☑ Audited R.R. 1-19-54 WORK ANALYSIS SHEET - DMEA PROJECT 1st stage ☑ Actual Cost

☐ Certified Analysis as of 12-8-54 2nd stage ☑ Agreed Unit Costs

Incl. Voucher for Aug. 1953

Name Grigg and West Company Docket No. 2677

State N. C. Commodity Mica Idm-E No. 435

| OPERATION | AUTHORIZED Units | AUTHORIZED Cost | COMPLETED Units | COMPLETED Cost | NET COST |
|---|---|---|---|---|---|
| Drifting & ~~Crosscutting~~ | 100 | 3250.00 | 50 | unit basis 1625.00 | 1625.00 |
| Raising | | | | | |
| Shafts | 100 | 4500.00 | 50 | unit basis 2250.00 | 2250.00 |
| Winzes | | | | | |
| Drilling (Specify) | | | | | |
| Surface Excavation | actual | 1900.00 | | actual basis 1561.40 | 1561.40 |
| Underground Excavation | | | | | |
| Roads and Trails | | | | | |
| Operating Equipment Purchased | | | | | |
| Surface Rehabilitation & Repairs | | | | | |
| Underground Rehabilitation | | | | | |
| New Building, Improvements, etc. | | | | | |
| Other (Specify) | | | | | |
| Totals | | 9650.00 | | 5436.40 | 5436.40 |

Prepared by [signature]

71626

Mr. Anderson

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Grigg and West Company
Moore Hill, North Carolina

pertaining to Exploration Project Contract No. Idm-2435, Docket No. DMEA-2677, including Amendment No. 1, for the months of November, 1952 to August, 1953, inclusive, covering a project for the exploration of strategic mica in Yancey County, North Carolina, on property known as the Grassy Knob Prospect.

My review included an examination of the Monthly Reports (Forms MP-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team reports, and 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 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 ($3,875.00) 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 | | $5,436.40 |
| Exceptions: | | |
| By DMEA Finance Officer | $ - 0 - | |
| Herewith | - 0 - | - 0 - |
| Total Accepted Cost | | $5,436.40 |

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 ninety-two and 76/100 Dollars

**$4,892.76**

is considered valid and proper.

E. D. Talbert

E. D. Talbert, Auditor

Jan. 19, 1954

Division Copy

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

It is agreed this 5th day of October, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Grigg and West Company, a partnership composed of B. W. Grigg and H. C. West, Mars Hills, North Carolina, hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E 435, Docket No. DMEA-2677, dated 4th November 1952, that the said contract shall be and is hereby terminated as of the first date above written.

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

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

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

UNITED STATES OF AMERICA

By Robert A. Lawrence
Executive Officer, DMEA-Region 7

GRIGG & WEST
(Operator)

By B. W. Grigg
B. W. Grigg

By H. C. West
H. C. West

division Cy.

DMEA-2677, Idm-E435 (mica)

BWG
H.C.W.

AMENDMENT No. 1

Exploration Project Contract Idm-E435, Docket No. DMEA-2677, GRIGG and WEST COMPANY, a partnership composed of B.W. Grigg and H. C. West, Mars Hill, North Carolina, dated the 4th day of November 1952, is hereby amended as follows:

Item 3 is amended to read, "The Operator, ..... .....; and shall bring the project to completion within a period of nine ~~eleven~~ months (~~11~~) from the date of the contract," instead of six (6) months as written in original contract.

This amendment is necessary because access to the property during the winter months is practically impossible and the project should be recessed during the winter months.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the cost which the Government may be obligated to pay, under the provisions of Article 8 of the contract form.

GRIGG and WEST COMPANY

By: B W Grigg
Partner

By: H C West
Partner

THE UNITED STATES OF AMERICA

By Robert A. Laurence
Robert A. Laurence,
Executive Officer, DMEA, Reg. 7

Dated: December 30, 1952

sm

C O P Y C O P Y

Miami Fla.
Dec 29 1952

Mr H. Cline West and B. W. Griggs,

Mars Hill N. C.

Dear Sirs:- Re: Grassy Knob Mine.

In accordance with your request permission is hereby granted to suspend active operation of the Grassy Knob Mine until April 1st provided this is satisfactory with the DMA.

Yours truly,

s/ Perry Threadgill

Copied (SIC)
1-5-53
zm.

cc:
Wash-3
Morris-1
Lynch
Beck
Files

MF-200
(June 1951)
(Revised Feb. 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 14 1952

DOCKET NO. DMEA 2677

COMMODITY Strategic mica

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

Division copy
IDM-E 435

# EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this 4th day of November, 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Grigg and West Company, a partnership composed of B. G. Grigg and H. C. West, Mars Hill, North Carolina

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 Yancey, described as follows: [3] As set forth in Annex I

the Operator represents and undertakes: [4]

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

(*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 thirty days from the date of this contract shall commence work on a project of exploration for [5] strategic mica

in or upon the described land; and shall bring the project to completion within a period of 6 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 ~~initial~~ 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 ---ninety--- percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $8,685.00, which is ninety percent of $9,650.00, the agreed, estimated total cost of the project in which the Government will participate; *Provided*, that after 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.* The Operator's obligation to bring the project to completion continues only as long as the accumulated allowable costs of the project in which the Government will participate do not exceed the agreed, total estimated cost of the project set forth in Article 8.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C. O. Mitteudorf
Administrator, Defense Minerals Exploration Administration

