DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 393 — DMEA NO. 2293

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- [ ] Withdrawn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
- [ ] 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 Completed 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)
- [ ] 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

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

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

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty material

17963

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-E393, Docket DMEA-2293 (Mica), dated August 29, 1952, with

Dixie Minerals, Inc.
131 Main Street
Waynesville, N. C.

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the D. H. Stephens Mine located in Jackson County, North Carolina, during the period March 10, 1955, through May 1, 1961.

A certification of discovery or development was issued on June 21, 1954, and, in accordance with Article 9 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated January 19, 1954, indicated accepted costs under the exploration contract amounting to $5,390.00 with the Government's contribution on a 90 percent basis being $4,851.00.

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

This review established no sales subject to the Government's royalty during the period subsequent to a prior Report of Royalty Review, which found no sales subject to the Government's royalty through March 9, 1955. The royalty account as of May 1, 1961, was:

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

E. D. Talbert, OME Auditor

November 20, 1961

STATUS OF PROJECT, SCOPE OF REVIEW
AND REASONS THEREFOR

A review of the docket files indicates that no work has been performed on the property under the contract since 1954 and that no production has been made since the date of the contract. Inspections by field representatives, the last on May 1, 1961, have confirmed the lack of activity.

Article 10 of this contract contains the so-called "abandonment" provision. Accordingly, if the Operator has or does terminate or surrender its lease, it is relieved of obligation to pay royalty on future production, if any, unless the property is reacquired within the royalty repayment period. In the event of such termination or surrender, the Owner's Consent to Lien (executed on July 23, 1952, by D. H. Stephens and Liddie Stephens) may not be legally enforceable as it secures payment only for the royalty "provided for under the terms of said exploration project contract". The lien, at any rate, is specifically limited to $5,600.00.

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

(1) The property has been inactive since 1954;

(2) No production has occurred since the date of the contract; and

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ~~SECOND~~ ROYALTY REVIEW

I have reviewed the files of the Executive Officer, DMEA Field Team, Region V, pertaining to Contract Idm-E393, Docket No. DMEA-2293, with:

Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

for the purpose of determining the amount of royalties due the U. S. Government on sales of mica produced from property referred to as the D. H. Stephens Mine located in Macon County, North Carolina, during the period August 29, 1952, to March 9, 1955.

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) A check of the records of the General Services Administration Mica Purchase Depot, Spruce Pine, North Carolina, did not disclose any sales of mica produced from this mine.

(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.

The review has not disclosed any sales of mica from this project which would be subject to royalty payments to the U. S. Government.

C. E. Fisher

C. E. Fisher, Auditor

March 21, 1955

DOCKET FILE COPY
Surname:
Anderson
Hook
Gilbert
Curtis
Hedges
McKnight for Thayer
Lellade
J.J. Johnson

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

600

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

To: Dixie Minerals, Inc.
131 Main Street
Mayesville, North Carolina

Pursuant to the provisions of Exploration Project Contract No. DMA-293, dated August 29, 1952 (Docket No. DMA-293), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

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

The exploration work encountered a zoned pegmatite in Biotite schist from which strategic mica may be produced.

THE UNITED STATES OF AMERICA

By C. C. Mittendorf
Administrator, Defense Minerals
Exploration Administration

Dated: JUN 2 1 1954

WCAnderson:gad 6/16/54
Copy to: Mr. Irving Gumbel, KPS, GSA
D. H. and Liddie Stephens (attached to Field Team's copy for forwarding to proper address)
Docket File
Admr. H. File
Operating Committee
Mr. Hedges, 4604
Mr. Hook
Field Team, Region VII
Mr. Thayer, 5216 GSA Bldg.
Finance Office
Mr. Chambers
Mr. Johnson

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Dixie Minerals, Inc.
Box 561
Sylva, North Carolina

pertaining to Exploration Project Contract No. Idm-E393, Docket No. DMEA-2293, including Amendments Nos. 1, 2, 3, 4 and 5, for the months of October, 1952 to November, 1953, inclusive, covering a project for the exploration of mica in Jackson County, North Carolina on property known as the D. H. Stephen's Upper Mine.

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 Executive Officer of the Regional Field Team, and a determination of the reasonableness and propriety of the costs.

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

(a) the administrative cost to the Government of an audit would be excessive in relation to value of the contract or the estimated amount of possible disallowances thereunder;
(b) the Monthly Reports were supported by documentary proof of the costs incurred on an actual cost basis under the contract; and
(c) a major portion ($4,900.00) of the costs were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total cost as billed by Contractor		$5,390.00
Exceptions:		
By DMEA Finance Officer	$ - 0 -	
Herewith	- 0 -	- 0 -
Total Accepted Cost		$5,390.00

The contract calls for a 90 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Four thousand eight hundred fifty-one and no/100 Dollars

$4,851.00

is considered valid and proper.

Jan. 19, 1954

E. D. Talbert, Auditor

Docket Copy

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DMEA-2293, Idm-E 393 (mica) DIXIE MINERALS INCORPORATED

Amendment No. 5

Contract Idm-E 393, Docket No. 2293, dated 29th day of August 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Dixie Minerals, Inc., of Waynesville, North Carolina is hereby amended as follows:

Article 3 is amended to provide that the Operator is to complete the project within a period of sixteen months from the date of the contract, instead of fourteen (14) months as provided in Amendment 4.

This amendment is necessary because the Operator has not completed the work by the specified date. It is in the Government's interest to complete this work.

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 8 of the contract form.

Dated: October 26, 1953

DIXIE MINERALS INCORPORATED

By H. A. Lawhead
President

THE UNITED STATES OF AMERICA

By Robert A. Lawrence
Executive Officer
DMEA - Region VII

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Docket Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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CONTRACT AMENDMENT NO.4

DMEA-2293, Idm-E 393, (Mica)
DIXIE MINERALS INCORPORATED.

Contract Idm-E393, Docket No. 2293, dated 29th day of August 1952, between the United States of America and Dixie Minerals, Inc., a North Carolina Corporation, is hereby amended as follows:

Article 3 is amended to provide that the Operator is to complete the project within a period of fourteen months (14) from the date of the contract, instead of four (4) months, as provided in the original contract.

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 8 of the contract form.

Dated: August 18, 1953.

DIXIE MINERALS INCORPORATED
By: H. G. Lessfeld

THE UNITED STATES OF AMERICA
By: Robert A. Lawrence
Executive Officer, DMEA
Field Team, Region VII

Docket Copy

EXPLORATION PROJECT CONTRACT
DIXIE MINERALS, INC.
DOCKET NO. DMEA-2293, Idm-E-393

AMENDMENT NO. 3

It is agreed this 3rd day of June, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Dixie Minerals, Inc., each acting in consideration of the agreement of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E393, Docket No. DMEA-2293, dated August 29, 1952, between the parties hereto, be modified and amended, effective August 29, 1952, as follows:

1. In Article 8 of the contract, delete the figures $3,600.00 and $4,000.00 and substitute $4,860.00 and $5,400.00, respectively.

2. In Exhibit "A," under "Description of the Work," Stage II, change the number 100 to 140; and add the words "or crosscut" after the word drift" wherever the latter word appears in the description.

3. In Exhibit "A," under "Estimated Costs of the Project," Stage II, delete everything following the heading "Stage II" and substitute the following:

Unit Costs

140 feet of drifting or crosscutting @ $35.00/ft., including all costs	$4,900.00
The Government will contribute to the cost of drifting or crosscutting on the basis of this agreed, estimated unit cost in lieu of actual costs.	
Total Cost, Stage II	$4,900.00
Total Cost of the Project	$5,400.00*
Government Participation @ 90%	$4,860.00*

4. Article 6(a) of the contract form is amended by adding thereto the following provision:

> "To the extent that costs are set forth in Exhibit 'A' as 'agreed unit costs,' they are in lieu of the actual costs that would otherwise be allowable costs of the project as provided in Article 6(a) of the contract form."

5. Article 3 of the contract is amended to provide that the Operator is to complete the project within a period of one year from the date of the contract.

Executed in sextuplicate the day and year first above written.

DIXIE MINERALS, INC.

By H. A. Lowtood
President

THE UNITED STATES OF AMERICA

By C O Mittendorf
Administrator, Defense Minerals Exploration Administration

Boyton
Hoch
Chamberlin

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Austin

EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-2293
Idm-E393-(Mica)

CONTRACT AMENDMENT NO. 2

Contract Idm-E393, Docket No. 2293, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Dixie Minerals, Incorporated, a North Carolina Corporation, dated the 29th day of August 1952, is hereby amended as follows:

Article 3 is amended to provide that the Operator is to complete the project within a period of ten (10) months from date of contract, instead of seven(7) months as amended by Amendment No. 1, dated December 24, 1952.

This amendment is necessary due to inclement winter weather and illness of the personnel.

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 8 of the contract form.

March 27, 1953.

DIXIE MINERALS, INC.
By H. A. Lawhead

THE UNITED STATES OF AMERICA
By Robert A. Lawrence
Executive Officer, DMEA
Field Team, Region 7

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DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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CONTRACT AMENDMENT No. 1

IMEA-2293, Idm-E393, (mica)

Contract Idm-E393, Docket No. 2293, dated 29th day of August 1952, between the United States of America and Dixie Minerals, Incorporated, a North Carolina Corporation, is hereby amended as follows:

Article 3 is amended to provide that the Operator is to complete the project within a period of seven (7) months from the date of the contract, instead of four (4) months, as provided in the original contract.

This amendment is necessary because of unforeseen circumstances, the sub-contractor was unable to commence work on Stage II, after the completion of Stage I.

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 8 of the contract form.

Dated December 24, 1952.

DIXIE MINERALS, INC.
By H. A. Lawhead
Pres.

THE UNITED STATES OF AMERICA
BY Robert A. Laurence
Robert A. Laurence,
Executive Officer, IMEA
Field Team, Region 7

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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MF-200
(June 1951)
(Revised Feb. 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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DOCKET NO. DMEA 2293

COMMODITY Mica

Docket Copy
Idm-E393

See

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

EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this 29th day of August, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Dixie Minerals, Inc., a North Carolina Corporation, 131 Main Street Waynesville, N. C.

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of North Carolina, County of Jackson, described as follows:[3] See Annex I attached hereto and made a part hereof.

the Operator represents and undertakes:[4]

(*a*) [redacted]

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

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

ARTICLE 3. *Exploration project.*—The Operator, within 60 days from the date of this contract shall commence work on a project of exploration for[5] Mica in or upon the described land; and shall bring the project to completion within a period of 4 months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided.

ARTICLE 4. *Performance of the work.*—(*a*) *Operator's responsibility.* The work shall be performed efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmens' compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. To the extent specified in Exhibit "A," attached hereto, the work may be performed by independent contractor or contractors; and work not specified in Exhibit "A" for performance by independent contractor may nevertheless be so performed upon amendment of Exhibit "A," as agreed to by the parties, to state the work to be so performed and the estimated unit costs thereof, as provided hereafter.

(*b*) *Independent contracts.*—Any independent contract for the performance of work shall be on a unit-price basis (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved), or on some basis that will indicate the amount due for work performed at any stage of the work to be performed under such independent contract. The Government shall not be nor be considered to be a party to any such independent contract, and the Government's right to terminate the exploration project contract under any of its provisions shall not in any manner be affected by reason of any such independent contract. If the reference in Exhibit "A" to any such independent contract states that the Government's approval thereof is required, the Government may refuse to participate in the cost thereof unless and until it has given its written approval of the independent contract.

(*c*) *Government may inspect.*—The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 5. *Estimated costs of the project.*—A statement of the estimated cost of the project is set forth in Exhibit "A," attached hereto. Except insofar as any item of requirement or the estimated cost thereof set forth in Exhibit "A" is there or elsewhere designated as an "allowable maximum," such items of requirement and of related cost are estimates only, and may be exceeded to the extent that the Government may from time to time approve for the most economic and beneficial performance of the work within the limitation of the total aggregate estimate of costs. The Government's approval of any such excess over the estimate for an item of requirement or related cost will be signified by its approval and payment of any invoice or voucher for payment which expressly calls attention to such excess. Items expressly designated in Exhibit "A" or elsewhere as "allowable maximum," and the total aggregate estimated cost are limitations, and any excess therein will be for the sole account of the Operator in which the Government will not participate.

ARTICLE 6. *Allowable costs of the project.*—(*a*) The costs of the project in which the Government will participate are limited to the following:

(1) *Independent contracts.*—Payments to independent contractors under independent contracts listed in Exhibit "A." The estimated cost of any work to be performed under an independent contract is or shall be included in the estimate of costs in Exhibit "A" in terms of the estimated numbers of units of work to be performed, the estimated amount to be paid per unit, and the estimated total amount to be paid to the independent contractor, and such estimates shall be allowable maximums above which the Government will not contribute. Regardless of the provisions of any such independent contract, the Government will participate in the payments to the independent contractor only on account of work actually performed and that conforms with the provisions of the exploration project contract, and only to the extent that the Government deems the unit prices for the work under the independent contract to be reasonable and necessary. No such independent contract shall have the effect of increasing the estimated total cost of the exploration project contract nor the maximum amount which the Government will pay as provided in the exploration project contract.

(2) *Labor, supervision, consultants.*—Labor, supervision and technical services (including engineering and geological consultants), a schedule of which is included in the estimate of costs set forth in Exhibit "A." The requirements and related estimated costs for supervision and technical services are allowable maximums.

(3) *Operating materials and supplies.*—Necessary materials and supplies including items of equipment costing less than $50.00 each, and power, water, and fuel, a schedule of which is included in the estimate of costs in Exhibit "A."

(4) *Operating equipment.*—Any operating equipment to be rented or purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or the allowable depreciation, as the case may be, a schedule of which is included in Exhibit "A." Any items listed as owned and to be furnished by the Operator, and related allowable depreciation, are allowable maximums.

(5) *Rehabilitation and repairs.*—Any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and to be devoted to the purposes of the exploration contract, a schedule of which is included in the estimate of costs set forth in Exhibit "A." These items are allowable maximums.

(6) *New buildings, improvements, installations.*—Any necessary buildings, fixed improvements, or installations to be purchased, installed, or constructed for the purposes of the exploration work, with the estimated cost of each, a schedule of which is included in the estimate of costs in Exhibit "A." All of these items are allowable maximums.

(7) *Miscellaneous.*—Repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance and payroll taxes.

(8) *Contingencies.*—Such other necessary, reasonable direct costs of performing the exploration work, within the limit of the total aggregate estimate of costs, whether or not included in any schedule of costs in Exhibit "A," as may be approved by the Government in the course of the work, as indicated by its approval and payment of invoices and vouchers.

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

(*b*) The Government's payments in all cases will be based on actual, necessary costs (including contract unit prices) incurred not in excess of any "allowable maximum," and not in excess of the fixed percentage of the total aggregate estimated cost. Costs will be considered to be incurred only as they are or become due and payable.

(*c*) No items of general overhead, corporate management, interest, taxes (other than payroll and sales taxes) or any other indirect costs, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

ARTICLE 7. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operators shall provide the Government with monthly reports of work performed and costs (including contract unit prices) incurred under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of costs incurred on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

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

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

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of 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. Upon the completion of the project or termination of the contract the Operator shall render a final account as provided in Article 12.

ARTICLE 8. *Payments by the Government.*—(*a*) The Government will pay 90 percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $3,600.00, which is 90 percent of $4,000.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided,* that until the Operator's final report and final accounting have been rendered to the Government, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract.

(*b*) The Government may make any payment or payments direct to independent contractors and to suppliers, for the account of the Operator, rather than to the Operator.

ARTICLE 9. *Repayment by Operator.*—(*a*) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than 6 months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

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

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

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

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

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

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

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

ARTICLE 11. *Title to and disposition of property.*—All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

ARTICLE 12. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall dispose of any remaining materials, supplies, facilities, buildings, fixtures, and equipment in which the Government has an interest, for the joint account of the Operator and the Government in the proportion of their respective interests; shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; and shall pay to the Government its pro rata share of any money remaining.

ARTICLE 13. *Changes and added provisions.* ____________

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By ____________
Acting Administrator
Defense Minerals Exploration Administration

Dixie Minerals, Inc.
(Operator)

By H. A. Lawhead, Pres.

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

____

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66328-1

DIXIE MINERALS, INC.
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMEA-2293

ANNEX I

The property of D. H. Stephens and Liddie Stephens, described as follows:

Beginning on a sycamore on the South West side of Moses Creek at the mouth of the Flush Running Branch, and runs up the meanders of said branch above the falls of said branch to a large chestnut tree on the West side of said branch, Mary Wood corner, thence North 25 West thirty poles to a beach, now down, thence North to the John R. Queen line 45 East with said line to what is known as the Meggs and Freeman line, thence South 52 East with Meggs and Freeman line to a chestnut corner in the head of what is known as Gooses cove, thence in a southwest direction down a ridge to a chestnut corner, thence on down the ridge between the low field and Henry Field to Moses Creek to a chestnut at or near the mouth of the Henry Field branch, thence down Moses Creek with the meanders to the Beginning.

Deed from R. H. Stephens to D. H. Stephens, dated March 15, 1900 and recorded in the office of the Register of Deeds for Jackson County, N. C. in Book 85 at page 406.

DIXIE MINERALS, INC.
EXPLORATION PROJECT CONTRACT
DOCKET NO. DMKA-2293

EXHIBIT "A"

Description of the Work

The exploration work is divided into two stages.

Stage I

Excavate two trenches as shown on the map captioned "D. H. Stephens Mine, No. 1, Main Workings," attached hereto. The exact location, direction, length, and depth of these trenches shall be specified by the Government.

Stage II

If, in the opinion of the Government, the results of Stage I indicate that further exploration is warranted, drift from the lower trench 100 feet northwest. This drift shall be 5' x 7' in cross-section, and the exact location and direction of it shall be specified by the Government.

Estimated costs of the Project
(*Indicates allowable maximum)

Stage I

(1) Independent Contracts

None

(2) Labor, Supervision, Consultants

1 Working foreman - 5 eight hour shifts @ $12.00 per shift*	$ 60.00*

(3) Operating materials and supplies 30.00

(4) Operating Equipment

To be rented

1 Bulldozer, including operator, oil, grease, fuel, and repairs, 40 hrs. at $10.00 per hr.	400.00*

(5) **Rehabilitation and Repairs**

None

(6) **New buildings, improvements, installations**

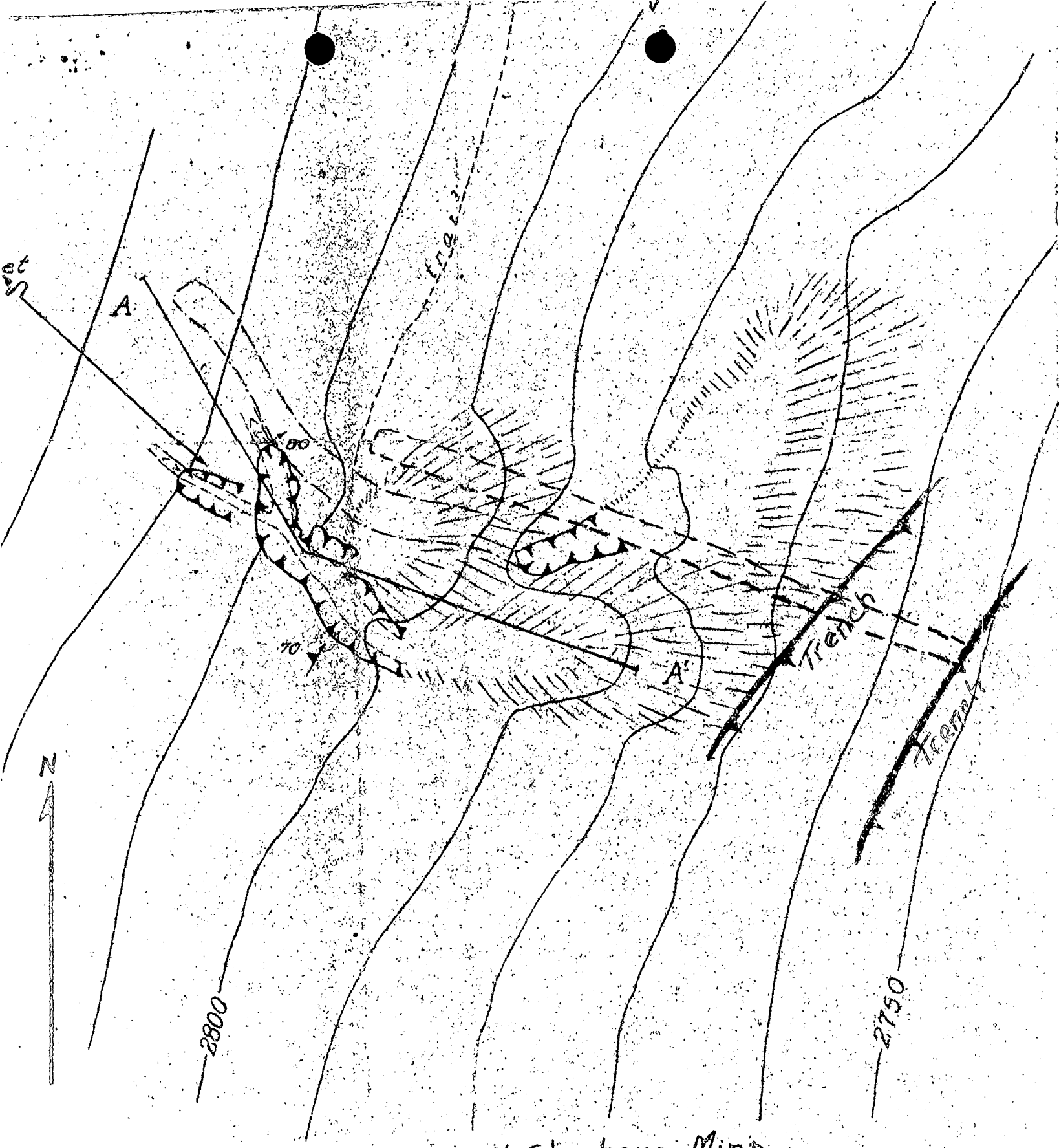
None

(7) **Miscellaneous**	$ 10.00	
Total - Stage I		$ 500.00

Stage II

Unit Costs

100 feet of drifting @ $35.00 per foot, including all costs	3,500.00	
The Government will contribute to the cost of drifting on the basis of this agreed, estimated unit cost in lieu of actual costs.		
Total - Stage II		3,500.00
Total cost of the Project		$4,000.00*
Government participation @ 90%		$3,600.00*



D. H. Stephens Mine

NO. 1, MAIN WORKINGS

Proposed Cut

Proposed Adit

0 20 40 60

Scale in feet

DMEA 2293

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Jackson, described as follows:1/

The property of the undersigned, being described as adjoining the lands of L. E. Hooper, L. M. Stephens, and Blackwood Lumber Co., and lying on the waters of Moses Creek in Caney Fork Township, Jackson County, N. C.

which is the subject of a proposed exploration project contract, hereinafter called the "contract", between the United States of America, hereinafter called the "Government", and

2/ Dixie Minerals, Inc. 151 Main Street, Waynesville, N. C.

