mine in trucks and weighed on a scale which we have here at the mine before it is dumped into bins to be processed.

The $3.00 per ton which has been suggested will amount to approximately 4% of what we expect our selling price to be. Of course, we are assuming that the crayon production will maintain the same ratio in regard to the pulverized production as it has in the past.

We would like to hear from you as soon as possible since we do expect to get into production very soon.

THE HITCHCOCK CORPORATION
By: F. C. Bourne, Jr. Sec-Treas.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 2306 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
MAY 31 1956

May 28, 1956

Memorandum

To: Operating Committee, DMEA- Washington

From: V. J. Lynch, Mining Engineer - Member-DMEA Field Team

Subject: Idm-E194, DMEA-1198X-Talc, The Hitchcock Corporation, Cherokee County, N. C. Additional Information on Certified Project Report. Requested March 6, 1956

As requested in your memorandum of March 6, the following questions are answered as per question number on memo:

1. The Nancey Jordon No.3 shaft is 5' x 8' clear of timbers. At present it has been sunk to a depth of 215 feet. The cost of sinking the shaft todate is $98.16 per foot, including cost of headframe. The shaft is timbered with standard 8" x 8" shaft sets and lagged full length of the shaft. The shaft will be sunk to a depth of about 330 feet.

2. The Nancy Jordon No.3 shaft is located between holes 8 and 22 on Range 2 diamond drill pattern.

3. The present rate of production from the Nancy Jordon No. 2 is about 20-tons of crude ore a day or approximately 500 tons a month. The anticipated production from this shaft for the year of 1956 is 6000 tons of crude ore. Crude ore averages about 1 ton of crayon talc to 20 tons of pulverized talc.

According to the management the anticipated production from Nancy Jordon No.3 shaft will depend upon the demand for their product. If the demand is sufficient the production from Nancy Jordon No.3 shaft can be as much as 20-tons of crude ore per day, this doubling the present production. However, if the demand does not justify and increase in production the ore will continue to be supplied from Nancy Jordon No.2 with no production from Nancy Jordon No.3.

4. The total development expenditure on the Nancy Jordon No.3 is expected to be between $30,000 and $35,000.

5. No plant installation will be made at Nancy Jordon No.3. Ore will be hauled by truck to present mill.

6. $30,000 to $35,000.

7. Present plans call for Nancy Jordon No.3 shaft to be ready for production by July 15, 1956.

8. The Company appears to be operating in a fairly efficient manner for a small concern.

9. Present prices for talc are as follows:

Pulverized Talc- average $42.00 per ton.
Crayton Talc - $600 to $700 per ton
Pencils sell at $2.00 a gross.
Prices vary with color and terture. Whiter material brings best prices.

The Company does not have an ore reserve figure for Nancy Jordon No.3. They claim it is as large or larger than Nancy Jordon No.2. They believe the No.3 ore body can supply total production at present rate for about ten years.

V. J. Lynch

V. J. Lynch, Mining Engineer

DOCKET COPY
Surname: Hoch Selfridge Chambers Johnson McKendry

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

MAR - 6 1956

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

Re: Docket No. DMEA-1198X-Talc
The Hitchcock Corporation
Cherokee County, North Carolina
Contract No. Idm-X194

Dear Mr. Lawrence:

Reference is made to the Semi-Annual Report of February 7, 1956, by William A. Beck, on this certified project.

Please note Memorandum #29, dated January 27, 1956 and if possible, supply the following information:

1. Size and estimated cost of shaft at Nancy Jordon No. 3
2. Location of Nancy Jordon No. 3 on Range 2
3. Anticipated production for 1956 from Nancy Jordon No. 2 and No. 3; present rate at Nancy Jordon No. 2.
4. Total estimated development expenditure on Nancy Jordon No. 3
5. Estimated surface installation expenditure
6. Estimated total expenditure for exploration, development and surface plant
7. What is the target date for full production from the Nancy Jordon No. 3?
8. Comment on the efficiency of the management
9. Present selling prices of ground and crayon talc

In regard to the reserves, the July 12, 1954, report states that, "Mr. Bourne believes this lense in Range 2 will develop into the largest body of talc ever found in the South, one hole cut 107' of talc." The Semi-Annual Report of February 7, 1956, mentioned above, states, "several holes cut over 100 feet of talc." On the basis of the above statements, can an estimate of the reserves be made? It would appear that the reserves at the Nancy Jordon No. 3 are adequate to repay the Government participation within the time repayment period.

R.C.H.

However, the individual production rates from the Nancy Jordon No. 2 and No. 3 will be the determining factors. Some inkling of the company's plans would be most informative. The gross value of sales from the Nancy Jordon No. 1 for 1954 would have more than repaid the Government participation.

Concerning the method of calculating royalty under this type contract(June, 1951), it is our desire to keep the method of royalty calculation as simple and practical as possible. The method of separating the production from the two mines should be discussed with the operator and his suggestions and your recommendations should be forwarded to this office for concurrence. The pro rata basis for royalty computations may be by counting cars, truck loads, or weights of the crude ore entering the mill; whichever method is most practical. This would then be applied in like proportion, for royalty purposes, to the net sales to industry. The price basis for royalty computation, should be upon the first selling price to industry and not upon an assigned value placed upon the crude ore.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (GCS)

Approved:

/s/ O. M. Bishop (OMB)
Member, Bureau of Mines

Thor H. Kiilsgaard (THK)
Member, Geological Survey

LGHouk:ms 3/2/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Irving, 3427
Mr. Houk
Admr. R. File

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

RECEIVED
MAR - 1 1956

February 29, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-1198X (Steatite)

Applicant: The Hitchcock Corp.

Name and Location of Property: Nancy Jordon Mine No. 3, Cherokee Co., N. C.

Contract Number: Idm-E 194 (Steatite)

Date of Field Team Report: 2/21/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 2/27/56

Field Team Recommendation: Recommend a royalty arrangement per ton of crude talc be arranged to recover Government investment.

Comments:

1. Development of this mine is now underway.

2. No definite provisions have been made regarding royalty payments although certification of discovery was made.

Recommendation: I concur with the field team's recommendation.

W. F. Dietrich

W. F. Dietrich

11/21/55

Mr. Houk:

Just to remind you.

DMEA-1198 The Hitchcock Corp. (Talc)
E-194

The Semi-Annual Report for 6/30/55 stated that "shaft sinking to start soon. Deposit should be in Operation within 6 to 8 mos.

1198

Date 2/23

Referred to:

1. ~~[illegible]~~
2. ~~[illegible]~~
3. ~~[illegible]~~
4. ~~[illegible]~~
5. Non-Metallic Division
6. Chief Counsel Patents and Files

[illegible] the report regarding:

1. No estimate of cost of development
2. Ebaza & other workings to follow
3. Royalty agreement (or understanding) needed.

[illegible] appropriate action.

Action taken by Division:

ROBERT E. ADAMS

Initials

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

RECEIVED
FEB 23 1956

February 21, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-1198X, Idm-E194 (Steatite) The Hitchcock Corp., Murphy, N. C. Nancy Jordon Mine No.3, Cherokee County, N.C.

Enclosed are four copies of the semi-annual report on the subject certified project.

It is imperative that some basis be agreed upon for determining the amount of ore subject to royalty, and the price to be used, before mining begins at the Nancy Jordon No. 3 Mine. We agree with Mr. Beck's recommendation.

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

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

RECEIVED
FEB 23 1956

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting Period: July 1, 1955 - December 31, 1955. Date of Exam: 2-7-56

Operator: The Hitchcock Corp. P.O. Box 35, Murphy, North Carolina

Mine Name: Nancy Jordon No. 3

County and State: Cherokee County, North Carolina

Docket No. and Commodity: DMA-1198X . Steatite Talc

Contract No. Idm-1194

Date of Contract: October 24, 1951

Date of Certification: May 29, 1953

Expiration date of Royalty payments: October 24, 1961

Total Amount of Contract: $32,519.00

Total Expenditures under Contract: $12,958.13

Amount of Gov. Participation; at 90% $11,662.32

Royalty Payments this Period: None

Previous Royalty Payments: None

Total Royalty Payments to Date: None

Percent Government Participation Repaid: None

Royalty Due on Production to Date: None

Royalty Remarks: The Operator has depleted the deposit of talc at Nancy Jordon No. 1 Mine and is presently operating Nancy Jordon No.2. A shaft is being sunk on the deposit discovered on Range 2 of the Government contract. This mine will be known as Nancy Jordon No. 3. It is believed that Nancy Jordon No. 2 and No. 3 will both be in operation at the same time. If this happens the production will be mingled and there will be no way of determining what production subject to Government royalty unless some arrangement is agreed upon prior to the start of production from Nancy Jordon No.3.

Another thingx that should be agreed upon is the method of determining the royalty. The Operator sells both pulverized talc and crayons. After the crude talc enters the plant there is no way of telling from that mine the finished product came. It is the writer's opinion that the Operator should be required to count the number of cars or trucks of talc produced daily. The average weight of talc in a car or truck being known it would be a simple matter to figure out the monthly tonnage. A unit price per ton of crude talc could be agreed upon and royalty paid on this basis.

Original Estimate of Reserves:

Inferred Reserves:

Range 2 - 35,000 tons of talc of which 8,000 tons (23 percent) is gritty, impure talc.

Range 6 - 10,000 tons of talc, of which 3,400 tons (34 percent) is gritty, impure talc.

Increase (or Decrease) of Reserves by Work Performed Subsequent to Original and Last Field Team Estimate:

Additional drilling has been done to develop the deposit. Mr. F. C. Bourne, Jr., Secretary and Treasurer of the Company told the writer that several holes cut over 100 feet of talc. He stated that he believed the original estimate of reserves was conservative. He stated that they had not figured any additional reserves.

Other Remarks: Shaft sinking is in progress at the Nancy Jordon No. 3 Mine. When visited it was at a depth of 160 feet. It is expected that the shaft will bottom at approximately 300 feet. Size - cost etc

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

RECEIVED
JUL 28 1955

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMA-1198X, Idm-E194 (steatite talc)
Cherokee County, North Carolina

Operator: The Hitchcock Corporation, Box 35, Murphy, North Carolina

This property was visited on July 13, 1955. Mr. Francis C. Bourne, Jr., Treasurer of the Company was contacted and took the writer over to Range 2 of the Government's exploration work. A steel head-frame has been erected and a concrete shaft collar has been placed in preparation for sinking a shaft on this large talc deposit. Actual shaft sinking was to start in a few days. It is estimated that shaft sinking will be completed in about six months.

July 13, 1955.

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

z

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
RECEIVED
JUL 21 1954

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMA-1198X, Idm-E 194 (steatite talc)

THE HITCHCOCK CORPORATION. Box 35, Murphy, North Carolina

Accompanied by B. J. Brekhus, Auditor, Contract Administration and Audit Division the writer called at the subject property on July 12, 1954. No work has been started to date on the property explored by the contract. Mr. Francis C. Bourne, President of the company took us over to the area around Range 1 and Range 2 where additional drilling had been done to delimit the talc body discovered by DMEA Drilling on Range 2. He stated that he believes this lense will develop into the largest body of talc ever found in the south. One of the holes cut talc for 107 feet.

July 12, 1954

Wm. A. Beck

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

FILE COPY
SURNAME:

140

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

Hofflund
Houk
Selfridge
Edmond
Hedges

MAY 4 - 1954

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

Re: Docket No. DMEA-1198 - Talc
The Hitchcock Corporation
Cherokee County, North Carolina
Contract No. Idm-E194

Dear Mr. Laurence:

Reference is made to your memorandum of April 20 in reply to our letter of April 16, requesting additional information on the boundaries of the Hitchcock Corporation's leases.

The contract map and its relationship to the Nancy Jordon mine and the Nancy Jordon mining property has been established by this office. The contract map shows only the Southwest portion of the land described in the contract. Only production from the area Southwest from a line drawn through Range 1, as indicated on the accompanying map, is subject to royalty. This form of contract provides that only ore produced as a result of the discovery or development that is particularly described and delimited in the certification is subject to the Government royalty.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (SHB)

LGHouk/JLHofflund/emd
4/30/54
Approved:

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

Philip W. Guild
Member, Geological Survey (SHB)

Copy to: Docket
Adm. R. File
Op. Comm.
L. G. Houk
D. R. Irving, B.M., Rm.3427
D. M. Larrabee, G.S., Rm.G-232
GSA

J. L. Hofflund
chron.
pending

R.G.

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

April 20, 1954

Memorandum

To: Operating Committee, D M E A - Washington

From: Field Team, DMEA - Region VII

Subject: DMA-1198X, Idm-E 194, The Hitchcock Corp. (talc)

Reference is made to your letter of April 16.

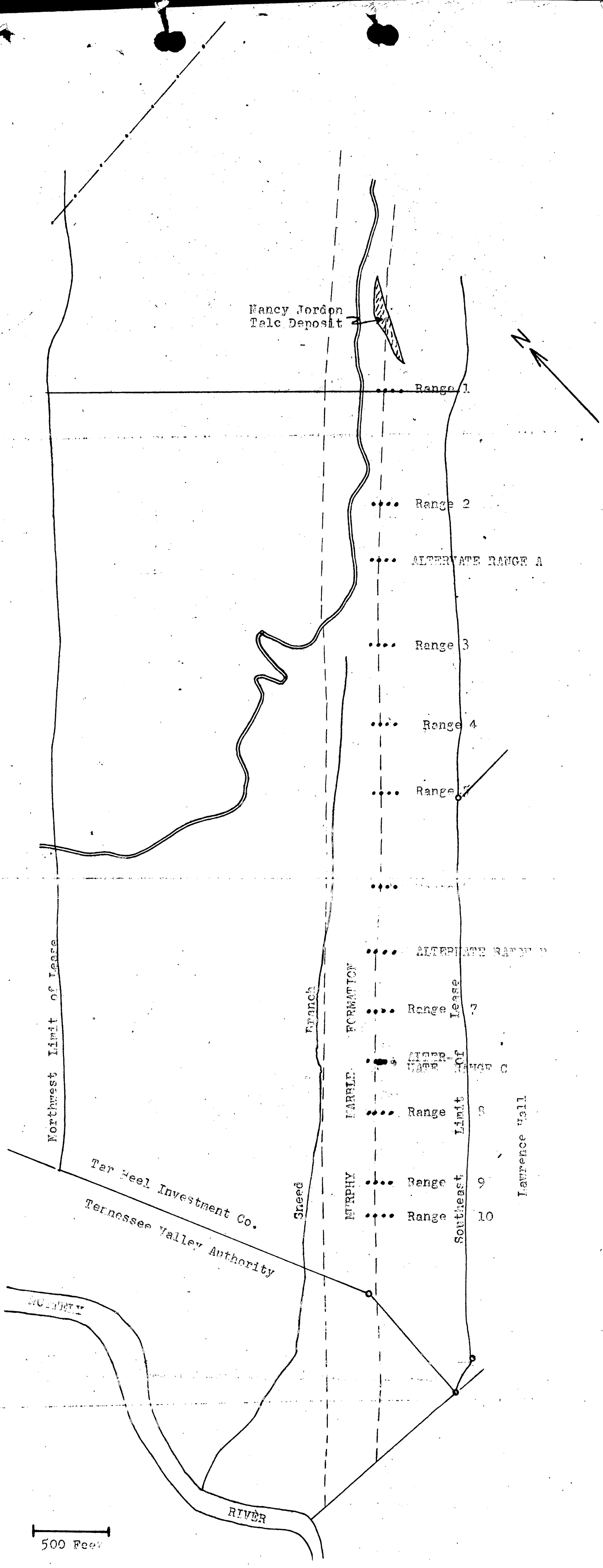
The maps requested from TVA turned out to have no additional information to aid in locating the boundaries of Hitchoock's leases. As they were only borrowed from TVA's files, and extra copies were not readily available, we have returned them.

I enclose herewith a tracing which Mr. Gildersleeve made, showing the apparent discrepancies between the description included in the contract and the maps, and also a copy of the map which accompanied the contract. I suggest you use the latter to indicate the portion of the tract which would be subject to royalty payments.

Mr. Gildersleeve is now in the office of the Mineral Deposits Branch of the Geological Survey, in Washington, and is familiar with the Hitchcock property. Possibly he could assist in designating these areas on the map.

Robert A. Laurence
Robert A. Laurence

attachments
to 600



THE HITCHCOCK CORPORATION
MURPHY, N.C.

PROPOSED LAYOUT OF
COREDRILLING RANGES.

DMA PROJECT 1198X SEPT. 22, 1951

NOTE:
Exact locations of holes subject to adjustment as drilling progresses.

Map adapted from TVA Dwg. 8-4162-16.14

FILE COPY
SURNAME:

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

Rewritten:

Houk
Rutin
Hilliard
Chamberlain
Selfridge

APR 16 1954

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

Re: Docket No. DMEA-1198 - Talc
The Hitchcock Corporation
Cherokee County, North Carolina
Contract Idm-E194

Dear Mr. Laurence:

Reference is made to our letter of February 12, 1954, and to your reply of February 16, 1954, concerning the question whether any production from the Nancy Jordan mine is subject to the Government's royalty.

This contract is on the old form, which provides that, after certification of discovery or development, ". . . ore produced as a result of such discovery or development" is subject to the Government's royalty. Whether ore is produced "as a result of such discovery or development" is a question of fact. In this regard, your memorandum stated that—

> "The exploration . . . was for additional talc bodies to the southwest of the Nancy Jordan talc body. The drilling has in no way affected the reserves of the Nancy Jordan mine."

Therefore, in these circumstances, we agree with your conclusion that present production from ore reserves known to the Operator prior to the exploration work is not subject to the Government's royalty. However, if in the future any production is made as a result of the discovery made by drilling under the DMEA contract, then, of course, such production would be subject to royalty. As soon as we receive the maps referred to in your letter of February 16, we will designate thereon the area from which production will be subject to the Government's royalty.

R.C.S.

We are enclosing for your files a copy of the Application Forms MF-103 and MF-100, together with a copy of a map dated September 22, 1951.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (245)

Enclosures 3

Approved:

C. H. JOHNSON

Member, Bureau of Mines (245)

D. M. Larrabee

Member, Geological Survey (245)

LGHouk:HCR:ep 4-8-54

Copy to: Docket
Admr. Reading File
Operating Committee
Mr. Irving, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk
Mr. Hofflund
Mr. Rubin
Chron.
Pending

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 18 1954

February 16, 1954

Memorandum

To: Operating Committee - D M E A - Washington

From: Field Team D M E A - Region VII

Subject: DMA-1198X, Idm-E 194 (Steatite) Hitchcock Corporation.

Reference is made to your memorandum of February 12, 1954.

The description and map attached to the Hitchcock contract are insufficient to determine whether or not the Nancy Jordon mine is on the land thus described. We have requested a copy of the TVA property map from which the Operator's was made, and when this is received from TVA, we will advise you further.

However, we wish to point out that the Nancy Jordon mine was in operation long before the exploration contract was signed, in fact long before DMA was authorized. The exploration under this contract was for additional talc bodies to the southwest of the Nancy Jordon talc body. The drilling has in no way affected the reserves of the Nancy Jordon Mine. Regardless of where the boundaries of the lease prove to be, we feel that it would be highly unfair to the Operator to expect payments of royalty upon production from the Nancy Jordon mine.

We do not have a copy of the application or the lease which accompanied the application in our files. Would it be possible to send us copies.

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

Benjamin Gildersleeve
Benjamin Gildersleeve for R. A. Laurence
U. S. Geological Survey

File Copy
Surname:

Houk
Selfridge
Withdrawn

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

600

FEB 12 1954

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

Subject: Docket No. DMEA-1198 - Talc
The Hitchcock Corporation
Cherokee County, North Carolina
Contract No. Dm-K194

Dear Mr. Laurence:

Reference is made to the Semi-Annual Report of Certified Project on The Hitchcock Corporation of Murphy, North Carolina.

We are attempting to determine if the Nancy Jordon Mine is within the area certified for repayment and if there has been any production of talc from the Nancy Jordon Mine since October 24, 1951.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

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

D. M. Larrabee (JHB)
Member, Geological Survey

LGHouk:gad 2/10/54

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

P.S. Please advise this office if the Nancy Jordon Mine is within the area described in the certification of discovery.

R.C.G. 2-13-54

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
KNOXVILLE, TENNESSEE

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Period: July 1, 1953 to December 31, 1953

Docket No.: DMA-1198X Contract: Idm-E 194

Commodity: Steatite Talc

Operators Name: The Hitchcock Corporation

Address: P.O. Box 35 , Murphy, North Carolina

Name of Mine: ---

County: Cherokee State: North Carolina

Date Certified: May 29, 1953

Contract Amount: $32,519.00 Amount Spent: $12,958.13

Government's Participation: 90% or $11,662.32 (or October 24, 1961)

Remarks: Certification was made on the discovery of commercial grade talc. No steatite grade was found. No production has been made from these deposits.

Report Prepared by: Wm. A. Beck
Mining Engineer
U. S. Bureau of Mines

February 1, 1954

zm

C
O
P
Y

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMA-1198X, Idm-E 194 (steatite talc)

THE HITCHCOCK CORPORATION. Box 35, Murphy, North Carolina

Accompanied by B. J. Brekhus, Auditor, Contract Administration and Audit Division the writer called at the subject property on July 12, 1954. No work has been started to date on the property explored by the contract. Mr. Francis C. Bourne, President of the company took us over to the area around Range 1 and Range 2 where additional drilling had been done to delimit the talc body discovered by DMEA Drilling on Range 2. He stated that he believes this lense will develop into the largest body of talc ever found in the south. One of the holes cut talc for 107 feet.

July 12, 1954

/s/ Wm. A. Beck
Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMEA-1198X, Idm-E 194 (Steatite Talc)

THE HITCHCOCK CORPORATION, Box 35, Murphy, N. C.

The writer called at the subject property on January 15, 1954. No work has been started to date on the property explored by the contract. Mr. F. C. Bourne, Jr. Treasurer of the Corporation stated that since the project was terminated they did additional drilling and delimited the deposits. They do not expect to be mining this ore within the next year or two as they are now sinking a new shaft on a deposit to the east of their present operations.

January 15, 1954.

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines, Region VII

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

[illegible]
[illegible]
[illegible]
AUG [illegible] 1953

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Period: January 1, 1953 to June 30, 1953

Docket No.: DMA-1198X Contract: Idm-E194; Commodity: Steatite Talc

Operators Name: The Hitchcock Corporation

Address: P.O. Box 35, Murphy, North Carolina

Name of Mine: -----County: Cherokee State: North Carolina

Date certified: May 29, 1953. Contract Amount: $32,519.00

Amount Spent: $12,958.13. Government's Royalty: 90% or $11,662.32 (or October 24, 1961)

Remarks:

Certification was made on the discovery of commercial grade talc. No steatite grade was found. No production has been made from this deposit.

FILE COPY
SURNAME:
800

Talbert
Chambers

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

JUN 30 1953

Mrs. Cora A. Piper
Authorized Certifying Officer
Bureau of Mines
Post Office Box 1909
Knoxville 1, Tennessee

Re: The Hitchcock Corporation
Docket No. DMEA-1106
Contract No. Idm-F194

Dear Mrs. Piper:

Reference is made to your letter of June 25, 1953, relative to a discrepancy of one cent in your accounts for the referenced project.

The Audit Certificate covering this project certified the amount of $11,662.32. Payments total $13,773.04 and two refunds in the amounts of $2,051.60 and $59.11 were received. Since the release of funds in the amount of $17,604.76 was made on the basis of the Audit Certificate, the discrepancy of one cent resulted therefrom.

The last refund of $59.11 should have been in the amount of $59.12. However, under the circumstances and in order to clear your records we are issuing an additional obligation document in the amount of one cent.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

J.H.
6-30-53

EDTalbert/wb
June 29, 1953

Copy to: Docket
Admr. Reading File
Mr. Talbert

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII
HAMILTON BANK BUILDING

OFFICE OF
REGIONAL DIRECTOR

POST OFFICE BOX 1909
KNOXVILLE, TENNESSEE

DEPARTMENT of
Defense Minerals
JUN 29 1953

June 25, 1953

Mr. Jay L. Chambers
Defense Minerals Exploration Adm.
Department of the Interior
Washington, D. C.

Dear Sir:

I have received the refund from The Hitchcock Corporation, in the amount of $59.11, which is 90 percent of $65.68, the amount determined due by Mr. Talbert.

In posting this credit and your release of $17,604.78, I come out with a reverse figure of .01 cent in the balance. I have checked our figures all the way back, and can't account for the .01 cent. Should your release have been for $17,604.77 instead of $17,604.78?

Please check and advise.

Very truly yours,

Cora A. Piper

Cora A. Piper
Authorized Certifying Officer
Region VII

Attachment

B 11,664.99

Audit Ck.
Payments $ 18,000.00
Refunds: 2,051.60
59.11

11,664.99
.01

Not Overpayment

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

2550.

SCHEDULE OF COLLECTIONS

Schedule No. BOR 28

Sheet No. .....

Dept. of the Interior, Defense Minerals Exploration Administration (Department or Establishment) 14-23-070 (Bureau or Office)

Received by E. A. Hudson, Regional Disbursing Officer (Name) (Title) at Oak Ridge, Tenn. (Station)

Period June 1953 (Month or quarter ended) D. O. Symbol No. 1428

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
Check No. 17261 dated 6/20/53		The Hitchcock Corp.	Refund of overpayment made on contract DMSA 1198X, IDM-4-194	59.11	14X4401 Revolving Fund Defense Production Act, Interior
			Total,	59.11	

Received ....., subject to collection. Forwarded June 24, 1953

(Disbursing clerk or accountable officer)

By .....

By .....
Cora A. Iper (Name)
Title Authorized Certifying Officer

Certificate of Deposit No. ..... dated .....

U. S. GOVERNMENT PRINTING OFFICE 10—1700

FILE COPY
SURNAME:

Robertson
Houk
Arkone
Parlin
Chambers
Johnson
Kendall
Hedges
Selfridge

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

MAY 29 1953

The Hitchcock Corporation
Post Office Box No. 35
Murphy, North Carolina

Re: Docket No. DMEA-1198 - Tale
Cherokee County, North Carolina
Contract No. Idm-E194

Gentlemen:

Transmitted herewith is a Certification of Discovery or Development on Contract No. Idm-E194, Murphy, North Carolina.

By the terms of the Exploration Project Contract and of the Certification, all production from the property from the date of the Exploration Project Contract, October 24, 1951, is subject to the Government's percentage royalty as set forth in the contract until the sum of $11,662.32 is paid or until October 24, 1961, whichever occurs first.

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

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

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

Sincerely yours,

C. O. Mittendorf

Administrator

5-29-53

Enclosure
JTRobertson:gad 5/25/53
Copy to: Admr. R. File
Mr. Johnson
Field Team, Reg. VII
Docket File
Mr. Hedges, 4604
Mr. Chambers
Operating Committee
Mr. Thayer, 5216 GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

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

Chandler
Johnson
Counsel
Hodges
Selfridge

MAY 29 1953

Mr. Russell Forbes
Acting Administrator, Defense Materials
Procurement Agency
General Services Administration Bldg.
Washington 25, D. C.

Re: Docket No. DMA-1198 - Talc
The Hitchcock Corporation
Cherokee County, North Carolina
Contract No. Ids-1196

Dear Mr. Forbes:

I am enclosing one copy each of a "Certification of Discovery or Development" and a final report by the Field Team, both relating to the subject contract.

The exploration contract was signed October 24, 1951, with the Government participating to the extent of 90% of $32,519.00 or $29,267.10.

The project work was started January 22, 1952, and stopped October 16, 1952, after the expenditure of $12,958.13, which is the total accepted cost according to the final audit certificate issued April 20, 1953. The Government paid 90% of the total cost or $11,662.32.

Under the contract 22 diamond drill holes, totaling 6,355 feet, were drilled on the Murphy Marble Belt. The holes explored approximately 3,000 feet of strike length.

Lenses	No. of Holes	Footage Drilled
1	3	868
2	3	1,060
3	3	737
4	3	567
5	6	1,686
6	4	1,437
Totals	22	6,355

The project, as approved, provided for a maximum of 10,000 feet of diamond drill holes. Refractory tests on core samples from Ranges 2, 3, 4 and 6 indicated that the talc was not suitable for stockpiling as strategic steatite. However, the project

yielded (see final field team report) the following estimated inferred reserves of nonstrategic talc:

Range 2 - 35,000 tons of talc, of which 8,000 tons (23 percent) is gritty, impure talc.