ORIGO AND WEST COMPANY
(Operator)

By B. W. Grigg (Partner)

By H. C. West (Partner)

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

EXPLORATION PROJECT CONTRACT
GRIGG AND WEST COMPANY
DOCKET NO. DMEA-2677

ANNEX I

Starting on the original outcropping of what is known as the Grassy Knob mine located on the top of Bear Pen Ridge, just below the Grassy Knob and below the old trail leading to and from the Cat Tail Mine; thence North 300 feet; thence East 300 feet; thence South 600 feet; thence West 600 feet, thence North 600 feet; thence East 300 feet to the end of the first call, same being a piece of land 600 feet square with the original opening as the center, as described in lease recorded in Book 109 at page 629 of the public records of Yancey County, North Carolina.

The above is a description of the property referred to in Article 2.

EXPLORATION PROJECT CONTRACT
GRIGG AND WEST COMPANY
DOCKET NO. DMEA-2677

EXHIBIT "A"

Description of the Work

The work is to be carried out in two stages in accordance with the projection on the sketch map attached hereto and made a part hereof and entitled "Sketch of Grassy Knob Prospect, Yancey County, N. C., DMEA-2677 (mica), 10/2/52."

STAGE I

Expose the "Northwest Pegmatite" between the "200-foot Cut" and the "Old Cut" by a bulldozer trench. This "Proposed Cut" shall be approximately 200 feet long, 15 feet wide and 6 to 10 feet deep.

Expose the "Southeast Pegmatite" by a bulldozer cut 150 feet long, 30 to 50 feet wide, and 6 to 10 feet deep.

STAGE II

If, in the opinion of the Government, exposures made under Stage I so warrant, (a) a 50-foot shaft, 5 ft. by 7 ft. in the clear, shall be sunk on the "Northwest Pegmatite," with a 50-foot drift, 5 ft. by 7 ft. in cross-section, at its bottom, and (b) a 50-foot shaft, 5 ft by 7 ft. in the clear, shall be sunk on the "Southeast Pegmatite" with a 50-foot drift, 5 ft. by 7 ft. in cross-section, at its bottom.

Estimate of Costs

(*Indicates allowable maximum)

Stage I

(1) Independent Contracts

None

(2) Labor, Supervision, Consultants

| | |
|---|---|
| Wages for 1 miner, 120 hrs. @ $1.25 per hr. | $ 150.00 |

(3) Operating Materials and Supplies

Supplies $ 235.00

(4) Operating Equipment

To be purchased

None

To be rented

| | | |
|---|---|---|
| 1 - Bulldozer blade, 140 hrs. @ $10.00 per hr. | $1,400.00 | |
| 1 - 105 CFM Air Compressor, ½ mo. @ $200.00 per mo. | 100.00 | |
| 1 - Jackhammer Drill, ½ mo. @ $30.00 per mo. | 15.00 | 1,515.00 |

To be furnished by the Operator

None

(5) Rehabilitation and Repairs

None

(6) New Buildings, Improvements, Installations

None

(7) Miscellaneous

None

(8) Contingencies

None

Total estimated cost, Stage I $1,900.00*

Stage II

The Government will contribute to the cost of the various items of work enumerated below on the basis of the agreed estimated unit costs in

lieu of actual costs. These agreed unit costs cover all costs whatsoever of the work.

| | | | |
|---|---|---|---|
| 2 - Fifty-foot* shafts @ $45.00* per ft. | $4,500.00 | | |
| 2 - Fifty-foot* drifts @ $32.50* per ft. | 3,250.00 | | |
| Total estimated costs, Stage II | | $7,750.00* | |
| Total estimated costs of project | | | $9,650.00* |
| Government participation @ 90% | | | $8,685.00* |

MF-203 OWNER'S CONSENT TO LIEN DMEA-2677

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Yancey, described as

Starting on the original opening of what is known as the Grassy Knob Mine

follows: 1/ located on the top of Bear Pen Ridge just below the Grassy Knob and below the old trail leading to and from the Cat Tail Mine; thence north 300 feet; thence east 300 feet thence south 600 feet; thence west 600 feet; thence north 600 feet; thence east 300 feet to end of the first call, same being a piece of land 600 feet square with the original opening as the center. as described in lease recorded in Book 14 at page 22 of the public records of Yancey County North Carolina.

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/ B.W.Griggs and H.Cline West

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 production 3/ 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/$ 8,685.00, 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 26th day of August, 1952.

[signature] [Seal]

[signature] [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.

600

MAR. 8 1954

Mr. B. W. Grigg
Grigg and West Company
Mars Hill, North Carolina

Re: Docket No. DMEA-2677 - Mica
Grassy Knob Mine
Yancey County, North Carolina
Contract No. Em-2435

Dear Mr. Grigg:

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

| | |
|---|---|
| Total allowable costs incurred | $5,436.40 |
| Total Government contribution at 90 percent | $4,892.76 |

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

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the exploration contract. In the absence of such certification, the Government retains no claim or lien against the property or any production therefrom.

