OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Division of Nonmetallic Minerals, Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-E116, Docket No. DMA-1700 (Mica), dated August 17, 1951, with

Fred D. Cabe
P. O. Box 366
Franklin, North Carolina

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

A certification of discovery or development was issued on April 24, 1952, and accordingly royalty is payable on all production as a result of such discovery or development for a maximum period of 10 years from the date of the contract. A Report of Review in lieu of final cost audit dated June 24, 1952, indicated accepted costs under the exploration contract amounting to $4,566.70 with the Government's contribution, on a 90 percent basis, being $4,110.02.

A prior report of royalty review dated March 21, 1955, indicated total sales subject to Government royalty amounting to $2,059.02 for the period August 17, 1951, through March 9, 1955, and that the royalty due the Government amounting to $102.96 had been paid. No royalty has been received by the Government applicable to this project since the latter date.

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

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

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

C. E. Fisher

C. E. Fisher, OME Auditor

May 13, 1959

(Check Sheet of Examining Engineer filed in Docket)

REPORT OF
ROYALTY REVIEW

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed all copies of settlement sheets on file with the Executive Officer, DMEA Field Team, Region V, applicable to royalties collected on the sales of mica for the period August 17, 1951, to March 9, 1955, by:

Fred D. Cabe
P. O. Box 366
Franklin, North Carolina

produced from property referred to as Roper Mine located in Macon County, North Carolina, under terms of Contract Idm-E116, Docket No. DMA-1700.

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

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

(1) This account was previously audited by Mr. B. J. Brekhus as indicated by his audit report dated July 28, 1954.

(2) A check of records of General Services Administration Mica Purchase Depot, Spruce Pine, North Carolina, indicated that all sales to that depot of mica produced from this mine are being promptly reported and Government royalties are being paid currently.

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

The audit established the total sales of mica for this period to be $2,059.02. Royalty due the U. S. Government at the contract rate of 5 percent is $102.96. The royalty paid and balance due are as follows:

Total Royalties Due	$102.96
Total Royalties Paid	102.96
Balance of Royalties Due	$ -0-

C. E. Fisher

C. E. Fisher, Auditor

March 21, 1955

QUADRUPLICATE

STANDARD FORM 209c (Formerly Cert. of Deposit, Form 6599)
Promulgated August 1951 by Treasury Department, Fiscal Service

CERTIFICATE OF DEPOSIT FOR CHECKING ACCOUNT

DEPOSIT NO.
3h-23-070-55

Deposited with Hamilton National Bank, Knoxville, Tennessee 1/10/55
(Name and location of depositary) (Date sent)

$ 16.50 ✓

the sum shown opposite for credit, subject to check, in the disbursing account of—

SYMBOL NO.
1h20

R. A. Hudson, Oak Ridge, Tennessee
(Name and address of officer to be credited)

On account of—

Mobilor $16.50 Royalty Payment 38-E-116 Gill Mining Company Cabo No. 1 Mine

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

Helen R. Miller, Adm. Asst.
Interior Dept., Bureau of Mines
P. O. Box 1009
Knoxville 1, 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

DIVISION OF ACCOUNTS
TREASURY
DEPARTMENT

SEXTUPLICATE

STANDARD FORM 209e (Formerly Cert. of Deposit, Form 6599)
Promulgated August 1951 by Treasury Department, Fiscal Service

CERTIFICATE OF DEPOSIT FOR CHECKING ACCOUNT

DEPOSIT NO. [illegible]

Deposited with [illegible] (Name and location of depositary) [illegible] (Date sent)

the sum shown opposite for credit, subject to check, in the disbursing account of—

$ [illegible]

SYMBOL NO. [illegible]

[illegible] (Name and address of officer to be credited)

On account of—

[illegible] (Gov Deposit) E-[illegible]

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

[illegible]
Bureau of Mines
Department of the Interior
[illegible]

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] auditor

(Authorized signature)

JUL 22 1954

(Date of credit in Treasurer's account)

DEPOSITOR WILL RETAIN THIS COPY

[illegible]

561

[illegible] 171.20
[illegible]

[illegible] 10.13
[illegible]

[illegible] 37.11
[illegible]

[illegible] 1.23
[illegible]

ROYALTY
AUDIT REPORT

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

ROYALTY AUDIT CERTIFICATE

I have examined the records and sales documents pertaining to the sale of mica for the period August 17, 1951 to June 30, 1954 by:

Fred D. Cabe
P. O. Box 366
Franklin, North Carolina

produced from the Roper Mine in Macon County, North Carolina, under terms of Contract Idm-E116, Docket No. DMA-1700.

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

The audit established the total sales of mica for this period to be $1,238.44. Royalty due the U. S. Government at the contract rate of 5 percent is $86.46. The royalty paid and balance due are as follows:

Total Royalties Due	$86.46
Total Royalties Paid	59.05
Balance of Royalties Due	$27.41

B. J. BREKHUS
Auditor

July 28, 1954

ROYALTY AUDIT REPORT

I INTRODUCTION

On July 13, 1954 an audit was made of the sales and royalty accounts and records of:

Fred D. Cabe
P. O. Box 366
Franklin, North Carolina

pertaining to the sale of mica during the period August 17, 1951 to June 30, 1954 from the Roper Mine located two and one-half miles west of Franklin, Macon County, North Carolina, in accordance with Contract Idm-E116, Docket No. DMA-1700.

The sales records are in the possession of Mr. Fred D. Cabe at his residence in Franklin, North Carolina. Mr. Cabe was very cooperative and made explanations as required.

Mr. William A. Beck, Engineer, Bureau of Mines, Knoxville, Tennessee, representing the DMEA Field Team, collaborated in the performance of this audit.

II GENERAL INFORMATION

The exploration project contract was entered into on August 17, 1951. The exploration work was completed on February 8, 1952. A Certificate of Discovery was issued by DMEA on April 24, 1952. The total accepted cost of exploration is $4,566.70. The approved Government participation in the cost of exploration is $4,110.02. A lien against the property for 10 years after date of contract is held by the Government as a guarantee of repayment of the amount of money advanced to the Company. The amount of the Government lien is repayable at a rate of 5 percent on all sales of mica produced in the area covered by the contract.