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 3,600.00, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 23rd day of July, 1952.

L. M. Stephens [Seal]

Lickie Stephens [Seal]

[Seal]

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

2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

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

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

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

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

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

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

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

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

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. DMEA-2293

Date received

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 17 1951

DIXIE MINERALS, INC.
131 Main Street,
Waynesville, N. C.

Name and address of applicant

Date December 5th, 1951

D. H. Stephens Mine

FILL IN THIS BLOCK

Date of application December 5th, 1951

Estimated cost $9170.00

Mineral or metal Mica, Sheet, punch & Scrap.

Percentage of Government participation 90%

Location of mine On Moses Creek Road, Caney Fork Township, Jackson County, North Carolina.

(D.H.Stephens Mine)

Date of filing MF-100

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? A Coppration.

*2. If a partnership, state names and addresses of partners. Reference is to Form MF-100

*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. Reference is to Form MF-100

*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.

X 8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.

X 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.

By H. A. Lawhead

(Name of company) (Signature of authorized official)

(Date) (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

2293

SUPPLEMENTAL SHEETS TO BE ATTACHED TO FORM MF#103. (D.H.Stephens Mine Project)

Application of: Dixie Minerals, Inc.
131, Main Street,
Waynesville, N. C.

For: Aid for an Exploration Project Pursuant to Mineral Order No. 5, under Defense Production Act of 1950.

Items 1 through 5, MF 103, are answered upon Form MF-100, submitted with application.

6. Not applicable. Applicant is lessee of property.

7. Copy of Lease is attached. Lease is in good standing.

8. No Profit and Loss Statement for past operations can be furnished in as much as Corporation is only recently organized and has not heretofore operated.

Statement of Assets and Liabilities is as follows:

Assets		Liabilities	
Paid in Capital Stock - - -	$300.00	Capital Stock Outstanding -	$300.00
TOTAL	$300.00		$300.00

Approximately five thousand dollars ($5,000.00) worth of equipment and machinery will be transferred to corporation in exchange for capital stock, which will shortly give corporation that much additional assets.

9. How much money is applicant prepared to invest in the 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? - - - YES.

10. Answers to questions ten through 16, see attached lease and form MF100 submitted with this application.

17. Production:
Mine has not been operating for the past several years.

18. Mineral Reserves:
Unknown, but believed to be extensive.

19. None

THE EXPLORATION:

20. Exploration is to be conducted for Sheet Mica, with punch mica and scrap mica and feldspar as by-products.

Supplemental Sheets to be attached to Form MF-103 (D.H.Stephens Mine Project)

21. Proposed work will require cleaning out old open pit operation, tunneling and probing for vein and relocation of same, requiring an estimated time of five months, or sixty working days.

22. This mine was formerly opened as an open pit operation by the use of hand tools and some good mica was gotten out. It is in the area of several proven mines which were operated during World War II. There are also a number of promising outcroppings in near vicinity.
In this connection, reference is made to Item 7, Form MF-100.

THE REQUIREMENTS AND COSTS: D.H.Stephens Mine.

23. (a) Labor required: (Estimated)

2 miners @ $1.50 per hour, 8 hrs.per day, 60 working days - - -	$1440.00
4 muckers @ $1.00 " " " " " " " " "	1920.00
1 powder & general utility man, $8.00 per day, 60 " "	480.00
(b) 1 foreman, @ $12.00 per day, - - - - - - - - " " "	720.00
	$4560.00

(c) None.

(d) Necessary installation, structures, buildings, will consist of Compressor house and tool shed, powder magazine, mica house, at an estimated cost of - $1000.00

(e) Items which must be purchased:

2 jack hammers - - - - - - - - - -	$250.00	
Jack hammer steel - - - - - - - - - -	200.00	
Blacksmith Shop Equip. - - - - - - -	200.00	
Mine car and rails - - - - - - - - -	500.00	
Sump Pump - - - - - - - - - - - - -	200.00	
	$1350.00 - -	1350.00

(f) Cost of rental of compressor - - - - - - - - - - - - - - - - -	450.00
(g) Rental value of items to be devoted to work: Truck -	450.00
(h) Materials and supplies costing less than $50, each, consisting of hand tools, explosives, wheel barrows, etc. - - -	1000.00
(i) Power: Gas, oil, grease, electricity, @ $6.00 per day - - -	360.00
Total	$9170.00

24. Time Schedule:
Approximately two calendar months will be required for obtaining equipment and installing same and preparing site of mine for exploratory work. Approximately three months, or sixty working days will be required to properly open, explore and locate vein of mica.

Supplemental Sheets to be attached to Form MF-103 (D.H.Stephens Mine Project)

24. (continued)

In the first phase of operation named above, it is expected that one third of the cost estimate submitted will be expended in those items set forth for installation, structures, buildings, items that must be purchased, and that by the end of the second phase of operations indicated above, the entire amount requested will be expended.

* * * * * * * * *

Form MF-100
(May 1951)

U. S. 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. DMEA-2292

Date received 11-17-51

DIXIE MINERALS, INC.
131 Main Street,
Waynesville, N. C.

Name and address of applicant

Date December 5th, 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) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (5) 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)
H. A. Lawhead, Sylva, N. C.	President(D)	none	$10,000	48	none	none	
H. L. Liner Sr. Waynesville, N.C.	Secretary-Treasurer (D)	none	$50,000	48	none	none	
James H. Howell, Jr. Waynesville, N. C.	Vice-Pres. (D)	none	$5,000	2	none	none	
ONLY THREE STOCKHOLDERS - ALL NAMED ABOVE.							
	Total		x x x x x			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)
New Corporation, authorized 1000 shares of no par value common stock.					
Common stock	$	$	$		
Preferred stock none authorized.		$	$		

*Indicate period covered.

10. Production: not applicable, (new corporation)

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.)					
2. Quantity of product processed (specify unit of measure and type of process)					
3. Quantity and grade of product sold or shipped (specify units of measure)					

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. none

12. Ore or Mineral Reserves: Believed extensive; see answers to items 2, 7.

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

GENERAL TECHNICAL DATA: to accompany MF Form-100.

Application of: Dixie Minerals, Inc.
131 Main Street,
Waynesville, N. C.

December 5th, 1951.

1. Materials produced:
   (a) Mica, -sheet, punch and scrap.
   (b) Byproducts, - feldspar.

2. Name and type of mine, including old names of property, extent of workings, etc.:
   Name: The D. H. Stephens Mine.
   Type: Mica, drilling operation and tunnels.
   (a) There are no shafts.
   (b) There is no tunnel in old working, -it is an open cut. No Crosscuts.
   (c) There is a 25 foot drift as an open cut which was made several years
   (d) ago. Mine is not flooded, however, some water may be encountered. Productive capacity presently unknown. This mine has hardly been more than opened and good mica has been found.

3. Location and distances:
   (a) Nearest town is Sylva, N. C., which is also shipping point. Mine is approximately 16 miles Southeast of Sylva, N. C.
   (b) Mining District: Region #VII.
   (c) Township: Caney Fork.
   (d) County and State: Jackson County, North Carolina.

4. (a) Property is not now in operation.
   (b) Will operate this property as Lessee.

5. As to the number of years previously operated, that information is unknown.

6. Experience of operators:

   (a) H. A. Lawhead, Sylva, N. C., President of Applicant corporation, has had the following experience: for the last 11 years has engaged in the business of mining mica, feldspar, and vermiculite; prior to that he has had 10 years experience in the mining of coal; he has also had 14 years experience in the business of operating a trucking line in interstate commerce, both as manager and owner-manager. Experience in mining has been as manager and as part-owner manager.

   (b) H. L. Liner, Waynesville, N. C., Secretary-Treasurer of applicant corporation, has been in business for himself for over 30 years, during which time he has and is now engaged in various and sundry enterprises consisting of logging, lumbering, building supplies, real estate and insurance, all of which are going enterprises.

7. History:

(a) At time of the opening of this mine, no facilities for mining other than by hand operations were available; suspension of previous operations seems to have been due to lack of facilities and funds. This mine is therefore undeveloped, the prospects of being in a good mica mining lead are good and considered extremely encouraging. One exceptionally large block of good sheet mica was pulled from this area.

(b) Upon neighboring properties, within approximately ½ mile, was mined the largest block of mica mined in North Carolina. During World War II there were several proven mines of good quality in neighborhood or near vicinity, approximately six such mines in number.

(c) Mr. Fred Shaeffer, who was the government engineer in this district during World War II approved several mines in the near vicinity of this prospect, including one mine on the same property as this prospect, for government aid; while his reports are not available to us, it is felt that they are available to the Bureau of Mines.

- - - - - - - - - - - - - -

13. Access Roads:

Prospect is 35 feet off of Moses Creek Road in Caney Fork Township, Jackson County, N. C. This road is graveled to within ¼ mile of prospect. Road is a good county road. Prospect is located 16 miles southeast of Sylva, N. C., which is the nearest shipping point, supply point, and point of residence.

14. Water Supply:

Moses Creek, with amply year-round supply, is within fifty feet of prospect.

15. Power:

The intention is to use gasoline driven machinery. However, should a change be made, electric power is available nearby from REA at their current industrial rates.

16. Labor: as to present or recent payroll period, inapplicable, in as much as applicant is a new corporation and has not previously operated.

However, it is anticipated that at this particular prospect, the following labor shall be employed: 2 miners, 4 muckers, 1 powder & general utility man, and one foreman.

17. Equipment and facilities:

There is no equipment, buildings, etc, on the property.

18. Particular circumstances: none.

(b) If deposit is other than placer: not applicable

(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				
Indicated (probable)					

(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: For answers to Items 13 thru 18, see attached sheets.

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.

DIXIE MINERALS, INC.
(Name of company)

By H. A. Lawhead
(Signature of authorized official)

December 5th, 1951
(Date)

President.
(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

NORTH CAROLINA
JACKSON COUNTY

(COPY)

MINING LEASE

THIS LEASE AGREEMENT, made this the 24th day of November, 1951, between D.H.Stephens, his wife Giddie Stephens of Jackson County, State of North Carolina, hereinafter called the Lessor, of the first part, and Dixie Minerals Incorporated of Waynesville, N.C. hereinafter called the Lessee, of the second part.

W I T N E S S E T H

THAT WHEREAS, the party of the first part is the owner of certain mica mines and which mines are commonly known as the Douglas Stephens mica mines, and from which mica has been removed heretofore on various occasions, and

WHEREAS, the said party of the second part has leased the mica mines upon the terms and conditions herein stated.

NOW THEREFORE, the said Lessor, in consideration of the rents, royalties, covenants and agreements hereinafter reserved and expressed to be paid and performed by the Lessee, hereby lets and demises unto the Lessee, for mica mining any and all mica mines on the property of the Lessor and with the right to prospect and open up new mines if the Lessee so desires. The property of the Lessor being described as being adjoined by the lands of L.E.Hooper, L.M.Stephens and Blackwood Lumber Company, and the same being situate on the waters of Moses Creek in Caney Fork Township, said State and County.

TO HAVE AND TO HOLD unto the said Lessee for the term of 5 years from the date hereof, expiring on the 24th day of November, 1956.

The Lessee covenants with the Lessor as follows, to-wit:

1. To enter upon the lands embracing the mine or mines of said premises and work the same in manner necessary to good and equitable mining, so as to take out the greatest amount of mica possible, with due regard to safety, development, and preservation of said premises as workable mines.

2. To work and mine said premises as aforesaid steadily and continuously from within 90 days; it being expressly agreed and understood that any failure to work said premises with at least two persons in said mines for the space of ninety (90) consecutive days shall be deemed, at the option of the Lessor a breach of this covenant.

3. To keep correct accounts as to classes, grades, weights and prices per pound of all mica obtained from said premises and to render same to the Lessor monthly, or as often as sales are made, accompanied by bouchers, showing

the amounts obtained in cash therefor and pay to the Lessor as rent or royalty for said premises 10 per cent of the gross sales of all mica sold from said premises.

However, the Lessor reserves the right, upon giving notice to the Lessee, to be present when all sales of mica are made. And no expense to be deducted by the Lessee, for mining, sheating, hauling or any other expense whatever in preparing said mica for the market from the gross sales.

4. It being mutually understood and agreed that if the said Lessee shall fail to pay the royalties or rents at times sales are made or money obtained for said mica as herein stated, or fail to comply with any other provision of this lease, then and in that event, at the option of the Lessor, this lease shall be null and void, and the Lessee hereby contracts and agrees to vacate the above described premises on demand of the Lessor or his agent, and the said Lessee hereby waives all notice to vacate the same, in default by the Lessee as above stated.

IN WITNESS WHEREOF, the said party of the first part and the said party of the second part have hereunto set their hands and seals, on this the day and year first above written.

(SIGNED) GIDDIE STEPHENS

(SIGNED) D.H.STEPHENS (SEAL)
(lessor)

NORTH CAROLINA
JACKSON COUNTY.

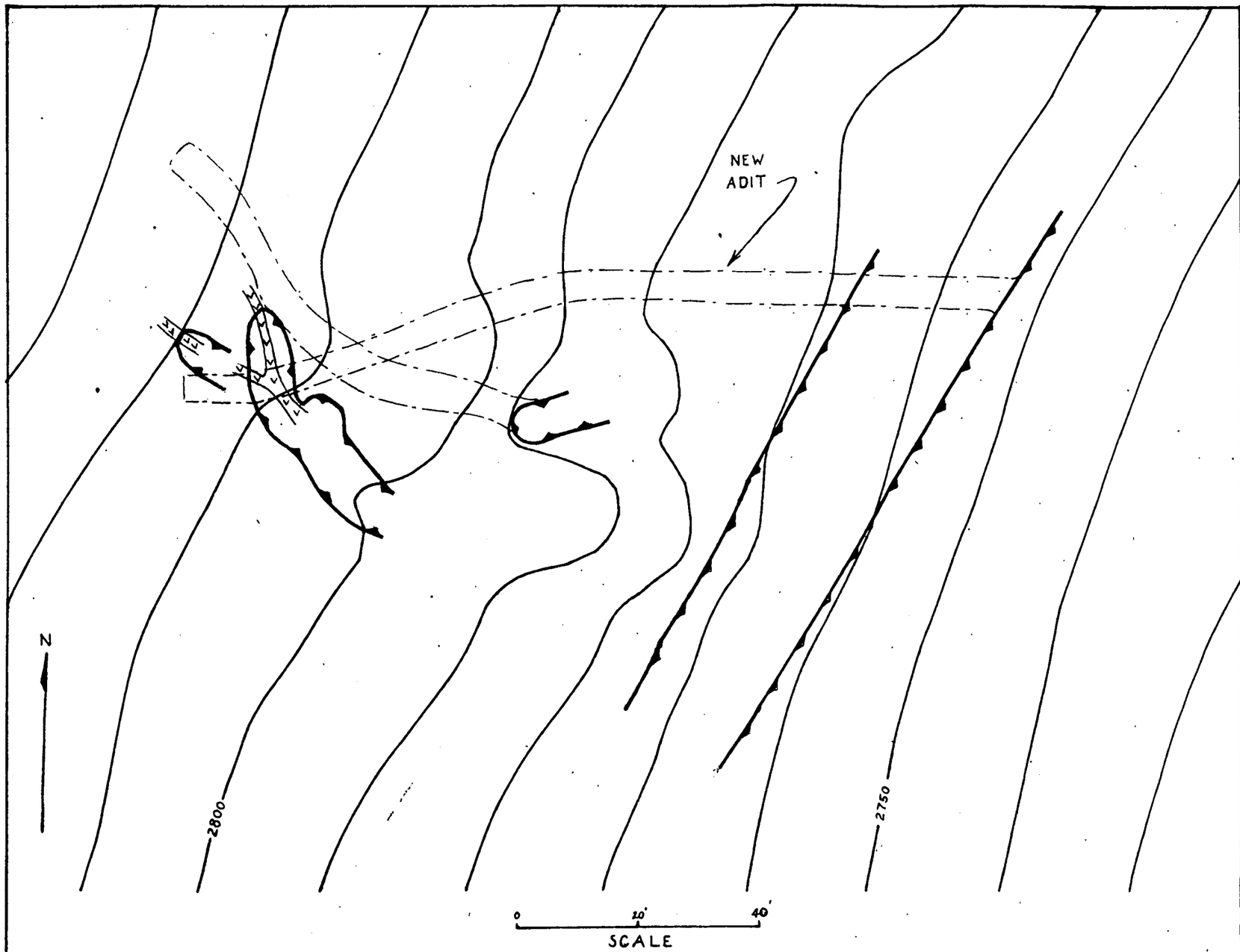
I, Oscar Lovedahl, a Notary Public, in and for Jackson County, North Carolina, do hereby certify that D.H.Stephens, his wife, Giddie Stephens, personally appeared before me this day and acknowledged the due execution of the foregoing and annexed mining lease for the purposes therein expressed.

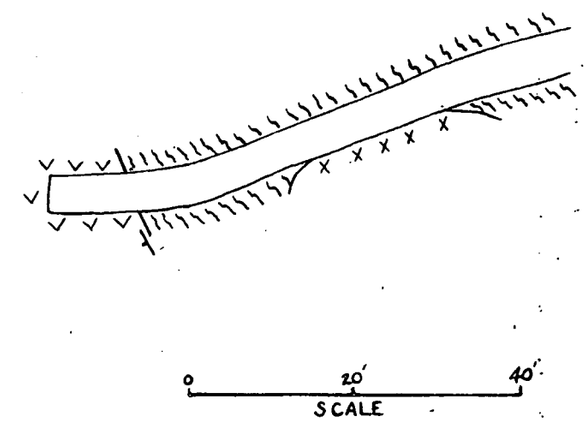
Witness my hand and Notarial Seal, this the 30th day of November, 1951.

(SIGNED) OSCAR LOVEDAHL
Notary Public.

My Commission Expires:

Oct. 2, 1952.





PLAN OF WEST END
OF ADIT

D.H. STEPHENS MINE

JACKSON CO., N.C.

DMEA-2293

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

Project Summary Report

By: Walter C. Anderson June 17, 1954

1. DMEA Docket No. 2293 - Mica
Contract No. Idm-E393
D. H. Stephens Mine
Jackson County, North Carolina

Operator: Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

Operator's property rights:
Five year lease dated November 24, 1951
Owner's Consent to Lien dated July 23, 1952.

2. Contract - dated August 29, 1952
Work authorized:

Bulldozing, including rental, labor, supervision, etc.	$500.00
100 feet of drifting @ $35.00/ft.	3,500.00
Total estimated cost of project	$4,000.00
Government participation @ 90%	$3,600.00

Amendments:
No. 1 - 12/24/52 - extends completion date from 4 mos. to 7 mos.
No. 2 - 3/27/53 - extends completion date from 7 mos. to 10 mos.
No. 3 - 6/3/53 - adds the words "or crosscut" after "drift" wherever it appears and increases drifting and/or cross-cutting from 100 feet to 140 feet. Increases cost of authorized contract work from $4,600.00 to $5,400.00.
No. 4 - 8/18/53 - extends completion date from 10mos. to 14 mos.
No. 5 - 10/26/53 - extends completion date from 14 mos. to 16 mos.

Work completed:

Bulldozing 670 cubic feet @ $0.73/cu.ft.	$490.00
140 feet of drifting and/or crosscutting @ $35.00/ft.	4,900.00
Total accepted cost	$5,390.00
Government participation @ 90%	$4,851.00

Work began on September 28, 1952, and was completed on November 30, 1953.
Field Team Final Report received 3/22/54.
Field Team Report recommending certification received 5/17/54.
Operator's Final Report - none received. Operator reports he is unable to prepare one.

3. Audit - certificate issued on January 19, 1954 (no exceptions).

Accepted cost	$5,390.00
Government participation	$4,851.00

4. Certification of discovery - issued June 21, 1954.
There is insufficient information to make ore reserve estimates, but the project gave the Operator access to mica occurrence and therefor it should be certified.

5. Comments:

How conducted - Operator did not comply with general principles regarding mining and cooperation with the Government was not good.

Operation - very slow.

Engineering - bad. Reporting was inadequate.

Geological premise - The premise that a pegmatite would be found in an adit was realized at the completion of the project. The last 10 feet of the adit exposes mica-bearing pegmatite.

Geological criteria upon which work was based:
1. Pegmatite 2 to 5 feet thick.
2. Occurrence of good quality mica.
3. Sold to the Government during World War II 460 pounds of mica valued at $2,795.40.

Criteria developed during project:
1. None developed by trenching.
2. Adit exposed zoned pegmatite 11 feet thick.

Future possibilities: Exposure of mica-bearing pegmatite at completion of project has given the Operator encouragement to continue.

Recommendations:

The Nonmetallic Minerals Division concurs in Field Team's recommendation to certify. The Field Team states "the project lead directly to mica production", although this is insufficient information to estimate reserves. Also agrees that Operator be denied further exploratory aid because of lack of cooperation with the Government in performance of the work. The Geological Survey and the Bureau of Mines concur.

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
9/14	Hoff	500
9/14	Talbut	800
"	on leave	130
		110
9/14	on leave	100
		220

SEP 14 1962

Memorandum

To: Robert A. Laurence, U. S. Geological Survey
Room 11, Post Office Building, Knoxville 2, Tennessee

From: Acting Chief, Division of Field Operations

Subject: DMEA-2293 (Mica)
Dixie Minerals, Inc.
D. H. Stephens Mine
Jackson County, North Carolina
Contract Idm-E393

Enclosed are two copies of the Director's letter to the Operator releasing the Government's lien on the subject property.

Also enclosed are the original and distribution copies of a letter to Mr. D. H. Stephens and Mrs. Liddie Stephens, signers of the Owner's Consent to Lien, dated July 23, 1952. It will be appreciated if you will ascertain the address and mail the original letter to Mr. and Mrs. Stephens. Kindly insert the address on the original and all copies, retain the two copies indicated for Region IV, and return the remaining copies to our office.