Range 6 - 10,000 tons of talc, of which 3,400 tons (34 percent) is gritty, impure talc.

It is estimated that approximately 25 percent of the inferred reserves would be lost in mining.

The talc found by this exploration is a marketable (grinding grade) product which can be pulverized and blended with other talc produced in the Murphy area.

The DMEA concurs in the evaluation made by the Field Team and has certified that a discovery or development has resulted from the work under the contract. Please refer to the accompanying Field Team's Final Report for a more detailed and comprehensive appraisal of the project work.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

S.N.
5-29-53

Enclosures 2

JTRobertson:gad 5/25/53
Copy to: Admr. R. File
Operating Committee
Mr. Hedges, 4604
Mr. Thayer, 5216 GSA Bldg.
Field Team, Region VII
Mr. Chambers
Mr. Johnson
Docket File
Mr. Houk

FILE COPY
SURNAME:

Peterson
Hook
Rehme
Porter

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

603

Mr. Russell Forbes
Acting Administrator, Defense Materials
Procurement Agency
General Services Administration Bldg.
Washington 25, D. C.

Re: Docket No. DMEA-1198 - Talc
The Hitchcock Corporation
Cherokee County, North Carolina
Contract No. Idm-[illegible]

Dear Mr. Forbes:

I am enclosing one copy each of a "Certification of Discovery or Development" and a final report by the Field Team, both relating to the subject contract.

The exploration contract was signed October 24, 1951, with the Government participating to the extent of 90% of $34,519.00 or $29,267.10.

The project work was started January 22, 1952, and stopped October 16, 1952, after the expenditure of $12,958.13, which is the total accepted cost according to the final audit certificate issued April 20, 1953.

Under the contract 22 diamond drill holes, totaling 6,355 feet, were drilled on the Murphy Marble Belt. The holes explored approximately 3,000 feet of strike length.

Range	No. of Holes	Footage Drilled
1	3	[illegible]
2	3	1,060
3	3	737
4	3	967
5	6	1,686
6	4	1,447
Totals	22	6,355

The project, as approved, provided for a maximum of 10,000 feet of diamond drill holes. Refractory tests on two core samples from Ranges 2, 3, 4 and 6 indicated that the talc was not suitable for stockpiling as strategic steatite. However, the project

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

April 28, 1953

Mr. E. C. Van Horn, Asst. Supt.
The Hitchcock Corp.
Murphy, N. C.

Re: DMA-1198X, Idm-K194
Steatite Talc.

Dear Van:

Transmitted herewith are copies of an Audit Certificate and the audit report made recently on your contract by the auditors of the Contract Administration and Audit Division of the Defense Minerals Exploration Administration.

You will note that exceptions in the amount of $65.68 have been made. Your check, made payable to the Treasurer of the United States, in the amount of 90 percent of the above amount or $51.11 is in order. Please send it to this office for processing.

I wish to thank you and the rest of your staff for the cooperation and courtesies extended to Mr. Talbert, Mr. Brekhus and myself during the course of this audit.

Very truly yours,

Wm. A. Beck, Acting
Executive Officer, DMEA
Field Team, Region 7

WAB/zm
cc:
Chambers-2
Finance Office-2
Lawrence
Lynch
Beck

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 24 1953

April 22, 1953

Memorandum

To: Operating Committee, D M E A - Washington

From: Field Team, DMEA - Region 7

Subject: Final Report on DME-1198K, Idm-E194. Hitchcock Corp.

Transmitted herewith are 4 copies of the above subject final report. The Field Team concurs with the recommendation for a certification of the discovery of non-strategic talc.

Robert A. Laurence
Robert A. Laurence,
Executive Officer, DMEA, Reg. 7

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

Reviewed by
DMEA OPERATING COMMITTEE
4-29-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

124 1953

Final Rpt

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

On

DMA-1198X, Idm-E194 THE HITCHCOCK CORP.
Murphy, North Carolina

By
Benjamin Gildersleeve, Geologist
U. S. Geological Survey

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

April 22, 1953

Reviewed by
DMEA OPERATING COMMITTEE

4-29-53
(date)

APR 24 1953

FINAL REPORT ON TERMINATED CONTRACT

Docket No. DMA-1198X, (steatite talc)
The Hitchcock Corp., P.O. Box 35, Murphy, N. C.
"Tar Heel Tract," Murphy, N. C.
Contract Idm-E194

The project was terminated because the Government could not justifiably participate further in any exploration for non-strategic talc with the expectation of finding block steatite talc of strategic grade.

Additional exploration, financed privately is warranted on Range 2 and 6.

It is the opinion of the Field Team that DMEA should certify that the project was successful for non-strategic talc, that production of the non-strategic talc found is economically feasible and that the Government is entitled to royalties from production.

The project, as approved, provided for a maximum of 10,000 feet of diamond drilling--the locations of the holes and exact depths to be mutually agreed upon by the Government and the Operator as the work progressed.

This project began January 22, 1952, and was terminated October 16, 1952.

The Operator completed 22 AX diamond drill holes as follows:

Range	No. of Holes	Footage
1	3	888
2	3	1,060
3	3	737
4	3	567
5	6	1,686
6	4	1,417
Totals	22	6,355

The talc bodies occur as replacement deposits in the Murphy marble formation. Deposits of commercial size are lens-shaped and are found only in the central zone of the formation. A detailed geologic description of the area by E. C. Van Horn was published in 1948 as Bulletin 56 of the North Carolina Department of Conservation and Development.

Tests on 10 samples from Ranges 2,3,4, and 6 indicated the talc was not suitable for stockpiling as steatite. It is also unsuitable for crayon talc.

The project yielded (see operator's final report) the following estimated inferred reserves of non-strategic talc:

Range 2.- 35,000 tons of talc, of which 8,000 tons (23 percent) is gritty, impure talc.

Range 6.- 10,000 tons of talc, of which 3,400 tons (34 percent) is gritty, impure talc.

It is estimated that approximately 25 percent of the inferred reserves would be lost in mining.

The value of the talc in the ground is nil. It does have a royalty value when mined. Talc found by this exploration could be pulverized and blended with other talc produced in the Murphy area. A definite value cannot be assigned, but it is estimated the approximate value of the talc, when mined for blending, would be $35.00 a ton.

The cost of the project may be summarized as follows:

Total approved	$32,519.00
Total cost of project	12,958.13
Government's share of cost	11,662.33
Government's share unexpended	17,604.77
Value of production during operations and Government's royalty ------	None

The Government's share in the cost on a monthly basis was:

Month		Government Payments Certified
January	1952	$ 2,377.66
February		1,653.18
March		2,295.11
April		1,487.81
May		2,523.82
June		739.48
July		1,241.68
August		606.33
September		847.97
October		657.74
Sub Total		$14,430.78
Credits 90% of $3,010.00		2,709.34
Total		$11,721.44
Less exceptions by auditors		59.11
Total Government Share		$11,662.33

The project was visited by the Field Team on April 25, May 26, July 17, and October 30, 1952. On each visit the Field Team found the project being conducted efficiently and competently.

Equipment purchased for project included a used Gardner Denver 4 3/4 x 5 duplex high head pump which was purchase for $ 75.00, and reconditioned at a total cost of $228.11 for the cost of the pump and reconditioning.

Miscellaneous diamond drilling supplies amounted to $8,106.10. This included, diamond bits, drill rods, casing, water pipe and various other items necessary for the operation of a diamond drill.

After the diamond bits were used, they were salvaged and the salvage value credited to the project. This amounted to $ 1,284.18.

The equipment on hand at the end of the project was put up for sale. Invitations to bid were sent to Tom Hay Engineering Co., Southeastern Diamond Drilling Co., American Talc Co., and a copy was posted in the Cherokee County, N. C., court house. Only one bid was received. The Tom Hay Engineering Company presented a bid of $900.00. The Operator (The Hitchcock Corp.,) then presented a bid of $1,700.00 which was accepted by the Field Team.

April 22, 1953

Benjamin Gildersleeve

Benjamin Gildersleeve, USGS

Wm. A. Beck

Wm. A. Beck, USBM

zm

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
[redacted]. DOCKET COPY

Room 13, Post Office Building
Knoxville, Tennessee

April 14, 1953

Mr. F. C. VanHorn
Hitchcock Corporation
Murphy, N. C.
P.O. Box 35

Re: DMEA-1198X, Id-1194(Steatite)

Dear Van:

This will acknowledge receipt of your final voucher report on the subject exploration project. The check for $2,051.60 is accepted as settlement of this account, subject to final audit.

The enclosed form will indicate our acceptance of your bid of $1,700.00 for the equipment, which we agree is a fair settlement for these items.

Sincerely yours,

Wm. A. Beck, Acting Executive Officer
DMEA Field Team, Reg. 7

TH/zm
cc:
Beck
Lynch

Opr. Com. 3
Files

DOCKET COPY

TO: The Hitchcock Corporation

Box 35

Murphy, North Carolina

The United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, for a valuable consideration hereby sells, assigns, transfers and sets over to you all of its right, title and interest in all property acquired under Exploration Project Contract I-dm-E 194, Docket No. DMA-1198X, dated 24th day of October 1951.

Dated April 14, 1953,

THE UNITED STATES OF AMERICA

By Wm A Beck

Wm. A. Beck, Acting
Executive Officer, DMEA
Field Team, Region 7

zm.
cc:
Beck
Lynch
Finance Office
Operating Com.-3
Files

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

DEPARTMENT OF THE INTERIOR
Bureau of Mines
Schedule No. DMEA-1198 NCR-22

SCHEDULE OF COLLECTIONS

Sheet No.

Department of the Interior (Department or Establishment) Defense Minerals Exploration Admin. (Bureau or Office) 14-23-070

Received by E. A. Hudson, Regional Disbursing Officer (Name) (Title) at Oak Ridge, Tenn. (Station)

Period April, 1953 (Month or quarter ended) D. O. Symbol No. 1428

Date Received	Receipt Number	Name of Remitter	Detail Description of Purpose for Which Collections Were Received	Amount	Fund to be Credited (Symbol and title in full)
Check No. 16994 dated 4/10/53		The Hitchcock Corporation.	90% of value of supplies and equipment. IDM-E-194 DMEA-1198X (Steatite)	2,051.60	14X4401 Revolving fund. Defense Production Act, Interior
			Total,	2,051.60	

Received ....., subject to collection. Forwarded April 17, 1953

(Disbursing clerk or accountable officer)

By .....

By .....
Cora A. Piper (Name)
Title Authorized Certifying Officer

Certificate of Deposit No. ..... dated .....

U. S. GOVERNMENT PRINTING OFFICE 10—1790

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

Memorandum

To: Helen Miller, Administrative Officer

From: Wm. A. Beck, Acting Executive Officer-DMEA-Reg.7

Subject: October 1952, Monthly Report (final) on DMA-1198X, Id.194
The Hitchcock Corp., Murphy, N. C. (Steatite)

Transmitted herewith is the subject final report together with a check in the amount of $2,051.60. This is in settlement of their account which is subject to final audit.

Total expenditures for the month were $730.82.

The following credits were applied to this final report:

Gasoline, Oil, and Grease	$ 26.20
Diamond bit salvage	$1,284.18
Sale of equipment.....	1,700.00
Total Credits	$3,010.38
Less October expenditures	730.82
Net credits..	$2,279.56
Less 10% Hitchcock participation	227.96
Total Government credit....	$2,051.60

Wm A Beck

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 5 1953

March 3, 1953

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region 7

Subject: DMA-1198X, Idm-E194 (Talc) Hitchcock Corp. Invitation to Bids

Attached are three copies of invitation to bids received from the Hitchcock Corporation today for the disposal of equipment and supplies left from their project.

Robert A Laurence
Robert A. Laurence

Only 1 copy
received Washington
3-9-53

COPY

Docket Copy

Dmea 1198

THE HITCHCOCK CORPORATION

MURPHY, N. C.

SW

NOTICE

INVITATION TO BID

On Monday, March 9th, 1953, at 10:00 AM, bids will be accepted for the account of The Hitchcock Corporation and The Defense Minerals Exploration Administration on miscellaneous used core drilling equipment and supplies as follows:

1 - Rebuilt 3" x 5" Gardner Denver Duplex water pump.

1 - Lot - consisting of
- 2-10' AX double tube core barrels, used
- 1-10' BX double tube core barrels, used
- 940' Flush joint casing sizes NX, BX, and AX, used.
- 2500' 1", 1-1/4", and 1½ and 2" black and galvanized pipe, used.
- 940' A and B drill rods, used
- 6 AX diamond bits, used
- 1 BX diamond bit, used
- 1 AX reaming shell, used
- 1 BX reaming shell, used

The above material may be inspected at The Hitchcock Corporation property, Murphy, North Carolina.

THE HITCHCOCK CORPORATION, AGENT
P.O. BOX 35
Murphy, North Carolina

cc: Tom Hay Engineering Company
Southeastern Diamond Drilling Co.
American Talc Company
Cherokee County Court House

Copied by zm.
3/3/53
cc: Opr. Com.(3)
Knox. Office (2)

COPY

FILE COPY
SURNAME:

Houk

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

600

February 27, 1953

Memorandum

To: Mr. C. O. Mittendorf

M.S. & R.R.

From: Lawrence G. Houk

Subject: Completed projects, certification likely.

Reference is made to your memorandum of February 26th listing the following four projects:

Docket No.	Contract No.	Name of Operator
2492	401	Empire Mining & Engineering Co.
2416	328	Yancey Mica Mines, Inc.
1198	194	The Hitchcock Corp.
2377	311	Piedmont Miners

Empire Mining & Engineering Co. The January Monthly Report of Region IV indicates this project will be certified for discovery. This Division has written Region IV, letter dated (3/2/53) requesting the Final Field Team and Final Operator's Reports, and formal recommendations as to certification. This is a Region IV delegation.

Yancey Mica Mines, Inc. (Jess Autrey Mine) Amendment No. 2, dated 1-15-53, is a supplemental exploration amendment to do additional work on this project beyond what was contemplated in the original contract. Amendment No. 2 was transmitted to the field 2-20-53.

The Hitchcock Corp. According to a letter, dated January 9, 1953, from the Executive Officer to the Operating Committee, the Executive Officer will send termination forms by mutual agreement to the Operator upon receipt of the Operator's Final Voucher.

Piedmont Miners (Self Mine) Amendment No. 2, dated 2-4-53, gives the Operators 15 months to complete the project. The time will expire in August 1953. The Operators have been unable to hold the heavy ground and are attempting to lower the water table in the area of the shafts by deepening the open pit and continuous pumping.

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

LGHouk:gad 2/27/53

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 12 1953

R

January 9, 1953

Memorandum

To: Operating Committee, D M E A - Washington

From: Executive Officer, D M E A - Region 7

Subject: DMEA-1198E, Idn-E194, Hitchcock Corp. (talc)

Your letter of January 7, and copy of report from General Services Administration on the Hitchcock samples have been received.

Sometime ago we notified the Operator to suspend operations and begin preparation of his final report. We have not sent the notice of termination by Mutual Agreement, because that would preclude payment of expenses for report preparation, analyses, map reporduction, etc., after the date of the notice.

We have requested early submission of the Operator's final voucher, and will send the termination form for their signature immediately thereafter.

Robert A. Laurence

Robert A. Laurence

FILE COPY
SURNAME:

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

JAN 7 1953

Houk
Ackerman
Hollerud
Chandler
Mitchell

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

Subject: Docket No. DMEA-1198 - Talc
Hitchcock Corp.
Cherokee County, North Carolina
Contract No. Idm-K194

Dear Mr. Laurence:

Reference is made to the subject contract for steatite talc exploration.

The enclosed copy of letter from the General Services Administration, Federal Supply Service, indicates that the talc from this area is not suitable for tube spacers. The previous samples tested indicated the same type of defect. It is suggested that the Hitchcock Corp. be sent Termination of Exploration Project Contract by Agreement After Commencement but Before Completion of the Work.

The final operator's report should be requested and when this office receives the final field team report action will be taken upon your recommendations as to certification of discovery or development.

Samples of the steatite after burning are sent to you for your information and files, under separate cover.

J.C. 1-7-53

Sincerely yours,

Frank E. Johnson (JHB)

Chairman, Operating Committee

Approved:

J. H. Hedges (JHB)

Member, Bureau of Mines

A. R. Kinkel, Jr. (JHB)

Member, Geological Survey

Enclosure

LGHouk:gad 1/2/52

Copy to: Admr. R. File
Docket File
Operating Committee (2)
Mr. Houk
Mr. Ruhlman, 3530
Mr. Norton, G-232 GSA Bldg.

GENERAL SERVICES ADMINISTRATION **RESTRICTED**

Federal Supply Service
Washington 25, D.C.

December 24, 1952

In Reply Refer To: FSI-3

Mr. L. G. Hauk
D.M.E.A.
Room 4637
Interior Bldg.
Washington, D. C.

File
Omea
1198

Dear Mr. Hauk:

In accordance with your request, we have made a baking test on four core samples from the Hitchcock Corp. project, labeled 1198-7, 8, 9 and 10. As is to be expected of stratified talc of this type, the samples cracked along the lines of stratification, making the material unsatisfactory for the production of tube spacers.

Very truly yours,

H. M. Neale

H. M. Neale
Assistant Chief, Inspection Branch

RESTRICTED

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

NOV 18 1952

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

Re: DMA-1264, Idm-1202
Olivine Products Corp.
and
DMA-1198, Idm-1194
Hitchcock Corporation

Dear Mr. Laurence:

This letter is in confirmation of a telephone conversation of this date with Mr. Beck, relative to the referenced projects.

It is understood that the latest MT-104 submitted by Olivine Products Corporation covers the costs of 765 ft. of churn drilling, whereas only 500 ft. was authorized by Amendment No. 3 to the contract. Mr. Beck proposes to apply the ratio of 500/765ths, or approximately 63.7 percent, to the allowable costs billed by the Operator for the period covering this drilling in order to arrive at the approved costs chargeable to the project and to which the Government will contribute 90 percent. From an audit viewpoint this is acceptable, provided that the Field Team determines that such costs represent the "necessary, reasonable, direct costs of performing the exploration work" as stated in Article 10 of the contract.

Mr. Beck also advised that the Hitchcock Corporation project was in the process of termination and, since documentation requirements had been waived, an audit would be necessary. Upon notification to this Division that the final MT-104 is in hand and the disposition of project property has been effected, every effort will be made to provide a final audit at the earliest possible date. In the event that a partial payment of the final MT-104 is desirable, it is suggested that you follow the principle set forth in Article 8 (a) of Contract Form MT-200 (Rev. Feb., 1952), i. e., "the Government may withhold from the last voucher or vouchers such sum as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract". If the disposition of property has been satisfactorily settled, the sum withheld under this principle should be only an amount deemed sufficient to cover any possible disallowances.

Sincerely yours,

(Signed) E. D. Talbert

E. D. Talbert, Acting Chief
Contract Administration and
Audit Division

EDTalbert/eb
November 18, 1952

cc: Docket (2)
Admr. Reading File
Mr. Houk
Mr. Selfridge
Mr. Talbert (2)
S J WARDELL

S.H. 11-18-52

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT
Defense Minerals Administration
RECEIVED
APR 22 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of October, 1952 Docket No. DMEA 1193X Contract No. 194
Operator's Name The Hitchcock Corporation Minerals Chromite
Address Murphy, N. C.
Contract Amount, $ 32,919.00 Government Participation: 90 % Amount, $ 29,627.10

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	216.28	3770.83	3987.11			
Supervision	145.00	1765.00	1910.00			
Technical Services	30.00	180.00	210.00			
(3) Operating Mat'ls. and Supplies:						
Timber		64.00	64.00			
Explosives						
Pipe						
Track						
Misc. Supplies	235.99	7870.11	8106.10			
	46.19	430.16	476.35			
(4) Operating Equipment:						
Rental	37.50	642.00	679.50			
Purchase		228.11	228.11			
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	19.86	348.16	368.02			
Liability Insurance						
Transportation		5.00	5.00			
					130-32.8	
(8) Contingencies (specify): Less Credits	2010.38		2010.38		Deduct 65.68 per Exch. A	
					12958.13	
TOTALS	2279.56	15303.37	13023.81			

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

Date 4-10-53 *Payee The Hitchcock Corporation

Per [signature] Title Asst. Superintendent

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

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

(Instructions on reverse)

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

$ See schedule of Collections NOR-22

Signature (Authorized Certifying Officer)

Date APR 17 1953 Vou. No.

(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E194 in accordance with the terms of the contract.

Signature Benjamin Gildersleeve Title Geologist U.S.G.S. Date APR 14 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. A. Beck Title ACTING EXECUTIVE OFFICER DMEA REGION VII Date APR 14 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 20 1953

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

Month of October 1952 Docket No. DMEA 1198X Contract No. 194
Operator's Name The Hitchcock Corporation Minerals Steatite
Address Burchy, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	ft	2279.56	440	13023.81	6395	2.07	10,000	3.25
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2279.56		13023.81				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased		See Remarks						
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2279.56		13023.81				

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

Date 4-10-53 Operator The Hitchcock Corp.

Per Earle Van Horn Title Asst. Supt.

REMARKS: For the purpose of this final report, purchased equipment has been included in the "Total Distributed Cost."

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

INVOICE

THE HITCHCOCK CORPORATION

P. O. BOX 35 MURPHY, N. C.

OFFICE, TALC MINE AND PLANT

SHIPPED TO The Hitchcock Corporation
VIA DMM Project No. 1198X
Idm. P. 194

DATE [illegible]-53
ORDER NO.

TERMS

9-2-52	1 - 24" pipe wrench	8.55	
9-6-52	1 - AX Bit No. P-78	14[illegible].91	
9-26-52	1 - Hook Jaw for pipe wrench	.62	
9-30-52	1 - Hook Jaw for pipe wrench	3.07	
10-7-52	1 - 1½ x 6 nipple	.35	
	1 - 2" bushing	.30	
10-9-52	1 - 12' x 14' Tarpaulin	14.90	
10-16-52	4 - Spark plugs	2.04	
10-1-52	1 - AX Bit No. I-887	57.25	
		235.99	
	24 qts. motor oil @$0.245	5.88	
	145 gals. gasoline @$0.278	40.31	
		46.19	
	Payroll costs and coredrill rental for October, 1952	448.64	
	TOTAL operation charges October, 1952		$730.82
Less credit for fuel and lubricants left at end of project:			
	12 qts. motor oil @$0.245	2.94	
	70 gals. gasoline @$0.278	19.46	
	20 lbs. grease @$0.190	3.30	
		26.20	
Less bit and bit salvage credit for attached record		1,284.18	
Less credit Hitchcock Corp. bid for equipment and materials left at end of project		1,700.00	
TOTAL CREDITS			$ 3,010.38
Net Project credit			$ 2,279.56
Less 10% Hitchcock Corp. participation			[illegible]
			$ 2,051.60

RAYONS

DIAMOND DRILL RECORD

THE [illegible] CORP.
DMEA Project No. 1198X
Inv. No. 194

Date Chgd. DMEA	Bit No.	Bit Type	Amt. Chgd. DMEA	Reset as Bit No.	Disposition	Credit Due DMEA	Credit Due Hitchcock
1-52	M-384	AX	112.14		Salvaged	58.08	
1-52	R-53	BX	141.55	DMEA credited 6-52			
1-52	P-842	AX Shell	74.70		On Hand		
2-52	M-386	AX	107.84		On Hand		
2-52	J-306	AX	121.51		Salvaged	69.94	
3-52	M-389	AX-5J	63.65		Salvaged	15.19	
3-52	R-54	BX	151.36	G-249			
3-52	J-295	AX	117.05		On Hand		
3-52	J-296	AX	132.08		Salvaged	100.39	
3-52	J-927	AX	124.43		Salvaged	73.29	
3-52	J-928	AX	123.98	H-912			
3-52	M-166	AX	59.69	I-887			*61.36
3-52	M-388	AX 5ct.	59.78		Salvaged	15.19	
3-52	M-167	AX 5ct.	59.37		On Hand		**13.89
3-52	M-387	AX 5ct.	58.79		On Hand		
3-52	K-968	NX	198.68		Chgd.HC	198.68	
3-52	J-486	BX Shell	112.18		On Hand		
4-52	J-927	AX	124.43		Duplicate cg.	124.43	
4-52	O-573	AX	113.18	G-248			
4-52	I-886	BX	156.24		Salvaged	88.10	
4-52	O-572	AX	113.18		On Hand		
4-52	I-888	AX	133.02		Salvaged	84.80	
5-52	G-249	AX	70.15		Salvaged	116.09	
5-52	G-248	AX	39.12		Salvaged	85.94	
6-52	O-572	AX	113.18		Duplicate cg.	113.18	
9-52	H-912	AX	90.84		Salvaged	33.18	
9-52	F-970	AX	120.50		Salvaged	78.12	
10-52	P-78	BX	148.91		Salvaged	104.83	
10-52	I-887	AX	57.25		On Hand		
						1,359.43	75.25
						75.25	
					Total Credit	1,284.18	

* Original charge should have been $121.05
** Original charge should have been 76.26

[illegible] Contract [illegible]
10-[illegible]-52

[illegible] Corporation
Murphy ... North Carolina

DAILY TIME RECORD

Week Ending [illegible]-9-52

EMPLOYEES	DAYS OF WEEK PAY HOURS SUN.	MON.	TUES.	WED.	THURS.	FRI.	SAT.	NO. HOURS	REMARKS
John Ledford, Driller				8½	8½	8	4	29 hrs 1.10	31.90
Hadley Stiles, Helper				8½	8½	8	4	29 hrs 0.90	26.10
Ben Garner, Mechanic						2½		2½ hrs 1.00	2.50
		WEEK ENDING - 10-11-52							
John Ledford, Driller		8½	8½	8	8½	8½	4	46 hrs 1.07	49.22
Hadley Stiles, Helper		8½	8½	8	8½	8½	4	46 hrs 0.88	40.48
Kenneth Hampton, Laborer				2½				2½ hrs 0.82½	2.06
Emery Denver, Laborer				2½				2½ hrs 0.82½	2.06
Alvis Caroway, Laborer				2½				2½ hrs 0.87½	2.19
		WEEK ENDING - 10-18-52							
John Ledford, Driller		8½	8½	8	4½			29½ hrs 1.02	30.09
Hadley Stiles, Helper		8½	8½	8	4½			29½ hrs 0.85	25.08
Jesse Ledford					4			4 hrs 1.15	4.60
	Total Wages Payroll								216.28
	1½% O.A.U.								3.24
	2.7% N.C. Unemployment Ins.								5.84
	.3% Federal Unemployment Ins.								.65
	4.68% Workmen's Compensation Ins.								10.13
	Total Insurance								219.86
	Total Labor								236.14
S.C. Van Horn, Asst. Chief Geologist	14½ Days 120.00 (1/2 time)								145.00
C.L. Garrett, Bookkeeper	3 Days 10.00								30.00

SIGNED _____

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA-1198X
Idm.E. 194

HOLE NUMBER A 4 - R6 LOCATION RANGE 6

ELEVATION OF SURFACE

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 195.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE BX - AX DATE STARTED 10-9-52 DATE COMPLETED 10-16-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCIRPTION
Overburden	0.0	195.0			
White Marble	195.0	10.0	10.0		Medium - grained
Gray White Marble	205.0	22.0			Medium - grained with dark tremolite and slight pyrite.
Gray White Marble	227.0	30.0			With activolite, tremolite, & pyrite.
White Marble	257.0	10.0			Coarse-to medium grained Near banded.
Bottom	267.0				

REMARKS:

E. C. Van Horn, Geologist

GEOLOGIC RECORD OF DRILL HOLE

PROJECT THE HITCHCOCK CORP.
DMA 1198X - Idm.E. 194

HOLE NUMBER H2 - R6 LOCATION Murphy, N. C.

ELEVATION OF SURFACE

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 120.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE AX DATE STARTED 10-1-52 DATE COMPLETED 10-8-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
Overburden	0.0	120.0			
Mottled Marble	120.0	127.0	127.0	55°	Sound tremolitic.
White Marble	247.0	13.0	5.0		Broken
White Marble	260.00	13.5	13.5		0.3' [illegible] talc & 266.0
TALC	273.5	1.8	1.8	50°	White - pitch 45°.
TALC	277.3	11.7	11.7		Pure - Translucent gray
TALC	289.0	5.0	5.0		Impure, gray with tourmaline & pyrite
TALC	294.0	2.0	2.0		As next above
W. TALC	296.0	0.2	0.2	45°	Gray to white. pitch 35°.
Marble	296.2	0.6	0.6		Talcose
W. TALC	296.8	0.2	0.2		Slightly gritty.
W. Marble	297.0	8.6	8.6		Medium-grained. 0.2' Talc @ 303.2, 304.0 & 304.9.
Banded Marble	305.6	21.4	21.4		
Micaceous Marble	327.0	6.0	6.0	60°	With phlogopite, chlorite & pyrite
Bottom	333.0				

REMARKS:

E. C. VAN HORN
GEOLOGIST

THE HITCHCOCK CORP.
Box 35
Murphy, N. C.