The Operator did not maintain production records. Mica as it comes from the mine requires considerable handling and hand processing by washing, splitting, cutting and grading. Only the best grades are sold to the Government as strategic mica. The poorer grades are sold as punch or washer mica, and the lowest grades are sold by the ton as scrap mica.

III SCOPE OF AUDIT AND FINDINGS

The audit consisted of a review of the sales of strategic mica, made, by examination of the sales documents and comparing them with the lists previously prepared from the records of the General Services Administration Mica Depot in Spruce Pine, North Carolina. Miscellaneous non-strategic mica sales were scheduled from the Operator's books and files. The Operator made a payment of $59.05 in September, 1952 for royalty on mica sales of $1,181.01 made during exploration.

There were no further mining operations until 1954 when the property was leased to Mr. G. O. Flemming on a straight 20 percent royalty basis, whereby Mr. Fred D. Cabe is to forward the 5 percent due the Government out of the checks received from the present Operator. The present Operator sold mica amounting to $548.13 in June, 1954. Mr. Cabe agreed to obtain copies of sales documents which were not in his possession at time of audit, and forward them with his check for $27.41 at an early date.

The sales of mica, as summarized were found to consist of the following:

Strategic Mica sold to GSA	$1,238.44
Punch and Scrap	490.70
Total sales	$1,729.14
Total Royalty Due (5%)	$ 86.46

B. J. BREKHUS
Auditor

July 28, 1954

Standard Form No. 1044—Revised
Form approved by Comptroller General U. S.
June 25, 1936

COPY

SCHEDULE OF COLLECTIONS

Schedule No. NCR-7

Sheet No. 1

Defense Minerals Exploration Administration (Department or Establishment) 14-23-070 (Bureau or Office)

Received by E. A. Hudson (Name) Regional Disbursing Officer (Title) at Oak Ridge, Tenn. (Station)

Period September, 1952 (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)
Ck. No. 39772 dated 9/11/52		Fred D. Cabe	5% royalty payment under mica contract Idm-E-116 DMA-1700X	59.05	14X4401 Revolving Fund Defense Production Act, Interior
			Total,	59.05	

Received _____, subject to collection. Forwarded September 22, 1952

_____ (Disbursing clerk or accountable officer)

By _____

By _____ (Name) Sam J. Wardell

Title ~~Authorized Certifying Officer~~

Certificate of Deposit No. 96 dated Sept. 23, 1952

U. S. GOVERNMENT PRINTING OFFICE 10—1700

REPORT
OF REVIEW

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Fred D. Cabe

P. O. Box 366

Franklin, North Carolina

pertaining to Exploration Project Contract No. Idm-E116, Docket No. DMA-1700, including Amendment No. 1, for the period of September 1, 1951 to February 8, 1952.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Government representative who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

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

(a) the administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible disallowances thereunder;
(b) the Monthly Reports were supported by documentary proof of the costs incurred under the contract (partially);
(c) a considerable portion ($1,295) of costs was for bulldozing at standard rates.

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

Total cost as billed by Contractor		$ 4,566.70
Exceptions:		
By DMEA Finance Officer	$ -0-	
Heredith	-0-	-0-
Total Accepted Cost		$ 4,566.70

The contract calls for a 90 per cent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Four thousand one hundred ten Dollars and 02/100.

- $4,110.02 -

is considered valid and proper.

Date: JUN 24 1952

E. D. Talbert

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

1201

(12).

W. P. MARSHALL, PRESIDENT

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=Int'l Letter Telegram

VLT=Int'l Victory Ltr.

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

•AA302 A•KVA411 PD=KNOXVILLE TENN 18 438P

1952 APR 18 PM 6 43

JAY L CHAMBERS=

:CHIEF CONTRACT ADMINISTRATION & AUDIT DIV US BUREAU

OF MINES WASHDC=

:RE PROJECT DMA 1700, IDM-E-116 PAYMENT TO FRED D CABE FOR SEPTEMBER WAS IN AMOUNT OF 1432.92 10% OR 170.33 HAVING BEEN DEDUCTED BEFORE PAYMENT WAS MADE. TOTAL PAYMENTS ON CONTRACT IDM-E-116 TO DATE 4110.02=(

:ORA A PIPER PYSICAL ACCOUNTING CLERK ACTING FOR

SAM J WARDELL.

DMA 1700 IDM-E-116 1532.92 10 170.33 IDM-E-116 4110.02.

DEPARTMENT OF THE INTERIOR
Defense Materials Administration
RECEIVED
APR 21 1952

DEPARTMENT OF THE INTERIOR
Defense Materials Administration
RECEIVED
APR 21 1952

APR 21 7 53 AM '52
BUREAU OF MAIL
WASHINGTON, D.C.

D. M. E. A.

Jay L. Chambers
3461 2612

1420137 Salaries and Expenses, Defense Production Activities, Interior, 1952
April 18, 1952

Mr. Sam J. Wardell, P. O. Box 217, Norris, Tennessee

On Project DMA-1700, IDM-E-116, with Fred D. Cabe for Mica, our records show September payment to be $1,703.25 which is an overpayment in amount $170.32, with no evidence of adjustment on subsequent vouchers. Project is being certified. Is this payment still outstanding or have you collected from contractor? Wire reply, give total amount paid for entire contract period.

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration and
Audit Division

JLChambers/wb
4/18/52

Copy to: Mails & Files
Admr. Reading File
Mr. Houk
Mr. Chambers

SENT
APR 18 1952
Central Service Section

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 116

Final Report

Name of Operator [illegible]
Docket No. DMA 1[illegible]
Total Contract Amount $[illegible]
Government Participation: 90 % 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.

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
MAR 13 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.

[illegible]
(Name of Company)

By Fred D. Calle
(Signature of Authorized Official)

2/28/52
(Date)

[illegible]
(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]		1355.00	1355.00			1355.00
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

DC-104 FRED D. CABE FRANKLIN, N. C. PROGRESS REPORT 2/10/52 FINAL

CONTRACT NO. Idm-E 116 DOCKET NO. DMA-1760

PROGRESS NARRATIVE

Work continued on Stage 2, according to contract. At bottom of shaft - 22' deep - (see January report and map), the drift was extended westerly to a distance of 32 foot. All of this work was done within the pegmatite. Work was stopped on February 8th, by the Field Team, because "sufficient exploration had been completed to indicate a considerable body of mica-bearing pegmatite".