W. R. Griswold (gla)

Enclosures

GLAult/a
9-14-62
cc to: Director's Reading File
Docket
Code 500

43683

MME Form 7
(10-58)

9/14 500
OFFICIAL FILE COPY

Date	Surname	Code
9/14	Holt	500
9/14	Talbot	800
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SEP 1 4 1962

Mr. D. H. Stephens and
Mrs. Liddie Stephens

Rural Route
East PorLaport, Jackson County
Sylva, North Carolina

Re: DMEA-2293 (Mica)
Dixie Minerals, Inc.
D. H. Stephens Mine
Jackson County, North Carolina
Contract Idm-E393

Dear Mr. and Mrs. Stephens:

Enclosed is a self-explanatory letter of today to the Operator under the subject contract.

This correspondence relates to the Owner's Consent to Lien signed by you on July 23, 1952, under the Defense Minerals Exploration Administration program which has been succeeded by the Office of Minerals Exploration program.

Sincerely yours,

ACTING Director

Enclosure

SPHolt/gla
9-14-62
cc to: Director's Reading File
Region IV (2)
Docket
Code 500

43683

9/14 Smoot 500

OFFICIAL FILE COPY

Date	Surname	Code
9/14	Holt	500
9/14	Talbert	800
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9/14	on leave	100
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MME Form 7
(10-58)

Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

SEP 14 1962

Re: DMEA-2293 (Mica)
Dixie Minerals, Inc.
D. H. Stephens Mine
Jackson County, North Carolina
Contract Idm-E393

Gentlemen:

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development dated June 21, 1954, all minerals mined or produced from August 29, 1952, to August 29, 1962, were subject to the Government's percentage royalty as set forth in the 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,

(signed) FRANK E. JOHNSON

ACTING Director

SPHolt/gla
9-14-62
cc to: Director's Reading File
Contract Division
Region IV (2)
Docket
Code 500

43683

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

Re: DMEA-2293 (Mica)
Dixie Minerals, Inc.
D. H. Stephens Mine
Jackson County, N. C.
Contract Idm-E393

JUL 2 5 1962

Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

OFFICIAL FILE COPY
O. M. E
RECEIVED AUG 3 1962

DATE	INITIALS	CODE
8/3		800
		100
		~~110~~
		500
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"		500
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Gentlemen:

After the completion of the approved exploration work under the contract identified above, we asked to be informed about changes in the status of the property and production from it during the period of royalty obligation.

To assist you to furnish this information and to assure the accuracy of our records, please answer the questions on the back of this letter and return two copies to this office with copies of any pertinent documents.

Sincerely yours,

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since May 18, 1961, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since May 18, 1961, has there been any production from the land subject to the contract? Yes ☐ No ☒

   A. If so and it was shipped, give quantity, value, and name and address of purchaser.

	Quantity	Value

   B. If stockpiled awaiting sale, state quantity, grade, and location.

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

3. Since , has any production been transported through workings (see of contract)? Yes ☐ No ☒

   A. If so, state quantity, value, and disposition of material.

Disposition of Material	Quantity	Value

Submitted by:

Name Harry L. Liner, Jr. Title Executor Estate of Harry L. Liner, Sr. Dec'd.

Address Waynesville, N. C. Date July 31, 1962

4511

MVR Form 7
(10-55)

	Surname	Code

[illegible]

[illegible]

From: [illegible]

Subject: [illegible]

[illegible]
[illegible]
Carolina, [illegible]
under [illegible]
[illegible]
[illegible]

[illegible]

Section IV [illegible] (2)

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		120
11/21	Johnson	110
11-21	Finn	100
11-21	Gad	220

NOV 2 1 1961

Memorandum

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

From: Chief, Division of Field Operations, OME

Subject: DMEA-2293 (Mica)
Dixie Minerals, Inc.
D. H. Stephens Mine
Jackson County, North Carolina
Contract Idm-E393

Attached for your files is the original of a Report of Royalty Review on the subject contract.

/s/ George C. Selfridge (SHB)

Attachment

GCSelfridge/hb (11/21/61)
Copy to: Docket DMEA-2293
Director's Reading File
CA & A Division
G. C. Selfridge
R. A. Lawrence, Reg. IV, w/cys of Report of Royalty Review dtd 11/20/61 and original memo dtd 11/20/61 by Chief, CA&A Div., to Chief, Div. of Field Operations.
V. J. Lynch, w/1 cy ea. of items sent to Mr. Lawrence.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

NOV 20 1961

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMEA-2293 (Mica)
Dixie Minerals, Inc.
D. H. Stephens Mine
Jackson County, North Carolina
Contract Idm-E393

Attached are the original and one copy of a Report of Royalty Review covering the subject Region IV contract. If you concur in the facts stated therein, please make the following distribution:

(a) Original to the Fiscal Section, Division of Administrative Services, Office of the Secretary; and

(b) Copy to Region IV files.

This report is for OME record purposes only; therefore, no copy has been provided for the Operator.

As evidence of your concurrence, a copy of your memorandum transmitting the original of this report to the Department's Fiscal Section should be furnished this Division. If for any reason you do not concur, the original and copy should be returned to this Division with your comments.

Attachments

EDTalbert/ama
November 20, 1961

Copy to: Docket
Director's Reading File
CA & A Division
Mr. Rothrock

43683

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

IN REPLY REFER TO:
OFFICIAL FILE COPY
O. M. E
RECEIVED MAY 22 1961

DATE	INITIALS	CODE
5/23	gad	220
	[illegible]	~~170~~
5/23	[illegible]	800
"	gla	500
		220

May 18, 1961

Report of Investigation of Certified Project

Dixie Minerals

DMEA-2293

D. H. Stephens mine, Jackson County, N.C.
DMEA 2293 E393

No work is being done at the D. H. Stephens mine. All equipment has been removed and the DMEA adit is caved. The dump is overgrown with briers.

Frank G. Lesure

Date Inspected
1 May 1961

MME Form 18
10-60

OFFICE OF MINERALS EXPLORATION

ANALYSIS OF ANNUAL REPORT
OF CERTIFIED PROJECT OR PROJECT UNDER ROYALTY AGREEMENT

Division of Minerals prepares in duplicate, files original in official docket, and sends copy -

To: (1) Code 110 (for verification or adjustment)
(2) Code 210

		Report Period To: 5-1-61
Docket No. 2293	Operator Dixie Minerals	Contract No. E393

ORE ESTIMATES	Original DMEA or OME (From Final Report)	Revised DMEA or OME	Found by Operator after DMEA-OME work
Analysis			
Tons Found	no estimate		
Tons Produced (Ore or Concentrate)			
Previously Reported			
This Period			
Tons Remaining	—		

Comments of Analyst:

Inactive at present

Prepared by W R Fussell Date 5/26/61

82444-60

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O. M. E.
RECEIVED JUL 6 1960

DATE	INITIALS	CODE
7-6	gad	rrc
		110
		800
		500

DMEA

NORTH CAROLINA PROJECTS
-ANNUAL REPORT ON CERTIFIED PROJECTS

ojects inactive since last
Inspection

Reporting Period nuary 1 to July 1, 1960.

DMEA No.	Idn-	Operator	Date of Inspection
1180	87	Pitt Mica Co. (Mary Mine)	June 13 thru 15, 1960
1141	107	Franklin Developers (Campbell Mine)	"
1700	116	Fred [illegible] Cabe (Cabe Mine # 1)	"
2150	456	Reid-Hooker Ptners (Reid-Hooker Mine)	"
2277	412	Lin Carpenter, Mgr. (Burke John Mine)	"
2293	393	Dixie Minerals, Inc. (Upper Mine and D. H. Stephens Mine)	"
2327	476	A. W. Reid, Operator (May Mine)	"
1876	181	Yancey Mica Mines, Inc. (Cattail Mine)	"
2325	349	Robinson and West (Swannanoa Mine)	"
2327	311	Piedmont Minerals (Self Mine)	"
2557	432	Anglin & Elkins (Huskins Mica Mine)	"
2582	461	Zeb Angel (Kasson Mine)	"
2875	613	Latt Young (Cox Mine)	"
2866	547	Duncan Mining Co. (Connolly Mine)	"

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 21 1959

DATE	INITIALS	CODE
9-21	gad	[illegible]
9-21	[illegible]	[illegible]
9-22	[illegible]	[illegible]
		[illegible]

ANNUAL REPORT ON CERTIFIED PROSPECTS
IN THE FRANKLIN, N. C. AREA

Inspect projects since last report

Period: January 1, 1959 to July 1, 1959 . Commodity: Mica

Idm.	Mine Name	Operator	Inspected
87	Mary	Pitt Mica Company.	9/2/59
116	Cabe # 1	Fred Cabe	9/2/59
456	Reid	Reid & Hooker	
412	Burke John	Burke John Mica Miners	
399	.H. Stephens	Dixie Minerals Inc.	
476	May	A. W. Reid	
459	aird Cove	Mica Industries	
461	asson	Zeb Angel	
431	ell Ridge	Dixie Minerals Inc.	
613	Cox	Latt Young	
[illegible]	le Cope	Good Mica Mining Co.	
557	rill Bryson	B. T. R. Mining Co.	
830	low Gap	Mines & Mining Inc.	
674	Cut & [illegible]ent	Sam Phillips, et al.	
737	e	A. Ward	
891	Mine	Buchanan Minerals Inc.	
805	d	Alvin White, et al.	

Official

SEMI-ANNUAL REPORT ON CERTIFIED OR PSEUDO CERTIFIED PROJECTS

INACTIVE SINCE LAST INSPECTION

7/2 C 220 600

Commodity : Mica

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

DMEA No.	Idn-#	Operator & Mine	Date Inspected		
1140X	87	Pitt Mica Corp (Mary Mine)	June	25,	1958
1700X	116	Fred Cabe (Cabe No.1 Mine)	"	"	"
2150	156	Reid & Hooker (Reid Mine)	"	"	"
2277	412	Burke John Mica Mines (Burke John Mine)	"	"	"
2293	393	Dixie Minerals Inc. (D.H. Stephens Mine)	"	24	"
2327	476	Andrew M. Reid (May Mine)	"	25	"
2582	461	Zeb Angel (Kasson Mine)	"	24	
2610	431	Dixie Minerals Inc. (Shell Ridge Mine) Pseudo	"	24	"
2687	425	Sam Phillips, et al (Ibtla Bowers Mine)	"	25	"
2875	513	Latt Young (Cox Mine)	"	24	"
2926	516	The Hoosmica Mining Co. (Eagle Cope Mine)	"	24	"
3000	597	B.T.B. Mining Co.(Terrill Bryson) Mine	"	25	"
3265	850	Minco & Mining Inc.(Farlow Gap)	"	26	"
3287	674	Sam Phillips, et al (Red Cut & Tallent Mines)	"	25	"
3469	737	A Ward(Shore Mine)	"	24	"
3720	805	Alvin White, et al(Coward Mine)	"	24	"
3543	891	Buchanan Minerals Inc(DREAM Mine)	"	24	"

Mrs. A. Beck,

DMEA EXPLORATION PROJECT

Semi-Annual Report of Certified Project

Reporting Period: July 1, 1957 to January 1, 1958

DMEA-2293, Idm-E393(mica) D. H. STEPHENS MINE
Jackson County, North Carolina

Operators: Dixie Minerals Inc., 131 Main St. Waynesville, N. C.

This propery was visited January 24, 1958, and it was found that no work had been done since the last inspection.

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

2-7-58

z

DMEA
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DATE	INITIALS	CODE
2/11	C	220
12	Com	100
"	JEJ	110
2/24	CEJ	800
		600

DMEA EXPLORATION PROJECT

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

DMEA-2293, Idm-E393(mica) D. H. STEPHENS MINE

Reporting Period: 1-1-57 to 7-1-57

Operator: Dixie Minerals, Inc. 131 Main St. Waynesville, N.C.

Location: About 300 feet north of Moses Creek and 2.7 airline miles N40°E of East Laport, Jackson County, N.C.

The subject mine was visited August 8, 1957. There was no activity or equipment on the property. From all appearances no work had been done since the last inspection.

Wm. A. Beck, Mining Engineer
US Bureau of Mines

8/30/57

Sep

93 com 100

z

2293

ACTION ON DIVISION
[illegible]
Date: 8/27

Referred to:

1. ~~[illegible]~~
2. ~~[illegible]~~
3. ~~[illegible]~~
4. Ticket Control Mails and Files
5. Division
6. Ticket Control Mails and Files

Take necessary action regarding:

Semi Annual

2.

3.

4.

and take appropriate action.

Action taken by Division:

Robert E. Adams

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 27 1957

DATE	INITIALS	CODE
3/27	C	220
"	COM	100

DMEA EXPLORATION PROJECT

Semi-Annual Report of Certified Project

DMEA-2293, Idm-E393 (mica) D. H. Stephens Mine

Operator: Dixie Minerals, Inc., 131 Main St., Waynesville, N. C.

Location: About 300 feet north of Moses Creek and 2/7 ~~airline miles~~ N. 40°E. of East Laport, Jackson County, North Carolina.

The subject mine was visited on March 18, 1957. There was no activity or any equipment on the property. The adit was caved in for about 30 feet from its entrance and it was impossible to enter it. From all appearances no work has been done here since completion of the contract.

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

Inspected: March 18, 1957

WAB/as

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AUG 10 1956

Semi-Annual Reports of Certified Projects

Reporting Period 1/1/56 tp 7/1/56 Date of Examination 7-31-56

Operator: Dixie Minerals Inc., 131 Main St. Waynesville, N.C.

Mine Name: D.H. Stevens

County and State: Jackson County, North Carolina

Docket Number and Commodity ~~mic~~ BMEA 2293 -- Mica

Contract Number --- Idm-E 393

Date of Contract; August 29, 1952

Date of Certification: June 22, 1954

Expiration Date of Royalty Payments: ~~XXXXXXXXXXXXXX~~ August 29, 1962

Total Amount of Contract; $5400.00

Total Expenditures under Contract: $5390.00

Amount of Government Participation at 90 % $4851.00

Royalty Payments this Period: None

Previous Royalty Payments: None

Total Royalty Payments to Date: ~~xxxxxx~~ None

Percent Government Participation Repaid: 0.00%

Royalty Due on Production to Date: None

Royalty Remarks: No production was ever made from the deposit so no royalty is due.

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Original Estimate of Reserves
(from final Engr.-Geol. Report): No estimate made

Increase (or Decrease) of Reserves
by work performed subsequent to
original and last Field Team
estimates:

Revised Estimate of Reserves:

Production this Period (Ore or Concentrates) in suitable detail None

Amount of Previous Production (since date of contract) None

Total DMEA Production to Date: none

Percent of Revised Reserves Mined

Production Remarks:

Other Remarks:

(Investments, description of additional exploration or development work, production facilities, and plant installations, etc. since completion of the exploration project work)

No work has been done on the property after completion of the contract. The property was visited July 31, 1956. Its status was the same as reported on the visit made July 15, 1955.

Signed [signature] Engineer
Mining Engineer

z

REPORT OF INSPECTION OF CERTIFIED PROJECT

RECEIVED
JUL 28 1955

DMEA-2293, Idm-E393 (mica) D. H. STEPHENS MINE

Operator: Dixie Minerals, Inc. 131 Main St. Waynesville, N. C.

Location: About 300 feet north of Moses Creek and 2.7 airline miles N. 40° E of East Laport, Jackson County, North Carolina.

The subject mine was visited on July 15, 1955. There was no activity or any equipment on the property. The portal of the adit had caved in and it was impossible to enter it. From all appearances no work has been done here since completion of the contract.

July 15, 1955

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

DOCKET FILE COPY
Surname:
Anderson
Houk
Lockhart
Chambers
Hedges
McCuistion for Thayer
Sellers
Johnson

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

600

JUN 22 1954

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

Re: Docket No. DMEA-2293 - Mica
Dixie Minerals, Inc.
B. H. Stephens Mine
Jackson County, North Carolina
Contract No. Ida-2393

Dear Mr. Gumbel:

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

The exploration contract was signed on August 29, 1952, with the Government participating to the extent of 90% of $5,400.00 or $4,860.00.

The project was started on September 28, 1952, and completed November 30, 1953, after the expenditure of $5,390.00 which is the total net accepted cost according to the Audit Review. The Government paid 90% of the total accepted cost or $4,851.00.

The work performed on this project consisted of bulldozing two trenches and driving a 140-foot adit. The exploration afforded the Operator access to an 11-foot thick zoned mica-bearing pegmatite which was encountered at the end of the adit.

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

Sincerely yours,

C. O. Mittenderf

Administrator

Enclosure

WCAndersen:gad 6/17/54

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

R.C.G.

DOCKET FILE COPY
Surname:
Anderson
Hook
Talbert
Britton
Hedges
McLaughlin Jon Thayer
Jeffordge
Johnson

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

JUN 22 1954

Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

Re: Docket No. DMEA2293 - Mica
D. H. Stephens Mine
Jackson County, North Carolina
Contract No. Idm-2393

Gentlemen:

Transmitted herewith is a certification of discovery or development on Contract No. Idm-2393 on the D. H. Stephens Mine, Jackson County, 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, August 29, 1952, is subject to the Government's percentage royalty as set forth in the contract until the sum of $4,851.00 is paid or until August 29, 1962, whichever occurs first.

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

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

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

Sincerely yours,

C. O. Mittenderf

Administrator

Enclosure
WCAnderson:gad 6/17/54

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

R.C.H.

May 14, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Recommendations for Certification.

Reference is made to your letter of May 4, 1954.

We recommend that certification of discovery and development be issued on all 3 of these projects.

DMEA-2293: This work definitely exposed a mica-bearing pegmatite; if any mica is recovered in the future, it will be from pegmatite and therefore a direct result of the exploratory work.

DMEA-2582: Similarly, any additional mica produced here will be from the pegmatite discovered at the west end of the underground workings where it appears to be thickening.

DMEA-3008: Considerable mica of poor quality was discovered during the exploration, and the pegmatite thus explored extended beyond the exploratory workings where better grade mica was recovered. Obviously the latter recovery depended directly upon the earlier exploration.

In all three cases, there is insufficient information to make any estimates of reserves developed, but we think the work under the contract did lead directly to production and therefore certification is warranted on all three.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

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

RAL/sm
cc:
Beck
Lynch
Files
Div. File-DMEA

140

FILE COPY
SURNAME:

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

Hoffman
Lawrence G. Houk
Chamberlin
Martin
Fetzer
Whitelaw

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-2293 - Mica
Dixie Minerals, Inc.
D. H. Stephens Mine
Jackson County, North Carolina
Contract No. Idm-E393

Docket No. DMEA-2582 - Mica
Zeb Angel
Kasson Mine
Macon County, North Carolina
Contract No. Idm-E461

Docket No. DMEA-3008 - Mica
Murphy Mining Company
Red (Bennett) Mine
Yancey County, North Carolina
Contract Idm-E560

Dear Mr. Laurence:

Reference is made to the final field ~~examination~~ reports and to the recommendations that certifications be delayed.

Under the original contract forms (MF-200 of April and June 1951) certification can be made only within six months after "the completion of the exploration project or termination of the contract." Under subsequent contract forms certification may be made "at any time not later than 6 months after the Operator has rendered the final report and final account . . ." If a project is to be certified, it is requisite, of course, that this action be taken within the time limited in the particular contract. All of the forms, however, contemplate that the certification should have "resulted from the exploration work," rather than from work prosecuted independently by the operator after the completion or termination of the work provided for in the exploration project contract. In other words, if certification cannot be justified at the time of completion or termination of the work provided for in the exploration project contract, it cannot be justified

R.C.G.

by any work performed subsequently thereto by the operator on his own account.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee

APPROVED:

J. H. Hedges

Member, Bureau of Mines

D. M. Larrabee

Member, Geological Survey

P. S. Please advise if in your opinion any significant production based on present geological knowledge is likely to be made from the properties from which some mica was recovered during the DMEA work.

JLHofflund/emd 4/27/54

Copy to: Docket (3)
Adm. R. File
Op. Comm.
W. F. Dietrich, Rm. 3061
D. M. Larrabee, Rm. G-232 GSA Bldg.
L. G. Houk (3)
J. L. Hofflund
chron.
pending

600

April 14, 1954

Memorandum

To: Chief Counsel

From: Nonmetallic Minerals Division

Subject: Delayed action on certification of discovery or development.

Kindly review the attached rough draft on dockets:

DMEA-2293 Dixie Minerals, Inc.
DMEA-2582 Zeb Angel
DMEA-3008 Murphy Mining Co.

and comment on the proposed reply to Region VII on their recommendation for delayed action on certifying these deposits.

LGHouk:gad 4/14/54
Copy to: Mr. Houk

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

Bureau of Mines Minerals Materials
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APR 8 1954

April 7, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2293

Contract Number: Idm-E 393

Applicant: Dixie Minerals, Inc.

Name and Location of Property: D. H. Stephens Mine
Jackson County, North Carolina

Date of Field Team Final Report: March 19, 1954

Date Rec'd. by Ceramic & Fert. Mats. Br.: March 29, 1954

Field Team Recommendation:

1. Certification should be deferred pending additional work to be performed by applicant at his expense.

Comments:

1. Exploration by bulldozing two trenches and driving 140-foot adit.
2. Mica encountered was poor quality mica.
3. Expenditures - Total approved $5,400
Total cost 5,390
Government share 4,851
Value None
4. Sufficient pegmatite was not exposed through DMEA exploration to determine value of the mineralization.

Recommendation:

It is suggested that the Government wait the allotted period after the date of the final report and final account submitted by the applicant before commitment. If strategic mica is encountered, a certificate of discovery or development should be issued.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO: G-MD-CNM

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 24 1954

Memorandum March 23, 1954

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2293 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Dixie Minerals, Inc., 131 Main St., Waynesville, N. C.
Name of property: D. H. Stephens Mine.
Location of property: Jackson County, N. C.
Date of field team report: March 16, 1954
Authorship of field team report: K. H. Teague, L. E. Shirley, and D. H. Amos.
Field team's recommendation:

1. Project completed.
2. Certification should be delayed pending additional work by operator at his own expense.
3. Because of failure of operator to comply with general principles regarding mining, and with suggestions from field team examiners, no further DMEA applications be processed, should they be submitted.

Comments:

Any character who repeatedly refuses to accept recommendations of our field examiners as to manner of working, etc., should be prevented from handling public funds from DMEA.

ACTION RECOMMENDED:

Follow field team's recommendation.

D M Larrabee

D. M. Larrabee

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

March 19, 1954

Memorandum

To: Operating Committee, D M E A - Washington

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

Subject: Final Examination Reports:
DMEA-2293, Idm-E 393, D.H. Stephens Mine (mica)
DMEA-2582, Idm-E 461, Kasson Mine (mica)

Enclosed are 4 copies of the final examination reports on the subject exploration contracts.