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

Sincerely yours,

Administrator

WCAnderson:gad 3/5/54
Copy to: Admr. R. File
Docket File
Mr. Dietrich, 3526
Mr. Houk
Mr. Larrabee, G-232 GSA Bldg.
Field Team, Region VII
Property owners as follows: Perry Threadgill
Ethel H. Threadgill

# Project Summary Report

By: Walter C. Anderson March 5, 1954

1. DMEA Docket No. 2677 - Mica
Contract No. Idm-E435
Grassy Knob Prospect
Yancey County, North Carolina

Operator: Grigg and West Company
Mars Hill, North Carolina

Operator's Property Rights:
Lease and Option - dated 7/23/52
Owner's Consent to Lien - dated 8/26/52

2. Contract - dated 11/4/52
Work authorized -

Stage I - Bulldozer operation

| | | |
|---|---|---|
| Labor | $150.00 | |
| Supplies | 235.00 | |
| Rental-Bulldozer & other equipment | 1,515.00 | |
| Total Stage I | | $1,900.00 |

Stage II - Shafts and drifts

| | | |
|---|---|---|
| 2 - Fifty-foot shafts @ $45/ft. | $4,500.00 | |
| 2 - Fifty-foot drifts @ $32.50/ft. | 3,250.00 | |
| Total Stage II | | $7,750.00 |

| | |
|---|---|
| Total estimated costs of project | $9,650.00 |
| Government participation @ 90% | $8,685.00 |

Amendments:
No. 1 - 12/30/52 - Extends completion date from 6 months to 9 months.

Work completed:

| | |
|---|---|
| Bulldozer operation - stripping 4680 cu.yds. @ $.331 | $1,550.00 |
| 50 feet of shaft @ $45/ft. | 2,250.00 |
| 50 feet of drift @ $32.50/ft. | 1,625.00 |
| Operating equipment purchased | 11.40 |
| Total accepted cost | $5,436.40 |
| Government participation @ 90% | $4,892.76 |

Work began on November 12, 1952, and was terminated by mutual consent on October 5, 1953.

3. Audit - certificate issued 1/19/54 (no exceptions).

4. Certification of Discovery - none issued.

5. Comments:

How conducted - Efficiently and expeditiously, allowing for severe winter conditions and other difficulties beyond control of operator.

Operation -
1. Good
2. Operator cooperative and helpful.

Engineering - Operator furnished good engineering and geological reports.

Geological premises - The premise that two pegmatites, exposed by bulldozer stripping, continued proved wrong, inasmuch as they thinned to stringers in depth and contained little or no mica.

Geological criteria upon which work was based -
1. Two pegmatites, each 2 to 4 feet thick.
2. Occurrence of mica books up to 15 inches across.
3. Past production, amounting to over 2,000 pounds of good quality mica.

Criteria developed during project - none

Future possibilities - no additional work warranted.

Recommendations - concur with field team that no certification be made.

WCAnderson:gad 3/5/54
Copy to: Admr. R. File
Docket File
Mr. Houk

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

PROPERTY OF THE MINERALS
Defense Minerals Administration
RECEIVED
FEB 1954

February 4, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2677

Contract Number: Idm-E435

Applicant: Grigg and West

Name and Location of Property: Grassy Knob Prospect
Yancey County, North Carolina

Date of Field Team Final Report: January 12, 1954

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

Field Team Recommendation:

1. No certification of discovery or development.

Comments:

1. A small quantity of mica was recovered, but it was not of strategic quality.

2. Expenditures:

| | |
|---|---|
| Total approved | $8,685.00 |
| Total cost of project | 5,436.40 |
| Government's share | 4,892.76 |
| Value of production | None |

Recommendation:

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

Signed

W. F. Dietrich

IN REPLY REFER TO:

G-MD-CNM

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

January 20, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2677 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: B. M. Grigg and H. C. West.
Name of property: Grassy Knob Prospect.
Location of property: 2.4 airline miles east of Pensacola, Yancey County, North Carolina -- 600 to 800 ft. due south of Grassy Knob and 1600 ft. due west of the Cattail Mine.
Date of field team report: January 5, 1954.
Authorship of field team report: K. H. Teague and L. E. Shirley.
Field team's recommendation:
No certification of discovery should be issued.
Comments:
Because no commercial mica was discovered, no further work is recommended.
ACTION RECOMMENDED:
Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
1/20/54
cc: Director's reading 4212
Branch " "
DMEA 3
Larrabee G-230

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D.C.~~

Room 13, Post Office Building
Knoxville 2, Tennessee

January 12, 1954

Memorandum

To: Operating Committee, D M E A Washington

From: Executive Officer, D M E A - Region VII

Subject: Field Team Final Report, DMEA-2677 (mica) Grassy Knob Prospect, Yancey County, N. C. B. W. Grigg and H. C. West, Operators. Contract No. Idm-E 435

Enclosed are 4 copies of Field Team final report on the subject exploration contract. This should not be confused with the Grassy Knob prospect in Haywood County (DMEA-2575).

Work on this project was terminated by mutual agreement on October 5, 1953. The Field Team agrees with the examiners' recommendation that a certification of discovery should not be issued.