- - - -

FINAL EXPENDITURES:

Through an error in the preparation of January Report, only $1.00 per hour was charged for the miners; the actual rate, in accordance with contract and which was paid, is $1.25 per hour. Therefore the following is now being added:

	Sam Hopkins	144 hours	.25	$36.00
	J. D. Tallent	160 "	.25	40.00
	Paul Blaine	168 "	.25	42.00
	John Tallent	168 "	.25	42.00
	Alex V. Shope	136 "	.25	34.00
				$194.00

FEBRUARY PAYROLL RECORD:

MINING:	Sam Hopkins	246-09-9660		
	42 hours @ $1.25		$ 52.50	
	J. D. Tallent	241-26-8381		
	48 hours @ $1.25		60.00	
	Paul Blaine	239-14-2843		
	48 hours @ $1.25		60.00	
	John Tallent	242-22-9320		
	48 hours @ $1.25		60.00	
	Alex V. Shope	244-30-1280		
	72 hours @ $1.25		90.00	
WORKING FOREMAN	Fred D. Cabe	245-07-1071		
	6 days @ $12.00 per day		72.00	394.50
		TOTAL LABOR		$ 588.50
SUPPLIES:	J. S. Conley (gasoline) - invoice attached			20.56
	Office, payroll taxes, etc.			14.00
				$ 631.06

- - - - -

FRED D. CABE FRANKLIN, N. C. 2/18/52

CONTRACT NO. Idm-I 116 DOCKET NO. DMA-1700

GEOLOGIC & ENGINEERING REPORT

Work was stopped on February 8, 1952, by Field Team, for the following reasons:

> "...at that time sufficient exploration had been completed to indicate a considerable body of mica-bearing pegmatite. Although unexpended funds remain in the contract, the Field Team believes that additional work would be of a mining rather than exploration nature".

Dozing, trenching, etc., followed in line with contract and under supervision of the Field Team.

Through shafting into the pegmatite, to a depth of 22 feet and then drifting west, 32 feet, it has been full established that commercial quantities of strategic mica can be recovered through operation.

Because total work done in drift from shaft was within the pegmatite it is not possible to determine the extent of the mica-bearing formation. However, owner has become satisfied that success has resulted from the exploration and it has produced evidence of not less than one year of operation, on a profitable basis.

note

Approximately ~~one~~ 2 ton of mica has thus far been recovered, some of the blocks being as large as 3 cubic feet; all of strategic type.

- - - -

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]	588.50	2117.00	2705.50			2705.50
5. Supervision						
6. Supplies						
(a) Timber		158.00	158.-			158.00
(b) Explosives		19.35	19.35			19.35
(c) Repair Parts		196.29	196.29			196.29
(d) Other	28.56		28.56			28.56
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
OFFICE, ETC.	14.00	90.00	104.00			104.00
Total	631.06	3935.64	4566.70			4566.70
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 Robert A Lawrence
Entered by Robert A Lawrence
Approved by Robert A Lawrence
Amount approved for payment $567.95
Remarks

16—64068-3

4109.93

286.95

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF FEBRUARY 1957

(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	588.50		28.56	14.-	631.06	LIN. FT.	20	12	32	32
Raising										
Shafts										
Winzes										
Drill holes										
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching						CU. FT.			80,700	101,450
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

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 116

Name of Operator [illegible]
Docket No. DMA [illegible]
Total Contract Amount $[illegible]
Government Participation: 90 % Amount, $[illegible]
Distribution of Expenditures for Month of JANUARY - 1952

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

FEB 8 8 56 PM '52
DEFENSE MINERALS ADMINISTRATION WASHINGTON, D.C.

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 [signature]
(Signature of Authorized Official)

1/31/52
(Date)

[illegible]
(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

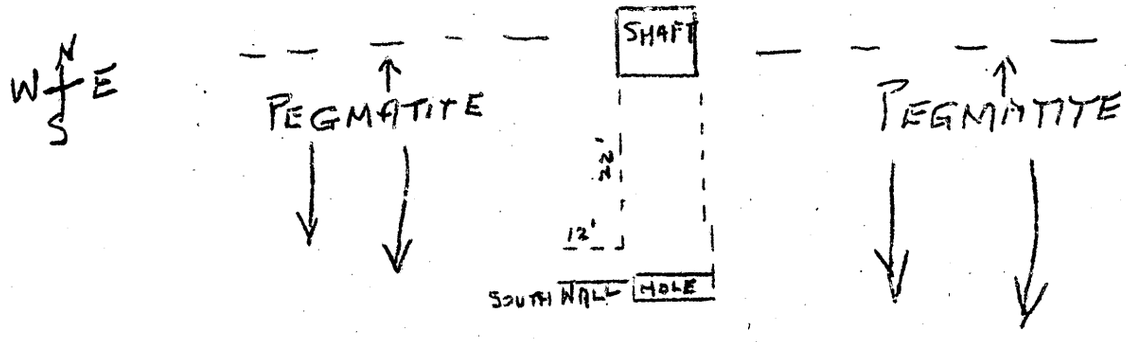
List as Shown on Exhibits Attached to Contract

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]	60.-	1295.-	1355.-	60.00	1295.00	1355.00
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

MF-104 FRED D. CABE FRANKLIN, N.C. PROGRESS REPORT 1/31/52

CONTRACT NO. Idm-E 116 DOCKET NO. DMA 1700 JANUARY NARRATIVE

Work proceeded in accordance with contract, on Stateg 2. SHaft is now down 22 feet (past cribbing proved satisfactory), and a drift has extended 12 feet to the west. At bottom of shaft a water hole, 3 feet has been created to act as a water drain. this has been floored. Pump operates 15 minutes per hour - 24 hours per day. Work thus far has been entirely within the pegmatite; exploration thus far has proven highly satisfactory.