In both of these projects, pegmatites of possibly workable dimensions were cut, but not sufficiently exposed to determine if they contain a workable deposit of commercial mica; therefore certification of discovery would be difficult to make at this time. However, additional work underway at the Operators' own expense may well prove that these deposits are workable, therefore we agree with the examiners' recommendation that final decision be delayed until after they have examined the new workings.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

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

WAB/zm
cc:
Beck
Lynch
Files

Reviewed by
DMEA OPERATING COMMITTEE
3-26-54
(date)

Final Editing Report

UNITED STATES

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
ON

DMEA-2293, D. H. STEPHENS MINE
Jackson County, N. C.
(mica)

By

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

Lawrence E. Shifley, Mining Engineer
U. S. Bureau of Mines

Dewey H. Amos, Geologist
U. S. Geological Survey

March 16, 1954

Reviewed by
DMEA OPERATING COMMITTEE
3-26-54
(date)

FINAL REPORT

ON

DMEA-2293, Idm-E 393, D. H. Stephens Mine
(Mica)
Jackson County, North Carolina

Operator: Dixie Minerals, Inc., 131 Main St., Waynesville, N. C.

The mine is located 2.7 airline miles N. 40° E. of East Laport, Jackson County, North Carolina and about 300 feet north of Moses Creek.

Work completed under the contract consisted of bulldozing two trenches under Stage I, and driving a 140 foot adit under Stage II. No significant quantity of strategic mica was discovered.

Work began on September 28, 1952 and was completed on November 30, 1953. Two northeast trending cuts were made but failed to reveal an eastward extension of the pegmatite. An adit was driven westward from the lower cut for a total of 140 feet.

Biotite schist with numerous quartz and pegmatite stringers is present in the cuts and the adit; both the schist and the stringers contain considerable disseminated pyrite and some garnet. Massive quartz occurs on the south wall of the adit at 93 to 108 feet from the portal. A zoned pegmatite about 11 feet thick is exposed in the west end of the adit. It consists of a quartz core which is enclosed by feldspar containing scattered pyrite and small mica books. All of the mica is bent, cracked and contains biotite inclusions.

The operator has resumed work on his own, thus final action as to certification should be deferred until more pegmatite is exposed by the current work.

Expenditures:

(a)	Total approved	$5,400.00
(b)	Total cost of project	5,390.00
(c)	Government's share of cost	4,851.00
(d)	Government's share unexpended	9.00
(e)	Value of production operation	- none

An unduly excessive amount of time was required to complete this project due largely to a lack of effort on the part of the Operator.

Numerous suggestions were complied with only after persistent effort by the Field Examiners. It is recommended that any future application by the Operator for exploratory aid under the DMEA program be denied. //

No equipment was purchased for the project.

K. H. Teague and D. H. Amos, Geologists
U. S. Geological Survey

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

FILE COPY
SURNAME:

Anderson

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

N.S. in R.R.

December 1, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 5 - Docket No. DMEA-2293 - Mica
Dixie Minerals, Inc.
D. H. Stephens Mine
Jackson County, North Carolina
Contract No. Idm-E393

The purpose of this amendment is to extend the completion date from October 29, 1953, to December 29, 1953. This amendment is necessary because the Operator has not completed the project by the specified date. It is in the Government's interest to complete this work.

The Nonmetallic Minerals Division concurs in the amendment as written and executed by the Executive Officer, DMEA Field Team, Region VII.

Walter C. Anderson
Nonmetallic Minerals Division

WCAnderson:gad 12/1/53
Copy to: Admr. R. File
Docket File
Mr. Houk

MF-104 (Rev. 2-1952) Wm. Anderson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE PAYMENTS 34

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

152
600

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Nov. 1953 Docket No. DMEA 2293 Contract No. E-393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address Box 561 Sylva, N. C.
Contract Amount, $ Government Participation: 90 % Amount, $

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		390.00	390.00			
Bulldozing						
Crosscutting	420.00	4480.00	4900.00			
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision		60.00	60.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Hand Tools		30.00	30.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		10.00	10.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	420.00	4970.00	5390.00	420.00	4970.00	5390.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date Dec. 2/53 *Payee Dixie Minerals, Inc.
Per H. A. Lawhead Title Pres.

*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:
$378.00
Signature Cora A. Piper
(Authorized Certifying Officer)
Date DEC 9 1953 Vou. No. 152
(See other side)

12 v Fund 42.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E393 in accordance with the terms of the contract.

Signature Lawrence E. Shurley Title Mining Engr. U.S.B.M. Date Dec. 5, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Beck ACTING Title EXECUTIVE OFFICER DMEA REGION VII Date DEC 7 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Nov 3 195 Docket No. DMEA 2293 Contract No. E-393

Operator's Name Dixie Minerals, Inc. Minerals Mica

Address Box 561 Sylva, 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
	Ft.	420.00	12	4900.00	140	4900.00	140	35.00
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger	cuft.			490.00	670	.73		
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		420.00	5390.00					

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

Date Dec. 2, 1953 Operator Dixie Minerals, Inc.

Per H. A. Lawhead Title Pres.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS.

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

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

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

GPO 83-38

TELEPHONE 48

Dixie Minerals Inc.

~~VERMICULITE SUPPLIES, INC.~~

MINERS AND PROCESSORS

SYLVA, NORTH CAROLINA

PLANT ON HWY. 19A-23

Operators Monthly Progress Report.

I am unable to give a daily progress report due to the lengthy intervals between work due chiefly to the breakdown of the compressor and other matters beyond our control, However this completes the contract of one hundred and forty feet and puts us in the Mica Strata with some Mica showing which is small but looks as if it is of good quality.

H. A. Lawhead

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

RECEIVED
NOV 27 1953

November 24, 1953

11-27

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA Region 7

Subject: Amendment No. 5- Dixie Minerals Inc. DMEA-2293, Idm-E 393 (mica)

Transmitted are three copies of the above subject amendment which have been properly signed and distributed.

Robert A. Laurence

Robert A. Laurence

zm

RECEIVED
DEC - 4 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. H. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 airline miles N 40° E of East Laport, Jackson County, N. C. It is about 300 feet north of Moses Creek.

Drifting continues on this contract and will probably be completed within the coming week. Adit and drift footage now totals 136 feet. Pegmatite was encountered at 129 feet and 7 feet has been driven in pegmatite. The drift direction is essentially east-west and biotite schist can be observed on the south wall and partially in the present face. The pegmatite material consists of a quartz core enclosed by feldspar containing secondary sulphides. A small but rich mica zone was encountered along the north wall at 134 feet.

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

November 3, 1953

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
OCT 28 1953

October 26, 1953

Mr. H. A. Lawhead
Dixie Minerals Inc.
Sylva, North Carolina

Re: DMEA-2293, Idm-E 393 (mica)
D. H. Stephens Mine

Dear Mr. Lawhead:

The contract for work at the Stephens Mine, as amended call for completion of the exploratory work by October 30, 1953. As this work is still incomplete, I enclose an amendment extending the completion date for two months, or until December 30, 1953.

We are unable to understand why this work has not been completed long ago, especially since the pegmatite was cut in the crosscut at 129 feet nearly 2 months ago, and at the field examiners last visit the heading had been advanced only 4 feet into this pegmatite. This job should be completed in the very near future.

Please sign all 6 copies of the enclosed amendment, keep one copy and return the original and 4 copies to me as soon as possible.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region 7

RAL/xm
cc:
Beck
Lynch
Opr. Com.
Files

MDK

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. H. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 airline miles N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek.

Progress on this contract is at a standstill. The adit is now at 133 feet and only 7 feet remains to be driven on the contract. The pegmatite body was encountered at 129 feet in the adit, which was reported on September 8, 1953 and only 4 feet has been accomplished since that time. It is not clear to the Field Examiners why the operator does not concentrate on the target, now that the objective has been reached. The pegmatite in the present face is predominantly quartz and small muscovite mica with scattered feldspar. Not enough pegmatite has been removed to produce any mica to date.

L. E. Shirley

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

K. H. Teague

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

October 21, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 2 1953

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. H. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 airline miles N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek.

Crosscutting of the pegmatite body continues slowly on this contract and is now at 130.5 feet. The pegmatite was encountered at 129 feet and it was suggested that the width of the body be explored before any drifting is begun. The material has not changed from that given in the last Interim Report.

The mine was not working at the time of this visit, but later contact with the operator disclosed that an air compressor break down was responsible for the slow progress during the past two weeks.

L. E. Shirley

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

K. H. Teague

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

September 21, 1953

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. H. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 airline miles N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek.

Crosscutting is nearing completion on this contract. A pegmatite body was encountered in the last heading pulled at 129 feet from the portal. It was suggested that the heading be continued in the same general direction until the width of the body was explored and then drive drifts. The pegmatite as observed at the contact with the wall rock contains principally feldspar and small muscovite mica, which is bent, cracked and contains biotite specks. The country rock, a biotite schist, contained considerable amounts of pyrite.

This mine continues to be drilled with dry heads. It was again suggested that water be provided for drilling, either from gravity or pressurized tanks.

L. E. Shirley

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

K. H. Teague

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

September 8, 1953

FILE COPY
SURNAME:

Anderson
Houk

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

600

NS in RR

September 3, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 4 - Docket No. DMEA-2293 - Mica
Dixie Minerals, Inc.
D. H. Stephens Mine
Jackson County, North Carolina

The purpose of this amendment is to extend the completion date from July 29, 1953 to October 29, 1953.

The Nonmetallic Minerals Division concurs in the amendment as written and executed by the Executive Officer, DMEA Field Team, Region VII.

Walter C. Anderson
Nonmetallic Minerals Division

WCAnderson:gad 9/3/53
Copy to: Admr. R. File
Docket File
Mr. Houk

HHH
9-8-53

MF-104 (Rev.)
April 1952)

Mr. Anderson

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 Aug., 1953 Docket No. DMEA 2293 Contract No. E 393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address Box 551, Sylva, N. C.
Contract Amount, $ 4000.00 Government Participation 90 % Amount, $ 3600.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing		390.00	390.00			
Crosscutting						
Drifting	245.00	4235.00	4480.00			
(2) Labor and Supervision:						
Labor						
Supervision		60.00	60.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Hand Tools		30.00	30.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		10.00	10.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	245.00	4725.00	4970.00	245.00	4,725.00	4,970.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-14

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

Date Sept. 1, 53 *Payee Dixie Minerals, Inc.

Per H. A. Lowstead Title Pres.

*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:

$ 220.50

Signature Ora A. Piper
(Authorized Certifying Officer)

Date SEP 11 1953 Vou. No. 65

(See other side)

11

(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-E393 in accordance with the terms of the contract.

Signature Laurence E. Shirley Title Mining Engr. U.S.B.M. Date Sept. 4, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

EXECUTIVE OFFICER

Signature Robert A. Lawrence Title DMEA REGION VII Date SEP 9 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

FORM MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Aug. 1953 Docket No. DMEA 2293 Contract No. E 393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address Box 561, Sylva, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	245.00	7	4480.00	128	~~4970.00~~ 35.00	140	35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping	cuft.			490.00	670	.73		
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		245.00		4970.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		245.00		4970.00				

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

Date Sept. 1, 53. Operator Dixie Minerals, Inc.

Per H. A. Lawhead Title Pres.

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

(Instructions on reverse)

REMARKS:

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

HARVY A. LAWHEAD
PRES.

HARRY L. LINER, SR.
SEC. & TREAS.

DIXIE MINERALS, INC.

HOME OFFICE: 131 MAIN ST.

WAYNESVILLE, N. C.

OPERATING MINES
IN
HAYWOOD, JACKSON,
AND SWAIN COUNTIES
N. C.

OPERATORS MONTHLY PROGRESS REPORT

for

Stephens Mine, for August.

5th. Set column and finished mucking.
6th. Drilled and blasted, and mucked.
7th. Mucked.
17th. Set column and drilled.
18th. Blasted, mucked and drilled on side at 100 ft. mark.
19th. Blasted and mucked.
20th. Finished mucking, started drilling.
21st. Finished drilling and blasted.
28th. Mucked and set column and started drilling.
31st. Drilled and blasted.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 2 - 1953

August 31, 1953

Memorandum

To: Chairman, Operating Committee, DMEA- Washington

From: Executive Officer, DMEA - Region 7

Subject: Amendment No. 4, to contract Idm-E393, DMEA-2293 (mica)
Dixie Minerals, Inc. A North Carolina Corp.

Transmitted herewith are four copies of an amendment on the subject contract. The usual distribution of the other copies has been made.

Benjamin Gildersleeve

Benjamin Gildersleeve, for
Robert A. Laurence, Executive Officer
DMEA Field Team, Reg. 7

RECEIVED
SEP 15 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Cal
9-3-53

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. H. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 airline miles N 40° E of East Laport, Jackson County, N. C. It is about 300 feet north of Moses Creek.

This adit continues to be driven slowly and is now at 125.5 feet. Biotite schist, with narrow quartz stringers, is showing in the heading. An exploratory lateral is being driven to the SW at a point 100 feet from the portal. This work had not progressed over 2', but pegmatite material consisting of quartz, small thumbnail size mica and secondary sulphides was observed. It was suggested that additional work be accomplished at this point in an effort to locate a producing body.

L. E. Shirley

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

K. H. Teague

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

August 24, 1953

D. M. E. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 20 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

OFFICE OF
REGIONAL DIRECTOR

SOUTHEASTERN REGION
REGION VII
HAMILTON BANK BUILDING

POST OFFICE BOX 1909
KNOXVILLE, TENNESSEE

August 18, 1953

Memorandum

To: J. L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington 25. D. C.

From: Administrative Officer, Region VII, Knoxville, Tennessee

Subject: Monthly reports and vouchers

We are enclosing two copies each of the following monthly reports and vouchers:

Idm-E-393 Dixie Minerals Inc.
DMEA Docket No. 2293
10th payment - month of July
Amount $378.00

Idm-E-431 Dixie Minerals, Inc.
DMEA Docket No. 2610
4th payment - month of July
Amount $270.00

Idm-E-519 H. J. Twiggs, W. S. Glenn, Tom Green
DMEA Docket No. 2784
2nd payment - month of July
Amount $810.00

HB

Helen Miller
Helen R. Miller

Enclosures 6

/hbm
CC: R. A. Laurence
W. A. Beck
Region Files
Day Files

BUREAU OF MINES
WASHINGTON, D. C.

AUG 20 9 1 AM '53

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 1 1953

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. H. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 airline miles N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek.

This adit continues to be driven slowly on this contract and is now at 122 feet, an advance of 4 feet in the past two work weeks. The present face was badly dust covered and could not be observed very well. No one was working at the mine at the time of this visit. Dump material observed did not indicate any appreciable change from country rock. At a later contact with the operator it was learned that one test hole had been made in the left wall, at a point about 100 feet from the portal, the completed hole showing quartz. The operator indicated that a narrow crosscut would be made at this point in an effort to pick up pegmatite.

L. E. Shirley

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

K. H. Teague

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

August 11, 1953

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

Budget Bureau No. 42-R1061
Approval expires 6-30-53.
Defense Minerals Administration
RECEIVED
48

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

PAID ON VOUCHER & SCHEDULE
CHECK PAYMENTS K-
AUG 9 1953
600

Month of July, 1953 Docket No. DMEA 2293 Contract No. E 393

Operator's Name Dixie Minerals Inc. Minerals Mica

Address Box 561 Sylva N. C.

Contract Amount, $4000.00 Government Participation: 90 % Amount, $3600.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		390.00	390.00		390.00	390.00
Crosscutting						
Drifting	420.00	3815.00	4235.00	420.00	3815.00	4235.00
(2) Labor and Supervision:						
Labor						
Supervision		60.00	60.00		60.00	60.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Hand Tools		30.00	30.00		30.00	30.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		10.00	10.00		10.00	10.00
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	420.00	4305.00	4725.00	420.00	4305.00	4725.00

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

Date Aug. 3 *Payee Dixie Minerals Inc.

Per H. A. Lowhead Title Pres.

*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:

$ 378.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date AUG 17 1953 Vou. No. 48

(See other side)

10

(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-E393 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Aug. 12, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

Defense Minerals Exploration Administration
AUG 26 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of July 195 3 Docket No. DMEA 2293 Contract No. E 393
Operator's Name Dixie Minerals Inc. Minerals Mica
Address Box 561 Sylva, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	420.00	12	4235.00	121	4235.00		35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping	cu. ft			490.00	670	.73		
Trenching								
Test Pits								
Roads and Trails								
								TOTAL COSTS AUTHORIZED BY CONTRACT
TOTAL DISTRIBUTED COSTS								
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		420.00		4725.00				

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

Date Aug. 3 Operator Dixie Minerals Inc.
Per H. A. Lawhead Title Pres.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

Defense Mina
AUG 30 1.33

Operators Monthly Report
for
Stephens Mine, Month of July.

1st. Set column and started drilling.

2nd. Finished drilling, blasted, and mucked.

3rd. Mucked.

6th. Mucked and set column.

7th. Drilled.

8th. Blasted and mucked.

9th. Mucked.

10th. Repaired compressor and set column.

15th. Drilled.

16th. Drilled, blasted, and mucked.

23rd. Mucked.

24th. Drilled and blasted.

27th. Mucked and drilled.

28th. Blasted, mucked and set column.

29th. Drilled and blasted.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 12 1953

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. H. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 airline miles N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek.

This adit continues to be driven under contract and is now at 188 feet. No granitic or pegmatite material was observed in the heading. Present heading is biotite schist and is being driven slowly.

Recent surface measurements by the field examiners places present adit position within a few feet of the target. Apparently the dip on the pegmatite body as observable at the surface has changed considerably with depth. It is hoped that the target will be encountered in the very near future. 22 feet remains to be driven on the contract.

L. E. Shirley

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

K. H. Teague

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

July 27, 1953

RECEIVED
AUG 10 1953
U. S. BUREAU OF MINES
DEP. MIN. ADM.
Knoxville, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 2 . 1953

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. H. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 airline miles N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek.

This adit continues to be driven slowly in a S 80° W direction and is now at 112.5 feet. Material encountered since last report consists of granitic stringers and biotite gneiss containing finely disseminated garnet.

Suggestions made recently concerning test holes in the left wall, quartz and stringer material to determine the extent of this mineralization, has not been complied with. No one was working at the mine at the time of this visit.

L. E. Shirley

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

K. H. Teague

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

July 14, 1953

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. W. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 airline miles N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek.

This adit continues to be driven and is now at 109 feet. No pegmatite material has been encountered to date. Massive quartz with occasional stringers of granitic material was persistent in the left wall from 93 to 108 feet. Present heading is in biotite schist. It was suggested that the 15 foot zone in the left wall be tested with long horizontal drill holes to determine the lateral extent of the quartz and the possibility of a nearby pegmatite body.

L. E. Shirley

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

K. H. Teague

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

July 1, 1953

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

VOUCHER AND SCHEDULE OF PAYMENTS ~~NOR~~ K 2

11

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of June, 1953 Docket No. DME 2293 Contract No. E 393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address Box 561, Sylva, N. C. 4860.00 was
Contract Amount, $~~4000.00~~ 5400.00 was Government Participation 90 % Amount, $~~3600.00~~

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		390.00	390.00			
Crosscutting						
Drifting	315.00	3500.00	3815.00			
(2) Labor and Supervision:						
Labor						
Supervision		60.00	60.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Hand Tools		30.00	30.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		10.00	10.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	315.00	3990.00	4305.00	315.00	3,990.00	4,305.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date July 3/53 *Payee Dixie Minerals, Inc.
Per H. A. Lawhead Title Pres.

*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:

$283.50

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JUL 10 1953 Vou. No. 11

(See other side)

gth

31.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Dm-E393 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date July 7, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE: ACTING EXECUTIVE OFFICER DMEA REGION VII JUL 9 1953

Signature W. M. Beck Title ..... Date .....

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of June 3

Operator's Name Dixie Minerals, Inc.

Address Box 561 Sylva, N. C.

Docket No. DMEA 2293

Contract No. E 393

Minerals Mica

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft	315.00	9	3815.00	109	3815.00		35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger	cuft.			490.00	670	.73		
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		315.00	9	4305.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		315.00	9	4305.00				

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

Date July 3, 1953 Operator Dixie Minerals, Inc.

Per H. A. Lawhead Title Pres.

REMARKS:

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

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

HARVY A. LAWHEAD
PRES.

HARRY L. LINER, SR.
SEC. & TREAS.

DIXIE MINERALS, INC.

HOME OFFICE: 131 MAIN ST.
WAYNESVILLE, N. C.

OPERATING MINES
IN
HAYWOOD, JACKSON,
AND SWAIN COUNTIES
N. C.

OPERATORS

MONTHLY PROGRESS REPORT

For

June 1953. Stephens.

1st. Mucked and set column.
2nd. Drilled and blasted.
3rd. Mucked and drilled. Field team made inspection.
4th. Finished drilling and blasted.
5th. Mucked and set column.
8th. Drilled and blasted.
9th. Mucked and started drilling.
10th. Finished drilling and blasted, and mucked.
11th. Cleaned tunnel.
Did not work due to men farming until the 26th.
26th. Drilled and blasted.
29th. Mucked.
30th. Finished mucking and started drilling after setting column.

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. H. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 airline miles N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek.

The driving of this adit continues and is now at 103 feet. No appreciable change in the material was noted from that observed and reported on June 3, 1953. Massive quartz has been observed in the left wall for the last 10 feet, with biotite schist remaining persistent in the right wall.

Progress on this job is expected to be accelerated, since an amendment for additional footage under the present contract has been approved.

L. E. Shirley

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

K. H. Teague

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

June 16, 1953

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

To: Operating Committee, DMEA- Washington Office

From: Executive Officer, DMEA- Region 7

Subject: DMEA-2293, Idm-E393. (mica) Dixie Minerals, Inc. Amendment No. 3

Transmitted herewith are three signed copies of the above subject amendment.

One copy was retained by the Operator, one sent to the Finance Office, and one retained by the Field Team.

Robert A. Laurence
Robert A. Laurence

cc
6/24

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. H. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 airline miles N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek.

The driving of this adit continues and is now at 102 feet. The last heading pulled showed massive quartz and granitic material in the face, with some scattered small pieces of mica. Pyrite remains disseminated through the quartz. The country rock is biotite schist. Additional footage in the form of an amendment to the present contract, will be needed by the operator to reach the target.

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

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

June 3, 1953

FILE COPY
SURNAME:

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

JUN 4 1953

Houk
Burton
Hoffman
Chandler
Selfridge
Fitzpatrick

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

Subject: Docket No. DMEA-2293 - Mica
Dixie Minerals, Inc.
D. H. Stephens Upper Mine
Jackson County, North Carolina
Contract No. Idm-3393

Dear Mr. Laurence:

Please find herewith the original and five copies of the amendment covering the subject exploration project which have been signed by the Administrator on the date as shown.