DMEA Docket No. 1198X
Idm. E. 194 - Steatite

FINAL REPORT

This project was started January 22, 1952, and stopped October 16, 1952. Diamond drilling amounted to 6,355 lineal feet of core holes, at a cost of $15,590.97, plus operating equipment purchased at a cost of $228.11, giving a net unit cost of $2.45 per foot and a gross unit cost of $2.49 per foot, less salvage and credit. All of the drill cores were examined jointly by the operators and members of the DMEA Field Team, both during the drilling program and after its cessation. Samples for laboratory testing were collected by the Field Team. None of the talc encountered is considered to be suitable for block steatite.

Core-drilling was done on the first six even-numbered ranges as shown on the exhibit map attached to the subject contract, and consisted of twenty-two holes ranging in depth from 125 feet to 440 feet, with an average of 288.4 feet. Overburden averaged 128.8 feet.

Range 1 included three holes on 50-feet centers, totalling 880 feet, none of which intercepted talc.

Range 2 included three holes on 50-foot centers, totalling 1060 feet. Hole No. 2 intercepted 33.1 feet of talc over a total length of 42.2 feet beginning at a depth of 300.0 feet. Hole No. 3 intercepted 23.6 feet of talc over a total length of 80.6 feet, beginning at a depth of 345 feet. A projection of the work indicates a possible 35,000 tons of talc, of which 8,000 tons, or 23 percent is gritty, impure talc.

Range 3 consisted of three holes on 50-foot centers totalling 737 feet in depth. The centerhole, No. 2, encountered 5.0 feet of talc at a depth of 186 feet. Two feet, or 40 percent was impure. Since adjacent holes did not intercept talc, it is presumed that the ore body is not of commercial value.

Range 4 included three holes totalling 567 feet. Hole 2 intercepted 3.0 feet of talc at a depth of 127 feet. No other talc was found in this range and it is not considered that a find was made.

Copy Final Rept

The Hitchcock Corporation
DMEA Docket No. 1198X
Idm. E. 194 - Steatite

Range 5 included six holes on 50-foot centers totalling 1686 feet of depth. Hole No. 5 intercepted 0.4 feet of talc at a depth of 349.6 feet. Since no other talc was found in the range, it is not considered that a find was made.

Range 6 included four holes on 50-foot centers, totalling 1417 feet in depth. A total of 20.9 feet of talc was encountered in Hole No. 2 at a depth of 273.0 feet, and Hole No. 3 encountered 0.5 feet of talc at a depth of 347 feet. A projection indicates a possible 10,000 tons of talc, of which 3,400 tons, or 34 percent, is gritty, impure talc.

Although the present exploration program has not added to the general knowledge of the geology of the talc deposits, it has been of considerable interest in confirming previously conceived theories of the Murphy marble formation and its talc content. The frequency of talc finds coincided remarkably with initial predictions, but general quality of the talc was inferior to expectations. The operators feel that the present program has in no way disproved the possibility of steatite quality talc in the area. In view of the large percentage of impure talc content in those deposits intercepted by the drilling, the operators do not feel that immediate development would be justified. It is felt, however, that Ranges Nos. 2 and 6 are worthy of additional exploration.

In addition to the several debits and credits set out in the final voucher for this project, the following equipment and material was salvaged:

1- Rebuilt 3" x 5" Gardner-Denver Duplex Water Pump
2-10 ft. AX Double-tube core barrels
1-10 ft. BX Double-tube core barrel
940 Feet - Flush joint casing.
2500 feet 1", 1¼", 1½", and 2" pipe
940 Feet A and B drill rods
6 - AX diamond drill bits, used
1 - AX reaming shell, used
1 - BX reaming shell, used.

This material was offered for sale to the Tom Hay Engineering Company, Andrews, N. C., The Southeastern Diamond Drilling Company, Asheville, N. C., and the American Talc Company, Murphy, N. C., and was advertised by public notice at the courthouse in Murphy, N. C. The only offer to purchase was from The Tom Hay Engineering Company who offered a lump sum of $900.00 for the entire lot. In addition to the material listed above, one BX diamond bit was offered in error.

The Hitchcock Corp.
DMEA Docket No. 1198X
Idm. E. 194 - Steatite

The Hitchcock Corporation values the avove listed material and equipment at $1,700.00 and includes that amount in a check attached herewith.

In addition to the avove listed material, the following supplies remained at the end of the program and are credited to the project's account:

12 quarts motor oil
70 gallons gasoline
20 lbs. grease

In addition to regular voucher and monthly report forms MF-104 and MF-104A and this narrative report, tabulations showing the diamond bit record are made a part of the final report, as are the notice of sale of salvaged equipment and supplies and the Tom Hay Engineering Company's offer to purchase salvaged material and equipment.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

Room 13, Post Office Building
Knoxville, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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NOV 3 1952

October 31, 1952

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Samples of Talc from DMA-1198X, Idm-E194, The Hitchcock Corp.

Under separate cover, we are mailing directly to Mr. G. A. Roush, Inspection Branch of Federal Supply Services, General Services Administration, the following drill core samples from the subject project.

1198 - 7	Hole 2, Range 6,	273.7 to 274.35
1198 - 8	Hole 2, Range 6,	282.3 to 283.2
1198 - 9	Hole 2, Range 6,	289.7 to 290.45
1198 - 10	Hole 2, Range 6,	294.5 to 295.6

These samples represent the best material encountered since samples 1198-1,2,3,4,5,6 were taken in July 1952. The Field Team realizes that the talc samples from Hole 2, Range 6, do not show the desired uniform cryptocrystalline structure. The project was recessed after completion of the drilling on Range 6, but will not be terminated until results of the tests on Samples 1198- 7,8,9 and 10 are received.

Robert A. Laurence

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

Wm. A. Beck

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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INTERIM REPORT

Docket No. 1198X (Steatite Talc)

The Hitchcock Corp., P.O.Box 35, Murphy, N. C.

"Tar Heel" tract, Murphy, North Carolina

Contract Idm-2194

This project was visited by the undersigned on October 30, 1952. In accordance with instruction from the Executive Officer, DMA Field Team, Region 7, dated August 7, 1952, the Operator had recessed the project drilling upon completion of 4 holes on Range 6. Samples were taken on this visit from Hole 2, Range 6, and sent to G. A. Roush for testing. The Operator was instructed to prepare a final report on the project todate.

If the tests on samples from Range 6 show the material is of non-strategic grade, the Field Team recommends the project be terminated.

The Operator has completed 22 AX diamond drill holes as follows: Range 1, 3 holes; Range 2, 3 holes; Range 3, 3 holes; Range 4, 3 holes; Range 5, 6 holes; Range 6, 4 holes.

The project was operated efficiently, and progressed according to schedule. The cores have been adequately described in the logs submitted by the Operator. The Operator's monthly reports and Vouchers have been satisfactory.

Talc was found in 7 of the holes, the best showings being in Hole 2, Range 2; Hole 3, Range 2; Hole 2, Range 3; Hole 2, Range 4; and Hole 2, Range 6.

Tests on 6 samples from Ranges 2, 3, and 4, indicated the material was not suitable for stockpiling.

The Operator is now drilling at his own expense, a hole on Range 6 that is located 28 feet from Hole 1 and 22 feet from Hole 2.

Benjamin Gildersleeve

Benjamin Gildersleeve, USGS

W. A. Beck

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

October 31, 1952

zm

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII

OFFICE OF
REGIONAL DIRECTOR

P. O. BOX 217
NORRIS, TENNESSEE

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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October 9, 1952

Memorandum

To: Jay L. Chambers, Defense Minerals Exploration Administration, Washington, D. C.

From: Administrative Officer, Region VII, Norris, Tennessee

Subject: Operator's Report and Voucher for September 1952

We are enclosing two copies of the following monthly report and voucher:

Idm-X-13. The Hitchcock Corporation
9th payment - month of September 1952
Amount 3047.97
Docket No. DMEA-1198-X

Helen R. Miller

Enclosure
CC: R. A. Laurence
W. A. Beck

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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OCT 13 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1952 Docket No. DMEA 1198X Contract No. 194
Operator's Name The Hitchcock Corp. Minerals Steatite talc
Address Murphy, N. C.
Contract Amount, $ 2,919.15 Government Participation: 90% Amount, $ 29,267.10

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						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	348.72	3422.11	3770.83	348.72	3422.11	3770.83
Supervision	200.00	1565.00	1765.00	200.00	1565.00	1765.00
Technical Services	20.00	160.00	180.00	20.00	160.00	180.00
(3) Operating Mat'ls. and Supplies:						
Timber		64.00	64.00		64.00	64.00
Explosives						
Pipe						
Track						
Misc. supplies	231.40	7638.71	7870.11	231.40	7638.71	7870.11
Gas & Oil	50.04	380.12	430.16	50.04	380.12	430.16
(4) Operating Equipment:						
Rental	60.00	582.00	642.00	60.00	582.00	642.00
Purchase		228.11	228.11		228.11	228.11
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	32.03	316.13	348.16	32.03	316.13	348.16
Liability Insurance						
Transportation		5.00	5.00		5.00	5.00
(8) Contingencies (specify):						
TOTALS	942.19	14,361.18	15,303.37	942.19	14,361.18	15,303.37

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 10-4-52 *Payee The Hitchcock Corporation
Per E. C. Van Horn Title Asst. Supt.

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

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

(Instructions on reverse)

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

$ 847.97

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm E 194 in accordance with the terms of the contract.

Signature W. A. Beck Title Mining Engr. U.S.B.M. Date 10-8-52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title Executive Officer Region III Date 10-8-52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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OCT 13 1952

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 1952 Docket No. DMEA 1198X Contract No. 194
Operator's Name The Hitchcock Corp. Minerals Steatite Talc
Address Murphy, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	feet	942.19	590	15,075.26	5784	2.61	10,000	3.25
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		942.19		15,075.26				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				228.11				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		942.19		15,303.37				

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 10-4-52 Operator The Hitchcock Corp.

Per _____ Title Asst. Supt.

REMARKS: Continued difficulty was encountered in overburden both in hole H4-H6 & hole H12-H6. 16 feet of H4 casing was ruined in H4-H6

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

GEOLOGIC RECORD OF DRILL HOLE
PROJECT HITCHCOCK CREEK
DDA 1196R- Idn.L. 196

DRILL HOLE NO. H2-16 LOCATION Murphy, N. C.

ELEVATION OF COLLAR

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 120.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE AX DATE STARTED 10-1-52 DATE COMPLETED

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	RQD	DESCRIPTION
Overburden	0.0	120.0			
Mottled Marble	120.0	40.0	40.0		Sound, tremolitic.
Depth 9/30/52	160.0				

R. C. Van Horn
Geologist

GEOLOGIC RECORD OF DIAMOND DRILL
PROJECT [illegible]
DDH 1193-Idn. [illegible] 194

HOLE NUMBER 2 4-56 LOCATION Murphy

MATERIAL OF SURFACE

ELEVATION TOP OF HOLE ELEVATION OF OVERBURDEN 237.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE AX DATE STARTED 8-22-52 DATE COMPLETED 9-17-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	REMARKS
Overburden	0.0	237.0			
Gray Marble	237.0	14.5	8.0	65°	Coarse grained. Intercrystalline cavities up to 1.0 inch
Mottled Marble	251.5	114.5	114.5	45-55°	Sound- typical
White Marble	366.0	41.5	41.5		Sound - slightly brecciated.
Tremolite	407.5	2.5	2.5		Coarse acicular aggregates.
Micaceous Marble	410.0	8.0	8.0	40°	With phlogopite, chlorite and pyrite.
Banded Marble	418.0	12.0	12.0	40°	Medium to coarse grained
Bottom	430.0				

D. G. Van Sant
Geologist

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII

OFFICE OF
REGIONAL DIRECTOR

P. O. BOX 217
NORRIS, TENNESSEE

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 10 1952

September 8, 1952

Memorandum

To: Mr. Jay L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington, D. C.

From: Administrative Officer, Region VII, Norris, Tennessee

Subject: Monthly Progress Report

We are enclosing two copies of the following progress report:

Idm-E-194 The Hitchcock Corporation
Docket No. DMEA-1198X
8th Payment - in amount of $606.33
Month of August

Helen Miller
Helen R. Miller

Enclosure
CC: R. A. Laurence
W. A. Beck

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 10 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 195 2 Docket No. DMEA 1198X Contract No. 194

Operator's Name The Hitchcock Corporation Minerals Steatite Talc

Address Murphy, North Carolina

Contract Amount, $ 32,519.00 Government Participation: 90 % Amount, $ 29,267.10

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:	303.28 was ~~331.13~~	3118.83	3422.11 was 3449.96			
Labor				303.28	3118.83	3422.11
Supervision	180.00	1385.00	1565.00	180.00	1385.00	1565.00
Technical Services	20.00	140.00	160.00	20.00	140.00	160.00
(3) Operating Mat'ls. and Supplies:						
Timber		64.00	64.00		64.00	64.00
Explosives						
Pipe						
Track						
Misc. Supplies	25.62	7613.09	7638.71	25.62	7613.09	7638.71
Gas & Oil	62.95	317.17	380.12	62.95	317.17	380.12
(4) Operating Equipment:						
Rental	54.00	528.00	582.00	54.00	528.00	582.00
Purchase		228.11	228.11		228.11	228.11
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	27.85	288.28	316.13	27.85	288.28	316.13
Liability Insurance						
Transportation		5.00	5.00			
(8) Contingencies (specify):						
	673.70 was ~~701.55~~	13,687.48	14,361.18 was ~~14,389.03~~			
TOTALS				673.70	13,687.48	14,361.18

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

Date 9-2-52 *Payee The Hitchcock Corporation

Per E. C. Van Horn Title Asst. Supt.

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

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

(Instructions on reverse)

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

$ 606.33

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. _____
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

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

Signature Kelton H. Teague Title Geologist, U.S.G.S. Date 9-5-52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. A. Beck Title Acting Exec. Officer Date 9-5-52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 10 1952

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

Month of August 195 2 Docket No. DMEA 1198X Contract No. 194
Operator's Name The Hitchcock Corporation Minerals Steatite Talc
Address Murphy, North Carolina

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	feet	701.55	200	14,160.92	5194	2.73	10,000	3.25
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		701.55		14,160.92				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				228.11				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		701.55		14,389.03				

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

Date 9/2/52 Operator The Hitchcock Corp.

Per E. C. Van Horn Title Asst. Supt.

REMARKS: Hole H3-R6, begun July 25, was completed Aug.19 at 387.0'. Extreme difficulty has been encountered in starting Hole H4-R6 in the overburden. The talc encountered in H3-R6 is not commercial but is a good indication in the new area. Replaced 10' AX casing, 20' BX casing, 1 pressure gauge, and 10 AX rods.

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA-1198X
Idm. L. 194

HOLE NUMBER H3-R6 LOCATION Range 6

ELEVATION OF SURFACE

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 200

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION

SIZE OF CORE AX BX DATE STARTED 7-25-52 DATE COMPLETED 8-19-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
Overburden	0.0	200.0			
Mottled Marble	200.0	130.0	130.0	55°	Occasionally tremolitic Talcose 250.0 - 252.0, and 310.0-330.0
White Marble	330.0	4.0	4.0	55°	Fine grained, slightly tremolitic.
Light Gray Marble	334.0	12.5	12.5		Near-mottled-slightly tremolitic and talcose
Tremolite	346.5	0.5	0.5		Xalline aggregate
Talc & Marble	347.0	0.5	0.5	65°	Light gray - 50% talc
TALC	347.5	0.5	0.5	40-70°	White, slightly gritty
Micaceous Marble	348.0	6.0	6.0	50°	Has chlorite, pyrite and phlogopite.
Light gray Marble	354.0	2.0	2.0	50°	Near banded- talcos 355.5.
Banded Marble	356.0	10.5	10.5	45°	Medium grained.
White Marble	366.5	0.5	0.5		Tremolitic.
Banded Marble	367.0	20.0	20.0	45°	Coarse to medium-grained.
Bottom	387.0				

E. C. Van Horn
GEOLOGIST

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

Room 1, Post Office Building
Knoxville, Tennessee

September 5, 1952

Mr. E. C. Van Horn
The Hitchcock Corporation
Box 35
Murphy, North Carolina

DMA-1198X, Idm-E194
Steatite Talc

Dear Van:

As requested in your telephone conversation with this office yesterday, we have changed the amount for labor under item 2 in your August Monthly Report from $331.13 to $303.28. Your totals for this item will now be $303.28, $3118.83, and $3422.11. Your grand totals will be -$673.70, $13,687.48 and $14,361.18. Please correct your copies to coincide with ours.

As requested in your transmittal letter, there are enclosed a supply of forms MF-104 and MF-104A.

Very truly yours,

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

WAB/mm

FILE COPY
SURNAME:

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

AUG 11 1952

Room 13, Post Office Building
Knoxville 2, Tennessee

August 7, 1952

Mr. Earl C. Van Horn
The Hitchcock Corporation
Box 35
Murphy, North Carolina

Re: DMA-1198X, Idm-E194
(talc)

Dear Van:

We have been advised by the Washington office that "we do not feel that the Government is justified in participating further in any exploration of commercial qualities of non-strategic talc with the hope that strategic block steatite may be found."

Accordingly, please recess the drilling upon completion of 4 holes on Range 6, and notify this office when the last hole is about to be completed. We will then review the work with you, examine and sample the cores, and decide whether to continue or terminate the project. If no strategic block talc is found on Range 6, it will undoubtedly be necessary to terminate the project.

Sincerely yours,

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

RAL/sm
cc:
Lynch
Beck
Opr. Com
Files

FILE
SUR

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

AUG 5 1952

Houk
Ruhlman
Wm

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

Subject: Docket No. DMEA-1198 - Talc
Hitchcock Corporation
Murphy, North Carolina
Contract No. Idm-[illegible] - $32,510

Dear Mr. Laurence:

Reference is made to your memorandum of July 29, 1952, commenting on the results of the tests of the talc samples from the exploration program at the Hitchcock Corporation.

This office can find no information in the records to indicate that the Murphy Marble Belt has ever produced any block steatite talc of strategic quality. It is felt by this office that the talc for crayons and for grinding now being produced along the Murphy Marble Belt have given a fair sample of what is to be expected in the way of quality for the entire district. We do not feel that the Government is justified in participating further in any exploration of commercial qualities of non-strategic talc with the hope that strategic block steatite may be found.

It is suggested that the drilling be continued in Range 6 and if no strategic block steatite is found in this range that the operation be terminated.

The question of certification and repayment of Government funds may be discussed with Hitchcock Corporation, and if the amount of commercial steatite developed by our drilling program is sufficient that production may be expected within the next ten years in the area drilled, a certification should be recommended.

Sincerely yours,

(signed) FRANK E. JOHNSON (FHB)

S.N. 8-5-52

Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

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

D. M. Lemmon (DMB)
Member, Geological Survey

LGHouk:gad 8/1/52
Copy to: Admin. Reading File
Operating Committee (2)
Docket File
Mr. Ruhlman, 3071-A
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July 1952 Docket No. DMEA 1190M Contract No. 194
Operator's Name The Hitchcock Corporation Minerals Steatite Talc
Address Murphy, North Carolina
Contract Amount, $ [illegible] Government Participation: 20 % Amount, $ 29,[illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	376.81	2742.02	3118.83	376.81	2742.02	3118.83
Supervision	195.00	1190.00	1385.00	195.00	1190.00	1385.00
Technical Services	20.00	120.00	140.00	20.00	120.00	140.00
(3) Operating Mat'ls. and Supplies:						
Timber		64.00	64.00		64.00	64.00
Explosives						
Pipe						
Track						
Misc. Supplies	658.00	6955.09	7613.09	658.00	6955.09	7613.09
Gas & Oil	30.74	286.43	317.17	30.74	286.43	317.17
(4) Operating Equipment:						
Rental	64.50	463.50	528.00	64.50	463.50	528.00
Purchase		228.11	228.11	~~228.11~~	228.11	228.11
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	34.60	253.68	288.28	34.60	253.68	288.28
Liability Insurance						
Transportation		5.00	5.00		5.00	5.00
(8) Contingencies (specify):						
TOTALS	1379.65	12,307.83	13,687.48	1379.65	12,307.83	13,687.48

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

Date 8-7-52 *Payee The Hitchcock Corporation

Per E. L. Van Horn Title Asst. Supt.

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

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

(Instructions on reverse)

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

$ 1241.68

Signature _____ (Authorized Certifying Officer)

Date AUG 25 1952 Vou. No. _____ (See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E-194 in accordance with the terms of the contract.

Signature Benjamin Gilderlum Title Geologist, U.S.G.S. Date 8-13-52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W T Beck Title Acting Exec. Officer Date 8-13-52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 1952 Docket No. DMEA 1190M Contract No. 194

Operator's Name The Hitchcock Corporation Minerals Steatite Rele

Address Murphy, North Carolina

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	foot	1379.65	640	13,459.37	49.94	2.70	10,000	3.25
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1379.65		13,459.37				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				228.11				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc								
TOTAL COSTS		1379.65		13,687.48				

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 July 7, 1952 Operator The Hitchcock Corp.

Per E. C. Van Horn Title Asst. Supt.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

THE HITCHCOCK CORPORATION
PROGRESS REPORT, JULY, 1952
DNA 1198K Idm.E. 194

Hole H6-R5 was begun July 1, and completed July 21. This hole was drilled because of talc showings in Hole H5-R5. A combination of lost time, pump repairs, and difficult overburden resulted in a low progress rate. Hole H3-R6 was begun on July 25th and was down to 187 feet in overburden on July 31. Holes H1-R6 and H2-R6 have not been drilled as yet.

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA 1198R
Idm. E. 194

HOLE NUMBER ~~H6 - R5~~ LOCATION 60: SE of H5 - R5
ELEVATION OF SURFACE
ELEVATION TOP OF INCLINE THICKNESS OF OVERBURDEN 255.0
ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble
SIZE OF CORE BX - AX DATE STARTED 7-1-52 DATE COMPLETED 7-22-52

	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
Overburden	0.0	255.0			
Lt. Gray Marble	255.0	20.0		50	Medium-grained, mixed banded & splotched
Lt. Gray Marble	275.0	21.8	21.8	45	Fine grained. Near mottled.
Gray Marble	296.8	5.2	5.2	50-60	Medium grained. Thinly bedded & stylolitic.
Gray Marble	302.0	14.0	14.0	30-40	Do
Gray Marble	316.0	16.0	16.0	50	Do
Mottled Marble	332.0	28.0	28.0		Fine grained., slightly tremolitic.
White Marble	360.0	8.0	8.0		Fine grained slightly tremolitic.
Mottled (?) Marble	368.0	32.5	32.5		Occasionally tremolitic.
Banded Marble	400.5	7.5	7.5	65	Medium-coarse-grained.
White Marble	408.0	5.0	5.0		Medium grain with much tremolite.
Tremolite	413.0	9.0	9.0		Coarse N'al aggregate.
Micaceous Marble	422.0	18.0	18.0		Medium to coarse-grained with phlogopite, chlorite, pyrite, & quartz.

REMARKS: Bottom 440.0

E. C. Van Horn
GEOLOGIST

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

Room 13, Post Office Building
Knoxville, Tennessee

JUL 31 1952

July 29, 1952

Memorandum

To: Operating Committee, DMEA

From: Robert A. Laurence, Executive Officer, DMEA, Region 7

Subject: DMEA-1198X, Idm-E194. The Hitchcock Corp. (Talc)

Your letter of July 25, and the letter describing results of tests on talc samples from the subject exploration project, have been reviewed in this office. It has also been discussed with Mr. E. C. Van Horn the Hitchcock Corporation geologist.

Re-examination of the cores will not turn up any better material. All the cores were examined carefully and the best samples selected. However, we do not think that termination of the project, solely on the basis of these samples is justified, although we agree that drilling a BX hole on range 2 does not seem to be justified at this time.

I do not have a copy of the original application here, but it pointed out that a massive type of talc had been obtained in small quantities at two or three localities in the district. On this basis, a drilling program was set up to explore a favorable area, and although it was anticipated that much talc of non-strategic quality would be found, there was the possibility of finding a body of strategic talc. The Field Team and the commodity groups of the Survey and the Bureau of Mines agreed that this possibility justified approval of the project. Unfortunately, there was no geologic clue to the control of such type of talc, nor has the drilling disclosed any. The fact that so far only non-strategic talc has been found does not preclude the possibility of finding strategic talc, though admittedly it lessens that possibility.

At present, approximately half the original area remains untested. Hole No. 4 on range 6 (the first hole to be drilled on that range), now in progress, is 170 feet deep. We have advised

the Operator to complete this hole and, unless instructed otherwise, to begin the next hole on range 6.

Please advise us at the earliest possible date, whether we should instruct the Operator to continue the contract or terminate it.

Robert A. Laurence

Robert A. Laurence

FILE COPY
SURNAME:

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

Selfridge

JUL 25 1952

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

Subject: Docket No. DMA-1198X - Talc
Talc Tests
Hitchcock Corporation
Murphy, North Carolina
Contract Idm-E194 - $10,000

Dear Mr. Laurence:

Transmitted herewith are the results of baking test on six talc core samples on the subject application for your information and comment.

The last paragraph of your memorandum of July 18 is noted, however, this office feels that BX drilling is not justified unless strategic block steatite can be found on re-examination of the drill cores. In fact, the program should be re-examined in the light of this information to determine if the Government is justified in continuing to participate in further exploration.

Sincerely yours,

George C. Selfridge (JHB) 7/25/52

ACTING Chairman, Operating Committee
Defense Minerals Exploration
Administration

Approved:

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

T. P. Thayer (JHB)
Member, Geological Survey

LGHouk:mp 7/25/52
cc: Docket File
Adm. Reading File
Operating Committee
Mr. Houk

Enclosure - 1

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

Room 13, Post Office Building
Knoxville 2, Tennessee

JUL 28 1952

July 24, 1952

Memorandum

To: Operating Committee, DMEA Washington

From: Field Team, DMEA Region 7

Subject: Interim Report. DMA-1198X, Idm-E194 (steatite)
Hitchcock Corporation

Attached are four copies of the above subject report.

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

INTERIM REPORT

DMA-1198X, Idr-E194, (Steatite)
Hitchcock Corporation, Murphy, N.C.

This project was visited by the undersigned on July 17, 1952.

Operator has completed 17 AX diamond drill holes and is currently on the 18th. Three holes each were drilled on ranges, 1, 2, 3 and 4, 5 on range 5 and the current hole is the sixth on range 5.

Talc has been found in 5 of the holes, the best showing being on range 2. Samples were taken on this visit and sent to G. A. Roush for testing.

Project is being operated efficiently, toward the objective of the contract. Operator's vouchers have been satisfactory.

Recommendations:

At an early date, BX holes should be drilled near holes 2 and 3 on range 2 and possibly near hole 2, range 3, and samples of the talc obtained should be sent to G. A. Roush.

Robert A. Laurence

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

Wm. A. Beck

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

July 24, 1952

RESTRICTED

GENERAL SERVICES ADMINISTRATION

Federal Supply Service
Washington 25, D.C.

July 23, 1952

In Reply Refer To: FSI-3

Mr. Lawrence G. Houk
Room 4637 - So. Interior Bldg.
Washington 25, D. C.

Subject: Talc Tests - Hitchcock Corp., Murphy, N. C.

Dear Mr. Houk:

We have made baking tests on the six core samples submitted by your Knoxville office from the Hitchcock project, IMA-1198X, and report as follows:

Samples cut from all six cores showed extensive cracks on baking, indicating that the material is not suitable for stockpiling. It was noted that all the samples showed the same characteristic structure -- long parallel fibers which, under pressure, have developed some stratification, which causes the cores to break easily along the planes of stratification, and on baking, numerous cracks open up along these planes.