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PAYROLL RECORD:			
Working Foreman	Fred W. Cabe 245-07-1071 21 days @ $12.00 per day	$252.00	
Miners:	Sam Hopkins 246-09-9660 144 hours @ $1.00	144.00	
	J. D. Tallent 241-26-8381 160 hours @ $1.00	160.00	
	Paul Blaine 239-14-2843 168 hours @ $1.00	168.00	
	John Tallent 242-22-9320 168 hours @ $1.00	168.00	
	Alex V. Shope 244-30-1280 136 hours @ $1.00	136.00	$1028.00
SUPPLIES:			
Invoices:	Macon County Supply Co.	$ 4.02	
	Reeves Hardware Co.	19.25	
	(above invoices attached)		
CASH PAID:	Bob Allman 1 Windlass	5.00	
	Alex Shope Blacksmith work	6.00	
	Lex Angel Blacksmith work	1.40	$35.67
RENTALS:	Hubert West To Pump Rental 5 weeks @ $12.00 per week	$60.00	$60.00

- - -

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]	1028.-	1089.-	2117.-	1028.00	1089.00	2117.00
5. Supervision						
6. Supplies						
(a) Timber		158.-	158.-	~~158~~ Work	158.00	158.00
(b) Explosives		19.35	19.35		19.35	19.35
(c) Repair Parts	35.67	160.62	196.29			
(d) Other				35.67	160.62	196.29
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
Office etc.	20.-	70.-	90.-	20.00	70.00	90.00
Total	1143.67	2791.97	3935.64	1143.67	2791.97	3935.64
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 C. L. Peyton
Entered by C. L. P.
Approved by W. A. Beck
Amount approved for payment $1029.30
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF JANUARY

(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						LIN. FT.	12	—	12	
Raising										
Shafts	1028.—	60.—	35.67	20.—	1143.67	LIN. FT.	22	—	22	
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

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 116

Name of Operator Fred D. Cabe
Docket No. DMA 1700
Total Contract Amount $ 4885.00
Government Participation: 90 % Amount, $ 4396.50
Distribution of Expenditures for Month of December 1951

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.

Fred D. Cabe
(Name of Company)

By /s/ Fred D. Cabe
(Signature of Authorized Official)

12/31/51
(Date)

Owner
(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]		1295.00	1295.00		1295.00	1295.00
(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]	440.00	649.00	1089.00	440.00	649.00	1089.00
5. Supervision						
6. Supplies						
(a) Timber		158.00	158.00		158.00	158.00
(b) Explosives		19.35	19.35		19.35	19.35
(c) Repair Parts	68.25	92.37	160.62	68.25	92.37	160.62
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify) Office, Etc.	20.00	50.00	70.00	20.00	50.00	70.00
Total	528.25	2263.72	2791.97	528.25	2263.72	2791.97
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date				528.25	2263.72	2791.97

[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 /s/ A. L. Peyton
Entered by /s/ A.L.P.
Approved by /s/ Wm. A. Beck
Amount approved for payment $475.43
Remarks

16—64068-3

Ed.

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF December

(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	440.00		68.25	20.00	528.25	cu.ft.				750
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

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 116

Name of Operator Fred D. Cabe
Docket No. DMA 1700
Total Contract Amount $ 4885.00
Government Participation: 90 % Amount, $ 4396.50
Distribution of Expenditures for Month of November 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 3 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.

Fred D. Cabe
(Name of Company)

By /s/ Fred D. Cabe
(Signature of Authorized Official)

11/30/51
(Date)

Owner
(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] Dozer		1295.00			1295.00	1295.00
Transportation	62.50		1357.50			
(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]	192.00	457.00	649.00	192.00	457.00	649.00
5. Supervision						
6. Supplies						
(a) Timber		158.00	158.00		158.00	158.00
(b) Explosives		19.35	19.35		19.35	19.35
(c) Repair Parts		92.37	92.37		92.37	92.37
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify) Office		50.00	50.00		50.00	50.00
Total	254.50	2071.72	2326.22	192.00	2071.72	2263.72
Deletions	62.50		62.50			
Adjusted totals	192.00		2263.72			
Totals previously reported	2071.72					
Totals to date	2263.72			192.00	2071.72	2263.72

[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 /s/ A. L. Peyton
Entered by /s/ A.L.P.
Approved by /s/ Wm. A. Beck
Amount approved for payment $172.80
Remarks A deduction of $62.50 was made as per letter to Mr. Cabe attached.
W.A.B.

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF November

(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	192.00	62.50			254.50	cu.ft.	2000	78,700	80,700	101,450
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	192.00	62.50			254.50					

[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

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 116

Name of Operator Fred D. Cabe
Docket No. DMA 1700
Total Contract Amount $ 4885.00
Government Participation: 90 % Amount, $ 4396.50
Distribution of Expenditures for Month of October 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 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.

Fred D. Cabe
(Name of Company)

By /s/ Fred D. Cabe
(Signature of Authorized Official)

10/31/51
(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]						
(b) Rented[2]	120.00	1175.00	1295.00	120.00	1175.00	1295.00
(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]	34.00	423.00	457.00	34.00	423.00	457.00
5. Supervision						
6. Supplies						
(a) Timber	158.00	-	158.00	158.00		158.00
(b) Explosives		19.35	19.35		19.35	19.35
(c) Repair Parts						
(d) Other	56.47	35.90	92.37	56.47	35.90	92.37
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify) Office	-	50.00	50.00		50.00	50.00
Total	368.47	1703.25	2071.72	368.47	1703.25	2071.72
Deletions						
Adjusted totals						
Totals previously reported	1703.25					
Totals to date	2071.72		2071.72			2071.72

[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 /s/ A. L. Peyton
Entered by /s/ A.L.P.
Approved by /s/ Wm. A. Beck
Amount approved for payment 331.62
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October

(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	34.00	120.00	214.47		368.47	cu.ft.	240	78,700	78,940	101,450
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify)										
Totals	34.00	120.00	214.47		368.47					

[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

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 116

Name of Operator FRED D. CABE
Docket No. DMA 1700
Total Contract Amount $4,885.00
Government Participation: 90 % Amount, $4,396.50
Distribution of Expenditures for Month of SEPTEMBER 1951

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 2 3 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.

(Name of Company)

By Fred D. Cabe
(Signature of Authorized Official)

10/1/51
(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]						
(b) Rented[2]	1175.-	—	1175.-			
(c) Furnished by operator						
3. Rehabilitation and Repairs:						
(a) Facilities						
(b) Buildings						
(c) Installations						

FRED D. CABE FRANKLIN, N.C. 10/1/51

DMA-1700
IDM-E 116

NARRATIVE

In accordance with Exhibit A, the work is progressing in two stages (second stage has not been started) in the first stage one trench has been cut by bulldozer to a distance of approximately 150 ft. long, 15 ft. deep and 35ft. wide (78,750 cu. ft.), this position of stage one is completed. Results have produced excellent proof of pegmatite to permit further work as specified in second stage.