Please present the amendment to the Operator for approval and signature. After execution of the amendment, the copies are to be distributed in the usual manner.

A copy of our recommendation to the Administrator is enclosed for your file.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

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

Enclosures 7

LGHouk:gad 6/2/53

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

FILE COPY
SURNAME:

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

Hugh
Not Found

June 2, 1953

Memorandum

Docket No. DMEA-2293 - Mica
Dixie Minerals, Inc.
D. H. Stephens Upper Mine
Jackson County, North Carolina
Contract No. Idm-E393

To: Administrator

From: Nonmetallic Minerals Division

Subject: Review of Amendment No. 3

Purpose: To provide an additional 40 feet of drifting or cross-cutting on agreed estimated unit cost of $35 per foot increasing cost of project from $4,000 to $5,400, Government participation from $3,600 to $4,860.

To give a two months time extension to complete the additional work.

Justification: The geologic target has not been reached by the work proposed under the original contract. The time increase is necessary to complete the additional work proposed.

Recommendation: The Nonmetallic Minerals Division concurs with the field team's recommendation and recommends approval of the work proposed and the cost cited.

LGHouk:gad 6/2/53

Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Houk
Field Team, Region VII

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

June 11, 1953

Memorandum

To: J. L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Administrative Officer, Region VII, Knoxville, Tennessee

Subject: Monthly reports and vouchers

We are enclosing two copies each of the following monthly reports and vouchers:

Idm-E-393 Dixie Minerals, Inc.
DMEA Docket No. 2293
8th payment - month of May
Amount $141.00

Idm-E-507 Stancil & Jones
DMEA Docket No. 2840
1st payment - month of April-May
Amount $1484.20
Starting Date: 4/23/53

Helen R. Miller

CC: R. A. Laurence
W.A. Beck

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER AND SCHEDULE OF PAYMENTS NOR - 64

174

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May 1953 Docket No. DMEA 2293 Contract No. E 393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address Box 561 Sylva, N. C.
Contract Amount, $ 4000.00 Government Participation: 90 % Amount, $ 3600.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		390.00	390.00			
Crosscutting						
Drifting	490.00	3010.00	3500.00			
(2) Labor and Supervision:						
Labor						
Supervision		60.00	60.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Hand Tools		30.00	30.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		10.00	10.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	490.00	3500.00	3990.00	490.00	3,500.00	3,990.00

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

Date June 5/53 *Payee Dixie Minerals, Inc.

Per H. A. Lacoheo Title Pres.

*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:

$ 441.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JUN 11 1953 Vou. No. 174

(See other side)

8

49.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-F393 in accordance with the terms of the contract.

Signature Laurence E. Shirley Title Mining Engr. U.S.B.M. Date June 8, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION VII Date JUN 11 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1953 Docket No. DMEA 2293 Contract No. E 393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address Box 561 Sylva, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	ft	490.00	14	3500.00	100	3500.00	100	35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping	cuft	~~490.00~~	~~670~~	490.00 ~~.73~~	670	.73	670	.73
Trenching								
Test Pits								
Roads and Trails								
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.				3,990.00 was				
Total Costs		490.00		3500.00				

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

Date June 5/53 Operator Dixie Minerals, Inc.
Per H. A. Lowhead Title Pres.

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)

8

INSTRUCTIONS

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

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

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

GPO 83-38475

C O P Y

DIXIE MINERALS, INC.

Waynesville, N. C.

OPERATORS MONTHLY PROGRESS REPORT
For
The Month of May 1953

1st. Finished mucking and drilled
4th Blasted and mucked and cleaned the tunnel.
5th. Drilled and blasted.
6th Mucked and drilled
7th Finished drilling and blasted, and started mucking
8th Finished mucking and drilled two holes to secure break & Blasted
11th to the 18th there was no work, the men were farming.
18th Finished mucking and drilled
19th Finished drilling, blasted and mucked, field man made inspection with Mr. Liner and Mr. Lawhead and discussed the project.
20th Mucked and started drilling.
21st. Finished drilling and blasted and did some mucking
22nd. No work due to illness of mine boss.
25th Finished drilling, blasted and started mucking
27th Mucked, and cleaned up the tunnel
28th Drilled
29th Blasted and mucked.

s/ H. A. Lawhead

copied by zm.

C
O
P
Y

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Room 13, Post Office Building
Knoxville 2, Tennessee

May 27, 1953

Memorandum

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

From: Field Team, Region VII

Subject: Amendment No. 3 to DMEA-2293, Idm-E393 (mica)
Dixie Minerals, Inc.

Transmitted herewith are original and five copies of a proposed amendment to the subject contract increasing the total amount of the contract from $4,000.00 to $5,400.00 for your approval and the Administrator's signature.

The operators have completed the work outlined in the contract and the objective has not been reached. It is assumed that the pegmatite has changed its dip and it is requested that 40 feet of additional footage be allowed to reach the pegmatite and further explore it.

The Field Team feels that this is necessary, and it is in the interest of the Government to increase the footage.

Robert A. Laurence

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

Wm A Beck

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

Cal
5/29

BL

EXPLORATION PROJECT CONTRACT
DIXIE MINERALS, INC.
DOCKET NO. DMEA-2293, IDM-E-393

AMENDMENT NO. 3

It is agreed this ____ day of _____, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Dixie Minerals, Inc., each acting in consideration of the agreement of the other to the terms hereinafter set forth, that Exploration Project Contract Idm-E393, Docket No. DMEA-2293, dated August 29, 1952, between the parties hereto, be modified and amended ~~as of May 1, 1952~~ Effective August 29, 1952, as follows:

(1 ~~A~~) In Article 8 of the contract, delete the figures $3,600.00 and $4,000.00 and substitute ~~the following~~ $4,860.00 and $5,400.00 respectively.

(2 ~~B~~) In Exhibit "A", under "Description of the work," Stage II, change the number 100 to 140. and add the words "or crosscut" after the word "drift" where the latter word appears in the description.

(3 ~~C~~) In Exhibit "A", under "Estimated Costs of the Project," Stage II, delete everything following the heading "Stage II" and substitute the following:

Unit Costs

140 feet of drifting or crosscutting
@ $35.00 per foot, including all costs $4,900.00

~~Note:~~ The Government will contribute to the cost of drifting or crosscutting on the basis of this agreed, estimated unit cost in lieu of actual costs.

Total Cost, Stage II	$4,900.00
Total Cost of the Project	$5,400.00*
Government Participation @ 90%	$4,860.00*

(4 ~~D~~) Article 6(a) of the contract form is amended by adding thereto the following provision:

"To the extent that costs are set forth in Exhibit "A" as "agreed unit costs" they are in lieu of the actual costs that would otherwise be allowable costs of the project as provided in Article 6(a) of the contract form."

(E) Article 3 of the contract is amended to provide that the Operator is to complete the project within a period of one year from date of contract, ~~instead of 10 months as amended by Amendment No. 2, dated March 27, 1953.~~

This amendment is made because the objective was not reached in the original footage set up in the contract due to the apparent change in dip of the pegmatite. The time extension is necessary in order to complete the added work.

Executed in sextuplicate the day and year first above written.

DIXIE MINERALS, INC.

By_____
President

THE UNITED STATES OF AMERICA

By_____
Administrator, Defense Minerals Exploration Administration

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
(DMEA)
MAY 18 1953

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. H. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 airline miles N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek.

Adit work on this project continues and is now at 89 feet. Adit is still being driven in biotite schist with quartz stringers containing finely dissiminated pyrite and small scattered garnet. Eleven (11) feet remains to be driven under the contract. No changes in the target are anticipated.

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

May 6, 1953

K. H

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

May 19, 1953

Memorandum

To: J. L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington, D. C.

From: Administrative Officer, Region VII, Knoxville, Tennessee

Subject: Monthly report and voucher

We are enclosing two copies of the following monthly report and voucher:

Idn-F-393 Dixie Minerals, Inc.
Docket No. DMEA-2293
7th payment - month of April
Amount $252.00

Helen R. Miller

Enclosure
CC: W. A. Beck
R. A. Laurence

Form 21-R104 (Rev.)
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
PAYMENTS NOR-603 AND SCHEDULE
MAY 21 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of April 3 Dock No. DMEA 2293 Contract No. E 393

Operator's Name Dixie Minerals, Inc. Minerals Mica

Address Box 561 Sylva, N.C.

Contract Amount, $ 4000.00 Government Participation: 90 % Amount, $ 3600.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling		390.00	390.00			
Bulldozing						
Crosscutting	280.00	2730.00	3010.00			
Drifting						
(2) Labor and Supervision:						
Labor		60.00	60.00			
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Hand Tools		30.00	30.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:		10.00	10.00			
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
Totals	280.00	3220.00	3500.00	280.00	3,220.00	3,500.00

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

Date May 6/53 *Payee Dixie Minerals, Inc.

Per H. A. Lowhead Title Pres.

*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)

28.00

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

$ 252.00

Signature Cara A. Piper
(Authorized Certifying Officer)

Date MAY 18 1953 Vou. No. 165
(See other side)

7

(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. E393 in accordance with the terms of the contract.

Signature W. J. Lynch Title Mining Engineer Date 5/12/53

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date MAY 15 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 Defense Minerals Administration
MAY 21 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Apr. 1953 Docket No. DMEA 2293 Contract No. E 293
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address Box 561, Kylva, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	270.00	8	3010.00	86	3010.	100	35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping	cu. yd.			490.00	670	.73		
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
		280.00						
TOTAL COSTS		~~[illegible]~~		3500.00				

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

Date _____ Operator Dixie Minerals, Inc.

Per H. A. Trawhead Title Pres.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

HARVY A. LAWHEAD
PRES.
HARRY L. LINER, SR.
SEC. & TREAS.

DIXIE MINERALS, INC.

HOME OFFICE: 131 MAIN ST.
WAYNESVILLE, N. C.

OPERATING MINES
IN
HAYWOOD, JACKSON,
AND SWAIN COUNTIES
N. C.

May - 6 - 3

Progress Report,

1st Blasted & Mucked
2nd Finished Mucking and Drilled
3rd Blasted & Mucked.
No work from 3rd to 24th Due to Rains,
Farm work and Stephens had to visit his
injured son in Cookville - During this Period we
put water to Hammer by contracting water
tank to Compressor also repaired Hammer
From 24th to May 1st they worked 24 hrs
Drilling & mucking. The men have promised
to work steady now to completion of
Tract

INTERIM REPORT

IMEA-2293 Idm-E393 (mica) D. H. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 airline miles N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek.

This adit continues to be driven slowly and is now at 84.5 feet. More granitic material is beginning to show up in the face and dump material. Finely disseminated pyrite and garnet were noted in separate pieces of material recently removed from the adit. 15.5 feet remains to be driven under the contract.

D. M. Larrabee, Commodity Specialist, U. S. Geological Survey, accompanied the field examiners on this visit to the mine.

L. E. Shirley

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

K. H. Teague

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

April 23, 1953

FILE COPY
SURNAME:

Feitler
Houk

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

April 13, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Review of Amendment No. 2 - Docket No. DMEA-2293 - Mica
Dixie Minerals, Inc.
D. H. Stephens Upper Mine
Jackson County, North Carolina
Contract No. Idm-E393

Purpose: To amend Article 3 of the contract to allow 10 months instead of 7 months for completion of the work.

Justification: The work was delayed by illness of the personnel and winter weather conditions.

Recommendation: The Nonmetallic Minerals Division concurs with the Field Team and recommends approval of the amendment as executed in the field March 27, 1953

Stanley A. Feitler
Nonmetallic Minerals Division

SAFeitler:gad

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

RECEIVED
APR 22 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Posted 4-15-53

INTERIM REPORT

IMEA-2293 Idm-E393 (mica) D. H. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 miles airline N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek.

Driving of this adit continues and is now at 82 feet. Material removed is principally biotite schist and very few changes in the nature of the material have been observed during entire operation. Only 18 feet remains to be driven under contract.

L. E. Shirley

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

K. H. Teague

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

April 9, 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
Room 13, Post Office Building
Knoxville 2, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 8 1953

April 6, 1953

Memorandum

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

From: Executive Officer, DMEA, Region VII

Subject: DMEA-2293, Idm-E-393, Amendment No. 2,
Dixie Minerals, Inc., D. H. Stephens Mine (Mica)

Enclosed are the original and two copies of Amendment No. 2 to the subject contract. Copies have been distributed in the usual manner. The extension of time was necessary because winter weather delayed the progress of the job.

Robert A. Laurence

Robert A. Laurence
Executive Officer, DMEA
Region VII

Enclosure

Code
4-10

Form [redacted]104 (Rev.)
(April 1952)

UNITED STATES
[redacted]EPARTMENT OF THE INTERIOR[redacted]
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

Mr. Leitler

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of March, 1953 Docket No. DMEA 2293 Contract No. E 393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address Box 561, Sylva, N. C.
Contract Amount, $ 4000.00 Government Participation: 90 % Amount, $ 3600.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		390.00	390.00			
Crosscutting						
Drifting	490.00	2240.00	2730.00			
(2) Labor and Supervision:						
Labor						
Supervision		60.00	60.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Hand Tools		30.00	30.00			
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		10.00	10.00			
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	490.00	2730.00	3220.00	490.00	2730.00	3,220.00

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

Date Apr. 9, 53 *Payee Dixie Minerals, Inc.

Per H. A. Lawhead Title Pres.

*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)

49.00

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

$ 441.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date APR 17 1953 Vou. No. 150

(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. Tdm-E393 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date April 13, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date APR 16 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of March 1953 Docket No. DMEA 2293 Contract No. E 393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address Box 561, Sylva, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	490.00	14	2730.00	78	2730.00	100	35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping	cuyd			490.00	670	.73		
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		490.00		3220.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc								
TOTAL COSTS		490.00		3220.00				

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

Date Apr. 9, 1953 Operator Dixie Minerals, Inc.

Per H. A. Lawhead Title Pres.

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

C O P Y C O P Y

DIXIE MINERALS, INC.
Box 561, Sylva, N. C.

OPERATORS MONTHLY PROGRESS REPORT FOR

STEPHENS MINE
for the Month of March 1953- DMEA-2293

2nd. Mucked and set column
3rd. Drilled
4th. Finished drilling round and blasted, and discussed Project with the Field Engineer
5th. Mucked
6th. No work
9th Finished mucking and set column
10th. No work
11th. Drilled
12th. Finished drilling round and made several adjustments
13th. 2 men worked, blasted and started mucking
16th. 2 men mucked
17th. Mucked and cleaned drift.
18th., 19th, and 20th. Drilled, blasted and mucked
23rd. Mucked and had Field men at Project
24th. Worked on compressor
25th. Set column and drilled.
26th. 2 men working, one sick, finished drilling.
27th. Blasted and mucked, 2 men.
30th. Mucked and fixed timber, 2 men
31st. Drilled.

C O P Y

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
RECEIVED
APR 8 1953

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. H. STEPHENS MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, North Carolina

LOCATION: 2.7 miles airline N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek.

Work continues slowly on this adit, which has been driven 23 feet within a two months period. No pegmatite material has been picked up as yet and 28 feet remains to be driven under contract. Drilling is still being accomplished with dry heads and the importance of drilling wet was again brought to the attention of the foreman. Material encountered is biotite schist with scattered quartz lenses; some schist observed contained finely disseminated pyrite throughout the mass. No appreciable change in the material has been noted recently.

Mr. W. A. Beck, a member of the DMEA Field Team, Region VII, accompanied the Field Examiner on this visit to the mine.

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

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

March 24, 1953

Mr. Feitler

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

124

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER AND SCHEDULE OF PAYMENTS NOR - 47

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Feb, 1953 Docket No. DMEA 2293 Contract No. S 393
Operator's Name Dixie Minerals, Inc. Minerals Ice
Address Box 561 Sylva, N. C.
Contract Amount, $4000.00 Government Participation 50 % Amount, $3600.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		390.00	390.00		390.00	390.00
Crosscutting						
Drifting	350.00	1890.00	2240.00	350.00	1890.00	2240.00
(2) Labor and Supervision:						
Labor						
Supervision		60.00	60.00		60.00	60.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Hand Tools		30.00	30.00		30.00	30.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		10.00	10.00		10.00	10.00
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	350.00	2380.00	2730.00	350.00	2380.00	2730.00

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

Date March 1, 53 *Payee Dixie Minerals, Inc.

Per H. A. Lawhead Title Pres.

*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:

$ 315.00

Signature Cora A. Pipes
(Authorized Certifying Officer)

Date MAR 10 1953 Vou. No. 124
(See other side)

35.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idn-E393 in accordance with the terms of the contract.

Signature Laurence E. Shirley Title Mining Engr. U.S.B.M. Date March 2, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date MAR 4 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 18 1953

Month of Feb 195 3 Docket No. DMEA 2293 Contract No. E393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address Box 561 Sylva, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft	350.00	10	2240.00	64	2240.00	100	35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping	cu.yd			490.00	670	.73		
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		350.00	10	2730.00				

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

Date March 1 53 Operator Dixie Minerals, Inc.

Per H. A. Lawhead Title Pres.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

Box 561 Sylva, N. C.

DHEA-2293
Idm - E393

MONTHLY PROGRESS REPORT
for
Month of Feb. 1953.

2nd. & 3rd. Drilled, only two men worked due to Flu Epedimic
4th. No work, bad weather.
5th. & 6th. Moved column & finished drilling, Blasted & mucked.
9th. to 13th. Did not work, due to sickness and bad weather.
12th. Discussed Project with Field Engineer.
16th. Finished mucking & set column.
17th. Drilled.
18th. Finished drilling & blasted.
19th. Mucked.
23rd. Finished mucking & discussed project with Engineer.
24th. Worked in ~~shaft~~ Drift ½ day.

The balance of the month bad weather and effects of the Flu, men did not work.
Also Superintendents' boy had bad accident at school and he was with him at the hospital.

H. A. Lawhorn

DM -2293
Mr. Smith

February 9, 1953

Mr. H. A. Lawhead, Mine Manager
D. H. Stevens Mine
Box 131
Sylva, North Carolina

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 11 1953

Dear Mr. Lawhead:

Attached is a Safety Inspection Report of your D. H. Stevens Mine made by Mr. Roy G. Stott, mining health and safety engineer, on January 12, 1953.

Very truly yours,

M. C. McCall

M. C. McCall, Chief,
Accident Prevention and Health
Division, Region VII

cc: R. A. Laurence, Room 13, Post Office Bldg., Knoxville 2, Tenn.
W. A. Beck (3) Room 13, Post Office Bldg., Knoxville 2, Tenn.
F. H. Shuford, State Department of Labor, Raleigh, N. C.
Director, Defense Minerals Exploration Administration, Washington, D.C.
S. H. Ash
J. Westfield
A. Gabriel
J. R. Thoenen, Bureau of Mines, Tuscaloosa, Alabama
Roy G. Stott
District Office

SAFETY INSPECTION REPORT
D. H. STEVENS MINE (MICA)
(NEAR) EAST LAPORT, JACKSON COUNTY, NORTH CAROLINA

January 8, 1953

By

Roy G. Stott
Mining Health and Safety Engineer

Originating Office - Bureau of Mines
210-12 Social Security Building
Birmingham 3, Alabama
M. C. McCall, Chief
Accident Prevention and Health Division
Region VII

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

SAFETY INSPECTION REPORT
D. H. STEVENS MINE (MICA)
(NEAR) EAST LAPORT, JACKSON COUNTY, NORTH CAROLINA

January 8, 1953

By

Roy G. Stott
Mining Health and Safety Engineer

INTRODUCTION

This report is based on an inspection made at the request of the Defense Minerals Exploration Administration to determine conditions and practices relating to health and safety and to propose recommendations for correcting hazards. The inspection party consisted of Roy G. Stott, mining health and safety engineer, Bureau of Mines, William A. Beck and Laurence E. Shirley, mining engineers, Defense Minerals Exploration Administration and H. A. Lawhead, mine manager.

GENERAL INFORMATION

The D. H. Stevens mine is operated by H. A. Lawhead of Sylva, North Carolina. A DMEA prospecting loan has been granted under Docket No. 2293, Contract Idm E-393.

The mine is located 2.7 airline miles N40°E of East LaPort, Jackson County, North Carolina. It is 300 feet northwest of Moses Creek.

The mine prospect consists of an adit driven 45 feet northeasterly into the hillside about 50 feet vertically below old workings. The abandoned workings lie about 300 feet laterally ahead of the present prospect. The pegmatite vein strikes N35°W and dips 80° to the northeast. The mine is accessible by a dozed roadway.

A Chicago-Pneumatic gasoline engine-powered 160 cfm portable compressor is used for drilling. To date no water has been used in drilling. The three miners are supplied with two dust respirators.

Two to four cases of dynamite are stored in an unsupported but locked hole in the hillside about 50 feet above the mine entrance.

The prospect adit is timbered as follows: Timber sets of 10-inch round oak placed 12 to 14 feet apart with the caps side-notched 4 inches into the side-noted posts. Timber sets are lagged with 4-inch round oak.

Three men work at the mine. All three wear hard hats. Muck is hauled by wheelbarrow to the dump.

SAFETY RECOMMENDATIONS

1. Additional timber sets should be installed between the existing sets. As the work advances, timber sets should not be spaced more than 6 feet apart. Furthermore, it is recommended the timber cap pieces be spragged tightly between each set to prevent dislodgement off the posts.

2. At least two 6-foot scaling bars should be provided and the loose roof and sides should be more thoroughly barred down before men work under the unsupported roof at the face. Timbering should be kept within 6 feet of the face.

3. Water should be provided for drilling and all drilling should be done wet.

4. The dynamite magazine should have the loose unsupported roof timbered and lagged.

5. Electric detonator caps, tools, and other articles should not be kept in the dynamite magazine. A separate detached magazine should be provided for detonator caps.

6. The blasting machine should be kept in a dry place where not exposed to damp air.

7. The blasting wire should not be coiled and kept outside where exposed to the weather. The end wires should be kept twisted together or shunted at all times except when ready to blast.

ACKNOWLEDGMENT

The cooperation of Mr. Lawhead and his men during this inspection is gratefully acknowledged.

Respectfully submitted,

/s/ Roy G. Stott
Roy G. Stott
Mining Health and Safety Engineer

FILE COPY
SURNAME:

Feitler
Houk

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

February 9, 1953

Memorandum

DMEA-2293 - Mica
Dixie Minerals Inc.
Stephens Upper Mine
Jackson County, North Carolina
Contract No. Idm-E393

To: Administrator

From: Nonmetallic Minerals Division

Subject: Review - Amendment No. 1

Purpose: To allow sufficient time to complete the program.