Robert A. Laurence

RAL/tm

Reviewed by
DMEA OPERATING COMMITTEE
1-20-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

# FINAL REPORT
By
FIELD TEAM, REGION VII

ON

# DMEA-2677, GRASSY KNOB PROSPECT (mica)

Yancey County, N.C.

By

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

---

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

January 5, 1954

Reviewed by
DMEA OPERATING COMMITTEE
1-20-54
(date)

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT on
DMEA-2677, GRASSY KNOB PROSPECT (mica)
Idm-E 435

Operators: B. W. Grigg and H. C. West, Mars Hill, North Carolina

The Grassy Knob mica prospect is 2.4 airline miles east of Pensacola, Yancey County, North Carolina. It is 600 to 800 feet due south of Grassy Knob and 1600 feet due west of the Cattail Mine.

Results from the bulldozing and the sinking of one 50-foot shaft did not indicate the presence of a worthwhile deposit of mica. No additional work is warranted, nor should a certification of discovery be issued.

Work began on November 12, 1952, and was terminated by mutual consent on October 5, 1953. On the "Northwest" pegmatite 27 hours of bulldozing were used in cutting a trench along the pegmatite's strike. This trench is about 200 feet long, 15 feet wide, and 6 feet deep. Fine-grained pegmatite occurs as scattered pods and stringers throughout the length of the trench; however, nowhere is mica-bearing pegmatite exposed. No additional work appeared warranted in this area.

On the "Southeast" pegmatite a cut 150 feet long, 50-70 feet wide, and 10-12 feet deep was made and a 50-foot vertical shaft and 50 feet of levels accomplished from the bottom of the cut.

At the time of the original examination it appeared that two distinct pegmatites occurred on the property. The stripping in the two areas showed conclusively that the pegmatites are emplaced in the same zone- being emplaced in a plunging overturned syclinal fold. The southwest limb trends about N. 20° E and the dip is vertical to steeply southeast. The other limb trends about N. 75° E, dipping from 20° to 45° to the SE.

The southwest arm of the pegmatite has been exposed on the strike for about 300 feet by the stripping under the project and by previous work. At the extreme southwestern end a shaft 15 feet deep, made during World War II, is in a 2-foot pegmatite; at the northeast end it is about 4 feet thick. In the intervening area (300 feet) the pegmatite is more or less continuous, consisting of narrow stringers and pods. Throughout the entire distance the pegmatite is fine-grained and very quartzose Little mica is present and all is in small sizes.

The northeastern arm of the pegmatite is not as continuous as the other arm. In this area numerous thin streaks, pods, and flattened lenses

468

occur in a zone about 12 feet wide for a strike distance of about 200 feet. Where observed individual lenses are flattened elliptical-shaped on both strike and dip. The thin steaks are rather continuous; however, no lenses or pods were observed that extended more than 20 feet on strike or dip. Greatest thickness observed was about 4 feet.

All of the pegmatites show evidence of movement, during or shortly after the time of emplacement. The feldspar has been smeared out and crushed and the mica has been in part, severely ruled and broken. The minerals in the "Southeastern" arm are rather coarse. These pegmatites are composed of plagioclase feldspar (soda?), gray to smoky quartz, and muscovite with minor amounts of manganese garnet and pyrite.

The mica is hard and ruby colored. All observed contained more or less mineral stain. Much of the stain is a green or brown mottling. Also inclusions of biotite are common. A large number of the books are tied, especially along the edges. Books up to 10 inches in diameter were recovered; however, most of them were ruled - some in three directions. Several hundred pounds of book mica were recovered during the project, but very little strategic mica could be worked from the mica recovered.

The examiners are of the opinion no significant deposit of mica occurs on the property, thus no certification of discovery should be issued.

Expenditures:

| | | |
|---|---|---|
| (a) | Total approved | $8,685.00 |
| (b) | Total cost of project | 5,436.80 |
| (c) | Government's share of cost | 4,892.76 |
| (d) | Government's share unexpended | 2,973.74 |
| (e) | Value of production -----None | |

This project was conducted in an efficient and satisfactory manner. No equipment of salvageable value was purchased for the project.

January 5, 1954

K. H. Teague, U. S. G. S.

L. E. Shirley, U. S. B. M.

JAN 12 1954

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

Subject: Docket No. DMEA-2677 - Mica
Grigg and West Company
Grassy Knob Mine
Yancey County, North Carolina
Contract No. Idm-K435

Dear Mr. Laurence:

Reference is made to subject docket and contract.

The subject exploration project contract was terminated by mutual agreement on October 5, 1953. Report of review in lieu of final audit has been prepared but release is being withheld pending receipt of the final field team report.

We will appreciate very much receiving the field team's final report as soon as possible.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

WCAnderson:gad 1/11/54

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

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

COPY

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

Dear Mr. Laurence:

Reference is made to your letter of November 12, 1953, advising that you have only four completed or terminated Exploration Project Contracts for which Reports of Review are required and, therefore, and audit trip to Knoxville is unnecessary at the present time.

The recent receipt of the Final Field Team report on DMEA 2861, Idm-2502, Wise, Wise and Phillips, has made it possible for a Report of Review to be prepared. Accordingly, the original and two copies of this Report of Review are enclosed for normal distribution in your Region.