In further accordance with contract first stage includes a bulldozing trench approximately 75ft. long, 15 ft. deep, and 20 ft. wide (22,700 cu. ft.). 2,700 cu. ft. of this trench has been cut; being an insufficient amount of work to comment upon.

All work isbeing supervised by Field Team who comments favorably on possibilities through this exploration.

- - - - - - -

PAYROLL RECORD

LABORERS:		
Charlie Mashburn	SS #242-12-4089 10 days @ $10.00	$ 100.00
J. D. Tallent	SS #241-26-8381 12½ days @ $10.00	125.00
MINER:		
Frank G. Thompson	SS #245-01-6623 1 day @ $12.00	12.00
WORKING FOREMAN:		
Fred D. Cabe	SS #245-07-1071 15½ days @ $12.00	186.00
		$ 423.00

FRED D. CABE FRANKLIN, N.C. 10/1/51

DMA-1700

IDM-E 116

INVOICES

EXPLOSIVES INC.

9-24-51 Inv. No. 7182	From Macon County Supply Company			
	9 Sticks Dynamite	.75		
	2-ft. Exploders @ .16	.32		
	Tax	.03		
			$ 1.10	
9-24-51 Inv. No. 7183	From Macon County Supply Company			
	2 -#25 Blasting Powder	10.50		
	20# Dynamite .25	5.00		
	4-8ft. Exploders @.16	.64		
	1 Roll Lead wire	1.25		
	Tax	.53	$17.92	
9-24-51 Inv. no. 7189	From Macon County Supply Company			
	2-8 ft. exploders @ .06	.32		
	Tax	.01		
			$ .33	
			$19.35	
				$19.35
HAND TOOLS INC.				
9-10-51 Inv. no. 17662	From Reeves Hardware Co.			
	5 @ 10 @ .12	.60		
	5 @ 10 @ .12	.60		
	1 Ball Chalk line	.20		
			$ 1.40	
9- 51 Inv. No. 17661				
	2 pr. rubber boots	$11.90		
	2-DH Shovel	3.70		
	1 Pick	2.00		
	1 Axle	4.00		
	1 Hatchet	.75		
	1 Hand Saw	5.25		
	1 Honer	2.75		
	1-Sledge Hammer	2.90		
	1 File	.40		
			$33.65	
9-1-51 Inv. No. 17699				
	1 lock	.60		
	1 Hasp	.25		
			$ .85	
			$35.90	
				$35.90
	TOTAL			$55.25

Original Invoice attached to original report.

I N V O I C E

OCT. 1, 1951

FROM: WAYAH CONSTRUCTION CO.

FRANKLIN, N. C.

TO: [illegible] D. [illegible]
FRANKLIN, N. C.

CONTRACT NO. DLA 1700

[illegible]-E116

117½ Hrs. Bulldozing Mica Prospect

@ $10.00 per hr. $1,175.00

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]	423.-	—	423.-			
5. Supervision						
6. Supplies						
(a) Timber						
(b) Explosives	19.35	—	19.35			
(c) Repair Parts						
(d) Other HAND TOOLS	35.90	—	35.90			
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work						
11. Other (specify)						
OFFICE ETC.	50.-	—	50.-			
Total	1703.25		1703.25			
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 C. L. Peyton
Entered by A. L. Peyton by WAB
Approved by W. E. Beck
Amount approved for payment
Remarks

16—64068-3

1532.93

Cly.

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF SEPTEMBER

(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	423.-	1175.-	55.25			CU. FT.	78700	-	78700	101,450
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify) OFFICE ETC.	50.-									
Totals	473.-	1175.-	55.25							

[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

OCT 27 1961

Mr. Fred D. Cabe
P. O. Box 364
Franklin, North Carolina

Re: DMA-1700 (Mica)
Fred D. Cabe
Cabe Mine #1
Macon County, North Carolina
Contract Idm-X116

Dear Mr. Cabe:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development, dated April 25, 1952, all minerals mined or produced from August 17, 1951, to August 17, 1961, were subject to the Government's percentage royalty as set forth in said contract.

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

Sincerely yours,

George Fumich, Jr.

Director

GLAult/a
10-16-61
cc to: Director's Reading File
Robert A. Laurence, Region IV
V. J. Lynch, Region IV
CA&A Division
Docket
Code 500

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

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

To: Mr. Fred D. Cabe
P. O. Box 366
Franklin, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Idm-E116, dated August 17, 1951 (Docket No. 17001), hereinafter called the "Contract," between you and the United States of America, hereinafter called the "Government"; to establish and fix the claim and lien of the Government under the terms of the Contract, the Government hereby certifies that a discovery or development has resulted from the work under the Contract from which commercial production of ore may be made, in or upon that certain property situated in the State of North Carolina, County of Macon, described as follows: Beginning at a hickory, runs West 40 poles to a stake; then South 52 poles to a stake, Slagle's corner; thence East 49 poles with McDowell's line to a pile of rocks; thence North 81 poles to a stake and pointers; thence West 3 poles to a stake and pointers; thence South 29 poles to the BEGINNING, containing by estimate 20 acres. Property is known as the Cabe Mine #1 (formerly the Roper Mine), located about 2 1/2 miles west of Franklin, North Carolina.

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

Mica was encountered in a zone on the 12 foot level against or near the hanging wall contact in the southeast end of the pegmatite. The mica is light ruby in color, clear, hard and splits well, some clay stain is present. The largest book recovered during the exploration was 14 inches across. However, most of the books were from 4 to 6 inches in diameter. Many of the books recovered are bent and cracked, and ruling is common. The operator reports 4,000 pounds of cobbed mica recovered during exploration. Pegmatite exposed during exploration ranged from 4 to 10 feet in thickness and is enclosed in a mica gneiss.