Method: Amend Article 3 to provide seven months instead of four months for completion.

Recommendation: Concurrence

Justification: The subcontractor was unable to start work on Stage II after the completion of Stage I.

Stanley A. Feitler
Nonmetallic Minerals Division

SAFeitler:gad 2/9/53

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

RECEIVED
FEB 10 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Mr. Leathers

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII

OFFICE OF
REGIONAL DIRECTOR

P. O. Box 1909
Knoxville 1, Tennessee

P. O. BOX 217
NORRIS, TENNESSEE

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 11 1953

February 9, 1953

Memorandum

To: Joy L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Administrative Officer, Region VII, Knoxville, Tennessee

Subject: Monthly Reports and vouchers

We are enclosing two copies each of the following monthly reports and vouchers:

Idm-E-393 Dixie Minerals, Inc.
Docket No. DMEA-2293
4th payment - month of January, 1953
Amount $378.00

Idm-E-405 Chrisman - Gibbs
Docket No. DMEA-2368
4th payment - month of January 1953
Amount $720.00

Idm-E-407 Brod Wilson
Docket No. DMEA-2533
3rd payment - month of January 1953
Amount $787.50

Idm-E-482 K. L. Anglin
Docket No. DMEA-2557
3rd payment - month of January 1953
Amount $1161.00

Idm-E-461 Zeb Angel
Docket No. DMEA-2582
1st payment - month of Jan., 1953 - Dec., 1952
Amount $1404.00
Starting Date: December 29, 1952

Idm-E-431 Dixie Minerals, Inc.
Docket No. DMEA-2610
1st payment - month of January 1953
Amount $540.00
Starting Date: November 27, 1952

Idm-E-444 Robert Baker
Docket No. DUFA-2646
2nd payment - month of January 1953
Amount $945.00

Helen R. Miller

CC: R. A. Laurence
W. A. Beck

Form MFS 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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
FEB 11 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Jan, 1953 Docket No. DMEA 2293 Contract No. E393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address 131 Main St., Waynesville, N.C.
Contract Amount, $4000.00 Government Participation: 90 % Amount, $3600.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		390.00	390.00		390.00	390.00
Crosscutting						
Drifting	420.00	1470.00	1890.00	420.00	1470.00	1890.00
(2) Labor and Supervision:						
Labor						
Supervision		60.00	60.00		60.00	60.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Hand Tools		30.00	30.00		30.00	30.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		10.00	10.00		10.00	10.00
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	420.00	1960.00	2380.00	420.00	1960.00	2380.00

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

Date Jan 31, 53 *Payee Dixie Minerals Inc.

Per H. A. Lawhead Title Pres.

*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:

$378.00

Signature Cora A. Pipes
(Authorized Certifying Officer)

Date FEB 9 1953 Vou. No. 100

(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. Tdm-E393 in accordance with the terms of the contract.

Signature Laurence E. Shurley Title Mining Engr. U.S.B.M. Date Feb. 2, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date FEB 5 - 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, should 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
RECEIVED
FEB 11 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Jan 195 3 Docket No. DMEA 2293 Contract No. E393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address 131 Main St, Waynesville, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft	420.00	12	1890.00	54	1890.00	100	35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping	cu.yd			490.00	670	.73	670	.73
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		420.00		2380.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		420.00		2380.00				4000.00

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

Date Jan. 31, 53 Operator Dixie Minerals, Inc.

Per H. A. Lowkeog Title Pres.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

U. S. GOVERNMENT PRINTING OFFICE 205676

RECEIVED
FEB 5 1953
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

OPERATORS MONTHLY PROGRESS REPORT
for the Month of Jan., 1953

DMEA-2293
Idm E-393

Jan. 2 - Started drilling.
(5 -
(6 Finished drilling, blasted and mucked.
7 - Cut timber and started timbering.
8 - Timbered and discussed project with field engineers and Government Mine Inspector.
9 - Bad weather, did not work.
(12 -
(13 Cut timber and timbered to comply with suggestions of
(14 Government Mine Inspector.
15 - Started drilling round.
18 - Finished drilling and blasted.
19 - Bad weather, did not work.
(20 - Mucked, set column to start drilling.
(21
(22 - Drilled and blasted.
(25
(26 - Bad weather and sickness, did not work.
(27
28 - Mucked and discussed the project with the engineer.
(29 - Set the column and started drilling, encountered very
(30 hard drilling.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
FEB 1953

INTERIM REPORT

DMRA-2293 Idm-2393 (mica) D. N. STEPHENS UPPER MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 miles airline N 40° E of East Laport, Jackson County, North Carolina. It is about 300' north of Moses Creek.

This adit, being driven in an E - W direction to pick up the pegmatite, is now at 49'. The contract is set up for 100' of drifting and is approximately 50% completed. Progress has been generally slow for no apparent reason. Previous drilling has been with dry heads and operator stated that a water system would be installed in the very near future. Suggestions made at time of safety inspection on January 8, 1953 had not been complied with entirely up to date of this visit. Mineralization is absent and adit is still being driven in biotite schist. Operators monthly reports are satisfactory.

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

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

January 27, 1953

noted 1/13/53
SF

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
Room 13, Post Office Building
Knoxville 2, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 7 1953

January 5, 1953

Memorandum

To: Operating Committee, D M E A- Washington

From: Executive Officer, DMEA- Region 7, Knoxville

Subject: DMEA-2293, Idm-E393 (mica) Dixie Minerals Inc. Amendment No. 1

Transmitted herewith are three copies of the above subject amendment, signed by Mr. H. A. Lawhead, President of the Dixie Minerals, Inc.

A copy has been retained by this office, and one sent to the Regional Finance Officer, Norris, Tennessee.

Robert A. Laurence
Robert A. Laurence

zm

coe
1-7-53

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
JAN 12 1953

Janaury 9, 1953

Memorandum

To: Jay L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington, D. C.

From: Administrative Officer, Region VII, Norris, Tennessee

Subject: Monthly Reports and Vouchers

We are enclosing two copies of the following monthly reports and vouchers:

Idm-E-393 Dixie Minerals, Inc.
DMEA Docket No. 2293
3rd payment - month of December
Amount $693.00

~~Idm-E-459 Bauer Mining Company~~
~~DMEA Docket No. 2579~~
~~1st payment - month of December~~
~~Amount $189.90~~
~~Starting Date: December 12, 1952~~

Helen R. Miller
Helen R. Miller

Enclosures
CC: R. A. Laurence
W. A. Beck

Form MF-104 (Rev.)
April 1952)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Budget Bureau No. 42-R1036.3.
Defense Approval expires 6-30-53.
RECEIVED
JAN 12 1953

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Dec., 1952 Docket No. DMEA 2293 Contract No. E393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address 131 Main St., Waynesville, N. C.
Contract Amount, $ 4000.00 Government Participation: 90 % Amount, $ 3600.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		390.00	390.00		390.00	390.00
Crosscutting						
Drifting	770.00	700.00	1470.00	770.00	700.00	1,470.00
(2) Labor and Supervision:						
Labor						
Supervision		60.00	60.00		60.00	60.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Hand Tools		30.00	30.00		30.00	30.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment					10.00	10.00
Sampling and Analysis		10.00	10.00			
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	770.00	1190.00	1960.00	770.00	1,190.00	1,960.00

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

Date Jan 3, 1953 *Payee Dixie Minerals, Inc.

Per H. A. Lowhead Title Pres.

*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:

$ 693.00

Signature
(Authorized Certifying Officer)

Date Vou. No.
(See other side)

7900

(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. Tdm-E393 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Jan. 6, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title Executive Officer Date January 8 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
JAN 12 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Dec. 195 2 Docket No. DMEA 2293 Contract No. E 393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address 131 Main St. Waynesville, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	770.00	22	1470.00	42	1470.00	100	35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping	CuYd.			490.00	670	.73		
Trenching								
Test Pits								
Roads and Trails								
								TOTAL COSTS AUTHORIZED BY CONTRACT
TOTAL DISTRIBUTED COSTS								
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
								4 000.00
TOTAL COSTS		770.00	22	1960.00				

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

Date Jan. 3, 1953 Operator Dixie Minerals, Inc.
Per H. A. Lawhead Title Pres.

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

PROGRESS REPORT FOR MONTH OF DECEMBER

DMEA-2293 Idm-E393 D. H. STEPHENS UPPER MINE

Dec.

1 - Mucked

2 - Did not work, but discussed project with Field Eng.

3 - Drilled and repaired compressor.

4,5- Drilled, blasted and mucked.

8,9- Cut timber and timbered and repaired entrance to comply with request of Mine Inspector.

10,11,12 - Drilled, blasted and mucked, hard rock encountered.

15 - Bad weather, did not work.

16 - Drilled.

17 - Finished round and blasted, also discussed project with Field Eng.

18,19 - Mucked and started drilling.

22,23 - Drilled and blasted.

29 - Mucked.

No more work the balance of the month, cold and rainy.

s/s H. A. Lawhead

2293

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 31 1952

INTERIM REPORT

IMEA-2293 Idm-E393 (mica) D. H. STEPHENS UPPER MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 airline miles N 40° E of East Laport, Jackson County, North Carolina. It is about 300' north of Moses Creek.

Present heading in tunnel is at 35' and is being driven in an east-west direction. This entire footage has required timbering and lofting to hold weathered material. Some suggestions as to additional timbering were made during this visit. Material encountered consists principally of biotite schist, scattered quartz stringers and a small pegmatite stringer in left wall and near the face of the tunnel. A few small pieces of mica, of good color but badly bent, was recovered. This project is progressing satisfactorily.

L. E. Shirley

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

December 18, 1952

Mr. Lieber

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
[illegible]
DEC 2 1952

INTERIM REPORT

DMRA-2293 Idm-2395 (mica) D. H. STEPHENS UPPER MINE

OPERATOR: Dixie Minerals Company, c/o H. A. Lawhead, Sylva, North Carolina.

LOCATION: 2.7 miles airline N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek and is the No. 1 mainworking of U.S.G.S. Map, dated January 5, 1945.

No one was working at time of visit to this mine. Tunnel is now at 20 feet from the portal. Material removed consists principally of biotite schist with occasional stringers of pegmatite. This project is moving slowly, but work accomplished is satisfactory.

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

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

December 2, 1952

noted 12/18/52
SF

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
DEC 1 1952
Mr. Fuller

December 15, 1952

Memorandum

To: Jay L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington, D. C.

From: Administrative Officer, Region VII, Norris, Tennessee

Subject: Monthly reports and vouchers

We are enclosing two copies each of the following monthly reports and vouchers:

Idm-E-393 Dixie Minerals, Inc.
Docket No. DMEA-2293
2nd payment - month of November
Amount $315.00

Idm-E-405 Harris Gibbs and W. B. Chrisawn
Docket No. DMEA-2368
2nd payment - month of November
Amount $684.00

Idm-E-432 K. L. Anglin and J. K. Elkins
Docket No. DMEA-2557
1st payment - month of November
Amount $1296.00

Helen R. Miller
Helen R. Miller

CC: R. A. Laurence
W. A. Beck

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

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

2

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 1 1952
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UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Nov 195 2 Docket No. DMEA 2293 Contract No. 108
Operator's Name Dixie Minerals, Inc. Minerals
Address 131 Main St. Waynesville, N. C.
Contract Amount, $ 4000.00 Government Participation: 90% Amount, $ 3600.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		390.00	390.00		390.00	390.00
Crosscutting						
Drifting	350.00	350.00	700.00	350.00	350.00	700.00
(2) Labor and Supervision:						
Labor						
Supervision		60.00	60.00		60.00	60.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Hand Tools		30.00	30.00		30.00	30.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment		10.00	10.00		10.00	10.00
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	350.00	840.00	1190.00	350.00	840.00	1190.00

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

Date Dec 2, 1952 Payee Dixie Minerals, Inc.

Per H. A. Lawhead Title Pres.

*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:

$ 315.00

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-E393 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Dec. 8, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title Executive Officer Date DEC 10 1952

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 1 1952

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Nov. 195 2 Docket No. DMEA 2293 Contract No. E393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address 131 Main St. Waynesville, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	ft.	350.00	10	700.00	20	700.00	100	35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	cu.yd			490.00	670	.73		
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		350.00	10	1190.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		350.00	10	1190.00				4000.00

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

Date Dec 2 1952 Operator Dixie Minerals, Inc.

Per H. A. Lawhead Title Pres.

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

REMARKS:

(Instructions on reverse)

(For Government use only)

INSTRUCTIONS

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

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

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

GPO 83-38475

IMEA No. 2293

NARRATIVE REPORT FOR MONTH
OF NOVEMBER

DAILY NOTES
November

5,4,and 5 - Placed compressor and put same in condition. Received supplies - gas, oil, etc., and discussed Project with Field Team Engineers.

6 and 7 - Weather bad. Did not work.

10th - Started drilling. Face all rock.

11 th - Drilled, blasted and mucked.

12th - Finished mucking and started drilling.

13th - Cut timber and timbered.

14th - Finished drilling the round and blasted.

17th - Mucked and set timber and started powder magazine.

18th, 19th and 20th - Heavy rains. No work.

21st - Drilled.

24th - Finished drilling round and blasted.

25th - Mucked and timbered.

No further work done in November.

s/s H. A. Lawhead

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 13 1952
Mr Feitler

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. H. STEPHENS UPPER MINE

OPERATOR: Dixie Minerals Company, c/o Mr. H. A. Lawhead, Sylva, North Carolina.

LOCATION: 2.7 miles airline N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet north of Moses Creek and is the No. 1 mainworking of U. S. G. S. Map dated January 5, 1945.

The tunnel specified in Stage II of the contract is being driven from the lower open cut in an essentially westward direction. This tunnel had advanced about 10' and most of the material to this point was weathered biotite schist with a few scattered quartz stringers. An air compressor was moved to the mine site on the date of visit. Drilling and shooting of fresh rock should progress faster than initial work up to present. The portal has been timbered properly. Progress on this project is satisfactory.

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

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

November 5, 1952

noted SAF 11/20/52

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Bureau of Budget No. 41-R036.3.
Approval expires 6-30-53.
Defense Minerals Administration
RECEIVED
NOV 13 1952

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Oct, 1952 Docket No. DMEA 2293 Contract No. Idm-E393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address 131 Main St. Waynesville, N. C.
Contract Amount, $ 4000.00 Government Participation: 90 % Amount, $ 3600.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing	390.00		390.00	390.00		390.00
Crosscutting						
Drifting	350.00		350.00	350.00		350.00
(2) Labor and Supervision:						
Labor						
Supervision	60.00		60.00	60.00		60.00
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Hand Tools	30.00		30.00	30.00		30.00
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment	10.00		10.00	10.00		10.00
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$840.00		$840.00	840.00		840.00

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

Date Nov 5, 1952 *Payee Dixie Minerals, Inc.

Per H. A. Lawhead Title Pres.

*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)

Noted 11/17/52

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

$756.00

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-E393 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Nov. 7, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lemmon Title Executive Officer Region VII Date 11/10/52

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
RECEIVED
NOV 1 3 1952
Idm

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Oct. 1952 Docket No. DMEA 2293 Contract No. E393
Operator's Name Dixie Minerals, Inc. Minerals Mica
Address 131 Main St., Waynesville, N.C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting	ft.	$350.00	10	$350.00	10	350.00	100	$35.00
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	cu.yd	490.00	670	$490.00	670	.73		
Test Pits								
Roads and Trails								
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased		~~30.00~~						
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		~~30.00~~						$4000.00

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

Date Nov. 5, 1952 Operator Dixie Minerals, Inc.

Per H. A. Lawhead Title Pres.

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

OPERATORS MONTHLY PROGRESS REPORT.

For the Month of October 1952

DMEA-2293 (mica)

Work Accomplished.

Cleared Right of Way, also site for trenches, had bull-dozier cut two trenches according to contract, and started drift at point specified by Gov't Agent advancing ten feet then the face was properly timbered. Rock was encountered almost immediately and after advancing ten feet we were forced to wait for compressor which we have now received.

For the month of November we will give you daily notes as our Operators Monthly Progress Report specimen wasnot received until the end of October.

C O P Y

ROY STEPHENS

EXCAVATING CONTRACTOR

PHONE 259-R WAYNESVILLE, N. C. ROUTE 1

October 28, 1952

Dixie Minerals, Inc.
131 Main St.
Waynesville, N. C.

To: 39 hours TD 14 Bulldozer operations @ $10.00 $390.00

Roy Stephens

Roy Stephens

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 15 1952

INTERIM REPORT

DMEA-2293 Idm-E393 (Mica) D. H. STEVENS UPPER MINE

OPERATOR: Dixie Minerals Company
131 Main Street
Waynesville, N. C.
c/o Mr. H. A. Lawhead
Sylva, North Carolina

LOCATION: 2.7 miles airline N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet northwest of Moses Creek and is the No. 1 main-workings of U.S.G.S Map, January 5, 1945.

Progress on this project is satisfactory. Stage I, which consisted of two trenches by bulldozer cuts, has been completed. No pegmatite was encountered in either cut. Location of proposed adit was made and work on Stage II will begin in the near future.

L. E. Shirley

L. E. Shirley, Mining Engineer
U. S. Bureau of Mines
Mining Branch
Minerals Technology Division
Region VII

October 8, 1952

Tel. - Teague - 10/17/52
Teague explained that a feldspathic zone was found in the lower cut. Adit was started on this zone

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 6 1952

Mr. Feitler

INTERIM REPORT

DMEA DOCKET #2293
D. H. Stephens Upper Mine (mica)

APPLICANT: Dixie Minerals Company
131 Main Street
Waynesville, North Carolina

Contract - Idm-E393

LOCATION: The D. H. Stephens mine is located 2.7 miles airline N 40° E of East Laport, Jackson County, North Carolina. It is about 300 feet northwest of Moses Creek and is the No. 1, mainworkings of U.S.G.S. Map, January 5, 1945.

Progress is satisfactory on this project. It was proposed in the original contract that Stage I would consist of two trenches made by bulldozer cuts. At the time this property was visited approximately one-half of Stage I had been completed, which consisted of work on the upper trench. Work for the lower trench was outlined for the operator and will begin immediately.

Lawrence E. Shirley

September 30, 1952

Lawrence E. Shirley, M.E.
U. S. Bureau of Mines

Inadequate
9/7/52
SF.

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
RECEIVED
SEP 15 1952

September 12, 1952

Memorandum

To: Operating Committee, DMEA Washington

From: Executive Officer, DMEA Region 7

Subject: Contract No. Idm-E393. Docket No. 2293. Signed Copies.

Transmitted is the original and two copies of the above subject contract which has been signed by the Applicant. One copy was retained by this office, one sent to the Regional Finance Office and one retained by the applicant.

Robert A. Laurence

Robert A. Laurence.

zm

SCS 9/16/52

FILE COPY
SURNAME:

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

AUG 29 1952

S A Feitler
Mica

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

Subject: Docket No. DMEA-2293 - Mica
D. H. Stephens Upper Mine
Jackson County, North Carolina

Dear Mr. Laurence:

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

If the contract meets with your approval, present it to the Operator for his approval and signature. If any provisions are unsatisfactory to the Operator, return all copies to this office along with suggested changes for consideration.

After signing of the contract, one copy is to be given to the Operator, one copy retained for your files, one copy for the Regional Finance Officer, and the remaining copies, including the original, are to be returned to this office as soon as possible.

Sincerely yours,

H. F. Kellet (JB) J.N. 8-29-52

ACTING Chairman, Operating Committee

Approved:

C. N. Johnson (JB)
Member, Bureau of Mines

D. M. Lemmon (JB)
Member, Geological Survey

Enclosures 6

SAFeitler:gad 8/22/52

Copy to: Admin. Reading File
Operating Committee (2)
Docket File
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

S A Feitler

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

Memorandum

To: Mr. C. O. Mittendorf, Acting Administrator

From: Stanley A. Feitler, Nonmetallic Minerals Division

Subject: Resume - Docket No. DMEA-2293 - Mica
Dixie Minerals Inc.
C/o J. H. Howell, Jr.
Waynesville, North Carolina
D. H. Stephens Upper Mine

Recommendation: Contract for $4,000.00 should be approved.

Original application dated 12/5/52
Requesting $9,170 for a vague program on the D. H. Stephens Lower Mine.

U. S. G. S. Memo 12/27/52
Recommends denial.

Revised application by letter 2/6/52
Requests exploration for D. H. Stephens Upper Mine.

U. S. G. S. Memo 2/19/52
Recommends denial.

Letter from applicant 2/25/52
No samples of available mica but encloses copies of purchase records showing sales of ruby mica to Colonial Mica Corp.

U. S. B. M. Memo 4/16/52
Refer to Field Team
Nonmetallic Minerals Division Memo 6/13/52 Refer to Field Team
Nonmetallic Minerals Division's letter 6/16/52
Referring to Field Team

Field Report 7/7/52
Recommending $4,400.00 contract.

U.S.G.S. Memo 7/14/52
Concurs with Field Team.

U. S. B. M. Memo 7/17/52
Concurs with Field Team.

Lease data requested from applicant 8/4/52

Lease data received 8/13/52

Contract to Legal Division 8/18/52

Contract from Legal Division 8/22/52

SAFeitler:gad 8/22/52

Copy to: Admin. Reading File
Docket File
Mr. Houk

HARVY A. LAWHEAD
PRES.

HARRY L. LINER, SR.
SEC. & TREAS.

DIXIE MINERALS, INC.

HOME OFFICE: 131 MAIN ST.

WAYNESVILLE, N. C.

OPERATING MINES
IN
HAYWOOD, JACKSON,
AND SWAIN COUNTIES
N. C.

Aug. 11, 1952.

Laurence G. Hauk, Chief
Non-Metallic Minerals Division
D.M.E.A.
Washington, D.C.

Subject: Docket No.DMEA2293 Mica
D. H. Stephens Upper Mine
Jackson County, N. C.

Dear Mr. Hauk:

In reply to your letter of Aug. 4th., with reference to above caption please be advised that Dixie Minerals Inc. is incorporated under the laws of North Carolina and has a North Carolina Charter.

With reference to the original lease which was properly signed by all parties concerned and same was recorded with The Registry of Jackson County at Sylva which is the County Seat, and the proper signiture of Mrs. Stephens is Liddie, I do not know how the Attorney made this error on your copy. Hoping that this gives you the desired information.

Sincerely yours,

H. A. Lawhead

H.A. Lawhead

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
DMEA
AUG 13 1952

FILE COPY
SURNAME:

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

AUG 4 1952

Mr. H. A. Lawhead
Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

Subject: Docket No. DMEA-2293 - Mica
D. M. Stephens Upper Mine
Jackson County, North Carolina

Dear Mr. Lawhead:

This letter is in reference to the subject application for exploration assistance at the D. M. Stephens Upper Mine.