Reports of Review in lieu of final audits also have been prepared, but release is being withheld pending receipt of the final Field Team reports, covering:

DMEA-2677, Idm-2435 Crigg & Peet
DMEA-2859, Idm-2525 Bennett & Johnson
DMEA-2882, Idm-2535 Bowman Bros.

According to our records it appears that DMEA-2840, Idm-507, Stancil & Jones, also has been completed. The narrative attached to the September MF-104 states, under date of September 25, 1953, "That completes the present contract of 165 ft." This same narrative indicates that the footage of advance, authorized by Amendment No. 1 as "adit or raises", included two 16 foot "shafts"(test pits). Therefore, I have two questions on this project. Has the project been completed? Is approval of the shaft work, apparently authorized informally by the Field Team, being formalized by and amendment?

One other contract, i. e., DMEA-2785, Idm-2518, B&R Mica Company, appears to have been completed in October, although the last MF-104 we have received covers the month of September. An interim report (prepared by Messrs. Shirley and Teague), dated October 19, 1953, indicated 80 feet of shaft sinking and 147 feet

of crosscutting has been completed. The contract authorizes the 80 feet of shaft and maximum of 40 feet of crosscut and 100 feet of drift. Has this contract been completed? Is an amendment being processed to cover the change from drifting to crosscutting? Has the final WF-104 been received?

Your advise on the above questions will be appreciated.

Sincerely yours,

/s/
E. D. Talbert, Acting Chief
Contract Administration
and Audit Division

EDTalbert/wb
November 16, 1953

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

OCT - 2 1953

600

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

Subject: Docket No. DMEA-2677 - Mica
Grigg and West Company
Grassy Knob Mine
Yancey County, North Carolina
Contract No. Idm-E435

Dear Mr. Laurence:

Reference is made to your memorandum of September 23, 1953, requesting permission to terminate the subject contract by mutual consent.

You are authorized to terminate this contract using the form "Termination of Exploration Project Contract by Agreement After Commencement but Before Completion of the Work".

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

LGHouk:gad 10/2/53

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

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

Memorandum

September 28, 1953

To: Operating Committee, DMEA-Washington

From: Field Team, DMEA- Region 7

Subject: Grigg & West Co. DMEA-2677, Idm-435 (mica) Yancey Co., N. C.

Please refer to Interim Report dated September 11 on the subject contract by L. E. Shirley and K. H. Teague.

From this report, it is apparent that work completed has not exposed a worthwhile mica deposit, nor has it indicated the possibility of discovering one; therefore, the Field Team requests permission to terminate the project by mutual consent.

Wm. A. Beck, Acting
Executive Officer

Benjamin Gildersleeve
U. S. Geological Survey

2m

Mr. Anderson

600

# INTERIM REPORT

## MRA-2677 Idm-2435 (mica) GRIGG & WEST MINE

OPERATOR: D. W. Grigg and L. C. West, Bears Mill, North Carolina.

LOCATION: 2.4 miles due east of Pensacola, Yancey County, N. C. 600-800 feet due west of Barsy Knob and 1600 feet due west of the Cattail Line.

This contract has been completed. A shaft was sunk for a total depth of 50 feet and two crosscuts totaling 51.5 feet were driven to the northeast and southwest. The "northeast" working was driven for 15.5 feet, but encountered only a narrow pegmatite stringer about 4 ft. from the turnoff and the remaining footage was driven in biotite gneiss, containing narrow quartz lenses. The "southwest" working was driven for 20 feet and encountered three narrow stringers of pegmatite at varied intervals. None of this pegmatite material contained more than a few pieces of mica. It was suggested that no more work be attempted and that the contract be terminated.

The operators were very helpful and cooperative at all times in providing transportation to the mine and accepted all suggestions freely during operations.

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

J. P. Teague, Geologist
U. S. Geological Survey

September 11, 1953

ORIGINAL TO DOCKET

EXECUTIVE OFFICER
DMEA REGION VII
ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

Department of the Interior
Defense Minerals Administration
RECEIVED
SEP 28 1953

September 24, 1953

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region 7

Subject: Docket No. DMEA-2677, Contract Icm-L435 (mica) Grigg & West Co. Grassy Knob Mine, Yancey County, N. C.

Reference is made to your letter of September 21, stating that the subject contract had expired on August 4, 1953 and requesting that an amendment be executed for the length of time that is necessary to complete the work outlined in the contract.

Amendment No. 1, to the contract dated December 30, 1952 granted the Operator eleven (11) months from the date of the contract to complete the work. As the contract was dated November 4, 1952 the completion date would be October 4, 1953.

An interim report dated September 11, 1953 by L. E. Shirley and K. H. Teague suggested that the contract be terminated as of that date as it was felt that no worthwhile discovery could be made. No additional time amendment will be necessary.

Wm. A. Beck

WAB/sm
cc: Laurence
Lynch
Files

Mr Anderson

[illegible]

[illegible]-2677 [illegible]-435 (mica) [illegible]

OWNERS: [illegible] and [illegible] est, [illegible] Hill, North Carolina.