LGHouk:gad 4/17/52
Copy to: Mr. Jess Larson, Adm., DMPA
Adm. Reading File
Field Team, Region VII
Mr. Hedges, 4604
Mr. Thayer, 5216 GSA Bldg.
Operating Committee (2)
Mr. Houk
Docket File
Dated: 4/24/52

Contract & Audit Div.

Finance Office

THE UNITED STATES OF AMERICA

By C. Mitchendorf
Acting Administrator
Defense Minerals Exploration Administration

Docket No. 1700

Commodity Mica

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

STRATEGIC AND CRITICAL MINERALS EXPLORATION PROGRAM

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

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

Contract No. Idm-E ~~116~~

Date of Contract or Amendment August 16, 1951

Name and Address of Operator:

Fred B. Cobo
P.O. 366
Franklin, North Carolina

Amount of Government participation $ 4,396.50

Percent of Government participation ~~90~~ %

Region: VII State: North Carolina

Please release $286.48.

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

(Title)

Date Delivered to Bureau of Mines, Washington. April 23, 1952 13908

FINAL REPORT ON DMEA-1700X,

Idx-E 116, (mica)

FRED CABE MINE NO.1

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION OF FIELD TEAM, REGION VII

DEPARTMENT OF THE INTERIOR
Bureau of Mines Library
APR 10 1952

By

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

A. L. Peyton, Mining Engineer
U. S. Bureau of Mines

April 7, 1952

Reviewed by
DMEA OPERATING COMMITTEE

4-14-52
(JHB) (date)

FINAL REPORT

DMEA-1700, Idn-E116 -(mica)

CABE MINE No.1
Franklin, Macon County, N. C.

This deposit is located along the southern slopes of Trimont Mountain, 2.5 miles west of Franklin, Macon County, North Carolina. The deposit is on property that is known locally as the "County Home Farm."

Exploration at this deposit consisted of cleaning out, lengthening, and deepening the existing trench at the southeastern locality(shown on attached map) and cutting a trench 4 feet deep and 75 feet long at the northwest locality. No pegmatite was found at the northwest end, thus, other than the shallow trench, no work was conducted. This report deals entirely with the southeast end.

The bulldozer trench exposed a pegmatite at the north end of the opening. Because of soft and wet ground it was impossible to cut below the old drift, so the proposed drift as indicated in the original contract was not driven. In place of the drift, a 22 foot shaft was sunk from the trench and a drift run to the southeast from the 18-foot level. The drift is about 40 feet long (see attached map).

The pegmatite exposed during exploration ranges in thickness from 6 to 10 feet. It is enclosed in mica gneiss; considerable hornblende gneiss occurs in the footwall block. Small inclusions of wall rock occur in the pegmatite. Both the pegmatite and enclosing rocks are deeply weathered. Slump and creep are in evidence; along the footwall one zone of considerable displacement was noted. Both the pegmatite and wall rock schistosity trend N. 67° E, dipping 70° SE.

The mica zone followed on the 18-foot level ranges in thickness from 12 to 36 inches; it is against or near the hanging wall contact. The contact is sharp, but numerous small bends and rolls occur in it. It would appear that the mica shoot rakes steeply to the southwest-approximately 70°. No large masses of quartz were encountered during exploration; the mica zone is composed mainly of mica and kaolin. The remainder of the pegmatite is made up of kaolinized feldspar, granular quartz, and small mica.

The mica producing "shoot" exposed is approximately 30 feet long and ranges in thickness from 12 to 36 inches. It is estimated that within the shoot mica composes 25 percent of the material. Probably 75% of the mica recovered is scrap, thus approximately 6 percent of the material in the shoot is suitable for processing in the mica shop. It is estimated that 4000 pounds of book mica was obtained during exploration; however, to date this material has not been processed, thus the amount of

sheet obtainable is unknown.

The mica is light ruby in color, clear, hard and splits well. Some clay stain is present. Many of the books recovered are bent and cracked, and ruling is common. The largest book of mica recovered during exploration was 14 inches across, although most of the books are only 4 - 6 inches in diameter.

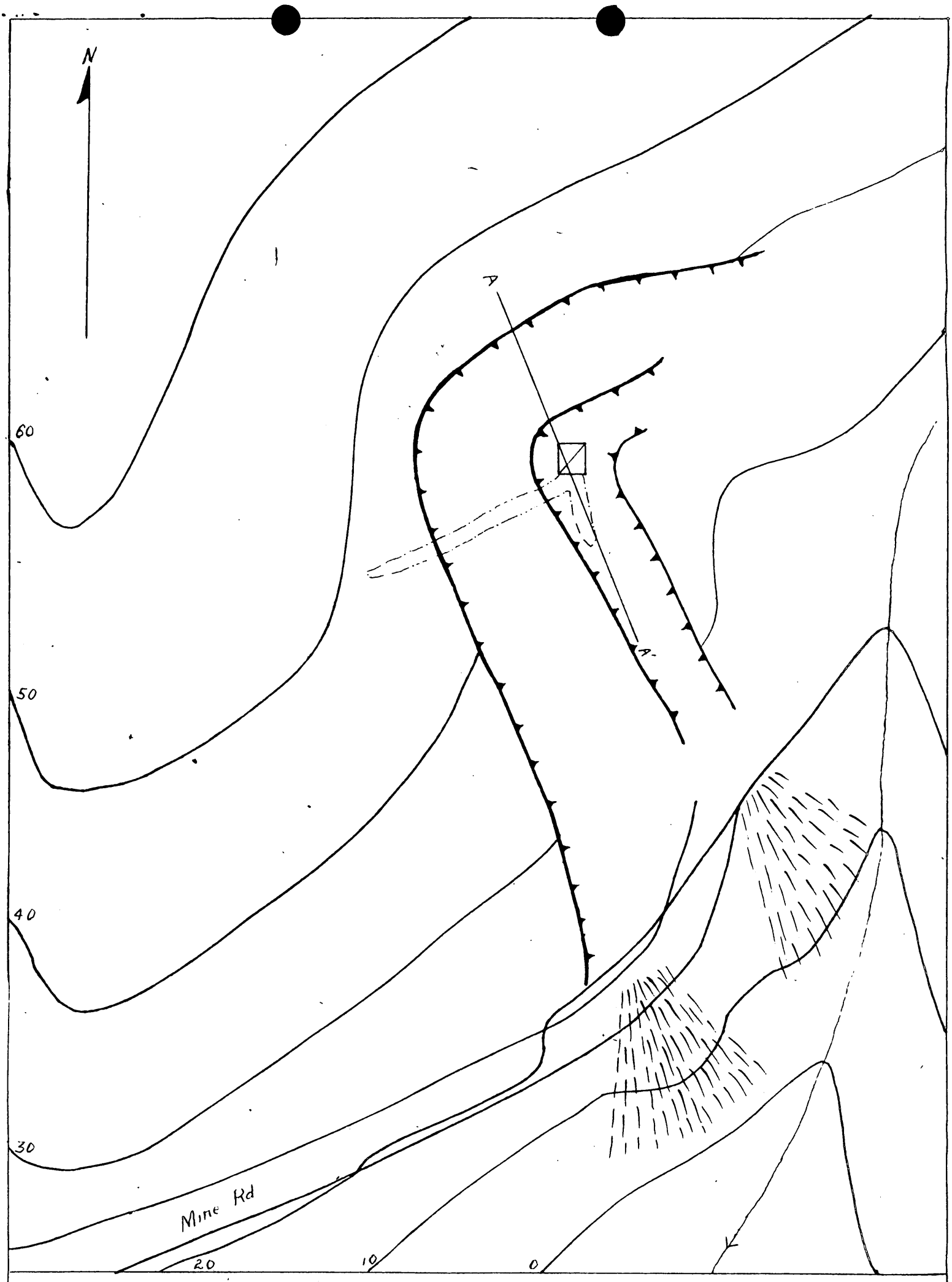
In summary the following facts should be mentioned; (1) Exploration has blocked out a mica zone from 12 to 36 inches thick, approximately 30 feet long, and at least 20 feet down the dip which is estimated to contain 6 percent of mica which can be processed; (2) Approximately 4000 pounds of book mica was recovered during exploration; (3) Mica books up to 14 inches were obtained; (4) Much of the mica obtained was badly cracked and bent; however, considerable trimmed punch and small pattern of strategic grade could be worked from the books.