In our experience in testing talc samples, we have never found a sample with this characteristic structure that did not crack on baking. It is therefore our opinion that further search for strategic talc in these deposits is not justified unless further examination of the cores discloses material which does not have this characteristic fibrous appearance. Lacking such a discovery, further work on the project should be based only on the prospects for production for the ordinary commercial uses.

If further examination of the cores should disclose some talc that lacks the fibrous structure, but shows a uniform cryptocrystalline structure, we shall be glad to have sections of the cores for further tests. If such material is found and it shows up well in the preliminary baking tests, one might then justify the expense of drilling a BX hole to secure material for more extensive tests, but otherwise, BX drilling does not seem to be justified.

Very truly yours

W. K. Lazear
for H. M. Neale
Assistant Chief, Inspection Branch

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Received
JUL 23 1952

RESTRICTED

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

Room 13, Post Office Building
Knoxville 2, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 21 1952

July 18, 1952

Memorandum

To: Operating Committee, D. M. E. A. Washington

From: Field Team-D. M. E. A. Region 7

Subject: Samples of Talc from DMA-1198X, Hitchcock Corporation

Under separate cover, we are mailing direct to Mr. G. A. Roush, the following drill core samples from the subject project:

Sample No.	Description	
1198 - 1	Hole 2, Range 4, 129.7 to 130.0	0.3
1198 - 2	Hole 2, Range 3, 188.3 to 188.9	0.6
1198 - 3	Hole 3, Range 2, 347.7 to 348.65	0.95
1198 - 4	Hole 3, Range 2, 386.5 to 387.0	0.5
1198 - 5	Hole 3, Range 2, 388.75 to 389.25	0.5
1198 - 6	Hole 2, Range 2, 302.8 to 303.35	0.55

It should be noted that these samples have not been protected from the weather, having lain in the core boxes since completion of the holes. It is entirely possible that structural weaknesses may show up in these specimens which would not have been present if the cores had been protected from the weather. Past experience by the Operator has shown that keeping cores in the mine for several weeks or months prior to firing preserves the condition of the talc.

We also wish to note that this handling of cores was with our approval. It has been our understanding, as well as the Operator's that AX cores were unsuited for ceramic testing, therefore no effort was made to preserve them for such testing, because it was planned to take BX samples from the better talc zones. It is, therefore our recommendation that, regardless of the outcome of tests upon the samples being sent to Mr. Roush today, BX holes should be drilled next to Holes 2 and 3 on range 3 at an early date. We will, however, withhold starting these holes until results of the tests are received. All future cores containing talc will be protected, for possible sampling.

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

Robert A. Laurence, Executive
Officer, DMEA Field Team

FILE COPY
SURNAME:

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

JUL 16 1952

Houk
Selfridge

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region VII
Room 13, Post Office Building
Knoxville 01, Tennessee

Subject: Docket No. DMA-1198X - Talc
The Hitchcock Corporation
Cherokee County, North Carolina
Idm-N194 - 10/24/51
Amount $32,519

Dear Mr. Laurence:

Reference is made to the subject contract and Operator's Monthly Report for June.

There was no narrative section in the report and no information on the quality or quantity of block talc that has been found to date. This information should be requested of the Operator. Inasmuch as the drilling program is almost half completed, it is suggested that the Field Team, with the Operator, select two or three samples of the best steatite talc from each hole for testing. The samples should be two or three inches in length and should be shipped to General Services Administration, Federal Supply Services, Attention: Mr. G. A. Roush, Inspection Branch, 7th & D Streets, S. W., Washington 25, D. C., as soon as practical.

Sincerely yours,

George C. Selfridge

ACTING Chairman, Operating Committee (JHB)
Defense Minerals Exploration
Administration

S.N. 7-16-52

LGHouk:mp 7/15/52
cc: Docket File
Adm. Reading File
Operating Committee
Mr. Johnson, 3071A
Mr. Norton, G-232, GSA Bldg.
Mr. Houk

Approved:

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

T. P. Thayer (JHB)
Member, Geological Survey

FILE COPY
SURNAME:

Beck
Lynch
Talbert
Opr. Com.
Wardell
Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Room 13, Post Office Building
Knoxville 2, Tennessee

July 3, 1952

Mr. L. C. Van Horn
Hitchcock Corporation
Murphy, North Carolina

DMA-1198X, Idm-1194 (steatite)

Dear Van:

Under a recently authorized procedure, it has been suggested that the requirement for supporting documents (invoices, receipts, etc.) with monthly vouchers be waived in the case of contracts with operating companies where most of the supplies are purchased from company stores. In these cases, payment of the final voucher may be delayed until after audit of the Operator's records has been made; in the case of long projects, there may be interim audits of company records.

Therefore, it will no longer be necessary for you to submit complete supporting documentation with your monthly vouchers, except for purchases of equipment.

Sincerely yours,

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

RA/zm

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 7 - 1952

5D

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII

OFFICE OF
REGIONAL DIRECTOR

P. O. BOX 217
NORRIS, TENNESSEE

July 9, 1952

Memorandum

To: Mr. Jay L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington, D. C.

From: Administrative Officer, Region VII, Norris, Tennessee

Subject: Operator's Monthly Report and Voucher

We are enclosing two copies of the following monthly progress report:

Idm-E-194 The Hitchcock Corporation
6th payment - month of June 1952
Amount of payment $739.48

Dmen 1198

Helen R. Miller

Helen R. Miller

Enclosures
CC: R. A. Laurence
W. A. Beck

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 11 1952

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

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

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

Month of June, 1952 Docket No. DMEA 290 Contract No. 294
Operator's Name [illegible] Corporation Minerals [illegible]
Address [illegible] Corporation
Contract Amount, $ [illegible] Government Participation: 90% Amount, $ 29,[illegible]

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor	351.40	2390.62	2742.02	351.40	2,390.62	2,742.02
Supervision	190.00	1000.00	1190.00	190.00	1,000.00	1,190.00
Technical Services	20.00	100.00	120.00	20.00	100.00	120.00
(3) Operating Mat'ls. and Supplies:						
Timber		64.00	64.00		64.00	64.00
Explosives						
Pipe						
Track						
Misc. Supplies	135.82	6819.27	6955.09	135.82	6,819.27	6,955.09
Gas & Oil	35.15	251.28	286.43	35.15	251.28	286.43
(4) Operating Equipment:						
Rental	57.00	406.50	463.50	57.00	406.50	463.50
Purchase		228.11	228.11		228.11	228.11
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes	32.27	221.41	253.68	32.27	221.41	253.68
Liability Insurance						
Transportation		5.00	5.00		5.00	5.00
(8) Contingencies (specify):						
TOTALS	821.64	11,486.19	12,307.83	821.64	11,486.19	12,307.83

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

Date 7-1-52 *Payee [illegible] Corporation

Per E. C. Van Horn Title Asst. Sec.

*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: "Johnson 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)

JUL 17 1952

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

$ 739.48

Signature _____
(Authorized Certifying Officer)

Date _____ Vou. No. _____
(See other side)

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Fdm-E-194 in accordance with the terms of the contract.

Signature W. A. Beck Title Mining Engr. U.S.B.M. Date 7/7/52

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title Executive Officer Date 7-7-52

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205675

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 1952 Docket No. DMEA 1198 Contract No. 204
Operator's Name Sue Mitchell Corporation Minerals Cobalt Gold
Address Gaffney, North Carolina

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core	foot	821.64	298	12,079.72	4354	2.77	10,000	3.25
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		821.64		12,079.72				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased				228.11				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		821.64		12,307.83				

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 July 1, 1952 Operator Sue Mitchell Corp.

Per E. C. Van Horn Title Oper. Supt.

REMARKS: Food 20,000 cubic yards was moved by contract assembly of equipment and drilling and pulling casing in overburden.

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

(Instructions on reverse)

(For Government use only)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 11 1952

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.

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U. S. GOVERNMENT PRINTING OFFICE 205676

INVOICE

THE HITCHCOCK CORPORATION

P. O. BOX 35 MURPHY, N. C.

OFFICE, TALC MINE AND PLANT

SHIPPED TO Steatite Exploration Program
DNA No. 1198X

VIA Idm. L. 194

DATE 7-1-52

ORDER NO.

TERMS

4 - Vee belts @4.065	16.26
1 - Flap bushing	12.68
1 - A to B rod coupling	8.60
1 - AX Wal. core barrel	82.55
1 - AX core breaker	2.10
1 - AX bit #0-572	113.18
	$235.37
Less credit on AX bit #0-759	99.55
	$135.82
Core drill rental - 19 shifts @$3.00	57.00
100 gals. gas @0.278	27.80
30 qts. oil @0.245	7.35
	$35.15

CRAYONS

Core Drilling
Project 1190X

Murphy, North Carolina

DAILY TIME RECORD

Week Ending [illegible]

EMPLOYEES	DAYS OF WEEK PAY HOURS							NO. HOURS	REMARKS
	SUN	MON.	TUES.	WED.	THURS.	FRI.	SAT.		
[illegible]		[illegible]	[illegible]	[illegible]	9	[illegible]	[illegible] 47	[illegible]	52.25
[illegible]		[illegible]	9	—	9	—	— 12	[illegible]	14.74
[illegible]				10			10	[illegible]	8.25
12.10 [illegible]						4		4	3.30
[illegible]							3	[illegible]	2.25
[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	—	—	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	—	—	[illegible]	[illegible]
[illegible]								[illegible]	[illegible]
[illegible]		[illegible]						[illegible]	[illegible]
[illegible]		[illegible]						[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1.11	[illegible].75
[illegible]		[illegible]	—	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	4.76
[illegible]			[illegible]	[illegible]	—	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]			[illegible]	—	[illegible]	9	[illegible]	[illegible]	3.22
[illegible]					[illegible]		[illegible]	[illegible]	[illegible].4
[illegible]					[illegible]		[illegible]	[illegible]	[illegible]
[illegible]					—		[illegible]	[illegible]	[illegible]
[illegible]				[illegible]			[illegible]	[illegible]	.10
[illegible]				—			[illegible]	8.[illegible]	[illegible]
[illegible]		[illegible]					9	[illegible]	[illegible]
[illegible]		9					9	[illegible]	7.90
		[illegible]							[illegible].40
		[illegible]	[illegible]						[illegible].27
		[illegible]	[illegible]		[illegible]				3.49
		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible].35
		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	20.46
		[illegible]	[illegible]						[illegible].72
		[illegible]	[illegible]						38[illegible].67
[illegible]	[illegible]								
[illegible]	20	[illegible]	[illegible]	[illegible]	[illegible]				20.00
[illegible]		[illegible]	[illegible]						20.02
									[illegible].00

SIGNED _____

GEOLOGIC REPORT OF DRILL HOLE
PROJECT LMA-1198X
Idm. L. 194

HOLE NUMBER H4-R5 LOCATION Ranke 5

ELEVATION OF SURFACE

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 117.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE AX - BX DATE STARTED 5-28-52 DATE COMPLETED 6-7-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
Overburden	0	117.0			
Mottled Marble	117.0	138.0	135.0	50°	Typical through out.
White Marble	255.0	5.0	5.0		Sound. Tremolitic.
Micaceous Marble	260.0	7.5	7.5	45°	Sl. silicious in phlog-pyrite & sericite & chlorite.
White Marble	267.5	7.5	7.5		Sound.
Banded Marble	275.0	5.0	5.0	45°	With chlorite & pink marble.
Bottom	280.0				

REMARKS:

Lost 24" pipe wrench in hole.

E. G. Van Horn
GEOLOGIST

[illegible]

[illegible]

[illegible] 196

[illegible]

[illegible]

[illegible] 46.0

[illegible]

[illegible] 0.22

	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	0.0	46.0			
[illegible]	80.0	0.0	0.0	20	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
[illegible]	[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	20	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	[illegible]		
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	20.0	20.0	20	[illegible]
[illegible]	[illegible]				

[illegible] [illegible] [illegible] [illegible]
20 [illegible]
0 [illegible]

[illegible]

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII

OFFICE OF
REGIONAL DIRECTOR

P. O. BOX 217
NORRIS, TENNESSEE

June 25, 1952

Memorandum

To: Mr. Jay L. Chambers, Defense Minerals Exploration Administration, Washington, D. C.

From: Administrative Officer, Region VII, Norris, Tennessee

Subject: May Progress Report - The Hitchcock Corporation

Reference is made to our memorandum dated June 24th transmitting the fifth progress report covering the Hitchcock Corporation, Contract Idm-E-194, Docket No. 1198X. The correct amount of payment is $2523.82. Please adjust your records accordingly. Thank you.

Helen Miller
Helen Miller

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 30 1952

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

June 22, 1953

Memorandum

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

To: Operating Committee, DMEA- Washington

From: Executive Officer, DMEA - Region 7

Subject: Termination by Agreement. DMEA-1198X, Idm-E194. (Steatite Talc)
The Hitchcock Corporation

Transmitted herewith are three copies signed by Mr. F. C. Bourne, Jr., Treasurer for the Hitchcock Corporation.

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

Robert A. Laurence
Robert A. Laurence

RECEIVED
JUN 2- 1954
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Cor 6/24

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
Room 1, Post Office Building
Knoxville 2, Tennessee

Beck
Lynch
Files
Opr. Com.

June 18, 1952

Memorandum

To: Helen Miller, Administrative Officer, UCBM. Norris

From: Wm. A. Beck

Subject: DMA-1198X, Idn-E19h. The Hitchcock Corp. Progress Report

Attached are 3 copies of the monthly progress report for May 1952, on the above subject project. Certified invoices are attached.

Wm. A. Beck, for R. A. Laurence
Executive Officer, DMEA-Region VII

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
JUN 23 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII

OFFICE OF
REGIONAL DIRECTOR

P. O. BOX 217
NORRIS, TENNESSEE

June 24, 1952

Mr. Jay L. Chambers
Defense Minerals Exploration
Administration
U. S. Department of Interior
Interior Building
Washington 25, D. C.

Dear Mr. Chambers:

We are enclosing two copies of the May progress report covering the following contract:

Idm-E-194 The Hitchcock Corporation
Fifth payment in the amount of $2523.75
Docket No. 1198X

Sincerely yours,

Helen Miller
Helen R. Miller
Administrative Officer

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration
JUN 26 1952

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E

Name of Operator
Docket No. DMA
Total Contract Amount $
Government Participation: % Amount, $
Distribution of Expenditures for Month of

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—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.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 26 1952

CERTIFICATION

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.

(Name of Company)

By E. C. Van Horn
(Signature of Authorized Official)

(Date)

(Title)

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.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]		228.11	228.11		228.11	228.11
(b) Rented: Pump Drill 23 months 3.00 per month	69.00	307.50	376.50	69.00	307.50	376.50
Bulldozer 4 mo. 30.00	30.00		30.00	30.00		30.00
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

16—64068-3

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE M~~INERALS ADMINIS~~TRATION
WASHINGTON 25, D. C.
Room 1, Post Office Building
Knoxville 02, Tennessee

Beck
Norris-4
Opr. Com.
Laurence
Lynch

June 17, 1952

Mr. E. C. Van Horn, Asst. Supt.
The Hitchcock Corporation
P.O. Box 35
Murphy, North Carolina

DMA-1198X, Idm-E194

Dear Van:

Your May Monthly Progress Report has been approved by this office and is being forwarded to Norris for processing.

Item 6(d) Miscellaneous Supplies was changed to read $1951.50 instead of $1951.43. On your supply invoice you show 194'9" -NX casing @ $2.30------$447.87, it should have been $447.93 and 760'3" - 2" black pipe @ $30.84 C should have been $234.46 instead of $234.45.

Please correct your copy to coincide with ours. Your totals will now be--$2804.24, $8681.95 and $11,486.19.

Very truly yours,

Wm. A. Beck, for E. A. Laurence
Executive Officer, DMEA-Region VII

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	416.78	1973.84	2390.62	416.78	1973.84	2390.62
5. Supervision	230.00	770.00	1000.00	230.00	770.00	1000.00
6. Supplies						
(a) Timber		64.00	64.00		64.00	64.00
(b) Explosives						
(c) Repair Parts						
(d) Other	1951.50	4867.77	6819.27	1951.50	4867.77	6819.27
7. Power	48.69	202.59	251.28	48.69	202.59	251.28
8. Transportation		5.00	5.00		5.00	5.00
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
Unemployment Comp.	38.27	183.14	221.41	38.27	183.14	221.41
10. Contract Work						
11. Other (specify)						
Operator 2 days @ 10.00	20.00	80.00	100.00	20.00	80.00	100.00
Total	2804.24	8681.95	11486.19	2804.24	8681.95	11,486.19
Deletions						
Adjusted totals	2804.24					
Totals previously reported	8681.95					
Totals to date	11486.19	8681.95	11486.19			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by W. A. Beck
Entered by W. A. Beck
Approved by W. A. Beck
Amount approved for payment $2523.75
Remarks See letter to operator attached
WAB

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF _____

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals										

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

MONTHLY PROGRESS REPORT

THE HITCHCOCK CORPORATION
Steatite Exploration Project
DMA 1198X Idm. L. 194

May, 1952

Hole H1-R4 was started May 1, and completed to a depth of 125.0 feet on May 6th without encountering talc.

Hole H1-R5 was started May 9th, and completed May 15th at a depth of 227 feet. Slight talc was observed in washings at top of rock.

Hole H2-R5 was started May 17 and completed at 104 feet on May 19th. Slight talc was observed in washings at top of rock.

Hole H3-R5 was started May 19th and completed May 27th, at a depth of 210 feet. Hole H4-R5 was started May 28th, and reached rock and cased at 117.0 feet on May 31.

The following revisions of Ranges and Hole Numbers should be noted, referring to the drawing titled "Proposed Layout of Core Drilling Ranges," and to logs of holes:

1. Move Range 1 to a line midway between Range 1 and Range 2.
2. Change H1-R1 to read H2-R1 (depth 341.0)
   Change H2-R1 to read H3-R1 (depth 377.0)
   Change H3-R1 to read H1-R1 (depth 170.0)
3. Range 2 as reported is correct.
4. Alternate Range A should be changed to read Range 3 on layout map.
5. Hole H1-R3 is correct (depth 197.0)
   Change H2-R3 to read H3-R3 (depth 334.0)
   Change H3-R3 to read H2-R3 (depth 206.0)
6. Change Range 3 to read Range 4 on layout map.
7. Change Range 4 to read Range 4A on layout map.
8. Range 5 and its holes are correct.

Murphy, North Carolina

DAILY TIME RECORD

Week Ending [illegible] 1952

EMPLOYEES	DAYS OF WEEK PAY HOURS							NO. HOURS	REMARKS
	SUN	MON.	TUES.	WED.	THURS.	FRI.	SAT.		
John [illegible], [illegible]					[illegible]	[illegible]	[illegible]	[illegible] 1.00	[illegible]
[illegible], [illegible]					[illegible]	[illegible]	4	[illegible] [illegible]	27.23
		[illegible]	[illegible]	[illegible] 19, 1952					
John [illegible], [illegible]		9	8	9	8	9	2	46 [illegible]	46.06
[illegible], [illegible]		9		8	8	9	2	36 [illegible]	29.70
Lee [illegible], [illegible]			4					4 [illegible]	3.24
[illegible] [illegible], [illegible]			4					4 [illegible]	3.24
[illegible] [illegible], [illegible]						2		2 [illegible]	2.[illegible]
[illegible], [illegible]						2		2 [illegible]	1.73
[illegible], [illegible]						2		2 [illegible]	1.67
[illegible], [illegible]						2		2 [illegible]	1.[illegible]
[illegible] [illegible]				6				6 [illegible]	5.57
[illegible], [illegible]						3	8	3 [illegible]	3.79
		[illegible]	[illegible]	[illegible] 12, [illegible]					
John [illegible], [illegible]		8	8	8	9	9	[illegible]	[illegible] [illegible]	97.22
[illegible], [illegible]		8	8	8	9	9	5	[illegible] [illegible]	67.20
[illegible], [illegible]						1		1 [illegible]	.07
Charles Beaver, [illegible]						1		1 [illegible]	[illegible]
[illegible] [illegible], [illegible]						1		1 [illegible]	.70
Leo [illegible]						8		8 [illegible]	8.04
Don [illegible], [illegible]						1		1 [illegible]	1.00
		[illegible]	[illegible]	[illegible] 19, [illegible]					
John [illegible], [illegible]		9	7	8	9	8	1	9 [illegible]	4[illegible].23
[illegible], [illegible]		9	7	8	9	8	4	45 [illegible]	40.00
[illegible], [illegible]			1					1 [illegible]	1.44
[illegible] [illegible], [illegible]			1					1 [illegible]	1.36
[illegible] [illegible], [illegible]			1					1 [illegible]	1.24
[illegible] [illegible], [illegible]			1					1 [illegible]	[illegible]
Don [illegible], [illegible]							1	1 [illegible]	1.05
		[illegible]	[illegible]	[illegible] 26, [illegible]					
John [illegible], [illegible]		8	8	8		9	4	33 [illegible]	29.99
[illegible], [illegible]		8	8	8		9	4	33 [illegible]	31.31
[illegible], [illegible]			1					1 [illegible]	.92
[illegible], [illegible]			1					1 [illegible]	.75
Boyd [illegible], [illegible]			1					1 [illegible]	.89
Don [illegible], [illegible]						1		1 [illegible]	1.20
			[illegible]					[illegible]	[illegible].78

SIGNED _____

Murphy, North Carolina

DAILY TIME RECORD

Week Ending..

EMPLOYEES	DAYS OF WEEK PAY HOURS SUN	MON.	TUES.	WED.	THURS.	FRI.	SAT.	NO. HOURS	REMARKS
	[illegible]								[illegible].78
	[illegible]	O. . .							[illegible].25
	2.7[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Inc.			11.25
	.3[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Inc.			[illegible]
	4.[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	([illegible]	[illegible])			[illegible]
	[illegible]	[illegible]							[illegible].05
[illegible]	[illegible]								
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
G. [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	([illegible]	[illegible])			[illegible]
									2[illegible]

SIGNED____

INVOICE

THE HITCHCOCK CORPORATION

P. O. BOX 35 MURPHY, N. C.

OFFICE, TALC MINE AND PLANT

SHIPPED TO Steatite Exploration Program
DMA NO. 1198X
Idm. No. 194

DATE 6-20-52

VIA

ORDER NO.

TERMS

1	Can stop-leak @ $.50	$ .50
194'	9" HX casing @ $2.30	447.87
	Freight on casing	43.30
1-	Set Jaws for 24" pipe wrench @ $3.36	3.36
6	5/8" cold shuts @ $.20	1.20
1	18" pipe wrench @ $5.62	5.62
1	24" pipe wrench @ $9.68	9.68
4	Spark plugs @ $ .51	2.04
1	Quart mystery oil @ $.69	.69
1	Cylinder head gasket @ $.95	.95
1	Pump coupling @ $2.50	2.50
505'	- 2" black pipe @ $31.19 C	157.51
760'	3" - 2" black pipe @ $30.84 C	234.45
	Freight on pipe	30.72
250'	BX flush coupled casing @ $1.695	423.75
300'	AX flush coupled casing @ $1.335	400.50
	Freight on casing	63.37
5-5-52-	1 - BX core breaker @ $2.10	2.10
5-9-52-	10 lbs. nails @ $.11	1.10
5-13-52-	4 BX core breakers @ $2.10	8.40
5-17-52-	1 - BX core breaker	2.55
5-21-52-	Bit No. G-248	39.12
5-21-52-	BX bit No. G-249	70.15
3 - hrs.	bulldozer time @ $10.00 per hr. Inc. 2(b)	30.00
154	Gallons gasoline @ $0.278	42.81
24	Quarts Lubolube Motor Oil @ $0.245	5.88
		$ 2030.12

CRAYONS

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA-1198X
Idm. E. 194

HOLE NUMBER H1-R4 LOCATION Range 4

ELEVATION OF SURFACE

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 80.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE BX - AX DATE STARTED 5-1-52 DATE COMPLETED 5-6-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
Overburden	0.0	80.0			
White Marble	80.0	31.5	27.5	50°	Slightly tremolitic. 4.0' cavity @83.0
Tremolite	111.5	0.5	0.5		Coarse x'alline.
White Marble	112.0	5.0	5.0		Has slight actinolite, in upper 0.5'.
White Marble	117.0	3.0	3.0		Has quartz & phlogopite.
Micaceous Marble	120.0	4.5	1.5	50°	Banded. Has phlogopite & chlorite.
White Marble	124.5	0.5	0.5		
Bottom	125.0				

REMARKS:

E. C. Van Horn
GEOLOGIST

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA-1198X
Idm. E. 194

HOLE NUMBER H1-R5 LOCATION Range 5

ELEVATION OF SURFACE

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 80.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE BX-AX DATE STARTED 5-9-52 DATE COMPLETED 5-15-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
Overburden	0.0	80.0			Slight talc in washings at top of rock.
White Marble	80.0	20.0	17.0	45°	1.0' cavities at 83.0' & 86.5' 0.2' talc at 95.5.
Mottled Marble	100.0	113.0	113.0	40°	May be banded marble zone tremolitic.
Banded Marble	213.0	14.0	14.0	50°	Coarse-grained, with tremolite, chlorite, & pyrite.
Bottom	227.0				

REMARKS:

E. C. Van Horn
GEOLOGIST

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA-1198X
Idm. E. 194

HOLE NUMBER H2-R5 LOCATION Range 5

ELEVATION OF SURFACE

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 108.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION: Murphy Marble

SIZE OF CORE AX- BX DATE STARTED 5-17-52 DATE COMPLETED 5-19-5

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
Overburden	0.0	108.0			Talc in washings at top of rock.
White Marble	108.0	9.0	1.5	35°	Broken-talcose-slightly silicious.
White Marble	117.0	10.0	7.5		Sound, except for 2.5' cavity at 118.2.
White Marble	127.0	8.0	6.0	40°	Has small intermittant cavities.
Banded Marble	135.0	29.0	29.0	40-60°	Has tremolite, chlorite, & pyrite.
Bottom	164.0				

REMARKS:

E. C. Van Horn
GEOLOGIST

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA-1198X
Idm. E. 194

HOLE NUMBER H3-R5 LOCATION Range 5

ELEVATION OF SURFACE $

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 99.0

ELEVATION BOTTOM HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE AX-BX DATE STARTED 5-19-52 DATE COMPLETED 5-27-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
OVERBURDEN	0.0	99.0			
Mottled Marble	99.0	89.0	89.0	50°	Sound
White Marble	188.0	6.0	6.0	45°	Tremolitic.
Tremolite	194.0	2.5	2.5		Coarse x'alline aggregate.
Micaceous Marble	196.5	3.5	3.5	60°	Slightly silicious with pyrite, chlorite, & phlogopite.
Banded Marble	200.0	10.0	10.0	45°	Has actinolite & pink marble.
Bottom	210.0				

REMARKS:

E. C. Van Horn
GEOLOGIST

FILE COPY
SURNAME:

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

Room 1, Post Office Building
Knoxville, Tennessee

May 16, 1952

Mr. R. C. Van Horn
The Hitchcock Corporation
P.O. Box 35
Murphy, North Carolina

Re: DMA-11980 (talc)
Contract Ion-F 194

Dear Vans:

Your April Monthly Progress Report was received today and is being forwarded to Morris for processing.

There were numerous errors in your payroll and corrections have been made as follows:

Week ending April 5, 1952

John Ledford's hours total 38½ instead of 38, and earnings should be 38.50 instead of 38.00.

Hadley Stiles's hours to 41 41½ instead of 41 and earnings should be 34.65 instead of 34.24.

Jess Ledford's earnings should be $50.21 instead of 50.62.

Week ending April 12, 1952

John Ledford's earnings should be 57.12 instead of 57.25

John Beaver's earnings should be 20.12 instead of 20.12

Week ending April 19, 1952

John Ledford's earnings should be 18.23 instead of 18.25

Hadley Stiles' earnings should be 39.1 instead of 39.51

Week ending April 26, 1952

John Ledford's earnings should be 18.23 instead of 18.25

Total Gross Earnings (Item 1) 320.0, Amount of 322.25

1½% O.A.S.	4.05	instead of 20.23
2.7% F.U. Unemployment Ins.	14.19	instead of 14.01
0.3% Fed. Unemployment Ins.	1.61	instead of 1.64
4.75% Workmen's Comp. Ins.	25.66	instead of 25.21
Total Insurance (Item 6c)	45.51	instead of 50.39

You also charged 320.00 to Item 5, whereas your payroll sheet shows 320.00.