LOCATION: 2.4 miles due east of Pensacola, Yancey County, North Carolina; 600-800 feet due west of Grassy Knob and 1000 feet due west of the Cattail Line.

Crosscutting continues on this contract and is now at [illegible] feet, driven to the southwest. Total crosscut footage consumed on both crosscuts is 48 feet. No additional pegmatite material has been encountered. Present heading is in biotite gneiss and will be driven for an additional 3 feet, which will complete crosscutting or drifting allowable under the contract.

It was suggested that operators obtain some long drill steel and explore the walls by long test holes before continuing the crosscut. Additional footage will be needed before any more crosscutting can be attempted, either to the south west or northeast.

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

August 29, 1[illegible]

MDS

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 21 1953

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

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1953 Docket No. DMEA 2677 Contract No. IDM E-435
Operator's Name Grigg and West Minerals Mica
Address Mars Hill, N. C.
Contract Amount, $ 9,650.00 Government Participation: ____% Amount, $ 8,685.00

| 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 | | 1400.00 | 1400.00 | | | |
| Crosscutting | | | | | | |
| Drifting | 1137.50 | 487.50 | 1625.00 | | | |
| ~~XXXXXX~~ | ~~XXXXXX~~ | 2250.00 | 2250.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | 150.00 | 150.00 | | | |
| Supervision | | | | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Track | | | | | | |
| Small Tools | | 11.40 | 11.40 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 1137.50 | 4298.90 | 5436.40 | 1,137.50 | 4,298.90 | 5,436.40 |

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-16

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

Date 9-3-53 *Payee Gregg and West

Per H. C. West Title Partner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

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

$ 1,023.75

Signature Cora A. Pizer
(Authorized Certifying Officer)

Date SEP 17 1953 Vou. No. 78

(See other side)

6

113.75

(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-E435 in accordance with the terms of the contract.

Signature Lawrence E. Shurley Title Mining Engr. U.S.B.M. Date Sept. 9, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date SEP 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 DMEA-104A
(April 1952)

DEPARTMENT OF THE INTERIOR
Defense Minerals
RECEIVED
SEP 21 1953

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 August, 1953 Docket No. DMEA 2677 Contract No. IDM-E-435
Operator's Name Gregg and West Minerals Mica
Address Mars Hill, 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. | 1137.50 | 35 | 1625.00 | 50 | 32.50 | | |
| Crosscutting | | | | | | | | |
| Raising | | | | | | | | |
| Shafts | Ft. | | | 2250.00 | 50 | 45.00 | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | C.yds. | | | 1550.00 | ~~3080~~ 4680 | .331 | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | 1137.50 | | 5425.00 | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 11.40 | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| TOTAL COSTS | | 937.50 | | 5436.40 | | | | |

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

Date September 3, 1953 Operator Gregg and West

Per H. C. West Title Partner

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 21 1953

NARRATIVE REPORT FOR WORK PERFORMED AT THE GRASSY KNOB MINE DURING THE MONTH OF AUGUST 1953

Docket # ~~2671~~ 2677 Contract No. IDM E-435

The work for the month of August consisted of drifting in a Northerly direction to reach a point of 16 feet from the North side of the shaft. No mica bearing vein structure was picked up, and it was decided to return to the shaft and begin a drift in a westerly direction. In this work period the total drifting was made so as to make up the 50 feet as set up in the contract. 16 feet to the North and 34 feet to the West. In the 34 foot drift a small vein structure was followed, but no mica was recovered. The drifting was completed on August 31, 1953, and it was decided, after discussing the matter with Mr. Shirley, that some test holes would be drilled from the last drift - that was in a westerly direction - to see if some good vein material could be picked up. This work will be done after September 7, 1953. If any prospective vein material is picked up we may request that the Administration allow some more drifting me done from this shaft or tunnels.

600

SEP 21 1953

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

Subject: Docket No. DMEA-2677 - Mica
Grigg and West Company
Grassy Knob Mine
Yancey County, North Carolina
Contract No. Idm-E435

Dear Mr. Laurence:

Reference is made to the subject contract which expired on August 4, 1953.

Please extend the completion date beyond August 4, 1953, for the length of time that is necessary to complete the work outlined in the contract. Please execute the amendment and make the usual distribution of the copies.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

WCAnderson:gad 9/15/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

INTERIM REPORT

TELA-2677 Idm-2435 (mica) GRIGG & WEST PITS

OPERATOR: B. A. Grigg and H. C. West, Mars Hill, North Carolina

LOCATION: 2.4 miles due east of Pensacola, Yancey County, N. C.; 600 - 800 feet due west of Grassy Knob and 1600 feet due west of the Cattail Mine.

Crosscutting has begun to the southwest on this contract and has advanced 16 feet since last interim report of July 31, 1953. Total crosscutting to date is 31 feet. Material encountered in this second crosscut has been principally biotite gneiss with reported narrow pegmatite bodies at 5 foot intervals. Present heading shows a narrow steeply dipping body composed of quartz, feldspar and garnet, flanked by gneiss. A few pieces of stained muscovite mica has been recovered from all three bodies. Drifting will continue in the same general direction.