In the copy of the lease accompanying the application, the name Liddie Stephens is typed as a signature and also in the lease. On the Owner's Consent to Lien, the signature appears to be Liddie Stephens. Which is correct? No signature for Dixie Minerals, Inc., is indicated on the lease. Was the original signed by the Corporation?

Please advise us of the name of the state in which Dixie Minerals is incorporated.

The requested information is needed to complete the processing of this application.

Sincerely yours,

Signed

Lawrence G. Houk, Chief
Non-Metallic Minerals Division
Defense Minerals Exploration
Administration

SAFeitler:mp 8/1/52
cc: Docket File
Adm. Reading File
Mr. Morton, G-232, GSA Bldg.
Mr. Dietrich, 3526
Mr. Houk
Field Team, Region VII

JAMES H. HOWELL, JR.
ATTORNEY-AT-LAW
P. O. BOX 24
WAYNESVILLE, N. C.

July 26, 1952

Mr. Lawrence G. Houk, Chief
Non-Metallic Minerals Division
Defense Minerals Exploration Administration
U. S. Department of the Interior
Washington 25, D. C.

Subject: Docket No. DMEA-2293 - Mica - D. H. Stephens Upper Mine, Jackson County, North Carolina

Dear Mr. Houk:

Reference is to the above application for assistance in exploring for mica, and to your letter of July 18th addressed to Mr. H. A. Lawhead, President of Dixie Minerals, Inc.

Enclosed are six signed copies of Form MF-203, Owner's Consent to Lien, which are returned to you pursuant to your letter of July 18th.

Your attention to this matter will be appreciated.

Very truly yours,

James H. Howell, Jr.

JHH:LL

Enclosure

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 28 1952

FILE COPY
SURNAME:

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

S Feitler
Hirsch
K Johnson

Mr. H. A. Lawhead
Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

Subject: Docket No. DMEA-2293 - Mica
D. H. Stephens Upper Mine
Jackson County, North Carolina

Dear Mr. Lawhead:

Reference is made to the above application for assistance in exploring for mica at the D. H. Stephens Upper Mine.

Enclosed are eight copies of Form MP-203, Owner's Consent to Lien. As Dixie Minerals, Inc., is a lessee, you should have six copies signed by D. H. and Giddie Stephens and send them to this office. Do not fill in the amount of the contract. All other blank spaces may be filled in or they will be completed here when and if a contract is written. The two extra copies are for your convenience.

When these forms are received, processing of your application will be completed as quickly as possible.

Sincerely yours,

SIGNED

cc 7/18

Lawrence G. Houk, Chief
Non-Metallic Minerals Division
Defense Minerals Exploration
Administration

Enclosures - 8

SAFeitler:mp 7/17/52
cc: Docket File
Adm. Reading File
Mr. Dietrich, 3526
Mr. Norton, G-232, GSA Bldg.
Mr. Houk
Field Team, Region VII

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

July 17, 1952

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-2293, D. H. Stephens Upper Mine, Jackson County, N. C.

I concur in the field team's recommendation for an exploration program in the amount of $4,400.

W. F. Dietrich

W. F. Dietrich

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 17 1952

SD

IN REPLY REFER TO:
G-MD-CNM

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

SAF

July 14, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 15 1952

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2293 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: P. L. Weis, U. S. Geological Survey
Applicant: Dixie Minerals, Inc.
Name of property: D. H. Stephens Upper Mine.
Location of property: Jackson County, North Carolina.
Date of field team report: May 20, 1952.
Authorship of field team report: A. L. Peyton and K. H. Teague.
Field team's recommendation: An exploration contract, to include construction of two bulldozer trenches and an adit, total cost to be $4,400.
Comments: None.
ACTION SUGGESTED: Follow field team's recommendation.

Paul L. Weis

Paul L. Weis

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

Room 13, Post Office Building
Knoxville 2, 1952

July 7, 1952

Memorandum

To: Operating Committee, D.M.E.A. Washington

From: Field Team, Region VII

Subject: DMEA-2293. Dixie Minerals, Inc. (mica)
Field Examination Report, D. H. Stevens, Upper Mine.

Enclosed herewith are 4 copies of Field Examination report on the subject application, and 6 extra copies of the map.

The Field Team agrees with the recommendations of the examiners, Mr. Teague and Peyton.

Letters of review, etc., concerning this application are returned herewith.

Robert A. Laurence

Robert A. Laurence
Executive Officer, DMEA
Region VII

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 9 1952

Wm. A. Beck

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

zm

ON-SITE Report

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

D.M.E.A. 2293

B. H. STEPHENS UPPER MINE (mica)
Jackson County, North Carolina

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 9 1952

By

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

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

Reviewed by
DMEA OPERATING COMMITTEE
7-11-52
(date)

May 20, 1952

Report of Field Team Examination
on
DMEA-2293, D. H. Stephens Upper Mine
(mica) Jackson County, North Carolina

The D. H. Stephens Upper Mine is located 2.7 miles airline N.40° E. of East Laport, Jackson County, N. C. It is about 300 feet northwest of Moses Creek and is the No.1, Main Workings of the U.S.G.S. map, January 5, 1945.

Now work has been done at this place since the U.S.G.S. map was prepared and all openings are now caved. The openings consist of an open cut 40 feet long and down-dip stopes therefrom. These stopes are connected with a lower adit. The workings have explored the pegmatite body over a strike length of 75 feet and a vertical distance of 55 feet.

The pegmatite strikes N. 35°W., dipping 80° NE. It cuts across the foliation of the biotite gneiss which strikes northeast and dips 60-70° NW. The thickness ranges from 2 to 5 feet.

Mica found in the old dump is mostly of good quality. According to the U.S.G.S. report, both brown or ruby, and green mica occur. Reports indicate that some large books were obtained from the deposit. The mica examined was clear, hard and free splitting.

The Field Team believes that strategic grade mica can be obtained from this deposit and exploration assistance is justified. The deposit is sufficiently removed from property lines, thus no problems of working and dumping area are involved.

It is recommended that two bulldozer trenches, as indicated on the attached map, be cut along the probable southeast extension of the pegmatite to expose it for examination. After the trenches are completed it is proposed to drive an adit from the lowest cut northwestward for approximately 100 feet. This adit should be at least 40 feet vertically below the lowest drift shown on the attached map.

Estimated Cost of Project

Fixtures and Improvements

10 x 12 Tool House	$150.00

Operating Equipment

To be rented:

1 - 105 Air Compressor, 2 mos. @ $175/mo.	350.00

To be rented (cont'd)

1 - Jackhamer drill, 2 mos. @ $60/mo.	$ 120.00
1 - Bulldozer -w/blade, 40 hrs.@ $10/hr.	400.00

To be Purchased:

200 ft. 2" pipe @ .50¢ per ft.	100.00
200 ft. mine rail @ $1.15/ft.	230.00
Mine Car	150.00
Timber	200.00
Dynamite & Exploders	250.00
Hand Tools	100.00
Miscellaneous supplies	150.00

Labor and Supervision

1 - Working foreman, 50 shifts @ $1.50 per hour	600.00
1 - Miner, 50 shifts @ $1.50/hr	600.00
2 - Laborers, 50 shifts, @ $1/hr	800.00
Insurance, social security, etc.	200.00

Rehabilitation and Repairs

None

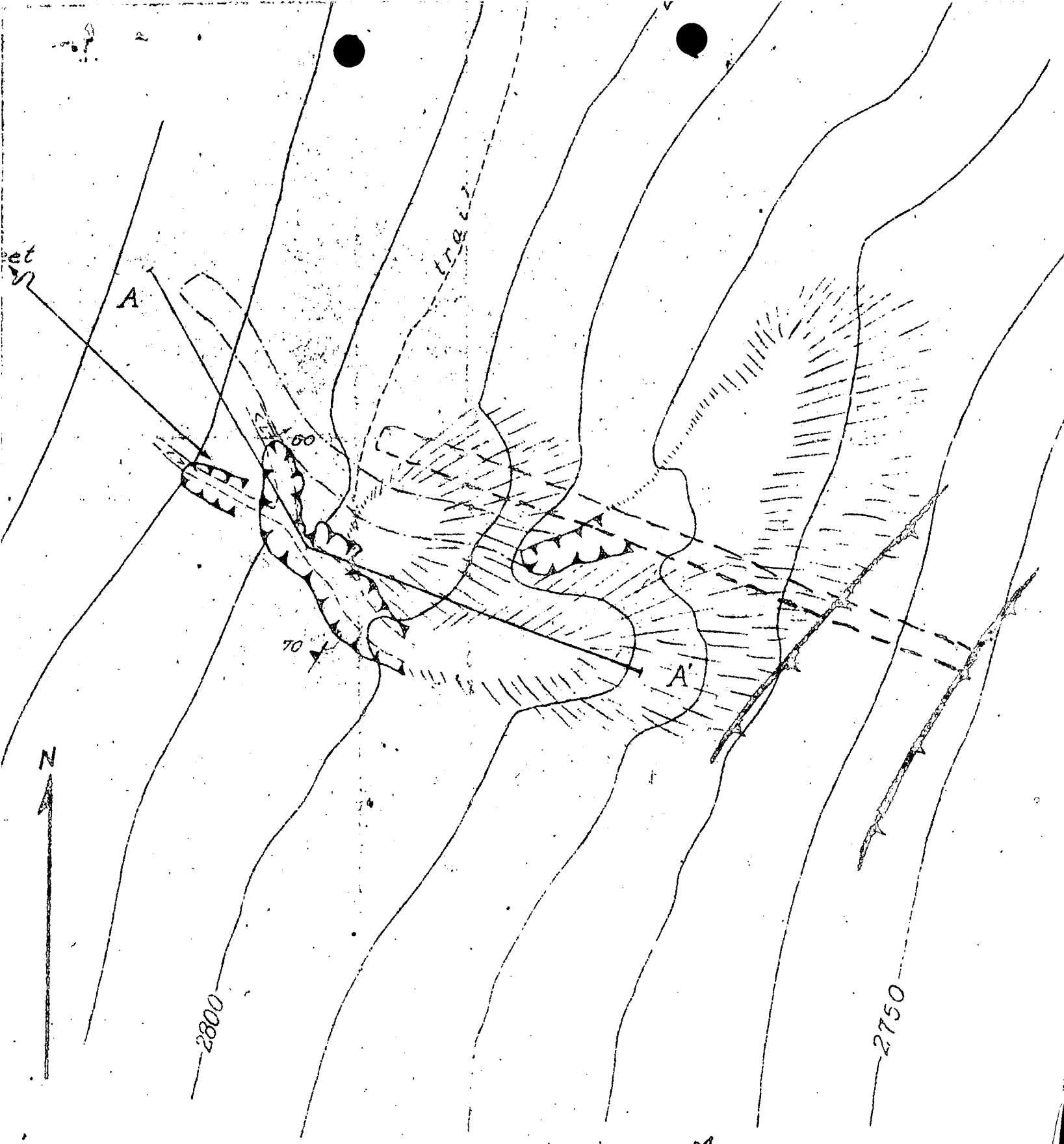
Estimated Total Cost..... $4,400.00

Estimated Time- 2 1/2 months

May 20, 1952

K. H. Teague, USGS

A. L. Peyton, USBM



D. H. Stephens Mine

NO. 1, MAIN WORKINGS

FILE COPY
SURNAME:

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

600

SAFeitler
Houk

JUN 16 1952

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

Subject: Docket No. DMEA-2293 - Mica
L. H. Stevens Upper Mine
Jackson County, North Carolina

Dear Mr. Laurence:

The above application dated December 5, 1951, concerns a mica exploration program in your Region. It is believed that your files contain a copy of the original application as well as the amendment dated February 6, 1952. This latter refers to the L. H. Stevens Upper Mine which yielded $2,800 worth of strategic mica in 60 days during 1944-45. If any of this material is lacking, please advise us.

An examination of this property should be made when it suits your convenience. If the property has sufficient merit to warrant assistance, a program should be submitted. The field report should include a statement identifying the location of the work on the property under lease.

For your further information, we include a copy of legal description, Bureau of Mines memo, two Geological Survey memos, and DMEA memo.

Sincerely yours,

(signed) FRANK M. JOHNSON

Chairman, Operating Committee (JHS)
Defense Minerals Exploration
Administration

Enclosures - 5
Approved:

/s/ Charles N. Merrill
Member, Bureau of Mines (JHS)

/s/ D. M. Lemmon
Member, Geological Survey
(JHS)

SAFeitler:mp 6/12/52
cc: Docket Copy
Operating Committee (2)
Adm. Reading File
Mr. Norton, G-232, GSA Bldg.
Mr. Dietrich, 3526
Mr. Houk

FILE COPY
SURNAME:

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

600

JUN 16 1952

Steitler
Houk
Kyrill
Lemmon
Johnson

Mr. H. A. Lawhead
Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

Subject: Docket No. DMSA-2293 - Mica
L. B. Stevens Upper Mine
Jackson County, North Carolina

Dear Mr. Lawhead:

Your application is being referred to Mr. Robert A. Laurence, Executive Officer, DMSA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for further information.

Sincerely yours,

C. O. Mittendorf (fw)

Acting Administrator
Defense Minerals Exploration
Administration

SAFEITLER:mp 6/12/52
cc: Docket Copy
Adm. Reading File
Operating Committee (2)
Field Team, Region VII (2)
Mr. Norton, G0232, GSA Bldg.
Mr. Dietrich, 3526
Adm. Reading File
Mr. Houk

FILE CO
SURNAME:

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

600

Houk
Merrill

June 13, 1952

Memorandum

To: Chairman, Operating Committee, DMEA

From: Nonmetallic Minerals Division, DMEA

Subject: Docket No. DMEA-2293 - Mica
Dixie Minerals, Inc.
L. H. Stevens Upper Mine
Jackson County, North Carolina

Applicant proposes to drive an adit to explore the pegmatite below the old workings.

This property may merit assistance.

1. The pegmatite where previously mined was 6 to 10 feet wide.

2. During 1944-45 a three man crew produced $2,800 worth of strategic mica in 60 days, according to the application.

3. Colonial Mica purchased $2,795.00 of sheet and punch mica.

4. The mine produced ruby mica according to copies of Colonial Mica vouchers submitted by applicant.

Conclusion:

Field examination is needed.

Stanley A. Feitler
Nonmetallic Minerals Division

Attachment

SAFEITLER:mp
cc: Adm. Reading File
Docket File
Mr. Dietrich, 3526
Mr. Norton, G-232, GSA Bldg.
Mr. Houk
Mr. Feitler

FILE COPY
SURNAME:

SAFeitler
Houk
Mott

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

600

APR 28 1952

Mr. James H. Howell, Jr.
Vice President
Dixie Minerals, Inc.
Waynesville, North Carolina

Subject: Docket No. DMA-2293 - Mica
D. H. Stephens Upper Mine
Jackson County, North Carolina

Dear Mr. Howell:

This is in reference to your inquiry about the status of the subject docket.

Please be advised that your application is still under review and we hope to be able to advise you in the near future whether your property merits a field examination.

Sincerely yours,

Signed A.N. 4-28-52

Lawrence G. Houk, Chief
Non-Metallic Minerals Division
Defense Minerals Exploration
Administration

SAFeitler:mp 4/25/52
cc: Docket File
Field Team, Region VII (2)
Adm. Reading File
Mr. Dietrich, 3526
Mr. Norton, G-232, GSA Bldg.
Mr. Houk

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

April 16, 1952

Memorandum

To: Non-Metallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: Docket No. DMEA-2293 - Mica
D. H. Stephens Upper Mine
Jackson County, North Carolina

In view of the confirmed record of past production from applicant's property, a field team investigation is recommended.

W. F. Dietrich

W. F. DIETRICH

JAMES H. HOWELL, JR.
ATTORNEY-AT-LAW
P. O. BOX 24
WAYNESVILLE, N. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 31 1952

March 29, 1952

Mr. Lawrence G. Houk, Acting Chief
Non-Metallic Minerals Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Subject: Docket No. IMEA-2293-Mica; D. H. Stephens Upper Mine
Jackson County, North Carolina

Dear Mr. Houk:

With regard to the above named exploration project we have heard nothing from your office in quite some time and wish to inquire as to the present status of this application.

Your reply will be greatly appreciated.

Very truly yours,

James H. Howell, Jr.

JHH:LL

James H. Howell, Jr.

Address of
James H. Howell, Jr.
Attorney.

JAMES H. HOWELL, JR.
ATTORNEY-AT-LAW
P. O. BOX 24
WAYNESVILLE, N. C.

February 25, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 27 1952

Mr. Lawrence G. Houk, Acting Chief
Non-Metallic Minerals Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Subject: Docket No. DMEA-2293-Mica; D. H. Stephens Upper Mine
Jackson County, North Carolina

Dear Mr. Houk:

Per request of Mr. H. A. Lawhead of Dixie Minerals, Inc., I am submitting this letter in answer to your letter of February 12, 1952.

You will note that on the supplemental information submitted February 6th regarding this mine, a part of the tunnel and cut has caved in; this has so covered up the old vein that it is not possible to get for you a good sample of mica per your request from this vein without considerable excavation. The piece submitted was a piece Mr. Lawhead had kept at home left over from previous operation and was the best he had. No 1/4" thick pieces are available.

This being so, and since you desire evidence of quality of mica, we are submitting, in lieu of samples, copies of all the old sales invoices of sales to Colonial Mica Co. that we could find covering mica from this mine left over from previous operations. I regret that more of these cannot be found. The originals are in my hands which you are welcome to see, if that be essential. However, inasmuch as the three originals are all Mr. Lawhead has been able to find we dislike to turn them loose in light of their increased importance and aptness at getting misplaced or destroyed. Thence I hope you will accept the copies submitted as evidence of the invoices and in lieu of samples. This is the best we can do at the present.

Sincerely yours,

James H Howell Jr.

James H. Howell, Jr.

JHH:LL

Enclosure

P.S. Should you absolutely require the originals of the invoices, we will of course submit.

C O P Y

COLONIAL MICA CORPORATION
141 Broadway New York 6, N. Y.

No. 26409

Agent for Metals Reserve Company

Date of Purchase 8/4/44
Name of Mine D. H. Stevens
Location of Mine Jackson Co., N. C.
Shipped via Received at Sylva Shop Date 8/4/44

Bought of H. A. Lawhead
Sylva, N. C.

Color Ruby Quality No. 1 & 2 Trim Full

Pounds	Grade	Price	Dollars	Cents
10.25	Scrap Skimmings Washer Punch 1" x 1") F-Trim 1¼" x 1¼") 1½" x 2" 2" x 2" 2" x 3" 3" x 3" 3" x 4" 3" x 5" 4" x 6" 6" x 8"	6.00	61.	50
10.25		Totals	61.	50

Less Rifting Cost _____

Total _____

Draft No.
N-2307
Date Draft
8/4/44

Total Deductions 12.30

Amount of Draft 49.20

(Sgd.)
H. A. Lawhead
Seller

Colonial Mica Corporation

Per (Sgd.) S. K. Greene
Buyer

C O P Y

C O P Y

COLONIAL MICA CORPORATION
141 Broadway New York 6, N. Y. No. 34430

Agent for Metals Reserve Company

Date of Purchase 8-14-44
Name of Mine D. H. Stevens
Location of Mine Jackson Co., N. C.
Shipped via Received at Sylva, N. C. Date 8-14-44

Bought of H. A. Lawhead
Sylva, N. C.

Color Ruby Quality No. 1 & 2 Minus % Trim Plus % Bbl 1 Bags

Pounds	Grade		Price	Dollars	Cents
	Scrap Skimmings Washer Punch				
5.94	1" x 1" 1¼" x 1¼" 1½" x 2" 2" x 2"	Full Trim	6.00	35.	64
3.25	2" x 3" 3" x 3" 3" x 4" 3" x 5" 4" x 6" 6" x 8"	3/4 Trim	6.00	19.	50
9.19		Totals			

Less Rifting Cost

Total 55. 14

Draft No.
01270

Date Draft
8-14-44

Total Deductions 11. 03

Amount of Draft 44. 11

(Sgd.)

H. A. Lawhead
Per Fay E. Lawhead

Accepted by
Colonial Mica Corporation
Per (Sgd.) Edward Fortner

C O P Y

C O P Y

COLONIAL MICA CORPORATION
141 Broadway, New York 6, N. Y. No. 34776

Agent for Metals Reserve Company

Date of Purchase - 8/25/1944
Name of Mine - D. H. Stevens
Location of Mine - Jackson Co. N. C.
Shipped via ---------- Received Sylva Shop Date 8/25/44

Bought of - H. A. Lawhead
Sylva, N. C.

Color - Ruby Quality No. 1 & 2 Trim Full & 3/4

Pounds	Grade		Price	Dollars	Cents
	Scrap				
	Skimmings				
	Washer				
	Punch				
12.75	1" x 1"	) F Trim	6.00	76.	50
	1¼" x 1¼"	)			
	1½" x 1½"	)			
	2" x 2"	)			
3.19	2" x 3"	)3/4 Trim	6.00	19.	14
	3" x 3"	)			
	3" x 4"	)			
	3" x 5"	)			
	4" x 6"				
	6" x 8"				
15.94			Totals	95.	64

Draft No.

X-165

Date Draft

Total Deductions - - 19. 13
Amount of Draft - - 76. 51 8/25/44

Approved by

(Sgd.) H. A. Lawhead Accepted by

Colonial Mica Corporation

Per (Sgd.) Galen Silver

C O P Y

IN REPLY REFER TO:

G-MD-DHK

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 20 1952

February 19, 1952

Memorandum

To: L. G. Houk, Non-metallic Mineral Deposits, DMEA.

From: Donald H. Kupfer, U. S. Geological Survey.

Subject: Dixie Minerals Inc., application DMEA-2293 for aid in exploring the D. H. Stephens prospect for pegmatite minerals.

Location of prospect: 16 miles SE of Sylva, Jackson County, North Carolina.

Recommendation: Deny the application.

Reasons for recommendation:

1. The application was reviewed by this office on Dec. 27, 1951. The data submitted by the applicant at that time indicated that the deposit did not warrant a field examination.
2. The new material submitted by the applicant is insufficient to warrant considering the application any further.

Comments:

1. The "upper mine" of the applicant corresponds to the main or No. 1 workings of Heinrich (1945).
2. Colonial mica records confirm that $2,795.40 worth of mica was sold (460 pounds).
3. The workings have explored the pegmatite body over a strike length of 75 feet and a vertical distance of 55 feet.
4. The pegmatite is poorly differentiated (not of the zoned type that has yielded the large mica production in this area).
5. The mica is medium brown and green in color.