After these corrections have been made your totals should read as follows: $1,653.12; $7,02[illegible].83 and $8,[illegible]1.95. Please correct your copy to conform with ours.

Very truly yours,

Wm. A. Veck, for W. J. Lawrence
Executive Officer, [illegible] A, Region VII

[illegible]/xm
cc;
[illegible]rin-B
[illegible]eck
[illegible]ynch
[illegible]

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 194

Name of Operator The Hitchcock Corporation
Docket No. DMA 1198X
Total Contract Amount $ 32,519.00
Government Participation: 90 % Amount, $ 29,2[illegible]7.10
Distribution of Expenditures for Month of April, 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—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.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
MAY 2[illegible] 1952

CERTIFICATION

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.

The Hitchcock Corporation
(Name of Company)

By E. E. Van Horn
(Signature of Authorized Official)

May 14, 1952
(Date)

Asst. Supt.
(Title)

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.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]		228.11	228.11		228.11	228.11
(b) Rented[2] core drills 30½ shifts @$3.00 per shift	91.50	216.00	307.50	91.50	216.00	307.50
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

16—64068-3

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor [3]	548.35	1437.04	1985.39	536.80	1437.04	1973.84
5. Supervision	250.00	540.00	790.00	230.00	540.00	770.00
6. Supplies						
(a) Timber		64.00	64.00		64.00	64.00
(b) Explosives						
(c) Repair Parts						
(d) Other Supplies	659.98	4207.79	4867.77	659.98	4207.79	4,867.77
7. Power—Gas & Oil	65.03	137.56	202.59	65.03	137.56	202.59
8. Transportation		5.00	5.00		5.00	5.00
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
Unemployment & O.A.B.	50.89	133.33	184.22	49.81	133.33	183.14
10. Contract Work						
11. Other (specify)						
Bookkeeper 2 days $10.00	20.00	60.00	80.00	20.00	60.00	80.00
Total	1685.75	7028.83	8714.58	1,653.12	7,028.83	8,681.95
Deletions						
Adjusted totals	1685.75					
Totals previously reported	7028.83					
Totals to date	8714.58	7028.83	8714.58			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by W. A. Beck
Entered by W. A. Beck
Approved by W. A. Beck
Amount approved for payment $1487.81
Remarks See letter by WAB attached

16—64068-3

165.31

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF April, 1952

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes	818.35	91.50	725.01	50.89	1685.75	Feet	884	2216		10,000
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	818.35	91.50	725.01	50.89	1685.75	Feet	884	2216		10,000

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

H[illegible]OCK STRATITE EXPLORATION P[illegible]JECT
Murphy, North Carolina

DMA-1198 X
Idm. E. 194

DAILY TIME RECORD

Week Ending April 5, 1952

EMPLOYEES	DAYS OF WEEK PAY HOURS							NO. HOURS		REMARKS
	SUN	MON.	TUES.	WED.	THURS.	FRI.	SAT.			
John Ledford, Driller			5	10	8½	7½	7½	38	1.00	38.00
Hadley Stiles, Helper			8	10	8½	7½	7½	41	.835	34.24
Jesse Ledford, Driller			9	10	8½	10	7½	45	1.249	54.62
John Beaver, Helper			9	10	9½	10	7½	46	.932	42.87
	WEEK ENDING 4-12-52									
John Ledford, Driller		9	9½	10	8	9½	5½	51½	1.115	57.25
Hadley Stiles, Helper		9	9½	10	8	9½	5½	51½	.917	47.23
Jesse Ledford, Driller		9	10	4				23	1.15	26.45
John Beaver, Helper		9	10	4				23	.875	20.12
	WEEK ENDING 4-19-52									
John Ledford, Driller		6	8	9	9	8½	5	45½	1.06	48.25
Hadley Stiles, Helper		6	8	9	9	8½	5	45½	.875	38.81
Ben Warner, Mechanic						3½		3½	1.00	3.50
	WEEK ENDING 4-26-52									
John Ledford, Driller		10	9½	9	4	9	4	45½	1.06	48.25
Hadley Stiles, Helper		10	9½	9	4	9	4	45½	.875	39.81
	WEEK ENDING 5-3-52									
John Ledford, Driller			10	8½				18½	1.00	18.50
Hadley Stiles, Helper			10	8½				18½	.825	15.26
	TOTAL GROSS EARNINGS (Item 4)									548.35
	1½% O.A.B.									8.23
	2.7% N.C. Unemployment Ins.									14.81
	0.3% Federal Unemployment Ins.									1.64
	4.78 Workmen's Compensation Ins.									26.21
	TOTAL INSURANCE (Item 9c)									50.89
	TOTAL LABOR									599.24
E. C. Van Horn, Supt. & Geologist	23 days @$20.00 ½ time (Item 5)									230.00
C.J. Barrett, Bookkeeper	2 days @$10.00 (Item 11)									20.00
										250.00

SIGNED _____

INVOICE

THE HITCHCOCK CORPORATION

P. O. BOX 35 MURPHY, N. C.

OFFICE, TALC MINE AND PLANT

SHIPPED TO Steatite Exploration Project

VIA DMA No. 1198X
Idm. B. 194

DATE 5-13-52

ORDER NO.

TERMS

4-21-52	Freight on rubber hose	$ .26
4-21-52	Hose & fittings - Tidewater 4-14-52	8.07
5-9-52	Dickey Freight line -freight on pipe	9.05
		$17.38

RAYONS

INVOICE

THE HITCHCOCK CORPORATION

P. O. BOX 35 MURPHY, N. C.

OFFICE, TALC MINE AND PLANT

SHIPPED TO Steatite [illegible] roject

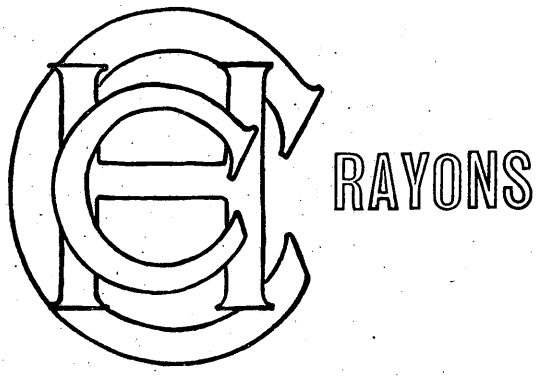
VIA LMA No. 11204
Idm. E. 194

DATE [illegible]-52

ORDER NO.

TERMS

4-7-52	AX Bit J 927	$ 124.43
4-8-52	AX Bit O 573	112.10
4-9-52	AX Bit O 572	113.13
4-16-52	1 886	156.24
4-16-52	1 core breaker	2.55
4-24-52	1 888	133.02
		$ 642.60



INVOICE

THE HITCHCOCK CORPORATION

P. O. BOX 35 MURPHY, N. C.

OFFICE, TALC MINE AND PLANT

SHIPPED TO Steadfast Exploration Program
DNA No. N1961
Idm. 1. 194

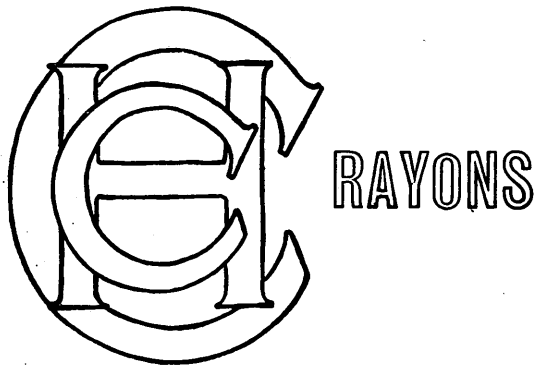
DATE 5-12-52

VIA

ORDER NO.

TERMS

211.0 Gallons Gasoline @0.278.....	$58.66
26.0 Gal. Mobilube Motor Oil @0.245.....	6.37
(Item 7)	$65.03



MONTHLY PROGRESS REPORT
April, 1952
THE HITCHCOCK CORPORATION
STEATITE EXPLORATION PROJECT
DMA-1198X Idm. I. 194

Hole H3-R2 was completed at a depth of 436 feet on April 9th. The hole encountered a total talc-bearing zone of 91.4 feet, of which 68.6 feet was white talc zone-Actual talc recovered amounted to 10.1 feet of white and 13.5 feet of gray.

Hole H3-R3 was started April 2, and completed April 10th. at a depth of 206.0 feet, encountering 5.5 feet of light gray to white talc of good quality. Apparently this body was encountered at its extreme Northeast end, as talc was not encountered elsewhere on the range.

Hole H2-R4 was started on April 11, and completed April 22nd, at a depth of 197.0 feet, encountering 3.0 feet of good white talc. As in hange 3, this talc appears to represent the Northeast edge of a body.

Hole H3-R4 was started April 22, and completed April 30th, at a depth of 245.0 feet. No talc was encountered.

One 10-foot joint of BX casing with coupling was lost in Hole H2-R3, and one 10-foot A rod and two mud bits were lost in starting Hole R3-R3.

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA-1198X
Idm. E. 194

HOLE NUMBER H6-H2 LOCATION Range 2

ELEVATION OF SURFACE

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 112.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE AX DATE STARTED 3-18-52 DATE COMPLETED 4-9-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
(Continued from March)					
Gray Marble	200.0	104.5	104.0	65°	Coarse grained-normal
Mottled Marble	304.5	29.9	29.9		Dense-sound
White Marble	334.4	10.8	10.8	50°	Slightly talcose & tremolitic.
WHITE TALC	345.2	0.6	0.6		Clear.
White Marble	345.8	1.0	1.0		Talcose.
WHITE TALC	346.8	4.8	4.8	30°	Excellent
White Marble	351.6	2.4	2.4		Talcose
WHITE TALC	354.0	1.7	1.7	20°	Excellent
White Marble	355.7	30.4	30.4	40°	Tremolitic & talcose.
WHITE TALC	386.1	3.0	3.0	40°	Excellent-plunge 10°.
White Marble	389.1	14.1	14.1		Slightly tremolitic.
TALC	403.2	1.8	1.8	40°	Pearl gray, excellent
GRAY TALC	405.0	8.0	8.0	40°	Medium gray, has marble, tremolite, pyrite grit,
GRAY TALC	413.0	1.5	1.5	50°	Clear
White Marble	414.5	9.1	9.1		Sound.
GRAY TALC	423.6	2.2	2.2		Very slightly gritty flat plunge.
White Marble	425.8	7.7	7.7		Slightly tremolitic.
White Marble	433.5	2.5	2.5		Coarse-grained. Has pyrite & tremolite.
Bottom	436.0				

REMARKS:

R. C. Van Horn
GEOLOGIST

(H2 - 3, 10' BX Casing & Couplings)

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA-1198X
Idm. E. 194

HOLE NUMBER H3 - B3 LOCATION Range 3

ELEVATION OF SURFACE

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 127.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE BX - AX DATE STARTED 4-2-52 DATE COMPLETED 4-10-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
Overburden	0.0	127.0			
Mottled Marble	127.0	3.0	3.0		Dense-sound
DO	130.0	20.0	11.0		With intermittent cavities
DO	150.0	10.0	8.0		Broken on vertical joints.
White Marble	160.0	10.0	0.2		Broken
DO	170.0	6.0	3.5		Broken, very talcy, with tremolite.
DO	176.0	10.0	10.0		Sound
TALC	186.0	5.5	5.5	50°	Light gray to white plunge near zero, slight pyrite in first foot. Phlogopite for 0.3' at bottom
Silicious Marble	191.5	10.5	10.5		Has pyrited phlogopite.
Banded Marble	202.0	4.0	4.0	55°	Coarse-grained. Has slight pyrite & actinolite
Bottom	206.0				

REMARKS: Lost one 10-foot A rod & two mud bits.

E. C. Van Horn
GEOLOGIST

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DWA-1198X
Idm. E. 194

HOLE NUMBER H2-R4 LOCATION Range 4
ELEVATION OF SURFACE
ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 50.0
ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble
SIZE OF CORE BX-AX DATE STARTED 4-21-52 DATE COMPLETED 4-22-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
Overburden	0.0	50.0			
Mottled Marble	50.0	69.0	69.0	55°	Excellent & typical medium to fine, grained.
White Marble	119.0	8.3	8.3		
WHITE TALC	127.0	3.0	3.0	45-65°	
Mixed talc & Marble	130.0	0.6	0.6		15% talc-medium, grained.
Tremolitic Marble	130.6	1.9	1.9	50°	White-medium grained.
Micaceous Marble	132.5	3.0	3.0	50°	Has phlogopite & sericite leached at bottom.
White Marble	135.5	39.3	38.5		Tremolitic. 0.5' cavity at 150.4.
Micaceous Marble	174.8	8.3	8.3	55°	Has phlogopite, pyrite, chlorite, sericite & actinolite.
Banded Marble	183.1	14.9	14.9	55°	Medium grained with slight actinolite.
Bottom	197.0				

REMARKS: First hole drilled on this range

E. C. Van Horn
GEOLOGIST

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DAA-1198X
Idm. E. 194

HOLE NUMBER H3-B4 LOCATION Hanna 4

ELEVATION OF SURFACE

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 74.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE BX - AX DATE STARTED 4-22-52 DATE COMPLETED 4-30-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
Overburden	0.0	74.0			
Blue Marble	74.0	22.5	22.5	65	Coarse-grained BX to 94.0
Gray Marble	96.5	30.7	30.7	65	Coarse grained
Mottled Marble	127.2	60.8	60.0		Fine-grained, with steep cross joints.
White Marble	188.0	9.0	9.0		Fine-grained, tremolite
Tremolite	197.0	6.8	6.8		Contains slight silicious marble, with chlorite & actinolite.
White Marble	203.8	15.7	15.7		Medium-grained.
Light gray Marble	219.5	18.5	18.5		Near mottled
Banded Marble	238.0	7.0	7.0	60°	Medium to coarse grained
Bottom	245.0				

REMARKS: Second hole drilled on this range

E. C. Van Horn
GEOLOGIST

Field Team's visit to project-

IMA-1198X, Hitchcock Corp.

April 25, 1952

IMA Project 1198X, Hitchcock Corporation (talc), Murphy, North Carolina, was visited on April 25, 1952. The status of the work on this date may be summarized as follows:

Talc has been found in 2 of 3 holes drilled on Range 2; in 1 of 3 holes drilled on Range 3; and in 1 of 2 holes drilled on Range 4. No talc was found in the 3 holes drilled on range 1.

An examination was made of all cores and it was found that they had been adequately described in the logs submitted by the Operator.

There was every indication that the project is being conducted efficiently and progressing according to schedule.

Benjamin Gildersleeve

Benjamin Gildersleeve, Geologist.

FILE COPY
SURNAME:

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

Room 1, Post Office Building
Knoxville 2, Tennessee

April 11, 195[illegible]

Mr. E. C. Van Horn
The Hitchcock Corporation
P. O. Box 35
Murphy, North Carolina

Dear Van:

Your March Monthly Progress Report was received today and is being forwarded to Morris for processing.

Your total payroll should have been $689.50 instead of $692.50. This will also change your insurance as follows:

1½%	O.A.B.	$10.34
2.7%	N.C. Unemployment Insurance	18.62
0.3%	Federal Unemployment Insurance	2.07
4.78%	Workmens Compensation Insurance	32.96
	Total Insurance (Item 9c)	$63.99

Also please change Item 6 (d) totals to date to read 127.16 instead of 129.56 and change your totals on your copy to the following: Monthly total $2550.12, and Totals to date $70[illegible]8.93.

We like the way you are turning in your Monthly Reports and hope you hit another tele hole soon.

Very truly yours,

Wm. A. Beck for C. A. Laurence
Executive Officer
DMA, Region VII

WAB/mg
cc - Beck
Laurence
Lynch
4 - Monthly Report

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No.
Idm-E [illegible]

Name of Operator [illegible]
Docket No. DMA [illegible]
Total Contract Amount $ [illegible].00
Government Participation: [illegible] % Amount, $ [illegible]
Distribution of Expenditures for Month of [illegible], 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—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.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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.

[illegible]
(Name of Company)

By E. L. Van Horn
(Signature of Authorized Official)

[illegible], 1952
(Date)

Asst. Supt.
(Title)

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.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]		228.11	228.11		228.11	228.11
(b) Rented[2] Core drills 39 shifts @3.00 per shift	117.00	99.00	216.00	117.00	99.00	216.00
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor [3]	692.50	747.54	1440.04	689.50	747.50	1437.04
5. Supervision	220.00	320.00	540.00	220.00	320.00	540.00
6. Supplies						
(a) Timber						
(b) Explosives	16.00	48.00	64.00	16.00	48.00	64.00
(c) Repair Parts						
(d) Other Misc. Supplies	1361.59	2846.20	4207.79	1361.59	2846.20	4207.79
7. Power Gas & Oil	62.04	75.52	139.56	62.04	75.52	137.56
8. Transportation		5.00	5.00		5.00	5.00
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work Unemployment & O.A.B.	64.27	69.34	133.61	63.99	69.34	133.33
11. Other (specify)						
Bookkeeper 2 days @ 10.00	20.00	40.00	60.00	20.00	40.00	60.00
Total	2553.40	4478.71	7032.11	2550.12	4478.71	7028.83
Deletions						
Adjusted totals	2553.40					
Totals previously reported	4478.71					
Totals to date	7032.11	4478.71	7032.11			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by W. A. Beck
Entered by W. A. Beck
Approved by W. A. Beck
Amount approved for payment $2295.11
Remarks See letter attached
WAB

$2298.66

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF March, 1952

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes	932.50	127.00	1039.63	66.27	2553.40	[illegible]	1274	1962	3236	10,000
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	932.50	127.00	1039.63	66.27	2553.40	Feet	1274	1962	3236	10,000

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

MONTHLY PROGRESS REPORT
March, 1952

THE HITCHCOCK CORPORATION
STEATITE EXPLORATION PROJECT

DMA 1198X Idm. E. 194

Hole H1-R2 on Range 2 was completed at a depth of 274 feet on March 5th. The hole showed good lithologic sequence except for an excess of "mottled" marble. The pressure of heavy tremolite and a strong bed of silicified marble indicated possible nearness to talc and a hole was started 50 feet to the Southeast (down dip). Hole H2-R2 was started March 7, and completed March 15 at a depth of 350 feet. An excellent talc zone was encountered at 300 feet as shown on the accompanying core log.

With the consent of the DMA representative, Hole H3-R2 was started 55 feet to the Southeast on March 18. A broken drum-clutch gear on the core drill caused a halt in operations from March 21 until March 29. On March 31, the hole was down to a depth of 200.0 feet.

Core drill No. 2 has had great difficulty in casing holes on Range 3, and only two holes were completed during the month. H1-R3 was started on March 7th and completed at 197.0 feet on March 15th. The hole was entirely in white marble but overburden encroached slightly into the upper part of the white marble zone. Hole H2-R3 was started March 19 and completed at 334.0 feet on March 31st. Silicified marble in the hole indicated possible nearness to talc, but the presence of heavy chlorite is not encouraging.

Core drill No. 2 lost two mud bits and one 10-foot "A" drill rod in overburden.

INVOICE

THE HITCHCOCK CORPORATION

P. O. BOX 35 MURPHY, N. C.

OFFICE, TALC MINE AND PLANT

SHIPPED TO Steatite Exploration Project
VIA DMA No. 1198X
Idm. E. 194

DATE 4-4-52
ORDER NO.

TERMS

1-	BX HH55 Diamond Bit No. R-54	$ 151.36
1-	AX HH55 " " No. J-295	117.05
1-	AX HH55 " " No. J-296	132.08
1-	AX HH55 " " No. J-927	124.43
1-	AX HH55 " " No. J-928	123.98
1-	AX HH40 " " No. M-166	59.69
1-	AX HH40 " " No. M-167	59.37
1-	AX HH40 " " No. M-387	58.79
1-	AX HH40 " " No. M-388	59.78
1-	AX HH40 " " No. M-389	63.65
1-	NX HH55 " " No. K-968	198.68
1-	BX Reaming Shell No. J-486	112.18
4-	AX core lifters @$2.10	8.40
1-	NX core barrel, single tube, Joy	42.90
1-	4 inch mud bit	23.35
42'-	1¼" black pipe @$0.36	15.12
1 yd.	Vectorite	.31
1-	Drum clutch gear	6.50
1-	#307 Ball Bearing	3.97
	Total Miscellaneous Supplies (Item 6c)	$1,361.59

CRAYONS

INVOICE

THE HITCHCOCK CORPORATION

P. O. BOX 35 MURPHY, N. C.

OFFICE, TALC MINE AND PLANT

SHIPPED TO Shenlite Exploration Program

VIA DM No. 1198V
Idm. N. 194

DATE 4-4-52

ORDER NO.

TERMS

202.0	Gallons Gasoline @$0.278	$56.16
24.0	Qts. Esso Lube Motor Oil @0.245	5.88
	Total Gas & Oil (Item 6d)	$62.04

8- core boxes @$2.00 (Item 6a) $16.00

CRAYONS

Sheet I

THE TENNESSEE VALLEY AUTHORITY PROJECT

TVA-1198X
Idm. N. 194

Murphy, North Carolina

DAILY TIME RECORD

Week Ending 3-1-52

EMPLOYEES	DAYS OF WEEK PAY HOURS SUN	MON.	TUES.	WED.	THURS.	FRI.	SAT.	NO. HOURS	Rate	Gross Earnings	REMARKS
John Ledford							4	4	1.50	6.00	
Hadley Stiles							4	4	1.2375	4.95	
		Week Ending 2-8-52									
Jesse Ledford, Driller		4	10	8½	8½	10	4	45	1.2521	56.35	
John Beaver, Helper		4	10	8½	8½	10	4	45	.9527	42.87	
John Ledford, Driller		4	10	8½	8½	10	4	45	1.019	49.00	
Hadley Stiles, Helper		4	10	8½	8½	10	4	45	.9382	42.42	
		Week Ending 2-15-52									
Jesse Ledford, Driller		3	8	8½	8½	9½	8	45½	1.309	59.51	
John Beaver, Helper		3	8	8½	8½	9½	8	45½	.9351	42.28	
John Ledford, Driller		3	8	8½	9½	9½	8	45½	1.174	51.75	
Hadley Stiles		3	8	8½	8½	9½	8	45½	.9375	42.69	
		Week Ending 2-22-52									
Jesse Ledford, Driller		9	7½	8½	8½			33½	1.15	23.57	
John Beaver, Helper		9	7½	8½	8½			33½	.975	17.94	
John Ledford, Driller		9	7½	9	10	4	4	43½	1.0976	47.75	
Hadley Stiles, Helper		9	7½	9	10	4	4	43½	.9450	41.14	
Ben Turner, Mechanic **			1½			2½		4	1.00	4.00	
		Week Ending 3-29-52									
Jesse Ledford, Driller					9	10	8	37	1.024	37.37	
John Beaver, Helper					9	10	8	33	1.0625	21.87	
John Ledford, Driller		8		10	8½	9	4	39½	1.00	39.50	
Hadley Stiles, Helper		8		10		9	4	31	.875	27.57	
Ben Turner, Mechanic **					6			6	1.00	6.00	
		Week Ending 4-5-52									
Jesse Ledford, Driller		8						8	1.15	9.20	
John Beaver, Helper		8						8	.875	7.00	
John Ledford, Driller		7						7	1.00	7.00	
Hadley Stiles, Helper		7						7	.825	5.77	

* Includes mileage when applicable

** Repairs.

SIGNED _____

Sheet 2

The Mitchcock Steatite Exploration Project
Murphy, North Carolina

DNA 1198X
Idn. P. 194

DAILY TIME RECORD

Week Ending.....

EMPLOYEES	DAYS OF WEEK PAY HOURS							NO. HOURS	REMARKS
	SUN	MON.	TUES.	WED.	THURS.	FRI.	SAT.		
	(Continued from Sheet 1)								
	[illegible] (Item 6)								692.50
	1.5% C.S.T.								10.39
	2.7% N.C. Unemployment Insurance								18.70
	0.3% Federal Unemployment Insurance								2.08
	4.7% Workmens Compensation Insurance								32.10
	[illegible] (Item 9 e)								34.27
	[illegible]								756.77
B. C. Van Dean, Dept. [illegible]									
Geologist	22 days @20.00, [illegible] hrs (Item 5)								220.00
C. M. Barrett, Bookkeeper	2 days @10.00 (Item 11)								20.00

SIGNED_____

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA-1198X
Idm. F. 194

HOLE NUMBER H I-R 2 (continued) LOCATION Range 2
ELEVATION OF SURFACE
ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 63.0
ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble
SIZE OF CORE AX DATE STARTED 2-27-52 DATE COMPLETED 3-5-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
	(Continued from February)				
Mottled Marble	181.0	45.2	45.2	60°	Fine-grained, with occasional tremolite.
White Marble	226.2	8.8	8.8	60°	Fine-grained
Mottled Marble	235.0	2.8	2.8		As second above. ½" talc @ 237.6
White Marble	237.8	11.9	11.9	60°	Fine-grained, with slight tremolite.
Tremolite	249.7	2.0	2.0		Dense crystal aggregate
Silicified Marble	251.7	8.6	8.6	60°	with tremolite, phlogopite, chlorite, sericite & pyrite.
White Marble	260.3	8.7	8.7	65°	With tremolite, chlorite & sericite.
Banded Marble	269.0	5.0	5.0	65°	Coarse-grained, chloriti
Bottom	274.0				

REMARKS: Silicified marble indicates possible nearness to talc.

GEOLOGIST

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA 1198X
Idm. E. 194

HOLE NUMBER H2 - R2 LOCATION

ELEVATION OF SURFACE

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 86.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE BX - AX DATE STARTED 3-7-52 DATE COMPLETED 3-15-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
Overburden	0.0	86.0			
Gray Marble	86.0	20.0	20.0	70°	Coarse grained-BX to 94.0
Lt. Gray Marble	106.0	32.0	32.0	75°	Medium grained, slightly banded.
Blue & Gray Marble	138.0	64.0	64.0	75°	Coarse-grained
Mottled Marble	202.0	77.5	77.5	70°	Fine-grained
White Marble	279.5	20.5	20.5	55°	Tremolitic, Talcy laminae from 290.0 to 300.0.
WHITE TALC	300.0	6.7	6.7	50°	Excellent, firm, pitch 15° 0.6' Marble & tremolite @ 301.0, & 0.1' @ 302.5.
White Marble	306.7	7.8	7.8		Tremolitic
WHITE TALC	314.5	8.0	8.0	50°	Excellent, firm. 0.2' tremolite at 319.8. Pitch 17°
GRAY TALC	322.5	15.5	15.5		Excellent, light gray pitch 40° - 20° 0.1 Marble @ 326.0

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA-1198X
Idm. E. 194

HOLE NUMBER H 2 - R 2 LOCATION Range 2

ELEVATION OF SURFACE

ELEVATION OF BEDROCK THICKNESS OF OVERBURDEN 86.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION

SIZE OF CORE AX DATE STARTED 3-7-52 DATE COMPLETED 3-15-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
GRAY TALC	338.0	1.8	1.8	65°	Dark - pitch 20°
White Marble	339.8	0.3	0.3		Coarse-grained. pyritic
TALC	340.1	2.1	2.1		Dark, tremolitic.
Impure Marble	342.2	7.8	7.8	65°	with tremolite, phlogopite & pyrite.
Bottom	350.0				

REMARKS: This is an excellent talc hole. The talc is generally firm and the white talc is harder than normal.

GEOLOGIST

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DNA-1198X
Idm. E. 194

HOLE NUMBER H3 - R2 LOCATION Range 2

ELEVATION OF SURFACE

ELEVATION TO BEDROCK THICKNESS OF OVERBURDEN 112.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE BX - AX DATE STARTED 3-18-52 DATE COMPLETED

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
Overburden	0.0	112.0			
Blue Marble	112.0			60°	Leached-pyritic.
Blue Marble	130.5			60°	Sound - pyritic.
Blue & Gray Marble	160.0			65°	Coarse-grained.
	200.0 on 3-31-52				

GEOLOGIST

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA-1198X
Idm. E. 194

HOLE NUMBER HI - R3 LOCATION Range 3

ELEVATION OF SURFACE

ELEVATION [illegible] THICKNESS OF OVERBURDEN 114.0

ELEVATION BO[illegible] GEOLOGIC FORMATION

SIZE OF CORE BX - AX DATE STARTED 3-7-52 DATE COMPLETED 3-15-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
Overburden	0.0	114.0			
White Marble	114.0	5.0	4.0		Medium-fine-grained
White Marble	119.0	16.0	1.0	60°	Medium-coarse-grained. Intermittant cavities.
White Marble	135.0	37.0	30.0	60°	Generally leached. 2.0 cavity at 157.0
White Marble	172.0	25.0	25.0	60°	With slightly greenish tremolite. Heavy chlorit from 179.5 -180.1, and 192.3 - 195.0.
Bottom	197.0				

REMARKS: This hole missed the extreme top part of the white (talc-bearing) zone - considerable trouble was encountered in casing a hole in this area.