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

E. M. Teague, Geologist
U. S. Geological Survey

August 14, 1953

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Budget Bureau No. 42-R036.3.
Approval expires 6-30-53.
Defense Minerals Administration

ATTACHED ON VOUCHER & SCHEDULE
DOCUMENTS K-8
AUG 19 1953

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1953 Docket No. DMEA 2677 Contract No. IDM E-435
Operator's Name Gregg and West Minerals Mica
Address Mars Hill, N.C.
Contract Amount, $ 9650.00 Government Participation: 90% Amount, $ 8685.00

| 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 | | 1400.00 | 1400.00 | | | |
| Crosscutting | | | | | | |
| Drifting | 487.50 | | 487.50 | | | |
| Shaft | 450.00 | 1800.00 | 2250.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | 150.00 | 150.00 | | | |
| Supervision | | | | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | 11.40 | 11.40 | | | |
| Track | | | | | | |
| Small tools | | ~~11.50~~ | ~~11.50~~ | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 937.50 | 3361.40 | 4298.90 | 937.50 | 3,361.40 | 4,298.90 |

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 8-1-53 *Payee Gregg & West
Per H. Cline West Title Partner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:
$ 843.75
Signature Cora A. Piper
(Authorized Certifying Officer)
Date AUG 13 1953 Vou. No. 29
(See other side)

5 93.75

(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. Jdn-E435 in accordance with the terms of the contract.

Signature Lawrence C. Shirley Title Mining Engr. U.S.B.M. Date Aug. 3, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION VII Date AUG 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 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
AUG 19 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 2677 Contract No. EDM E-435
Operator's Name Gregg & West Minerals Mica
Address Mars Hill, 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. | 487.50 | 15 | 487.50 | 15 | 32.50 | | |
| Crosscutting | | | | | | | | |
| Raising | | | | | | | | |
| Shafts | ft | 450.00 | 10 | 2250.00 | 50 | 45.00 | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | 4680 | | | |
| Stripping | c.yds | | | 1550.00 | ~~1080~~ | .331 | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | 937.50 | | 4287.50 | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 11.40 | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| TOTAL COSTS | | 937.50 | | 4298.90 | | | | |

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. 1, 1953 Operator Gregg & West

Per H. Cline West Title Partner

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

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
RECEIVED
AUG 10 1953

Work performed on the Grassy Knob Mine during
month of July 1953

Docket No. 2677 Contract No. IDM E-435

During this month the shaft was sunk from the 40 foot mark to a depth of 50 feet. The vein structure that was encountered had just about dipped out of the path of the shaft when the bottom was reached. The was no appreciable amount of mica recovered through the vein structure, but during this interval some good mica was recovered by digging on the top when the vein structure was exposed by bulldozing.

A drift was started for the bottom of the shaft and by the 31st of July the drift was driven for a distance of 15 feet. No Vein structure was discovered and no mica was found.

[illegible]

# [illegible] REPORT

## [illegible]-2377 [illegible]-2603 (Lice) [illegible]

Contractor: D. [illegible] Grigg and [illegible] [illegible]est, Lars [illegible]ill, North Carolina

Location: [illegible] miles due east of Pensacola, Mitchell County, [illegible]. C.
300 - 500 ft. due west of Crabtree Knob and 1500 feet due west of the Cattail [illegible]ine.

Shaft sinking outlined in Stage II of this contract has been completed, and drifting from the 50 ft. level has begun. An advance of 18 feet was made during the past month in a [illegible] direction. A barren pegmatite body about 2 ft. thick and dipping steeply west, was encountered at about 3 feet in the drift. No other pegmatite material was picked up. It was suggested that this drift be abandoned and a new exploratory drift be started at a point in the shaft where another body was observed.

[illegible] [illegible]. Shirley, Mining Engineer
U. S. Bureau of Mines

[illegible] M. [illegible]eague, Geologist
U. S. Geological Survey

July 31, 1953

[illegible]
[illegible]
[illegible]
JUL 24 1958

INTERIM REPORT

MRA-2677 Ion-6435 (mica) GRIGG & WEST MINE

OPERATOR: M. C. Grigg and M. G. West, Kerr Hill, North Carolina

LOCATION: 2.4 miles due east of Pensacola, Yancey County, N. C.; 600-800 ft. due east of Grassy Knob and 1300 ft. due west of the Cattail Line.

Shaft sinking is nearing completion on this project, with only 4 feet remaining to be sunk. The shaft has been properly timbered and has not required stripping for the entire 62 feet. The bottom is in hard biotite gneiss. Recent 5 ft. test holes on the E. side of the shaft encounter 3 feet of biotite schist and 3 feet of pegmatite material, in that order. Turnoff will be made at the 60 ft. level and drifting will begin in the near future.

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

E. A. Jeague, Geologist
U. S. Geological Survey

July 17, 1958

[illegible]

[illegible]-2377 Inv-2438 (also) [illegible]

[illegible] BY PERSONS: [illegible]

LOCATION: [illegible] miles [illegible] east of [illegible], [illegible] County, [illegible] Indiana; 200-300 feet [illegible] west of [illegible] and 1,[illegible] feet [illegible] north of the [illegible] line.

[illegible] similar occurrences [illegible] 60 feet. [illegible] side of the shaft, [illegible] roof, [illegible] material [illegible] consisting [illegible] small blocks [illegible] several [illegible] of [illegible] and [illegible] 2 to 4 inches [illegible]. [illegible] were noted from the [illegible] and [illegible] reports.