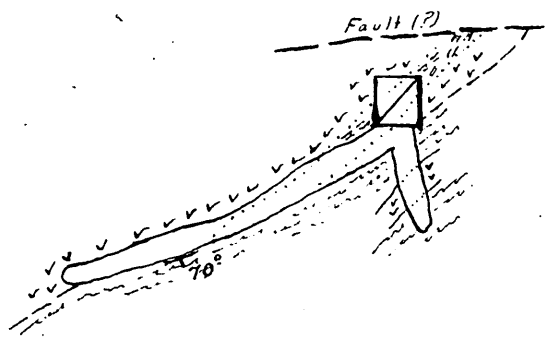
It is believed that the pegmatite explored under this project contains sufficient mica to warrent a small mining operation.

April 7, 1952.

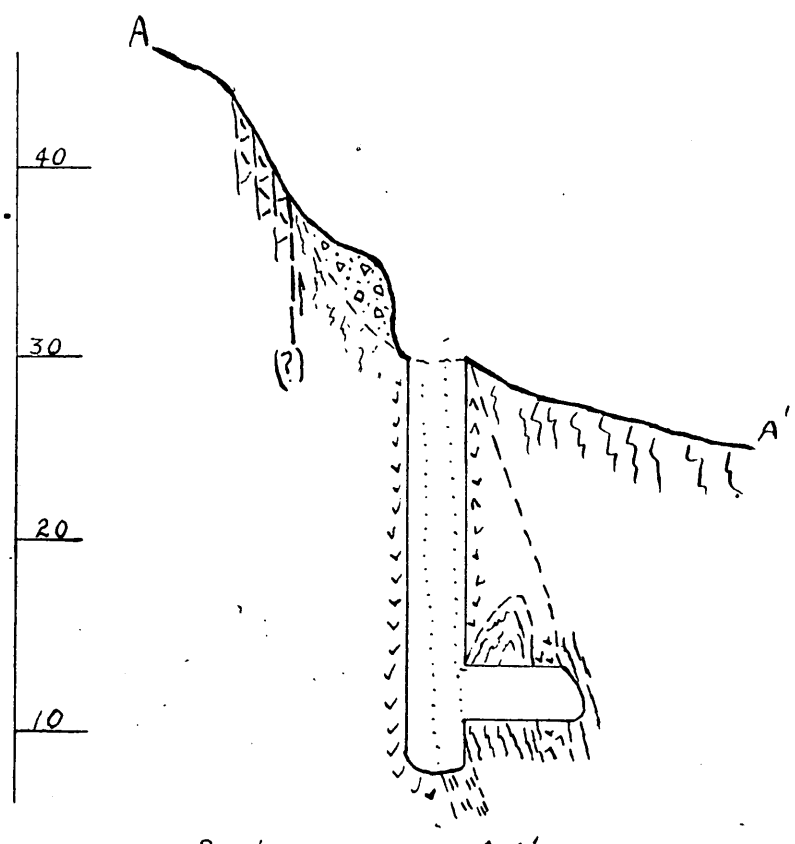
K. H. Teague, Geologist

A. L. Peyton, Mining Engineer





Plan of drift -18-foot level



Section along A-A'

- Feldspathic pegmatite
- Sheet mica zone
- Mica gneiss
- Hornblende gneiss
- Fill

CABE MICA MINE

Macon Co., North Carolina

0 20 40

Scale

DMEA-1700

FRED D. CABE FRANKLIN, N.C. 2/18/52

DOCKET NO. DMA-1700, Idm-E116.

GEOLOGIC & ENGINEERING REPORT - CABE MINE, MACON COUNTY, N. C.

Work was stopped on February 8, 1952, by Field Team, for the following reasons:

".....at that time sufficient exploration had been completed to indicate a considerable body of mica-bearing pegmatite. Although unexpended funds remain in the contract, the Field Team believes that additional work would be of a mining rather than exploration nature." ?

Dozing, trenching, etc., followed in line with contract and under supervision of the Field Team.

Through shafting into the pegmatite, to a depth of 22 feet and then drifting west, 32 feet, it has been full established that commercial quantities of strategic mica can be recovered through operation. // Ck. Note

Because total work done in drift from shaft was within the pegmatite it is not possible to determine the extent of the mica bearing formation. However, owner has become satisfied that success has resulted from the exploration and it has produced evidence of not less than one year of operation, on a profitable basis.