GEOLOGIST

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DWA-1198X
Idm. F. 194

HOLE NUMBER H2 - R3 LOCATION Range 3

ELEVATION OF SURFACE

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 182.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE BX-AX DATE STARTED 3-19-52 DATE COMPLETED 3-31-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
Overburden	0.0	182.0			
Gray Marble	182.0	6.0	3.0	55°	Coarse grained stylolitic.
Mottled Marble	188.0	116.0		60°	Fine grained.
White Marble	304.0			60°	Fine-grained slightly tremolitic
Mottled Marble	312.0				As above
Silicified Marble	320.0			60°	With tremolite chlorite, & slight pyrite.
Bottom	334.0				

REMARK:

Silicified marble in this hole indicated the possibility of talc nearby.

GEOLOGIST

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D. C.~~
Room 13, Post Office Building
Knoxville, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 6 1952

March 5, 1952

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

Re: DMA-1198K, Idm-E194
The Hitchcock Corp.

Dear Mr. Chambers:

Referring to your letter of March 3, requesting two copies of Amendment I to the subject contract:

On December 7, 1951, we sent 4 signed copies of this Amendment to Mr. Frank E. Johnson, Chairman of the Operating Committee. A memorandum from Mr. Johnson to the Chief, Finance Section, DMEA, dated December 11, 1951, indicates that he forwarded one copy on that date for the Regional Finance Officer. The other copies presumably are in Washington.

If you do not locate these, let us know and we will have additional copies prepared.

Sincerely yours,

W. A. Beck for R. A. Laurence

Robert A. Laurence, Executive Officer
DMEA, Region VII

Amendment located
Cls

Cls

FILE COPY
SURNAME:
800

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

MAR 8 1952

Mr. Robert A. Laurence, Executive Officer
DMEA Field Team, Region VII
Defense Minerals Exploration Administration
Room 13, Post Office Building
Knoxville, 01, Tennessee

Dear Mr. Laurence:

On February 19, 1952 you forwarded to this office an original and three copies of Amendment No. 2 to Contract DMA-1198K, IDM-E-194, The Hitchcock Corporation. We fail to locate Amendment No. 1 and are writing to find out if it has been issued.

If Amendment No. 1 has been issued please send us two copies, one for the auditor's file and one for the engineer's file.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration and
Audit Division

CGaliher/wb
March 3, 1952

copy to: Mails & Files
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII

OFFICE OF
REGIONAL DIRECTOR

P. O. BOX 217
NORRIS, TENNESSEE

March 19, 1952

Memorandum

To: Mr. C. O. Mittendorf, Defense Minerals Exploration Administration, Washington, D. C.

From: Administrative Officer, Region VII, Norris, Tennessee

Subject: Operator's Monthly Progress Reports

We are enclosing the February Monthly Progress Report covering the following contract:

Idm-E-194 The Hitchcock Corporation

Omer. 1198

Helen Miller
Helen R. Miller

Enclosures
CC: W. A. Beck
R. A. Laurence
F. E. Johnson

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 21 1952

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. [illegible]
Idm-E [illegible]

Name of Operator [illegible]
Docket No. DMA [illegible]
Total Contract Amount $ [illegible]
Government Participation: [illegible] % Amount, $ [illegible]
Distribution of Expenditures for Month of [illegible]

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—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.

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CERTIFICATION

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.

[illegible]
(Name of Company)

By G. C. Van Horn
(Signature of Authorized Official)

[illegible]
(Date)

Asst. Supt.
(Title)

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.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1] Scpc drill						
DRILL	228.11		228.11	228.11		228.11
(b) Rented[2] Co.o drill 25 shifts @ 3.00						
per shift	75.00	24.00	99.00	75.00	24.00	99.00
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

16—64068-3

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	569.78	177.76	747.54	569.78	177.76	747.54
5. Supervision Supt. 24 days 240.00	240.00	80.00	320.00	240.00	80.00	320.00
6. Supplies						
(a) Timber 16 pcs 32.00	32.00	16.00	48.00	32.00	16.00	48.00
(b) Explosives						
(c) Repair Parts Misc. Supplies	554.70	2291.50	2846.20	554.70	2291.50	2846.20
(d) Other Gas & Oil	64.41	11.11	75.52	64.41	11.11	75.52
7. Power						
8. Transportation Winch Truck		5.00	5.00		5.00	5.00
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation Unemployment O.A.B.	52.87	16.47	69.34	52.87	16.47	69.34
10. Contract Work						
11. Other (specify) Bookkeeper 2 days 10.00	20.00	20.00	40.00	20.00	20.00	40.00
Total	1836.87	2641.84	4478.71	1836.87	2641.84	4478.71
Deletions						
Adjusted totals						
Totals previously reported	2641.84					
Totals to date	4478.71	2641.84	4478.71			

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by W. A. Beck
Entered by W. A. Beck
Approved by W. A. Beck
Amount approved for payment $1653.18
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF [illegible], 1950

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

THE HIGHMARK CORPORATION
TALC EXPLORATION PROJECT
DMA 1198 Idm. F. 194

MONTHLY PROGRESS REPORT, FEBRUARY, 1952

Hole 1, Range 1, was completed February 4th. at a depth of 214.0 feet without encountering talc. The casing was withdrawn with difficulty, it being necessary to blast the bottom joint of the AX casing with a loss of one 10 foot joint and one coupling. Hole 2, Range 1, was located 50 feet SE (down dip) of Hole 1. 183 feet of BX casing was placed through overburden and 197.5 feet of AX casing was seated, using BX bit No. R-53 and AX bit No. M-384. AX bit No. M-386 was started at 207.0 feet. The hole was completed February 14th. at 377.0 feet, showing good lithologic sequence but no talc.

Meanwhile, core drill No. 2 was moved to the property and water lines extended. Our pump being inadequate for the longer water lines, and delivery on a new pump being uncertain, a used high-head pump was purchased and re-built.

Drill No. 1, was moved on February 15th to Hole 3, Range 1, 50 feet NW (up dip) from Hole 1. Overburden took 66.0 feet of BX casing. 74 feet of AX casing was seated, using BX bit No. R-53 and AX bit No. M-386, The Hole was completed at 170.0' on February 20th. No talc was found.

Hole 1, Range 2, was started February 22, and lost at 70.0 feet because of sloping rock surface. One BX casing coupling was damaged. The hole was started again on February 23rd. 63 feet of BX casing was set through overburden and 71 feet of AX casing was set, using BX bit No. R-53 and AX bit No. M-386, Bit No. J-306 was started at 1[illegible].0 feet. At end of shift February 29th, the hole was at 181.0 feet and had not reached the talc-bearing zone.

Hole 1, Range 3, was started February 27th by Drill No. 2, and was carried 46 feet in overburden no continuation was made in February.

INVOICE

THE HITCHCOCK CORPORATION

P. O. BOX 35 MURPHY, N. C.

OFFICE, TALC MINE AND PLANT

SHIPPED TO Steatite Exploration Program
VIA DMA No. 1198X
Idm. E. 194

DATE 3-11-52
ORDER NO.

TERMS

Purchase & Re-building of core drill pump.

2 - pc.	key stock	$0.50	$ 1.00
1 -	3" x 2" bushing	.95	.95
1 -	2½" x 2" bushing	.75	.75
4 -	½" plugs	.46¼	1.85
1 -	Raymond spring	.05	.05
5 lbs.	Welding rod	.21	1.05
1 lb.	3/8" square packing	3.01	3.01
1 -	1½" nipple	.45	.45
2 -	1½" bushings	.30	.60
2 -	3/8" x 3" Bolts with washers	.05	.10
5 lbs.	Rubber packing	1.60	8.00
1 -	7.4 PD. x 4B x 1 7/16 FW sheave	12.98	12.98
1 -	11.0 PD. x 4B x 1½ TL sheave	16.88	16.88
4 -	B-100 Dodge V Belts	3.22	12.88
	Express (sheaves & belts)		2.30
			62.94
Labor:	21½ hrs.		29.51
			$ 92.45

CRAYONS

INVOICE

THE HITCHCOCK CORPORATION
P. O. BOX 35 MURPHY, N. C.
OFFICE, TALC MINE AND PLANT

SHIPPED TO Steatite Exploration Program
VIA DMA 1198X
Idm. E. 194

DATE 3-11-52
ORDER NO.

TERMS

Brought forward from Sheet 1		$92.45
Adams Machine Shop- Invoice Nos. 703 & 716		
40 inches 7/8" CR steel	1.05	
Making two pump rods.....	3.00	4.05
Turning down packing glands for water pump.....	1.75	1.75
Tennessee Copper Company- Invoice No. 24028:		
Repair pump part - Labor.....	54.86	54.86
Tom Hay Engineering Company- Invoice 12151		
1 - Used gardner denver 4 3/4 x 5 duplex high head pump.....	75.00	75.00
TOTAL PUMP COST (Item 2a)		$228.11

CRAYONS

INVOICE

THE HITCHCOCK CORPORATION

P. O. BOX 35 MURPHY, N. C.

OFFICE, TALC MINE AND PLANT

SHIPPED TO

VIA

Steatite Exploration Program
DMA No. 1198X
Idm. E. 194

DATE 3-11-52

ORDER NO.

TERMS

207.0	Gals. gasoline @$0.278.....	$57.55
28.0	Qts. Essolube motor oil @$0.245.....	6.86
	Total Gas & Oil (Item 6d)	$64.41
16	Core Boxes @$2.00 (Item 6a)	$32.00

CRAYONS

INVOICE

THE HITCHCOCK CORPORATION

P. O. BOX 35 MURPHY, N. C.

OFFICE, TALC MINE AND PLANT

SHIPPED TO Steatite Exploration Project

VIA IMA No. 1198X
Idm. F. 194

DATE 3-11-52

ORDER NO.

TERMS

297 ft.	2" Black pipe @$30.91 c	91.90
	Tax	2.75
	Freight	6.96
38' 8"	2" Black pipe @$31.21c	12.07
181' 3"	2" Gal. pipe @$40.93c	74.19
	Tax	2.59
	Freight	4.97
105' 1"	1" Black pipe @$14.66 c	15.39
99' 8"	1¼" Black pipe @$19.69 c	19.62
210'	1½" Black pipe @$23.36c	49.06
	Tax	2.52
	Freight	5.51
4	Spark plugs @$0.53	2.12
1	Carburetor @$5.28	5.28
1	Hack saw @$1.20	1.20
4	1/4" nipples @$0.10	.40
150'	Rubber covered shooting wire @$0.04	6.00
1	Roll rubber tape @$0.60	.60
3	1/2" cold shuts @$0.15	.45
1	Gasket @$0.22	.22
3	Gaskets @$0.09	.27
1	Pre- oil filter @$1.02	1.02
1	Tube 10 AC)	
1	Cut-off)	9.95
3	Fittings)	
1	Five gallon oil can @$2.65	2.65
10	5/8 x 5 bolts	1.26
8	5/8 x 6" bolts	1.53
4	3/8 x 5 bolts	.26
1	Lock @$1.25	1.25
1	Hasp and staple @$0.35	.35
1	Set - 4 - hinges @$0.30	.30

RAYONS

INVOICE

THE HITCHCOCK CORPORATION

P. O. BOX 35 MURPHY, N. C.

OFFICE, TALC MINE AND PLANT

SHIPPED TO Steatite Exploration Project

VIA DMA No. 1198X
Idm. E. 194

DATE 7-11-52

ORDER NO.

TERMS

1	Machinist hammer	@$1.50	$ 1.50
2	Nipples with screws	@$0.20	.40
1	Pin & Knurl	@$0.30	.30
8	5/8 Nuts		.56
1	2" "T"	@$1.65	1.65
2	Bushings	@$0.30	.60
2	AX Core lifters	@$2.10	4.20
1	AX Bit No. M-386	@$107.84	107.84
1	AX Bit No. J-306	@$121.51	121.51

Total Miscellaneous Supplies (Item 6c) $554.70

CRAYONS

Sheet No. 1

[illegible]

Murphy, North Carolina

DAILY TIME RECORD

OPA Lic. 1198[illegible]
Adm. [illegible] 194

Week Ending February 2, 1952

EMPLOYEES	DAYS OF WEEK PAY HOURS							No. HOURS	Rate	Gross Earnings REMARKS
	SUN	MON.	TUES.	WED.	THURS.	FRI.	SAT.			
Jesse Ledford, Driller						9½	5	14½	1.548	22.42
John Beavers, Helper						9½	5	14½	1.177	17.06
	[illegible]	[illegible]	[illegible]	[illegible]	9, 1952					
Jesse Ledford, Driller		6	6	6	10	9	9	4[illegible]	1.[illegible]75	69.00
John Beavers, Helper		4	9	8	10	9	9	40	1.0[illegible]	52.50
John [illegible] Ledford, Mechanic				1½				1½	1.00	1.50
Howard Poe, Laborer				1½				1½	.95	1.42
Clifton Robertson, Driver				1½				1½	.875	1.31
Jim Cordell, Laborer				1½				1½	.825	1.24
[illegible] Lefevers, Laborer				1½				1½	.775	1.16
S. E. Penders, Oper. [illegible]				1½				1½	1.15	1.72
	[illegible]	[illegible]	[illegible]	[illegible]	16, 1952					
Jesse Ledford, Driller		10	10	10	10	6½	6	56½	1.4[illegible]6	83.95
John Beavers, Helper		10	10	10	10	6½	6	56½	1.15	65.07
Don [illegible], Mechanic	3½		2					5½	1.[illegible]	7.25
	[illegible]	[illegible]	[illegible]	[illegible]	23, 1952					
Jesse Ledford, Driller		10	9½	6	8	6½	6	50	1.4[illegible]	70.15
John Beavers, Helper		10	9½	6	8	6½	6	50	1.0[illegible]	53.37
Don [illegible], Mechanic		5						5	1.00	5.00
John Ledford, Driller **				3	6			9	1.00	9.00
Hadley Stiles, Helper **					3			3	.875	2.47
Clifton Robertson, Driver **					2			2	.875	1.75
Jim Cordell, Laborer **					2			2	.825	1.65
	[illegible]	[illegible]	[illegible]	[illegible]	1, 1952					
Jesse Ledford, Driller		8½		10½	8	6		33	1.2[illegible]5	39.10
John Beavers, Helper		8½		8½	8	6		33	.9[illegible]6	29.75
John Ledford, Driller **		8½		7½				16	1.00	16.00
Hadley Stiles, Helper **		8½		7½				16	.825	13.20
Clifton Robertson, Driver **		4½						4½	.875	3.94

(Continued on Sheet 2)

* Includes overtime when applicable
** Moving and setting up
*** Regular

SIGNED _____

Sheet 2

[illegible] PROJECT

Murphy, North Carolina

DAILY TIME RECORD

PCA-1198
Item [illegible] 194

Week Ending.....

EMPLOYEES	DAYS OF WEEK PAY HOURS							NO. HOURS	REMARKS
	SUN	MON.	TUES.	WED.	THURS.	FRI.	SAT.		
			(Continued	from	Sheet	1)			
	[illegible]	[illegible]	[illegible]	[illegible]	(Item 4)				549.73
	[illegible]	[illegible]							8.55
	2.7[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]			15.38
	0.3[illegible]	[illegible]	[illegible]	[illegible]	[illegible]				1.71
	4.7[illegible]	[illegible]	[illegible]	[illegible]	[illegible]				27.23
	[illegible]	[illegible]	[illegible]	(Item 9a)					52.87
	[illegible]	[illegible]							622.65
D. G. Van [illegible], Sub. C.									
[illegible]	2[illegible]	days	[illegible]	[illegible]	[illegible]	(Item 5)			250.00
O. [illegible] Bennett, [illegible]	2	shifts	[illegible]	[illegible]	(Item [illegible])				20.00

SIGNED_____

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA-1198X
Idm. E. 194

HOLE NUMBER DMA-1 LOCATION Hole 1 - Range 1

ELEVATION OF SURFACE _____ RIVER BED _____ WATER TABLE _____

ELEVATION TOP OF BEDROCK _____ THICKNESS OF OVERBURDEN 100.0

ELEVATION BOTTOM OF HOLE _____ GEOLOGIC FORMATION Murphy marble

SIZE OF CORE AX DATE STARTED 1-23-52 DATE COMPLETED 2-4-52

Continued from January 31, 1952

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
WHITE MARBLE	254.0	1.5	1.5	45°	Medium-grained occasonal leached joint.
BLUISH WHITE MARBLE	255.5	23.5	23.5		Near-mottled, with occasional tremolite.
WHITE MARBLE	279.0	6.0	6.0	45°	With much tremolite for 2.0' at bottom.
MICACEOUS MARBLE	285.0	6.5	1.5		With talcose tremolite at 285.0 and 285.2. 5.0 core loss below 285.2. Balance has pyrite, phlogopite, chlorite, and tremolite.
BANDED MARBLE	291.5	22.5	22.5	45°	Coarse-grained, with micaceous bands.
BOTTOM	341.0				

REMARKS:

There is very slight chance that any of core loss at 285.2 represents ground-up talc.

LOST: 10' AX casing
1 AX coupling

GEOLOGIST

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA 1198X
Idm. E. 194

HOLE NUMBER H2-R1 LOCATION Range 1

ELEVATION OF SURFACE

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 183.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE BX - AX DATE STARTED 2-5-52 DATE COMPLETED 2-14-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
OVERBURDEN	0.0	183.0			
BLUE & GRAY MARBLE	183.0	93.0	93.0	70°	Coarse-grained, slightly contorted, slightly pyritic,
MOTTLED MARBLE	276.0	80.0	80.0	60°-70°	Typical medium-fine-grained dolomite, slightly tremolitic.
WHITE MARBLE	356.0	6.0	6.0	55°	Fine-medium-grained with occasional tremolite
TREMOLITE	362.0			60°	X'alline aggregates.
MICACEOUS MARBLE	365.0			60°	Has tremolite, scapolite chlorite, phlogapite, and sericite.
BANDED MARBLE				65°	White, coarse-grained, with dark chlorite-tremolite bands.
BOTTOM	377.0				

REMARKS:

Talc zone is definitely barren.

GEOLOGIST

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA 1198X
Idm. E. 194

HOLE NUMBER H3-R1 LOCATION Range 1

ELEVATION OF SURFACE

ELEVATION TOP OF BLOCK THICKNESS OF OVERBURDEN 66.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE Bx - Ax DATE STARTED 2-15-52 DATE COMPLETED 2-20-52

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE	DIP	DESCRIPTION
OVERBURDEN	0.0	66.0			
MOTTLED MARBLE	66.0	53.5	53.0		Medium-fine-grained, with occasional tremolit
WHITE MARBLE	119.5	23.0	23.0	45°	Fine-grained with occasional tremolite.
TREMOLITE	142.5	2.8	2.8		X'alline aggregates.
MICACEOUS MARBLE	145.3	12.7	12.5	80-60°	With quartz, tremolite, phlogopite, pyrite, and scapolite(?).
BANDED MARBLE	158.0	12.0	12.0	65°	White, coarse-grained, with dark chloritic and tremolitic bands.
BOTTOM OF HOLE	170.0				

REMARKS: The talc-bearing zone is definitely barren in the immediate area.

Geologist

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA 1198X
Idm. F. 194

HOLE NUMBER H1-R2 LOCATION Range 2

ELEVATION OF SURFACE

ELEVATION TOP OF BEDROCK THICKNESS OF OVERBURDEN 63.0

ELEVATION BOTTOM OF HOLE GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE DATE STARTED 2-23-52 DATE COMPLETED

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
OVERBURDEN	0.0	63.0			
Light Gray Marble	63.0	3.0	3.0		Medium-coarse-grained.
BLUE MARBLE	66.0	14.0	14.0	90°	Medium-grained, contorted, stylolitic.
LIGHT GRAY MARBLE	80.0	3.0	3.0	70°	Medium-fine-grained.
SLATY MARBLE	83.0	3.1	3.1	70°	Contorted.
LIGHT GRAY MARBLE	86.1	75.4	75.0	60°	Medium-grained, with occasional tremolite.
MOTTLED MARBLE	161.5	19.5	19.5	60°	Fine-grained, with occasional tremolite.

181.0 on February 29

Geologist

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

Room 1, Post Office Building
Knoxville, Tennessee

February 19, 1952

Memorandum

To: C. O. Mittendorf, Acting Administrator, DMEA

From: Acting Executive Officer, DMEA - Region VII

Subject: Amendment to contract DMA-1198X, Idm-E194, Hitchcock Corp. Murphy, N. C.

Enclosed are original and three copies of an amendment to the above subject contract. The Operator has retained one copy and we have kept one copy for the Field Office files.

Wm. A. Beck,
Acting Executive Officer
DMEA Region VII

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 21 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII

OFFICE OF
REGIONAL DIRECTOR

P. O. BOX 217
NORRIS, TENNESSEE

February 20, 1952

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

Dear Mr. Mittendorf:

We are enclosing two copies of the January 1952 Monthly Progress Report submitted by the following operator:

The Hitchcock Corporation
Contract Idm-E-194
Docket No.: DMA-1198X

Sincerely yours,

Helen Miller
Helen R. Miller
Administrative Officer

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
FEB 25 8 PM '52

Enclosure
Cc: Mr. F. E. Johnson
Mr. R. A. Laurence
Mr. W. A. Beck

1/28 - One copy received in Knox Metallurgy Laboratory
W.A.B.

MF-204
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. DMA-1198X
Idm-E 194

Name of Operator The Hitchcock Corporation
Docket No. DMA 1198X
Total Contract Amount $ 58,534.20
Government Participation: 50 % Amount, $ 29,267.10
Distribution of Expenditures for Month of January, 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

FEB 25 8 44 PM '52
DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—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.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

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.

The Hitchcock Corporation
(Name of Company)

By E. C. Van Horn
(Signature of Authorized Official)

February 11, 1952
(Date)

Asst. Supt.
(Title)

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.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(a) Facilities						
(b) Buildings						
(c) Fixtures						
2. Operating Equipment:						
(a) Purchased[1]						
(b) Rented[2] Core Drill, 8 shifts @$3.00 per shift	24.00		24.00	24.00		24.00
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

16—64068-3

MON[illegible] SUMMARY COST STATEMENT-[illegible]inued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	177.76		177.76	177.76		177.76
5. Supervision Supt 8 days	80.00		80.00	80.00		80.00
6. Supplies @10.00						
(a) Timber Core boxes	16.00		16.00	16.00		16.00
(b) Explosives						
(c) Repair Parts Misc. supplies	2291.50		2291.50	2291.50		2291.50
(d) Other Gas & Oil	11.11		11.11	11.11		11.11
7. Power						
8. Transportation Winch truck	5.00		5.00	5.00		5.00
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation Unemployment & O.A.B.	16.47		16.47	16.47		16.47
10. Contract Work						
11. Other (specify) Bookkeeper 2 days @10.00	20.00		20.00	20.00		20.00
Total	2641.84		2641.84	2641.84		2641.84
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

Note.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by W. A. Beck
Entered by W. A. Beck
Approved by W. A. Beck
Amount approved for payment $2,377.66
Remarks

2377.66

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF .....

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes						Feet	254.00		254.00	10,000.00
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals										

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

DMA 1198X
Idm. E. 194

[illegible]

THE HITCHCOCK CORPORATION
P. O. Box 39
Murphy, N. C.

20: The Hitchcock Corp. Ocoasita Exploration Project

Item	No. Req.	Description	Unit Cost	% Value New	New Cost	Proc. Value
1	23	10' AX Flush Joint Casing with Couplings	13.35	95	307.05	291.70
2	1	4' AX Flush Joint Casing with Couplings	7.75	40	7.75	3.10
3	1	3' AX Flush Joint Casing with Couplings	7.40	60	7.40	4.40
4	12	10' BX Flush Joint Casing with Couplings	16.95	95	203.40	193.23
5	1	5' BX Flush Joint Casing with Couplings	10.90	60	10.90	6.54
6	2	3' BX Flush Joint Casing with Couplings	9.80	60	19.60	11.76
7	1	2' BX Flush Joint Casing with Couplings	9.25	60	9.25	5.55
8	36	10' A Rods With Couplings	14.30	95	514.80	489.06
9	6	10' A Rods With Couplings	14.30	60	85.80	51.48
10	16	10' B Rods With Couplings	21.45	95	343.20	326.04
11	1	10' AX Double Tube Core Barrel	81.00	95	81.00	76.50
12	1	10' BX Double Tube Core Barrel	102.00	95	102.00	97.66
13	1	AX Diamond Bit No. P-384	112.14	100	112.14	112.14
14	1	BX Diamond Bit No. B-53	149.00	95	149.00	141.55
15	1	AX Diamond Reaming Shell No. P-842	83.00	90	83.00	74.70
16	1	Bushing, A Rod to AX Casing	0.65	60	0.65	0.39
17	1	Bushing, A Rod to BX Casing	10.90	80	10.90	8.72
18	1	Adapter, B Pin to A Box	8.60	80	8.60	6.88
19	1	AX Core Lifter	2.10	100	2.10	2.10
20	1	BX Core Lifter	2.55	100	2.55	2.55
21	2	A Holding Plugs, Galvanized	6.00	50	12.00	6.00
22	1	B Holding Plugs, Galvanized	37.41	80	37.41	29.92
23	5	20' Galvanized 1½" pipe	5.96	80	29.80	23.84
24	7	20' Galvanized 1¼" pipe	4.77	80	33.39	26.72
25	6	20' Black 1½" pipe	4.66	80	27.96	22.36
26	1	12' Black 1½" pipe	2.79	80	2.79	2.23
27	5	20' Black 1¼" pipe	4.66	60	23.30	13.98
28	3	20' Black 1" pipe	3.49	80	10.47	8.38
29	1	2" Foot valve & Strainer	4.42	75	4.42	3.32
30	1	0" 600 lb. water pressure gauge	13.82	95	13.82	13.13
31	1	Water Swivel A-12	27.00	80	27.00	21.60
32	1	20', ½" Water pressure hose	13.60	80	13.60	10.88
33	1	25', 1" Water pressure hose	28.45	80	28.45	22.76
34	2	Spade Hard Dies	23.35	80	46.70	37.36
35	1	10" Rigid Pipe wrench	7.33	85	7.33	6.23
36	1	24" Rigid Pipe wrench	12.66	85	12.66	10.76
37	1	36" Rigid Pipe wrench	26.66	85	26.66	22.66
38	1	Round Point Shovel	2.65	80	2.65	2.12

INVOICE

THE HITCHCOCK CORPORATION

P. O. BOX 35 MURPHY, N. C.

OFFICE, TALC MINE AND PLANT

SHIPPED TO Steatite Exploration Project

VIA DMA No. 1198X

Inv. No. 194

DATE February 11, 1952

ORDER NO.