Donald H. Kupfer

Donald H. Kupfer

December 27, 1951

[illegible] Non-metallic Minerals Div.

[illegible] Donald H. Kupfer

[illegible] Dixie Minerals, Inc.
[illegible] 2293 [illegible] Duke H. Stephens
[illegible] (mica)

[illegible] 16 miles SE of Sylva, Jackson County, North Carolina, on the northwest side of Moses Creek.

[illegible]

✓ [illegible]

[illegible]

✓ [illegible]

[illegible] the property is inadequately described.

[illegible] the property is inadequate [illegible]. Several [illegible] properties having [illegible] in this district, and the [illegible] does not [illegible] which are this application [illegible].

[illegible] apparently an oil [illegible] of property, but the application [illegible] of the [illegible] is incomplete.

[illegible] figures given in the application are quite [illegible], and it seems probable that better data can be obtained.

[illegible] given no information on the quality and size of the mica.

[illegible] of the mica should be requested.

[illegible] the applicant's proposed expenditure for [illegible] (boring, [illegible]) [illegible] to any chance of finding a [illegible] deposit. The applicant should be asked [illegible] from the property [illegible] (20 pounds of beryl, 5 pounds of [illegible], 5 pounds of [illegible]).

[illegible] The applicant's proposed expenditure for exploration and [illegible] disproportionately large in relation to expenditures for actual exploration.

✓ [illegible] The suggested program of exploration is vague and incomplete.

✓ [illegible] We are [illegible] information in our files on this property.

✓ [illegible] This property has previously been [illegible], and the report in our files indicates that prospects do not warrant [illegible] unless the applicant can provide new evidence that a discovery may be made.

✓ [illegible] see next page

[illegible] Robert [illegible]
[illegible]
[illegible], D-250, GS [illegible]

E. W. Heinrich of the U. S. Geological Survey examined this property in January 1945 and writes of the D. H. Stephens No. 1:

"The northwest pegmatite body contains too little mica to be of economic importance. The main body contains concentrations of mica of large size, but the concentrations are widely scattered."

Heinrich describes the adjacent mine on the same property, the D. H. Stephens No. 2, as chiefly electric mica (this is non-strategic). He notes:

"the fact that the several operations have been conducted at a loss indicates that the mine deserves no further attention.

SPECIMEN FROM D. H. STEPNENS, MINE Upper
450 feet UP RIDGE TOWARD PARKER KNOB
FROM MOSES CREEK, (North of Moses Creek)
Jackson County, North Carolina.

FILE COPY
SURNAME:

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

FEB 1 2 1952

Mich

Mr. H. A. Lawhead
Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

Subject: Docket No. DMEA-2293 - Mica
D. H. Stephens Upper Mine
Jackson County, North Carolina

Dear Mr. Lawhead:

The supplemental information you have submitted on the subject application on February 6, 1952, has been received in this office.

The specimen of mica which you have provided is too thin to be properly evaluated; therefore, I suggest that you supply us with four or five pieces of the average quality and grade of mica that you find in the deposit. This mica should be 1/8 to 1/4 inch in thickness, and should be fully trimmed.

Sincerely yours,

SIGNED

E.P.L. 2/12/52

Lawrence G. Houk, Acting Chief
Non-Metallic Minerals Division
Defense Minerals Exploration
Administration

LGHouk:gad
2/11/52

Copy to: Admin. Reading File
Mr. Norton, G-228, GSA Bldg.
Mr. Dietrich, 3526
Docket
Mr. Houk

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
FEB 11 1953

INTERIM REPORT

DMEA-2293 Idm-E393 (mica) D. H. STEPHENS UPPER MINE

OPERATOR: Dixie Minerals, Inc., 131 Main Street, Waynesville, N. C.

LOCATION: 2.7 miles airline N 40° E of East Laport, Jackson County, North Carolina. It is about 300' north of Moses Creek.

This adit, being driven in an E - W direction to pick up the pegmatite, is now at 49'. The contract is set up for 100' of drifting and is approximately 50% completed. Progress has been generally slow for no apparent reason. Previous drilling has been with dry heads and operator stated that a water system would be installed in the very near future. Suggestions made at time of safety inspection on January 8, 1953 had not been complied with entirely up to date of this visit. Mineralization is absent and adit is still being driven in biotite schist. Operators monthly reports are satisfactory.

L. E. Shirley

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

K. H. Teague

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

January 27, 1953

JAMES H. HOWELL, JR.
ATTORNEY-AT-LAW
P. O. BOX 24
WAYNESVILLE, N. C.

February 6, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 8 1952

Mr. Lawrence G. Houk, Acting Chief
Non Metallic Minerals Division
Defense Minerals Exploration Administration
U. S. Department of the Interior
Washington 25, D. C.

Re: DMEA 2293 - Mica, Dixie Minerals Inc., D. H. Stephens Mine
Supplement to Original Application

Dear Mr. Houk:

You will recall conversations of Mr. H. A. Lawhead of Dixie Minerals, Inc., and myself with you in early January with reference to the application for aid in exploration on the project designated above. At that time you expressed the opinion that in view of the grade of mica known to exist on the floor of Moses Creek you did not believe the project could be approved in connection with our application, which was for an exploration project 35 ft. off of Moses Creek road and 50 ft. or so from the creek. It was at that time that Mr. Lawhead pointed out to you that 450 ft. up the mountain was a mine which was a good producer during world war two, and because of it having been a producer we had not understood that that mine could be put in for an exploration project.

The original project was for the exploration of an old working which is described in the original application. However, as a result of our conference with you it has been decided to amend our application for the D. H. Stephens Mine to include this mine 450 ft. above the road at the same location and to concentrate our application for exploration aid upon that mine which we shall for clarity of designation hereinafter designate as the D. H. Stephens Upper Mine. You will recall that in order to do this we requested you to hold in suspense that application until we could furnish you with full information regarding the Upper Mine.

Pertaining to the D. H. Stephens Upper Mine I will endeavor to answer the questions set out on form MF-103 (April 1951) in the same order as follows, except where information furnished upon the original application will remain the same.

Items 1 through 8 remain the same as upon the original application.

Item 9: Dixie Minerals, Inc. will furnish their 10% part of the cost or the use of service and equipment, or a combination of both, sufficient to make up their 10% of the cost of the proposed project.

Item 10: I am submitting hereto attached an over-lay taken from geographical survey maps of 1946 (Tuckaseigee Quadrangle, Jackson County, N. C.) showing location of the D. H. Stephens upper mine outlined in red.

Mr. Lawrence G. Houk

I am also submitting copies of the legal description with reference to the book and page in which the same is recorded in Jackson County, N. C., Register of Deeds office.

Item 11: The present name of the owner of the property is D. H. Stephens.

Item 12: The D. H. Stephens Upper Mine is located approximately 16 miles southeast of Sylva in Caney Fork Township, Jackson County, N. C., and is in mining destrict "Region VII". Of the 16 miles, 12-3/10 miles are paved highway being highway No. 107 running south from Sylva to Cullowhee and upon leaving the highway and turning up Caney Fork to Moses Creek for a distance of 3-7/10 miles to the D. H. Stephens property on the left hand side of Moses Creek, a good gravel road. From the Moses Creek road up to the D. H. Stephens Mine is an old logging road which will require some work with a bulldozer after which transportation could go to the mine site 450 ft. above Moses Creek road. The nearest railroad shipping point is Sylva, N. C.

Item 13: Water for operation is available from Moses Creek and stream heads around the side of the mountain five to six hundred yards from the mine. The water is sufficient at all seasons. The source of power to be used will be gasoline powered machinery. However, the Moses Creek area is served by R.E.A. should electrically operated equipment be used.

Item 14: There are no existing usual facilities, building and equipment at the site of the upper mine now.

Item 15: Mica and its by-products would be trucked to Sylva from the mine, the nearest shipping point.

Item 16 : History: The D. H. Stephens Upper Mine was originally worked by William Seay, about 1944. Mr. Seay not being a practical miner operated the mine in such a way as to make mining conditions unsafe except one portion which Mr. H. A. Lawhead of Sylva worked after obtaining the lease from Mr. Seay in early 1944. After Mr. Lawhead took over operations of this mine, using three men he produced $2800 worth of high quality good ruby mica running in size, after being trimmed, from 1 x 1 to 4 x 6, the majority being 2 x 3. This is located 450 ft. above the Moses Creek road on Parker Knob Ridge. No spotted or electric mica was encountered at any time. The pegmatite is from 6 to 10 ft. in width and was worked to a depth of 35 ft., and while it rolls upward and then dips downward into the mountain there is no sign of pinching out. The majority of the mica mined by Mr. Lawhead was along the south wall. The sand stone and blue granite walls are clearly visible from the present opening as is also evidence of feldspar and quartz vein. Mr. Lawhead reports that in the rolls at places the mica shifted to center and opposite side with streaks of quartz doing the same. The old tunnel ran directly into the mountain, dipped upward, opened, widening out,

and then dipped sharply downward at a slant into the mountain. The mine is a dry mine. Water was not encountered when previously worked. The old opening did not have to be timbered except near the surface.

I have attached a sketch showing a cross section of the mine. The slope of the mountain, you will note, is very steep and carries approximately one-half way up the mountain. It will be noted further that a portion of this mine has caved in since 1945 as there has been no work in it since that time.

The plan for a new operation would call for coming around the side of the mountain to the northeast from the old tunnel opening and perhaps dropping down some from the level of the old tunnel opening and drilling a new tunnel; an estimated 50 ft. in length and 5 x 7 in height and width, hitting the vein near the end of the previous operation or at a point below that and then work the vein both ways. A specimen of mica taken from this mine is attached.

Item 17: Production: The mine produced for H. A. Lawhead in 1944-45, $2800 worth of good ruby mica aside from by-product of feldspar and scrap in a period of sixty days, using three men.

Item 18: Mineral Reserves: Unknown but believed to be extensive.

Item 19: Condition and circumstances regarding the mine are set out in paragraph 16 above and in cross section sketch.

Item 20: Exploration will be conducted for sheet mica with punch mica, scrap mica, and feldspar by-products.

Item 21: The exploration work will be divided into approximately three phases, the first phase of which will consist of improvement of the logging road leading to the mine, cleaning and clearing up the site and leveling for the installation of equipment and necessary structures consisting of compressor house, combination storage shed and tool house, and mica storage house, and the cutting of a power magazine in the hill; installation of rails and mine car for the establishment of a dump. It is estimated that this will require approximately three months or sixty working days to obtain equipment and prepare the site and install equipment.

The second phase of operations will consist primarily of the drilling of a tunnel estimated now for a distance of 50 ft., said tunnel to be 5 x 7 in size and would be well away from the cut and tunnel shown on cross section, at approximately right angles to the old tunnel which it is estimated will require approximately five months or sixty working days.

February 6, 1952

Mr. Lawrence G. Houk

The third phase of operation will consist of exploring the pegmatite for the vein of mica.

Item 22: A geogological basis of the project and factors leading the operator to expect to find commercial mica is based upon the following: The pegmatite within which mica is found is clearly visible and mica has been produced in recent years. The mine is evidently in the same general lead and in the near vicinity of the Cedar Cliff mine to the north; Sheep Mountain mine, to the northeast; and Judaculla Rock to the southeast. Some distance to the northwest is the Grassy Ridge mine now in operation by the Bradley Mineral Products Company. Further high incident of mica out-cropping in the general area is another factor to be considered.

Item 23: Estimated requirements and cost remain the same as set forth in the original application, inasmuch as it is deemed that the cost estimate there given is sufficient to cover the cost of this project.

Item 24: Time schedule for the project would be the same as is stated in item 21 above. It is expected that the first phase of operation outlined in item 21 above will cover 25% of the cost and that the tunneling and other operations contemplated in the second and third phases will consume the balance.

Again it is requested that this letter be taken as a supplement to the original application designated, but that the exploration project contemplated be concentrated on what we have designated as the D. H. Stephens Upper Mine.

Your kind attention to this matter will be appreciated.

Very truly yours,

James H. Howell Jr.

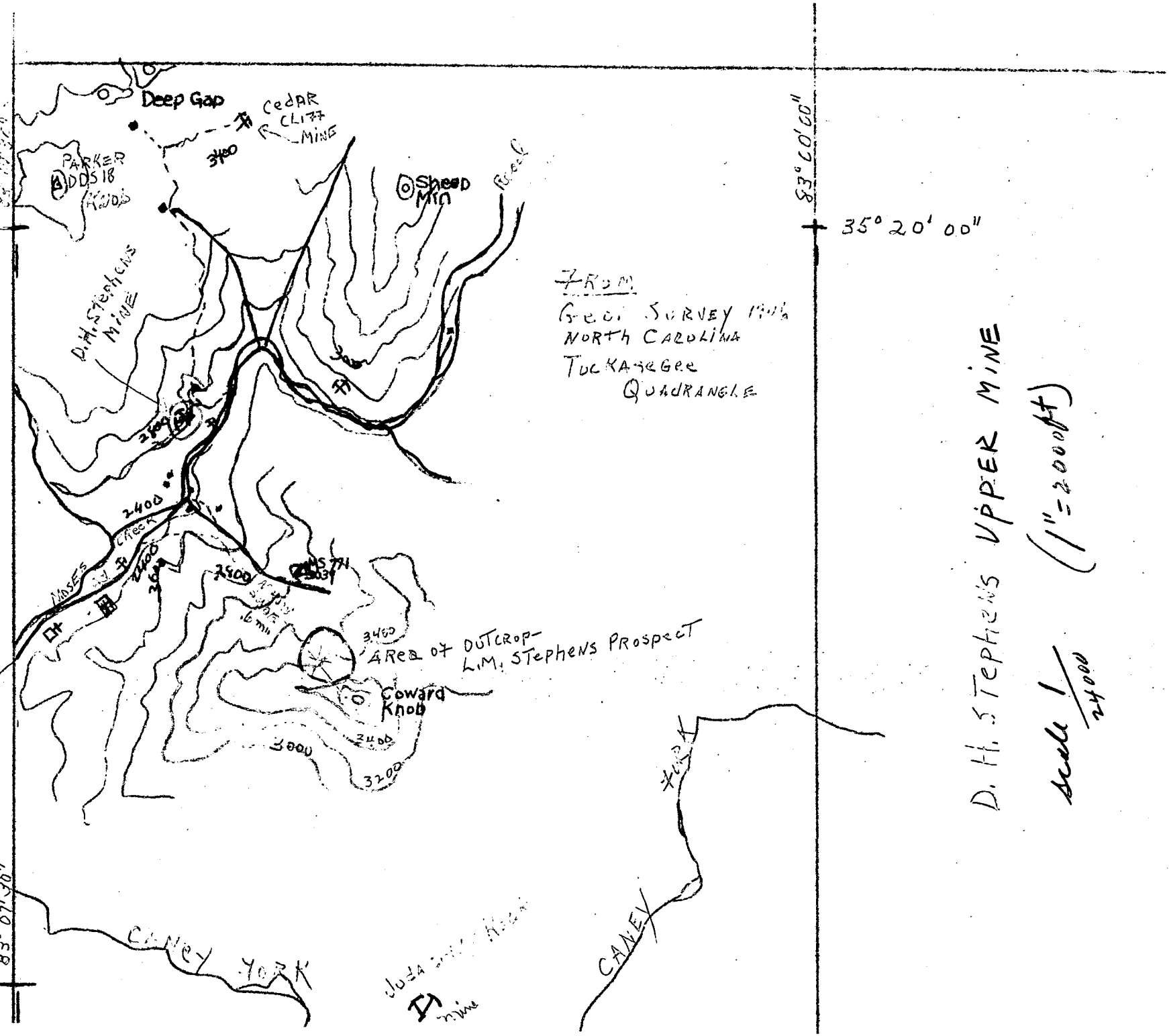
J. H. Howell, Jr.

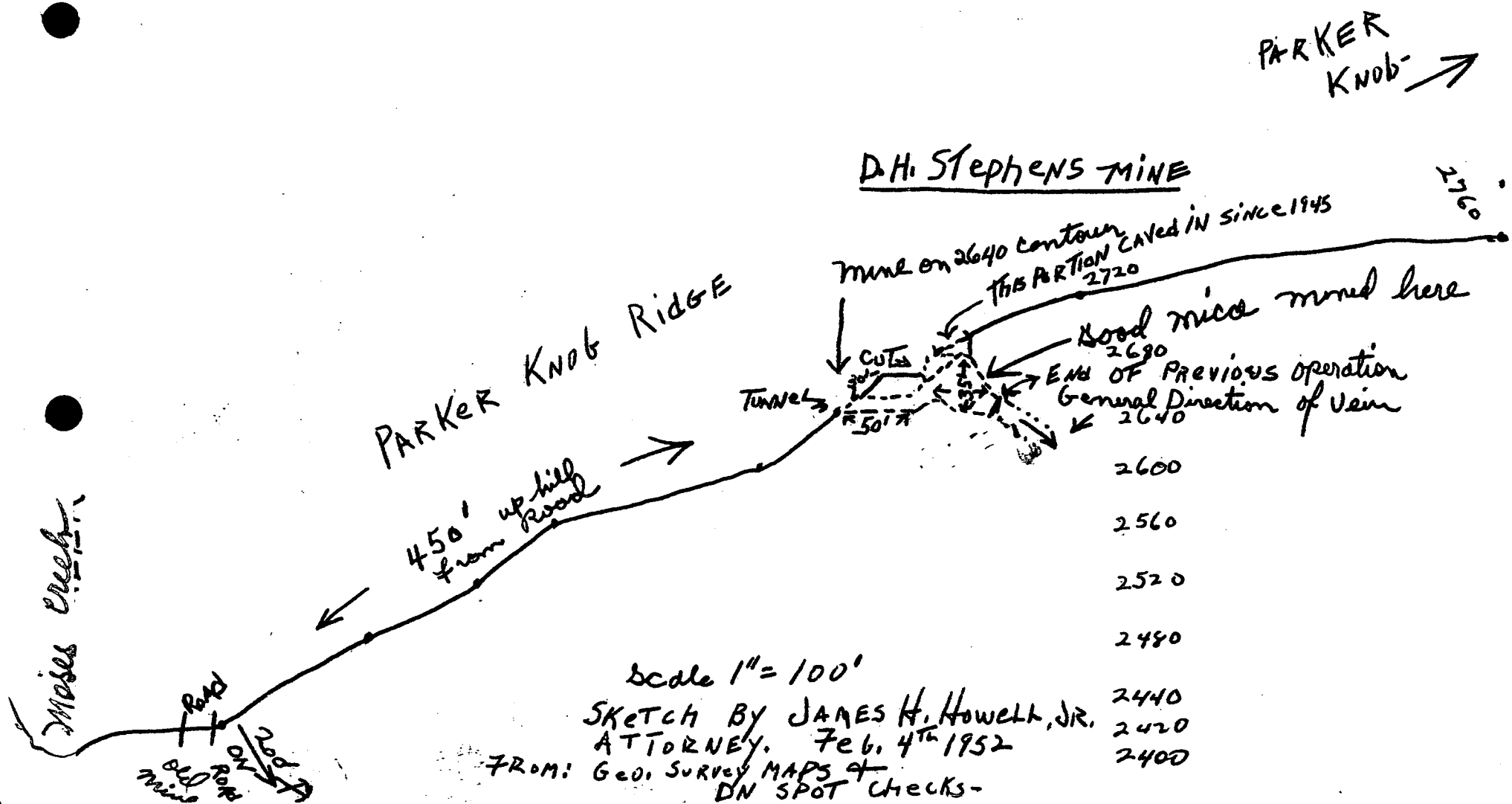
JHH:LL

Enclosures

Beginning on a sycamore on the South West side of Moses Creek at the mouth of the Flush Running Branch, and runs up the meanders of said branch above the falls of said branch to a large chestnut tree on the West side of said branch, Mary Wood corner, thence North 25 West thirty poles to a beach, now dow, thence North to the John R. Queen line 45 East with said line to what is known as the Meggs and Freeman line, thence South 52 East with Meggs and Freeman line to a chestnut corner in the head of what is known as Gooses cove, thenceasouth west direction down a ridge to a chestnut corner, thence on down the ridge between the low field and Henry Field to Moses Creek to a chestnut at or Near the mouth of the Henry Field branch, thence down Moses Creek with the meanders to the Beginning.

Deed from R. H. Stephens to D. H. Stephens, dated March 15, 1900 and recorded in the office of the Register of Deeds for Jackson County, N. C. in Book 85 at page 406.


Deep Gap
Cedar Cliff Mine
3480
Parker Dds 18
Sheed Mtn
D.H. Stephens Mine
2400
Moses Creek
Road
Area of Outcrop-
L.M. Stephens Prospect
Coward Knob
3400
3200
3000
Caney York
Caney
83° 07' 30"
83° 00' 00"
35° 20' 00"
From
Geol. Survey 1906
North Carolina
Tuckasegee
Quadrangle
D. H. Stephens Upper Mine
(1" = 2000 ft)
Scale 1/24000


D.H. Stephens Mine
Parker Knob
Parker Knob Ridge
Moses Creek
450' up hill from road
Road
Old Mine
Road on
Mine on 2640 contour
This portion caved in since 1945
Good mica mined here
End of Previous operation
General Direction of vein
Cuts
Tunnel
50'
2760
2720
2680
2640
2600
2560
2520
2480
2440
2420
2400
Scale 1" = 100'
Sketch by James H. Howell, Jr.
Attorney. Feb. 4th 1952
From: Geo. Survey Maps &
On spot checks-

BEGINNING on a sycamore on the South West side of Moses Creek at the mouth of the Flush Running Branch, and runs up the meanders of said branch above the falls of said branch to a large chestnut tree on the West side of said branch, Mary Wood corner, thence North 25 West thirty poles to a beach, now dow, thence North to the John R. Queen line 45 East with said line to what is known as the Meggs and Freeman line, thence South 52 East with Meggs and Freeman line to a chestnut corner in the head of what is known as Gooses cove, thence south west direction down a ridge to a chestnut corner, thence on down the ridge between the low field and Henry Field to Moses Creek to a chestnut at or Near the mouth of the Henry Field branch, thence down Moses Creek with the meanders to the BEGINNING.

Deed from R. H. Stephens to D. H. Stephens, dated March 15, 1900 and recorded in the office of the Register of Deeds for Jackson County, N. C. in Book 85 at page 406.

EXPLORATION

Subject: DMEA-2293
Re: Exploration Loan
D. H. Stephens Mine

Mr. H. A. Lawhead
Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

My dear Mr. Lawhead:

This will acknowledge receipt of your application dated December 5, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2293 and referred to the Non-Metallics Division.

Kindly refer to DMEA-2293 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Acting Administrative Officer

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