Approximately 2 tons of mica has thus far been recovered, some of the blocks being as large as 3 cubic feet; all of strategic type. //

FRED D. CABE

Contract [illegible]

Contract Amendment No. 1

Contract Docket No. DMA-1700X, Idm-E 116, dated August 17, 1951 between the UNITED STATES OF AMERICA and FRED D. CABE, is hereby amended as follows:

1. The list in Exhibit "A" attached to the Contract form under the title "Exploration Project" is amended to provide for a shaft at a site mutually agreeable to the operator and the Field Team Engineers in place of the 50-foot drift. The shaft shall be sunk to an approximate depth of 30-feet.

2. The list in Exhibit "A" under the title "Operating Equipment" is amended to provide for the rental of a pump for three weeks at $12.00 per week and the rental of a hoist for three weeks at $12.00 per week.

This amendment is being made because it was not possible to complete the bulldozer cut to permit safe drifting.

The cost of this work will be included in the amount allotted in Item 2, under the title "Exploration Project."

> 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 December 5, 1951.

THE UNITED STATES OF AMERICA

By Robert A. Lawrence
Executive Officer, DMEA Region VII

By Fred D. Cabe
Fred D. Cabe

MF-209
(June 1951)

Indexed
No. Card
Card
Reviewed
10/4/57

RECEIVED
1951

Original

Docket No. DMA 1700
Commodity Mica
Idm-E 116

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]

It is agreed this 17th day of August, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and[2] Fred D. Cabe
P. O. Box #366
Franklin, 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 Macon described as follows:[3] Beginning at a hickory, runs West 40 poles to a stake; then South 52 poles to a stake, Slagle's corner; thence East 49 poles with McDowell's line to a pile of rocks; thence North 81 poles to a stake and pointers; thence West 8 poles to a stake and pointers; thence South 29 poles to the BEGINNING, containing by estimate 20 acres. Property is known as the Cabe Mine #1 (formerly the Roper Mine), located about 2 1/2 miles West of Franklin, North Carolina.

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:

None

SEP 10 SEP 17
CONTRACT SERV. SEC

~~(*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 30 days from the date of this contract shall commence work on a project of exploration for[5] Mica; 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] 8 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, or 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 $4,396.50, which is 90 percent of the agreed estimated total cost of this project, $4,885.00.

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.

Jared D. Cake
(Operator)

By _____

THE UNITED STATES OF AMERICA

By C O Mittendorf

Director, Production Expansion Division
Defense Minerals Administration

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

Re: Docket No. DMA - 1700
Fred D. Cabe
Exploration Project Contract

EXHIBIT "A"

Exploration Project:

The work is to be performed in two stages, the second of which is subject to satisfactory completion of the first stage:

1. Cut two bulldozer trenches to expose fresh surfaces of pegmatite. Trenches will be of variable depths, one to be about 150 feet long and have a maximum depth of 25 feet, the other to be approximately 75 feet long and to have a maximum depth of 15 feet

	Estimated Cost
Equipment rental	$ 1,500.00
Labor and supervision	240.00
	$ 1,740.00

2. Drive four short tunnels into the pegmatite, three to be 25 feet in length and one to be 50 feet:

	Estimated Cost
Equipment rental	$ 630.00
Supplies and tools	495.00
Labor and supervision	1,916.00
Payroll taxes, contingencies	104.00
	$ 3,145.00
Total cost of project	$ 4,885.00

The location and direction of the tunnels are to be mutually agreed upon by the Operator and Field Team member.

Fixtures and Improvements:

None chargeable to cost of project

Operating Equipment:

Rental of bulldozer, with operator, fuel, etc. 150 hours @ $10.00 per hour	$ 1,500.00
Rental of compressor, drilling outfit, 3 months @ $210.00 per month	630.00

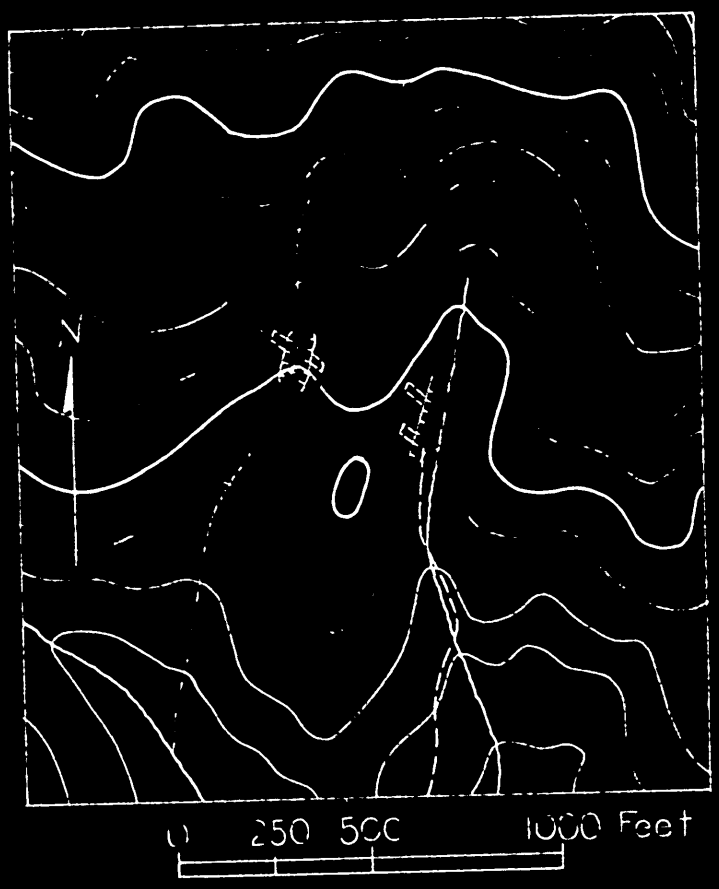
Labor and Supervision:

1 miner @ $12.00 per day	480.00
2 muckers-laborers @ $10.00 per day each	800.00
1 working foreman @ $12.00 per day	876.00

Rehabilitation and Repairs:

None chargeable to cost of project

6



Docket 1700 X Proposed Prospecting Cobe No.1 (Roper) Mine

DMA-1700