TERMS

38.2	Gals. gasoline @$0.278	$10.62	
2	Qts. Essoluble Motor Oil @$0.245	.49	
	Total gas & oil (Item 6d)		$11.11
8	bore boxes @$2.00 (Item 6a)	16.00	16.00

Material furnished from Hitchcock Corp. stores

CRAYONS

DTA No. 1198X
Idm.E 194

MINERAL ROCK SERAFITE EXPLORATION PROJECT
Murphy, North Carolina

DAILY TIME RECORD

Week Ending Jan. 26, 1952

EMPLOYEES	DAYS OF WEEK PAY HOURS SUN	MON.	TUES.	WED.	THURS.	FRI.	SAT.	Hrs. HOURS	Rate	Gross Earnings REMARKS
Jesse Ledford, Driller			4	8	8	8	4	32	1.2[illegible]	$ 39.10
John Beaver, Helper			4	8	8	8	4	32	.93	29.75
B.T. Sanders, Labor, Fireman***			4	2				6	1.15	6.90
Boyd Hogsed, Laborer***			4	4				8	.775	6.20
Howard Fox, Laborer***			4	2				6	.95	5.70
Em. Lofevers, Laborer***			4	2				6	.775	4.65
	WEEK ENDING FEBRUARY 2, 1952									
Jesse Ledford, Driller		5		4	9½			18½	1.15	21.27
John Beavers, Helper		5		4	9½			18½	.875	16.19
Ben Warner, Mechanic**			8	8	8			24	1.00	24.00
John Ledford, Mechanic**			8	8	8			24	1.00	24.00
	TOTAL GROSS EARNINGS (Item 4)									177.76
	1½% O.A.B.								2.67	
	2.7% N.C. Unemployment Ins.								4.79	
	0.3% Federal Unemployment Ins.								.53	
	4.785% Workmen's Compensation Ins.								8.48	
	TOTAL INSURANCE (Item 9c)									16.47
	TOTAL LABOR									$194.23
Winch Truck Hire (Moving and setting up) 5 hrs. @$1.00 (Item 8)									5.00	
* Includes overtime when applicable										
** Pump repair labor										
*** Moving & Setting up labor										
E. C. Van Horn, Supt. & Geologist: 8 shifts @$20.00, one-half time (Item 5)										80.00
C. W. Barrett, Bookkeeper: 2 day @$10.00 (Item 11)										20.00

SIGNED E. C. Van Horn

MONTHLY PROGRESS REPORT, JANUARY, 1952

THE HITCHCOCK CORPORATION

STEATITE EXPLORATION PROJECT

DMA 1198X Idm. E. 194

Preparations for Hole 1, Range 1 were started on January 22, when equipment and supplies were moved to the site. The drill was set up and 70 ft. of overburden was drilled on January 23. Overburden drilling was completed and 10.0 feet of BX core on January 24, using BX bit #R-53. 100.0 feet of BX casing and 110.0 feet of AX casing was set. On January 31, the hole was down to 254.0 feet. The drill hole shows a normal formational position, and the lithologic sequence is normal except for somewhat excessive mottled marble immediately above the talc-bearing zone. No talc was encountered.

E. C. Van Horn, Geologist

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA-1198X

Idm. E. 194

HOLE NUMBER DMA-1 LOCATION Range 1

ELEVATION OF SURFACE _____ RIVER BED _____ WATER TABLE _____

ELEVATION TOP OF BEDROCK _____ THICKNESS OF OVERBURDEN 100.0

ELEVATION BOTTOM OF HOLE _____ GEOLOGIC FORMATION Murphy Marble

SIZE OF CORE BX- AX DATE STARTED 1-23-52 DATE COMPLETED _____

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
OVERBURDEN	0.0	100.0			Clay & Sand
BLUE MARBLE	100.0	10.0	8.5	60°	BX-Coarse grain graphitic Sand
BLUE MARBLE	110.0	7.0	7.0	60	AX-Do
GRAY MARBLE	117.0	3.0		60	Med. Coarse grain
GRAY MARBLE	120.0	10.0	7.0		Do
GRAY MARBLE	130.0	3.0	2.5		Do
GRAY MARBLE	133.0	7.0	4.5	55	Do Stylolitic
MOTTLED MARBLE	140.00	10.0	6.0	55	Mottled, bluish-white fine-grained, broken along vertical joints.
MOTTLED MARBLE	150.0	10.0	5.5		Do
Do	160.0	4.0	4.0		Do
Do	164.0	10.0	2.0		Do
Do	174.0	10.0	10.0		Do
Do	184	10.0	10.0		Do
Do	194	10.0	10.0		Do
Do	204	10.0	10.0		Do

REMARKS: Sequence of Blue, Gray and Mottled Marble nonmal except for excess of mottled zone. Talc-bearing zone lays immediately below mottled zone already encountered.

E. C. Van Horn
GEOLOGIST

GEOLOGIC RECORD OF DRILL HOLE
PROJECT DMA*1198X

HOLE NUMBER DMA-1 LOCATION Range 1
ELEVATION OF SURFACE _____ RIVER BED _____ WATER TABLE _____
ELEVATION TOP OF BEDROCK _____ THICKNESS OF OVERBURDEN 100.0
ELEVATION BOTTOM OF HOLE _____ GEOLOGIC FORMATION Murphy Marble
SIZE OF CORE AX DATE STARTED 1*23-52 DATE COMPLETED _____

MATERIAL	DEPTH FROM SURFACE	THICKNESS OF STRATUM	LENGTH OF CORE RECOVERED	DIP	DESCRIPTION
MOTTLED MARBLE	214.0	4.5	4.5		As above
WHITE MARBLE	218.5	10.5	10.5	45	Medium-to fine grained occasional leached horizontal joints.
BLUE*WHITE MARBLE	229.0				Near mottled. Has medium to coarse tremolite.
WHITE MARBLE	241.0				As at 218.5
BLUE-WHITE MARBLE	244.0				As at 229.0
MICACEOUS MARBLE	249.5			40	Medium-grained. Has pynite, phlogapite, chlonite, & Tremolite. o.1 chlorite seam at 252.7.
WHITE MARBLE	253.0	1.0	1.0		As @ 241.0
		1-31-51			

REMARKS:

_____
GEOLOGIST

FILE COPY
SURNAME:

100

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

December 11, 1951

Memorandum

To: Reports and Records Section

From: Acting Administrator

Subject: Docket No. DMEA-1198X
The Hitchcock Corporation
Exploration Project Contract Idm-X194

Enclosed is an original memorandum from Robert A. Laurence, Executive Officer, Region VII, transmitting an amendment to the above-subject docket which is also enclosed for attachment to your copy of the contract.

(signed) FRANK E. JOHNSON (for)

S.M. 12-14

Enclosures

JWAlt/meb
12/11/51
cc to: Adm.Reading File
Reports and Records
Mr. Mittendorf
Mr. Alt
Docket

FILE COPY
SURNAME:

100

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

December 11, 1951

Memorandum

To: Chief, Finance Section

From: Acting Administrator

Subject: Docket No. DMEA-1198X
The Hitchcock Corporation
Exploration Project Contract Idm-E194

Enclosed is a copy of an amendment to the captioned exploration contract. Please forward to the Finance Officer, Region VII, for attachment to his copy of the contract.

(signed) FRANK E. JOHNSON

Enclosure

JWAlt/meb
12/11/51
cc to: Adm.Reading File
Reports & Records
Mr. Mittendorf
Field Team,Reg.VII(2)
JWAlt
Docket

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D.C.
Room 13, Post Office Building
Knoxville, Tennessee

DEPARTMENT OF THE INTERIOR
RECEIVED
DEC 1 0 1951
Defense Minerals Administration,
Production Expansion Division.

December 7, 1951

Memorandum

To: Mr. Frank E. Johnson, Chairman, Operating Committee

From: Executive Officer, DMEA Region VII

Subject: DMA-1198X, Idm-E194. The Hitchcock Corporation

Transmitted herewith are 4 signed copies of contract amendment 1, to the subject contract. One copy was retained by the Operator, and one is in our files.

Robert A. Laurence

Robert A. Laurence
Executive Officer DMEA Field Team
Region VII

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 1 0 1951

400

FILE COPY
SURNAME:

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

S. A.

NOV 30 1951

Alt

MEMORANDUM

To: Mr. Robert A. Laurence, Executive Officer, Reg.VII
Rm. 13, Post Office Bldg., Knoxville, 01, Tenn.

From: Acting Administrator, Defense Minerals Exploration Administration

Subject: Copy of Contract DMA-1198X

As per telephone conversation of November 29, 1951 with Mr. Alt, we are returning to you your copy of the above contract.

The other contracts have been distributed according to normal procedures.

C. O. Mittendorf (for)

cc
11/30

JWAlt/jem

cc to: Adm. Reading File
Reports & Records
Mr. Mittendorf
Field Team, Reg. VII
Docket

OFFICE OF THE ADMINISTRATOR

Mr. Alt

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

Room 13, Post Office Building
Knoxville, Tennessee

DEPARTMENT OF THE INTERIOR
RECEIVED
NOV 28 1951
Defense Minerals Administration,
Production Expansion Division.

November 26, 1951

TALC

Memorandum

To: Frank Johnson, Acting Chairman, Coordinating Committee

From: Executive Officer, DMEA Field Team, Region VII

Subject: DMA Docket 1198X, Idm-E 194. The Hitchcock Corporation

Enclosed are 5 signed copies of the contract on the above subject project, which have just been received from the operator.

Robert A. Laurence

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

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
NOV 28 8 46 AM '51

11/29/51 - Phoned office of Region VII. Operator has copy of the contract. Send copy to Robert A. Laurence, Executive Officer

Mr. Alt.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
Room 13, Post Office Building
Knoxville 2, Tennessee

RECEIVED
NOV 9 1951

DEPARTMENT OF THE INTERIOR
RECEIVED
NOV 9 1951
Defense Minerals Administration,
Production Expansion Division.

November 7, 1951

Mr. Frank E. Johnson
Acting Director
Production Expansion Division
Defense Minerals Administration
Washington 25, D. C.

Re: Docket No. DMA - 1198X
The Hitchcock Corporation
Exploration Project Contract Idm-E194

Dear Mr. Johnson:

Your letter of November 2, enclosing original and five copies of the subject exploration contract, together with Appendix I (1 page), Exhibit "A" (2 pages), "Landlord's Subordination Agreement", and one map, was received November 6.

It is noted that the exploration contract has been signed by you for the Government, and the original and five copies are to be presented to an authorized official of The Hitchcock Corporation for his signature, without changes to its content. This will be presented for signature this week.

Sincerely yours,

Robert A. Laurence

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

FILE COPY

11/9/51 - noted - J.V.G.

To	Initials	Date

FILE COPY
SURNAME:

410

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

FE Johnson

NOV 2 1951

Mr. Robert A. Laurence
Executive Officer
Region VII
Room 13, Post Office Building
Knoxville 01, Tennessee

Re: Docket No. DMA - 1198X
The Hitchcock Corporation
Exploration Project Contract Idm-R194

Dear Mr. Laurence:

We are enclosing the original and five copies of the above-referenced Exploration Project Contract, signed by this office for the Government, together with the attached Appendix I (1 page), Exhibit "A" (2 pages), "Landlord's Subordination Agreement", and one map.

If the terms and conditions of this contract are approved by the Operator, all six copies should be signed by a duly-authorized official of the company, one copy should be given to the Operator, one copy retained by your office and the original and three copies returned to this office.

If any part of this contract does not meet with the approval of the Operator, the original and all copies of the contract are to be returned to this office together with the proposed changes for consideration.

Sincerely yours,

11/2

(signed) FRANK E. JOHNSON (fw)

Acting Director
Production Expansion Division

Enclosures

APPROVED:

Chairman, Coordinating Committee

Member, Geological Survey

Member, Bureau of Mines

JWAlt/meb
10/24/51
cc to: Admr's Reading Files
Reports and Records
Messrs. Mittendorf/Olund
Barr Moon
Alt Docket

FILE COPY
SURNAME:
140
DMA-1198X
Guthrie

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

October 26, 1951

Memorandum

To: Director, Production Expansion Division

From: General Counsel

Subject: The Hitchcock Corporation exploration project contract -- Docket No. DMA-1198X

The proposed exploration contract in this case, resubmitted on October 26 meets the objections of our memo of October 22 and is approved as to legal form and sufficiency for signature on behalf of the Government subject to:

1. Proper signature on behalf of the applicant.

2. Proper dating prior to delivery.

Your file is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachment

RRGuthrie/ema

Copy to: Reports & Records
R. R. Guthrie
J. L. Hofflund
Chron.

G.E.C.

FILE COPY
SURNAME:

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

October 22, 1951

Memorandum

To: Director, Production Expansion Division

From: General Counsel

Subject: The Hitchcock Corporation exploration project contract — DMA Docket No. 1198X

We are returning unapproved the proposed exploration contract in this case, submitted to us on October 18, 1951, because we believe that the description of the property as inserted in Article 2 of the contract does not cover all of the land which should be included in the project. The description as we understand it covers only the tract added by the lease amendment of April 11, 1944 and not the tract covered by the original lease. While all of the drilling may be done on the former tract the two are contiguous and we believe that it was the intention of the parties that both should be included in the contract. Certainly it is to the advantage of the Government to have them included. The subordination agreement signed by the lessor covers both tracts.

Your file is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachment

RRGuthrie/bjl

Copy to: Repts. & Records
J. L. Hofflund
R. R. Guthrie
Chron.

a.E.C.

OCT 4 1951

MEMORANDUM:

TO: Director, Production Expansion Division
Defense Minerals Administration

FROM: Director, Supply Division
Defense Minerals Administration

SUBJECT: Recommendation for Contract Approval

Name of Applicant: The Hitchcock Corporation
P. O. Box 35
Murphy, North Carolina

DMA No. 1198X

Commodity: Steatite Talc

Amount Requested: $ 185,965

Amount Approved: $ 33,569

Government Participation: 90% $ 30,212.10

Signed

Tom Lyon

DMA - 1198X

RECOMMENDATION

1. That an Exploration Aid Contract be granted in the amount of $33,569, Government participation 90%, in accordance with Exhibit "A" attached.

2. That operator be allowed 30 days from contract date to begin work under project.

EXHIBIT "A"

Description of Work

A maximum of 10,000' of Diamond Drilling will be done as indicated on attached map. Individual holes will vary from 100' to 300' in depth; exact depths and locations will be mutually agreed upon by Field Team and Operator as work progresses.

The Operator owns two drill rigs and will rent these to the project at a rate of $6.00 per shift each; either one or two rigs may be operated at the discretion of Operator. Rental will be charged for drill shifts actually worked.

The Operator will log all cores and preserve them for inspection by Field Team who will make periodical examinations of the cores recovered. The Field Team may select any part of the cores which in its opinion merits special testing for further inspection and testing in Government laboratories. Results of tests in Government laboratories will be made available to Operator. Core testing may also be made in commercial laboratories if necessary and mutually agreeable to Field Team and Operator.

All cores will be BX or larger.

Total allowable cost $33,569, time limit 23 months.

RECAPITULATION OF PROJECT

Drill Rental	10,000' @	$0.21	$ 2,100
Labor	" "	1.15	11,529
Supervision, Accounting and Records	" "	0.42	4,190
Equipment purchase (pump and pipe)	" "	0.25	2,500
Drill accessories and supplies	" "	0.78	7,750
Core handling, shipping, testing	" "	0.40	4,000
Payroll taxes and insurance	" "	0.15	1,500
Total 10,000' @		$3.36	33,569

Fixtures & Improvements

Not applicable.

Operating Equipment and Supplies

1 High head pump	$1,000
5000' of 2" pipe @ 30¢ per foot	1,500
Drill accessories, rods, core barrels, diamond bits, casing, etc.	6,000
Miscellaneous supplies, core boxes, tools, transportation, drill repairs, etc.	1,750
Total Purchase	$10,250
Rental of drill rigs @ $6.00 per shift Does not include accessories, fuel, lubricants or repairs.	$2,100

Labor and Supervision

1 - Engineer - Supt. 1/2 time	$20.00	per day
1 or 2 Drill Runners	13.00	" "
1 or 2 Drill Helpers	8.67	" "
1 or 2 Laborers	8.67	" "
1 - Mechanic - part time	13.00	" "
1 Bookkeeper - part time	10.00	" "

When one drill rig is operating 1 each Drill Runner, Helper and Laborer may be employed; when 2 rigs are operating 2 each Runner, Helper and Laborer may be employed.

Rehabilitation and Repairs

Not applicable.

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

OCT 4 1951

370

October 3, 1951

Memorandum

To: Director, Production Expansion Division, DMA

From: Chief, Industrial Minerals Branch, DMA

Subject: DMA 1198X
The Hitchcock Corporation
Murphy, North Carolina
Commodity: Steatite Talc
Amount: $185,965

There is transmitted herewith subject application with recommendation for approval.

James A. Barr, Sr.

Approved:

Acting Director, Supply Division

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

Room 13, Post Office Building
Knoxville, Tennessee

RECEIVED
OCT 1 1951

September 28, 1951

Registered Mail

Memorandum

To: Tom Lyon, Chairman, Coordinating Committee, DMA

From: Field Team, Region VII

Subject: DMA-1198X, The Hitchcock Corporation

Transmitted herewith are 4 copies of Field Team Report on the subject application. The Field Team concurs in the recommendations. If the Industrial Minerals Branch wants cores of NX or larger size, the estimates will have to be revised upward considerably. The question of disposition of the samples should also be decided in Washington.

A copy of the lease, and six signed copies of the Subordination Agreement are attached herewith. We are returning the original application, review and related data.

Robert A. Laurence
Robert A. Laurence
U. S. Geological Survey

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

OFFICE FILE COPY

370 Q.EE. 10-1

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

Report

DEFENSE MINERALS ADMINISTRATION
REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DMA-1198X, The Hitchcock Corporation

Cherokee County,
North Carolina

By

Wm. A. Beck, Engineer
U. S. Bureau of Mines
**
Robert A. Laurence, Geologist
U. S. Geological Survey
**
Kefton H. Teague, Geologist
U. S. Geological Survey

September 21, 1951

Report of Field Team Examination on

DMA-1198X, Hitchcock Corporation.

Field examination of the application by the Hitchcock Corporation, Murphy, North Carolina was made on September 21, 1951. J. W. Bailey, Jr., Superintendent and E. C. Van Horn, Assistant Superintendent and geologist, represented the applicant. There is little that can be seen on the surface, in the talc belt, and the examination consisted principally of a review of the proposal and discussion of Mr. Van Horn's geological interpretation, with brief examination of some cores and drill hole sites from a 1949 drilling program.

Geology of the Murphy talc deposits is adequately described in Bulletin 56, of the North Carolina Division of Mineral Resources, by E. C. Van Horn, which accompanies the application. Although there is room for doubt about some of the regional interpretations in this bulletin, the detailed stratigraphy of the Murphy marble, as worked out by Van Horn provides a reliable basis for planning exploration work. Therefore, we accept Van Horn's plan of hole locations as the best method of exploring for steatite talc at this property. Probability of discovery of steatite talc is sufficiently good to justify the expense of exploration, as indicated by Chidester, Norton and others in the reviews.

Chidester's suggestion of confining exploration to the Carolina property was discussed with Bailey and Van Horn. They prefer to do the work on the Tarheel property because, (1) probability of occurrence of steatite talc about equal at both places, (2) better accessibility of the Tarheel tract, and its location adjacent to Hitchcock's mill, (3) better mining conditions at Tarheel because of proximity of Carolina mine to Hiwassee Lake, and (4) they are already mining the material represented by sample NC-3, on the Carolina property. Van Horn said that in scaling down the proposal from the original 60,000 feet to 10,000 feet, he selected the 10 most favorable ranges on the basis of geological conditions. It will be noted (see map submitted by Van Horn) that these ranges will not be spaced equally. Depth and spacing of holes on each range is to be determined after geologic interpretation of the first hole on each range.

The question of size of core to be taken was also discussed with the applicants. They state that all their exploration is with BX and AX cores, usually taking AX in the talc zone. They have no NX barrels or bits and would have to buy new equipment especially for this job if NX or larger core is to be taken. We are advised by Dr. Hewitt Wilson and Dr. Alton Gabriel, of the Bureau of Mines, Norris, Tennessee, that samples suitable for testing can be cut from AX core, and W. C. Bell, of North Carolina State College states that complete tests can be made with a sample 1 inch in diameter and 1 3/4 inch long. For this reason, we have prepared estimates

based on cores of AX and BX sizes; if it is considered necessary to have NX or larger cores, the estimates will have to be revised upwards. Rather than drill the entire 10,000 feet with large core, it would seem better to provide for larger cores or actual bulk samples to be taken from localities found to be favorable by this drilling project.

No definite decision has been made as to disposition of the samples. It is our recommendation that the testing and analysis should be part of the project. If splits of samples for check testing are desired, for testing in Government laboratories, the contract should so state. We are advised that W. C. Bell, of North Carolina State College, Raleigh, N.C., is equipped to run tests on these samples for color, ignition loss, shrinkage (2 directions), absorption, defects on firing, modulus of rupture, and dielectric properties, at the following scale of prices:

50 or less samples,	$25 per sample	
100 " " " ,	$20 "	"
more than 100 " ,	$18 "	"

(chemical analyses not included in these prices)

The applicants propose to do this work with their own crews and two Sullivan #12 drill rigs which they now own and would rent to the project. The estimated costs of items usually covered in contract drilling work out to slightly over $2.50 per foot, which is far less than any contractor in this area is likely to bid for such work.

It should be noted that the applicant proposes to work six (6) shifts per week, and the labor schedule is figured on the average rate for 40 hours straight time, and 8 hours time and a half . Reason for this is that the entire plant now operates on a 48-hour-week and the drill crews should not be expected to work for a lower weekly wage than they are now getting from the company.

It is our recommendation that the proposal be accepted for 10,000 feet of diamond drilling on the ten ranges shown on the accompanying map of the Tarheel property, provided, of course, that locations of the ranges and of holes on the ranges may be shifted or abandoned as information from the drilling is developed.

Estimated costs are given in Exhibit "A" which follows:

DMA#1198X- EXHIBIT "A" EXPLORATION PROJECT

The exploration program to consist of 10,000 feet of diamond drill hole on ten rages. Core of which will be AX size or larger. There will be approximately 4 holes on each range averaging 250-feet in depth. This work will start in 30 days and will be completed within 23 months from the date of the contract. Operator may use one or two drill rigs on the project and will operate six shifts per week.

Cost of Project

1/	Rental of diamond drill rig less accessories for 350 shifts @ $6/per shift	$2100.00
	Purchase of 1 high head pump	1000.00
	Purchase of 5000-feet of 2" pipe @ 30¢ per foot	1500.00
	Purchase of drill accessories, rods, core barrels, diamond bits, casing, etc.	6000.00
	Purchase of miscellaneous supplies	1750.00
1-	Drillrunner @ $13/per day - 350 days	4550.00
1-	Drill helper @ $8.67/day - 350 days	3034.50
1-	Laborer @ $8.67/day-350 days	3034.50
1-	Mechanic @ $13./day - 70 days	910.00
1-	Bookkeeper @ $10/day - 69 days	690.00
1-	Engineer - Superintendent @ $20/day-175 days	3500.00
	Analysis of 200 samples @ $20/each	4000.00
	Rayroll taxes, insurance etc.	1500.00
	Total cost of project	$33,569.00

1/ Repairs, fuel and oil not included in these costs.

Fixtures and Improvements:

Does not apply to this project.

Operating Equipment:

Equipment to be purchased

1- High head pump	$1000.00
5000-feet of 2" pipe @ 30¢/ ft.	1500.00
Drill accessories, rods, core barrels, diamond bits, casings etc.	6000.00
Miscellaneous supplies	1750.00

Equipment to be rented

1/ Diamond drill @ $6./day

1/ Rate does not include accessories, gas, oil or repairs and applies only when drill is in operation.

Labor and Supervision

By quantity, classification and rate of compensation

1- Engineer-Superintendent @ $20/day
1- Drill runner @ $13/day
1- Drill helper @ $8.67/day
1- Mechanic @ $13/day
1- Laborer @ $8.67/ day
1- Bookkeeper @ $10/day

Rehabilitation and Repairs

Does not apply to this contract.

September 21, 1951

Robert A. Laurence, Geologist
Kefton H. Teague, Geologist
Wm. A. Beck, Mining Engineer

6/5/51

Defense Minerals Administration

Review of Application for Exploration Assistance

Docket No. DMA 1198X

Commodity Steatite Talc

Total Amount $185,965.00

Govt. Participation 90%

1. Name and Address of Applicant The Hitchcock Corporation
Box 35, Murphy, North Carolina

2. Location of Property Nancy Jordan Property - 1½ mi. Southwest of Murphy
Carolina Property - 5½ mi. southwest of Murphy
Cherokee County, N.C.

3. Mineral or metal Steatite Talc Is it listed in Section 9 of MO-5? Yes

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good Yes - the project will still need
b) Poor a visit by the field Team in order
c) None to try and reduce their exploration to
d) Don't know—needs field examination more favorable areas
e) Is there an alternative and favorable project? J. Redden 6/26/51
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached? No - will be made available for attachment to exploration contract

Does the lease have sufficient time to run to cover a future productive period? Not Known

*question numbers are those of MF-103

7. Are subordination agreements necessary? Yes

a) MF-201? _____

b) MF-202 Not attached

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes - Corporation operating at present

b) Equipment and supplies Yes
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? No

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes - Corp. has been operating for several years

Is a field check needed on this point? No - see above

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Yes

If not, are there sufficient data given so that you can describe the project? Yes If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? No

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Part of it would be - part would be development

I think essentially all of it would be JAA USGS except for the 40 development holes.

If not, what part of it is? of tonnage reserves

Exploration would be to test for location of extensions of present ore bodies. Discovery of block stratifs of strategic quality problematic.

Is this part a worthwhile exploration project? Yes

d) Are the cost estimates detailed? Yes - partly

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? No If so, attach a draft.

e) Are the cost estimates reasonable? Yes

f) Should more information be requested from applicant? Yes - by field times

g) Is a field examination necessary to complete Exhibit A? Yes.

11. Exhibit B (question 23-d)*

a) Is it applicable? Not construction requested or needed

b) If so, are sufficient data furnished? _____ If so, attach a draft.

c) Is a field check needed? No

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? Yes -

b) Sufficient data? Yes If so, attach a draft.

c) Are rents and charges reasonable? Yes

d) Is a field check needed? Yes to check data + equipment

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? Yes - general discussion.

14. Exhibit E (question 23-c)*

a) Is it applicable? None requested or required

b) Sufficient data?

c) Reasonable?

d) Field check needed? No.

15. In your judgment, can the proposed work be done in the proposed time? Probably yes - (program too big for exploration alone)

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question? Determine how much of the program would be exploration & how much to develop tonnage reserves. Also the possibility of finding strategic block stealth by drilling. A map should be prepared showing the approximated location of the holes contemplated. The field team should try and restrict the blanket drilling to more favorable areas. It may be possible to restrict the exploration to about 50% of the proposed cost. The Geological Survey intended to diamond drill this property last year. Funds ($50,000) were not available and the project was dropped. It is questionable that lava grade talc will be encountered, but the opinion is expressed by Chadester that this property might produce some in future work. Although the chances may be poor in finding lava grade talc, the chances are fairly good that other economic deposits of talc will be discovered. JRS

Reviewed by: Donald M. Beverly
B/M
John R. Arden 6/26/51 USGS

Date 6/26/51

97692

6/26/51 Docket No- D.M.A. 1198X

This applicant is one of the large producers of talc, principally crayons + ground material but has had little or no output of block steatite suitable for strategic use. Some which has been tested broke down on calcination although of apparently good grade. One question in connection with the proposed project is whether or not strategic grade material can be found & recognized by diamond drill holes – the possibilities will have to be determined by the field team

Section 10 Exhibit A.

The work proposed for this project is quite well described but is too extensive + covers too large an area for only exploration. The work is entirely diamond drilling with 40 of the 200 holes planned to be drilled at closer intervals than the primary unit of about 300 feet to test area ~~consi~~ found to be favorable. The program appears to be designed to test the entire areas, which is beyond what should be considered exploratory.

For an exploration program the suggested plan could be reduced by safely 75%, especially as in the application it is stated that the staff of the corporation is able to select the most favorable spots for exploration.

The field team should discuss this problem with the corporation officials & determine just what is necessary for proper exploration without going into the development phase of the undertaking. The advisability of doing this drilling by contract should be studied although the estimated costs are very reasonable. A map showing the approximate location of the holes should be prepared + submitted

DMA. 1198X

6/26/51

Section 11 - Exhibit B

No additional facilities are required or proposed for this project. The operating corporation maintains any that might be desired.

Section 12 Exhibit C

The diamond drill equipment to be purchased & rented, from the applicant, are proper & the costs quoted reasonable, if an extensive program is to be conducted. If it is reduced, as suggested herein, this equipment list could be reduced & possibly done by the one rented drill. Again, the possibility & advantage of doing the exploration drilling by contract should be mentioned.

Section 13, Exhibit D

The labor mentioned + the wage rates quoted are sufficient + reasonable for a project of this size.

Section 14. Exhibit E

No repair work or rehabilitation will be necessary before the start of the project.

D.M.A. 1198X

6/26/51

Section 16 - Recommendations.

The project proposed by this applicant should be favorably considered but on a very much reduced scale. Instead of 200 holes + 60000 feet of drilling a much more suitable program would be in a maximum of 50 holes + 15000 feet. It might even be reduce further after study by a field team.

The applicant corporation has been in the business of producing talc crayons + ground talc for several years + undoubtedly could reduce the program by selecting particularly favorable sites without loss of the exploration phase of the project. Without being on the ground it appears that such an elaborate drilling program contemplates the proving up of a large tonnage of commercial ore.

The question of block steatite of strategic grade must be taken into serious consideration + the probability of finding this type material by drilling determined before any commitment is made.

The application should be referred to the field team for determination of these points + final decision on the advisability of entering a contract for the project.

MR

C
O
P
Y

7 Winter St.
Montpelier, Vt.

Sept. 14, 1951

Ref. DMA-1198X

Mr. James J. Norton
U. S. Geological Survey
Washington 25, D. C.

Dear Jim;

I received from Al Engel on Tuesday September 11 (unfortunately, Al was travelling when he received your memo, and was unable to answer sooner) a file of correspondence regarding samples of North Carolina talc that we had submitted through Mike Fleischer for testing by Kirchberger of New York, and by others. This file was the first hint I had that the Survey had received a report on these samples-- and I have inquired from Washington for results several times since the samples were submitted last November. Obviously, Kirchberger's interest is encouraging, and is a favorable factor to be considered in evaluating the Hitchcock DMA application. Had I been aware of these preliminary favorable tests, I would perhaps have endorsed the Hitchcock application a little more strongly.

The sample in which Kirchberger shows interest (NC-3) comes from the Minerals and Metals mine, located within the Carolina property on which Hitchcock planned to do about 17% of their proposed drilling. The "Carolina" property is the area to which I suggested that exploration might be limited if the loan to Hitchcock were scaled down to not more than $25,000.00.

It is interesting to note that the sample in which Kirchberger shows interest is one that had "cured" for nearly a year after mining (see my memo of Nov. 15, 1950 on the Murphy, North Carolina area, in the talc commodity files). This suggest that in testing samples obtained in diamond-drill exploration, the "curing" factor will have to be considered.

Best regards.

Sincerely

/s/ Alfred H. Chidester

Mr Waskey

FILE COPY
SURNAME:

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

370

Working Barr

SEP 14 1951

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

a, f, c

Subject: DMA-1198X, Talc

Dear Mr. Laurence:

File on DMA-1198X, The Hitchcock Corporation application for exploration aid is attached.

We understand that in telephone conversation between yourself and Mr. Van Horn of the Hitchcock Corporation, a modified exploration program was agreed upon not to exceed $30,000. Will you please contact Mr. Van Horn again and arrange to secure an adequate map of the proposed drilling together with all necessary data to complete contract exhibits?

It will also be necessary that a copy of valid lease be obtained covering the property to be explored as well as Subordination Agreements signed in sextuplicate.

Sincerely yours,

BT 9/14

SIGNED

Tom Lyon, Chairman
Coordinating Committee

U. S. Bureau of Mines

U. S. Geological Survey

Enclosures
RWASKEY:mp
9-11-51
cc: Field Team, Region VII
DMA Docket File
Mr. Barr Mr. Lyon

FILE COPY
SURNAME:

Barr

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

370

SEP 14 1951

A.E.C.

Mr. W. C. Bourne
The Hitchcock Corporation
P. O. Box 35
Murphy, North Carolina

Subject: DMA-1198X - Talc
Nancy Jordan Property

Dear Mr. Bourne:

Your application is being referred to Mr. Robert A. Laurence, Executive Officer, DMA Field Team, Region VII, Room 13, Post Office Bldg., Knoxville, Tennessee, for further information.

Sincerely yours,

SIGNED BY
9/14

Tom Lyon, Director
Supply Division

RWASKEY:mp
9-11-51
cc: Field Team, Region VII
DMA Docket File
Mr. Lyon
Mr. Barr

IN REPLY REFER TO:

G-MD-JJN

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

Memorandum

September 11, 1951

To: Robert Waskey, Defense Minerals Administration

From: J. J. Norton, U. S. Geological Survey

Subject: Application DMA-1198X from the Hitchcock Corporation, for talc exploration near Murphy, North Carolina.

Application DMA-1198X for talc exploration on the Hitchcock Corporation properties near Murphy, North Carolina, was referred to Mr. A. H. Chidester for his comments. A copy of a memorandum and of a letter from Chidester to me are enclosed. In general, Chidester's comments are favorable, and it seems evident that an exploration program costing about $25,000 is warranted. I recommend that this docket now be forwarded to the field team to work out a suitable exploration program in collaboration with the Hitchcock Corporation.

I have not referred this docket to Mr. A. E. J. Engel, who has also examined talc deposits in this area, because he would have no information that is not at the disposal of Mr. Chidester. I am, however, sending him copies of Chidester's statements, as well as a copy of this memorandum, and I am sure that he will send me any additional comments that he wishes to make. Such comments, if any, will be forwarded to you.

I have a copy of a memorandum from Engel to Chidester pointing out that Kirchberger has exhibited considerable interest in the block talc possibilities of one talc sample from the Murphy area. I do not know whether Kirchberger obtained additional samples for testing.

The Geological Survey has a file of correspondence and memoranda on the proposal made some months ago to carry out a drilling program in the Murphy talc belt. This file does not, however, contain maps or specific data on how the exploration should be carried out and where drill holes should be located. Mr. R. A. Laurence will be in Washington early in October and may wish to examine this file.

J J Norton

J. J. Norton

Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
7 Winter St.
Montpelier, Vt.

Sept. 2, 1951

Memorandum

To: James J. Norton

From: Alfred H. Chidester

Subject: DMA-1198X, The Hitchcock Corporation

The proposed drilling program of the Hitchcock Corporation on the "Carolina" and "Tar Heel" properties appears to be carefully considered and well planned, insofar as can be determined without a field examination. It differs considerably in scope and in objectives from the drilling program in the Murphy Marble belt that I proposed for the Geological Survey in 1950. That program was designed to explore the Murphy Marble at several widely separated localities, each rather small and representative of different geological environments. The program of the Hitchcock Corporation is designed for rather intensive exploration of two specific holdings of the Company. As for the chances of success: Observations by Al Engel and me during a short field trip to the Murphy area in the fall of 1950 (see memoranda in the talc commodity files of the Geological Survey) suggest that the chances are fair that lava grade talc exists in the area; excellent pencil or crayon stock occurs at many places in the belt, and the chances are moderately good for the discovery of talc suitable for ground industrial steatite.

The disposal to be made of the application depends principally upon how critical DMA considers the need for lava grade talc to be. If lava grade is really critical, then it seems to me entirely logical to grant the Hitchcock Corporation a loan for exploration, especially in view of the fact that it is virtually certain that the exploration will result in the discovery of new talc deposits, out of which at least part of the loan presumably would be paid back even though no lava grade talc was discovered. The amount for which the loan should be depends upon several factors that I am in no position to evaluate. The most important consideration, from correspondence, just how critical is the need for lava grade, and how vigorously DMA wants to press exploration. My own impression is that there is not very good agreement in the industry as to the need for lava grade, and that it is therefore very difficult to have a clear idea as to how vigorously exploration should be pressed. However, the small annual tonnage requirements of the United States for lava grade suggest to me that a loan for exploration should probably involve tens of thousands of dollars rather than hundreds of thousands.

The proposed program of the Hitchcock Corporation provides for detailed exploration of the "Tar Heel" and "Carolina" properties, and would answer rather definitively the question of the potentialities of those properties for deposits of lava grade talc. Reduction of the drilling program would result in a similar, though not necessarily as great, a reduction in chances of discovering lava grade talc. The program can be reduced either by exploring a smaller area, or by reducing the density of drill holes over the original area. It seems to be more desirable to explore a smaller area with the same density of drill holes as proposed in the original program. Thus, for a sum of about $25,000.00, the "Carolina" property could be explored about as proposed in the original application of the Hitchcock Corporation. If it seems desirable to make a larger loan— that is, to explore more extensively— part of the drilling proposed for the "Tar Heel" property could be included. Such a modification would not necessitate laying out new drill hole sites; it would be necessary only to limit the program to a smaller area. There would, of course, also be a decrease in the amount of equipment to be purchased.

If a reduced loan is granted,

(sgn) Al

c
o
p
y

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

7 Winter St.
Montpelier, Vt.

Sept. 2, 1951

Mr. James J. Norton
U. S. Geological Survey
Washington 25, D. C.

Dear Jim:

Enclosed is DMA-1198X of the Hitchcock Corporation, and my memorandum recommending action to be taken. I have gone about as far as I feel that I can in my recommendations; it seems to me that policy matters outside my field are involved in determining the amount for which the loan should be. I certainly feel that a modest loan is justified, inasmuch as the Murphy area is one of the three most promising areas in the United States for finding lava grade talc.

I have not attempted to get Al Engel's reaction to the application. I feel that it would be unfair to Al to attempt to get him to concur in any opinion without giving him a chance to study the loan application in detail. I think it best to leave it up to you to send the application on to Al for his recommendation if you think that desirable.

Best regards.

Sincerely

(sgd.) Al

Alfred H. Chidester

370

THE HITCHCOCK CORPORATION
P.O. Box 35
MURPHY, N. C.
TALC MINE AND PLANT AT MURPHY, N. C.

August 28, 1951

Defense Minerals Administration
Department of Interior
Washington 25, D. C.

Re: Docket DMA-1198X

Gentlemen:

We wish to inquire about the status of our application for a steatite exploration loan, Docket DMA-1198X. Since we agreed to a reduction of the preliminary loan amount to $30,000, we have heard nothing further concerning the necessary contract forms. We are particularily anxious because of the limited time remaining before severe weather sets in.

Yours very truly,

THE HITCHCOCK CORP.

By E. C. Van Horn

EVH/el

CC: File
Executive Offices Region IV
Rm. 13, Post Office Bldg.
Knoxville 01, Tennessee

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.
SEP 4 1 48 PM '51

RAYONS

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
Room 13, Post Office Building
Knoxville 2, Tennessee

July 30, 1951

Memorandum

To: Mr. Tom Lyon
Chairman, Coordinating Committee
Defense Minerals Administration

From: Field Team, Region VII

Subject: DMA-1198X, The Hitchcock Corporation

Attached is copy of letter received from E. C. Van Horn, Assistant Superintendent, The Hitchcock Corporation, concerning their proposed core-drilling program, which supplements that company's MF-103 filed in June 1951.

This application has not been referred to the field for examination, but during the end-of-June deadline rush, Mr. Waskey phoned and asked that we get this information so that the application could be processed before June 30. Mr. Van Horn agreed to send the information on June 25, but did not do so until July 26.

Now that there is no longer a deadline to meet, we suggest that this proposal be carefully reviewed by A. E. J. Engel and A. H. Chidester, of the Geological Survey, as they had previously recommended a smaller drilling program at this same locality, in 1950. If, after their review a field examination seems advisable, we will be glad to make one.

Robert A. Laurence
Robert A. Laurence
U. S. Geological Survey

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

July 26, 1951

Mr. Robert A. Laurence
Executive Officer, Region VII
Defense Minerals Administration
Knoxville, Tennessee

Dear Mr. Laurence:

Confirming our recent telephone conversation concerning disposition of 10,000 feet of core drilling on a proposed DMA assistance contract on the "Tar Heel" property at Murphy, N. C., it is proposed that this increment of the drilling consist of eight ranges on nominal 1,000-foot centers, beginning approximately 1,000 feet southwest of the Hitchcock Corporation's Nancy Jordan Mine, and continuing southwest on said ranges to the TVA line at the Nottely River.

We have heard nothing further from the DMA concerning our proposed contract and would appreciate any assistance you may be able to give us.

Yours Very Truly,

THE HITCHCOCK CORPORATION

By_____

E. C. Van Horn, Asst Supt.

JUL 3 1951 ~~LANDON F. STROBEL~~ Speaper

THE HITCHCOCK CORPORATION
P.O. Box 35
MURPHY, N. C.
TALC MINE AND PLANT AT MURPHY, N. C.

June 28, 1951

Dr. James Boyd, Administrator
Defense Minerals Administration
Interior Building
Washington 25, D. C.

Dear Dr. Boyd:

We have not received notification of a Serial Number for Serialization under Mineral Order 7. Both forms MF-100 and MF-103 went forward May 30, 1951 and are filed at least as part of Docket No. 1198X.

We will appreciate notification of a Serialization number as we are anticipating its use in the immediate future.

Yours very truly,

THE HITCHCOCK CORP.

By- E. C. Van Horn

ECVH:fh
CC:file

This is probably in reply to

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 3 - 1951
LANDON F. STROBEL
Executive Secretary

CRAYONS

BUREAU OF MINES
WASHINGTON, D. C.

JUL 2 3 07 PM '51

FILE COPY
SURNAME:

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

June 19, 1951

Mr. F. C. Bourne
The Hitchcock Corporation
P. O. Box 35
Murphy, North Carolina

Subject: DMA-1198X
Re: Exploration Loan
Nancy Jordan Mine,
Carolina Mine

My dear Mr. Bourne:

Receipt is acknowledged of your application and attachments of May 29, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1198X and was referred to Mr. James A. Barr, Chief, Industrial Minerals Branch on June 8, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1198X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:js
cc: Strobel-2
Files
Barr
Lyon

FILE COPY
SURNAME:

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

June 4, 1951

Re: DMA-1198 and
DMA-1307

Mr. C. L. Lind, Secretary-Treasurer
United Mines Company of Chloride
Box 224
Chloride, Arizona

Dear Mr. Lind:

The Lead-Zinc Branch of the Defense Minerals Administration has received copies of the forms that you filled out entitled, "General Technical Data for Use Under the Defense Production Act of 1950", for the Arizona Magma and Evahome mines.

The purpose for which this information was presented is not evident from the material submitted. However, you state that for both mines the type of mining is a drilling operation. Thus, it would appear that the type of Federal assistance for which your operation might be qualified is that given by the exploration program of the Defense Minerals Administration. This program calls for participation on the part of the applicant. For lead-zinc deposits it is necessary to match Government funds on an equal basis. Funds advanced by the Government will be considered a loan to be repaid if the exploration is profitable, but to be cancelled if unsuccessful. Information on the plan and the necessary forms for request of Federal aid are enclosed.

You will note from the enclosed information, that applications for exploration aid should have been filed prior to May 31, as the law under which the aid is granted expires June 30, 1951. However, we believe that the Congress may renew the law insofar as it affects the exploration program. If this happens any application that you submit on your two properties can be handled in the next fiscal year beginning July 1.

Where an applicant has sufficient proven reserves of strategic materials, the Defense Minerals Administration can recommend that the Reconstruction Finance Corporation make a production loan if the mine owner applies for such a loan. A specific proposal has to be submitted. In case you are interested in this type of aid I am enclosing forms MF-101 and 102, only one of which needs to be used, according to the amount requested. To qualify for such a loan evidence must be submitted to show that sufficient proven reserves are

present to justify the Federal loan. A field examination by the Defense Minerals Administration would be necessary to substantiate the claims as to reserves.

If I may be of further help, please feel free to write to me.

Very truly yours,

Otto Herres

Otto Herres, Chief
Lead-Zinc Branch

ETMCKnight:emp
G 6/4/51
Enclosures

Copies to: J. H. East, Jr. Region IV (2)
Chief, Lead-Zinc Br.
E. T. McKnight 4204 GSA
L. B. Moon
R. H. Mote
L. F. Strobel
Tom Lyon
Directors reading file 4214 GSA
Br. reading file 4214 GSA
Files

June 1, 1951

Mr. F. C. Bourne, Treasurer
The Hitchcock Corporation
Post Office Box 35
Murphy, North Carolina

My dear Mr. Bourne:

Your letter of May 17, addressed to Mr. Johnson regarding talc, has been referred to me for reply.

The definition of strategic minerals given in the Excess Profits Tax Act of 1950 does not permit the addition of block talc used in the manufacture of talc crayons to the exempt list. Therefore we regret that it will be impossible for the Defense Minerals Administration to propose the addition of talc crayons to this list.

Sincerely yours,

MP

James A. Barr
Chief, Industrial Minerals Branch

BLJohnson:er

Copy to: Files
Mr. Barr
Mr. Johnson
Mr. Huffland
Mr. Strobel
Region VII
Mr. Josephson

May 27, 1951

Subject:: DMA--1198

Mr. Landon F. Strobel

Executive Secretary

Dear Sir::

In referrence to your letter of May 22, 1951, Subject:: DMA--1198, there is certainly some mistake as THE UNITED MINES CO. OF CHLORIDE did not and has not applied for a loan of any kind.

I the Secretary Treasurer of this company sent in the first form MF--100 on the EVAHOME MINE for our serial number on May 12, 1951, followed up by the same forms on four other mines we have. I followed the instructions on these forms, but all of these forms were for serial numbers only, not for a loan of any kind. Hoping you will correct this mistake at your earliest convience I remain;

Sincerely yours

Clinton L. Lind.

Clinton L. Lind

Secretary Treasurer

MF-100 recalled from commodity men and referred to Mr. Speaker for serialization.
B.L.

Sent 1198

857

FILE COPY
SURNAME:

Strobel

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

May 22, 1951

Mr. C. L. Lind
Secretary Treasurer
The United Mines Company of Chloride
Box 224
Chloride, Arizona

Subject: DMA-1198
Re: Loan

My dear Mr. Lind:

Receipt is acknowledged of your application and attachments of May 12, 1951 from THE UNITED MINES COMPANY OF CHLORIDE for a Government loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1198 and was referred to Mr. Otto Herres, Chief, Lead-Zinc Branch on May 18, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1198.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel

LFSTROBEL:mab
cc: Strobel-2
Files
Herres
~~Exx~~ Lyon

May 15, 1951

Mr. F. C. Bourne
Treasurer
The Hitchcock Corporation
P. O. Box 35
Murphy, North Carolina

My dear Mr. Bourne:

Your letter of January 22, addressed to the Defense Minerals Administration regarding talc, has been referred to me for reply. The long delay in forwarding this reply is very much regretted.

As noted in your letter, talc is not specified as one of the minerals exempted in the Excess Profits Tax Act of 1950. Under the provisions of the Act it does not appear to be possible to add all types of talc to the list but there does appear to be some prospect of qualifying block steatite talc (as defined by the Munitions Board). The possibility of adding block steatite to the list of exemptions is now being investigated. It must be emphasized that this classification would probably include only block talc of a grade suitable for fabrication of electronic insulators and used for that purpose.

Sincerely yours,

Bertrand L. Johnson
Ceramic and Fertilizer Materials Branch

BLJohnson:dct

Copy to: Files
Mr. Johnson
Const. & Chem. Mats. Br.
Mr. Strobel
Mr. Barr
Field Team, Reg. VIII

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

May 4, 1951

Mr. J. W. Bailey
The Hitchcock Corporation
P. O. Box 35
Murphy, North Carolina

Subject: Exploration Program

Dear Mr. Bailey:

Your letter of March 19, 1951, addressed to Mr. Francis Speaker, has been referred to this office for reply.

Under the Defense Act of 1950, an applicant having proven reserves of strategic minerals can obtain a procurement contract for such minerals as are in short supply. On the strength of these contracts, the applicant can obtain private financing in most instances.

The program recently approved for encouragement of exploration of strategic minerals calls for participation on the part of the applicant, as shown in Section 9 (a), (b) and (c) of the attached Regulation MO-5.

The details of the plan, explaining the projects that will be eligible for assistance, the terms and schedules of financing, repayment, and other pertinent information are enclosed.

Please indicate your willingness to provide your share of the funds needed to carry out the proposed exploration by completing the enclosed Forms MF 103, so that we can proceed further with consideration of your application, which may or may not require a field examination.

Sincerely yours,

James Barr

James A. Barr, Sr., Chief
Industrial Minerals Branch

Enclosures (6)

MEC:dak

cc: Mr. Strobel
Mr. Arundale
Mr. Barr
Files

April 5, 1951

Mr. J. F. Bailey
The Hitchcock Corporation
P. O. Box 35
Murphy, North Carolina

My dear Mr. Bailey:

Your letter of March 19, addressed to the Defense Minerals Administration, enclosing a previous letter dated January 30 regarding mica has been referred to me for reply. We regret the delay in answering your previous letter.

At the present time no assurance can be given you that you can obtain a priority to purchase the equipment for the mica development that you have in mind. However, in some instances where a mineral development can produce appreciable quantities of strategic materials, some degree of priority assistance can be provided. If you desire to proceed with your project, I suggest that you fully describe it in a letter addressed to Mr. J. A. Barr, Chief, Industrial Minerals Branch, Defense Minerals Administration, Washington 25, D. C. He may then be able to advise you regarding the prospect for receiving the desired assistance.

GWJosephson:se

Sincerely yours,

Copy to: Files
Ceram. & Fert. Mat. Br.
Mr. Arundale
Mr. Strobel
DMA Field Team,
Reg. VII

Joseph G. Arundale, Commodity Specialist
Ceramic and Fertilizer Materials Branch

~~LANDON E. SPEAKER~~

THE HITCHCOCK CORPORATION
P.O. Box 35
MURPHY, N. C.
TALC MINE AND PLANT AT MURPHY, N. C.

1198X

MAR 23 10

BUREAU OF MINES
WASHINGTON, D.C.
MAR 23 10 49 AM '51

March 19, 1951

Ans 5-4-51
James Boyer

Defense Minerals Administration
Washington, D. C.

Attention: Mr. Speaker

Dear Mr. Speaker:

Mr. Robert L. Laurence, of the U. S. Geological Survey suggested that we write to you concerning proposed mica development work in Randolph County, Alabama.

We are enclosing a copy of a letter, previously written, for your attention, since we did not receive a reply from our original letter. Your attention to this matter will be earnestly appreciated.

Yours very truly,

THE HITCHCOCK CORP.

By Joe W. Bailey

EVH/el

CC: File

Encl: 1

RAYONS

LANDON F. STROBEL

THE HITCHCOCK CORPORATION
P.O. Box 55
MURPHY, N. C.
TALC MINE AND PLANT AT MURPHY, N. C.

BUREAU OF MINES
WASHINGTON, D.C.
FEB 5 7 55 AM '51

January 30, 1951

Defense Minerals Administration
Washington, D. C.

Gentlemen:

2-5-51
Josephson

We are at present arranging to lease a considerable acreage of mica-bearing property in Randolph County, Alabama. On these properties there are several mines which contributed in some degree to the production of sheet mica during the last war. However, although the mica obtained was of good size and quality, none of the operators were able to sustain the operation of any of these mines after the support of Colonial Mica Corpn., the Government Agency which subsidized mica production, withdrew its support.

Our plan is to mine scrap or flake mica as well as the sheet, which will give us a much better basis for a continuing operation, as we believe that the scrap alone can support the cost of the operation. This will mean that we can reasonably expect to obtain a much greater volume of sheet mica than has been recovered from previous mining operations in this part of Alabama as we will handle much greater tonnages of the pegmatite than has been done heretofore.

However, we hesitate to go to the expense that will be necessary to equip and develop this property without assurance that we can obtain priority to purchase the necessary equipment and operating supplies that will be required for the mining and milling operation.

We understand that the Defense Minerals Administration is in position to assist in this respect the operators of mines producing critical minerals, and we request your earliest consideration and reply.

Should we be assured that this operation will be granted priority, we expect to form an Alabama Corporation to operate these properties. We are taking the leases

RAYONS

Defense Minerals Administration Jan. 30, 1951

in the name of F. C. Bourne who is Treasurer and General Manager of The Hitchcock Corporation, but these leases will be transferred to the new Corporation when organized.

Yours very truly,

THE HITCHCOCK CORP.

By Joe W. Bailey

JWB/el

CC: File

LANDON F. STROBEL

THE HITCHCOCK CORPORATION
P.O. BOX 55
MURPHY, N. C.
TALC MINE AND PLANT AT MURPHY, N. C.

BUREAU OF MINES
WASHINGTON, D.C.
JAN 26 1 01 PM '51

January 22, 1951

Defense Minerals Administration
Washington, D. C.

Gentlemen:

We are producers of high grade talc in the Western part of North Carolina.

Our primary activity is the production of metal workers crayons used in the steel and allied industries. Our production of these crayons accounts for approximately 50% of the tonnage of crayons produced in the United States as listed in the latest Bureau of Mines Talc Report.

As a by-product of our crayon production, we produce a considerable tonnage of very high grade talc powder which is used in textiles, ceramics, paint, pharmaceutical uses, and cosmetics.

During the War, talc crayons and powder were both high on the Strategic minerals list, and steatite grade talc at present is classified as being in critical supply by the Munitions Board for stock-pile purposes. The U. S. G. S. is presently conducting tests on our talc to determine its value for this latter use.

We note that talc is not specified as one of the minerals covered by the Excess-Profits-Tax Exemption as applied to Bill HR9827. It is our understanding that the Defense Minerals Administration is authorized to certify other minerals to be added to the list, and we feel very strongly that the importance of our product to the defense effort certainly justifies its inclusion on the list carrying the tax exemp-

1-26-51
Josephson

CRAYONS

Defense Minerals Administration Jan. 22, 1951

tion.

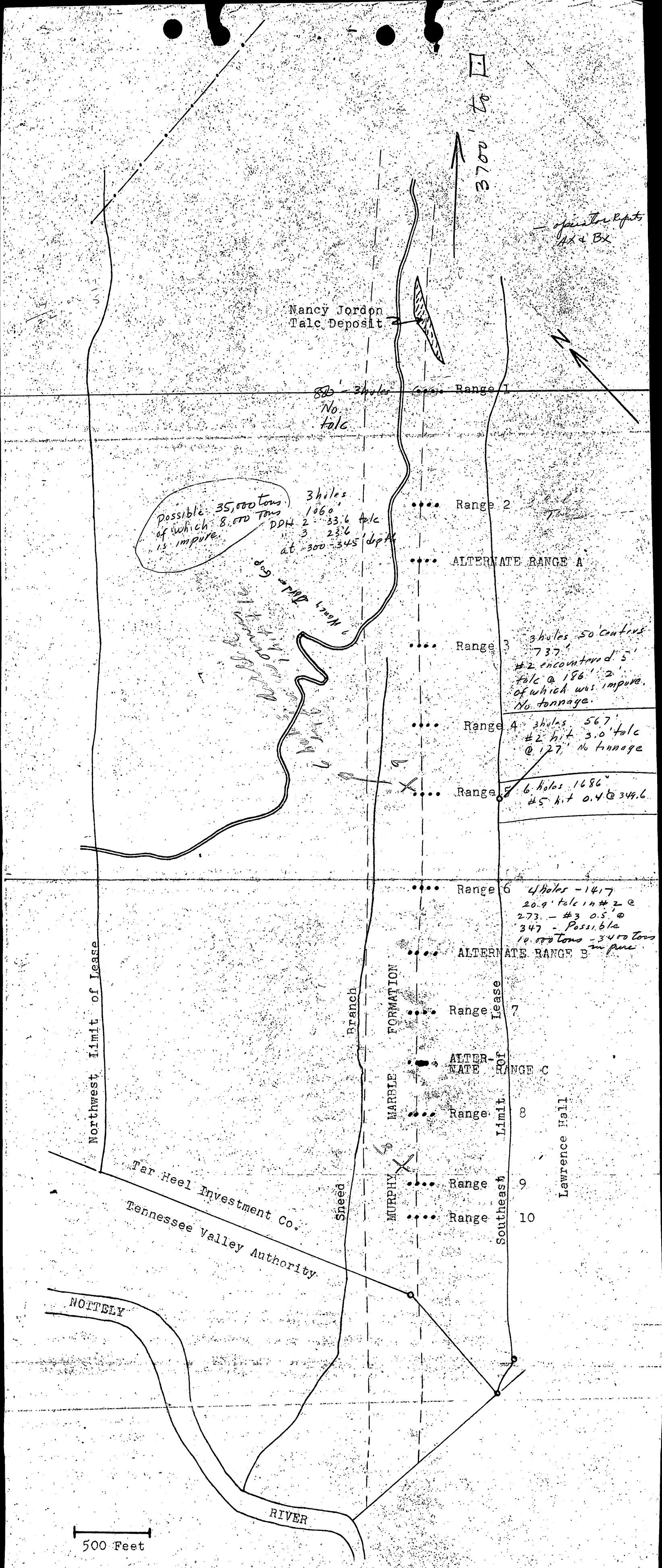
Your attention to this matter will be very much appreciated.

Yours very truly,

THE HITCHCOCK CORP.

F. C. Bourne
Treasurer

JWB/fh



THE HITCHCOCK CORPORATION
MURPHY, N.C.

PROPOSED LAYOUT OF
COREDRILLING RANGES

DMA PROJECT 1198X SEPT. 22, 1951

NOTE:
Exact locations of holes subject to adjustment as drilling progresses.

Map adapted from TVA Dwg. 8-4162-16.14