[illegible] Shirley, Mining Engineer
Mining Division, Region VI

[illegible] Reagan, Geologist
U. S. Geological Survey

June 23, 1953

Form MP-94 (Rev. April 1952)

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

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

# OPERATOR'S MONTHLY REPORT AND VOUCHER

PROCESSED JUL 15 1953

PROCESSED VOUCHER AND SCHEDULE OF PAYMENTS NOR-K-2 7

Month of JUNE, 1953 Docket No. DMEA 2677 Contract No. IDM E-435

Operator's Name GRIGG & WEST Minerals MICA

Address MARS HILL, NORTH CAROLINA

Contract Amount, $ 9,650.00 Government Participation: 90 % Amount, $ 8605.00

| 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 | | 1400.00 | 1400.00 | | | |
| Crosscutting | | | | | | |
| Drifting | | | | | | |
| Shaft | 810.00 | 990.00 | 1800.00 | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | | 150.00 | 150.00 | | | |
| Supervision | | | | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Track | | | | | | |
| Small tools | | 11.40 | 11.40 | | | |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 810.00 | 2551.40 | 3361.40 | 810.00 | 2551.40 | 3361.00 |

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

Date July 8, 1953 Payee GRIGG & WEST

Per H. Cline West Title Partner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

**(Instructions on reverse)**

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

$ 729.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JUL 10 1953 Vou. No. 7

**(See other side)**

81.00

(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 E435 in accordance with the terms of the contract.

Signature Lawrence E. Shurley Title Mining Engr. U.S.B.M. Date July 6, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date JUL 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
JUL 13 1953

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of JUNE 195[illegible] Docket No. DMEA 2677 Contract No. DM E-435
Operator's Name GRIGG & WEST Minerals MICA
Address MARS HILL, NORTH CAROLINA

| OPERATION | UNIT | COSTS THIS MONTH | UNITS THIS MONTH | COSTS TO DATE | UNITS TO DATE | UNIT COSTS TO DATE | AUTHORIZED BY CONTRACT Units | AUTHORIZED BY CONTRACT Unit Costs |
|---|---|---|---|---|---|---|---|---|
| Drifting | | | | | | | | |
| Crosscutting | | | | | | | | |
| Raising | | | | | | | | |
| Shafts | ft | 810.00 | 18 | 1800.00 | 40 | 45.00 | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | c.yds | | | 1550.00 | ~~1000~~ 680 | .331 | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | 810.00 | 18 | 3350.00 | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 11.40 | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| | | | | | | | | |
| TOTAL COSTS | | 810.00 | | 3361.40 | | | | |

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

Date July 3, 1953 Operator GRIGG & WEST

Per H. Cline West Title Partner

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

REMARKS:

(Instructions on reverse)

(For Government use only)

## 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

WORK PERFORMED AT THE GRASSY KNOB MINE DURING THE

MONTH OF JUNE by GRIGG & WEST.

Contract No. IDM E-455 Docket No. DMEA 2677

Due to difficulties beyond the control of the operators very little progress was made on the shaft sinking. The shaft was sunk for a distance of 8 feet by the close of business on June 30, 1953. The North and South walls of the shaft are formed by vertical seams, and one soft place of about two feet was encountered. A small vein was picked up and a few pieces of good mica was recovered. The mica was very small and very little of 2x3 mica could be obtained.

Organization is set up so as to complete the shaft during the first part of July.

COPY

[illegible] REPORT

[illegible]-2677 [illegible]-435 ([illegible]) [illegible]

[illegible]: [illegible] Brigg and [illegible] West, [illegible] Hill, [illegible]

[illegible]: 2.4 miles due east of Tomahawk, Henry County, [illegible] 500-800 feet due west of Grassy Knob and 1600 feet due west of the Cattail Line.

Stage II of this contract has begun and shaft sinking is in progress. This project was recessed during the winter months due to inaccessibility and bad weather, and resumed work about a month ago. The shaft is down to 27 feet and contained 3 to 4 feet of muck. Material encountered consists of pegmatite and biotite gneiss, with most of the vein showing in the north end of the shaft. The pegmatite is about 2 feet wide and is composed of quartz, feldspar, small mica which is badly cracked and stained, and scattered garnet.

The shaft is 5' x 7' in cross section, two compartment with separate manway and staggered ladders, and has been cribbed to 15' with 3" x 6" sawed timbers.

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

[illegible] Teague, Geologist
U. S. Geological Survey

June 19, 1953

Form [illegible]-104 (Rev. [illegible] (April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID VOUCHER AND SCHEDULE 171
NOR - 63

JUN 15 1953

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 195 3 Docket No. DMEA 2677 Contract No. DMM E-435
Operator's Name Grigg and West Minerals Mica
Address Mars Hill, N. C.
Contract Amount, $ 9,650.00 Government Participation: 90 % Amount, $ 8,685.00

| 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 | | 1,400.00 | 1,400.00 | | 1,400.00 | 1,400.00 |
| Crosscutting | | | | | | |
| Drifting | | | | | | |
| Shaft | 990.00 | | 990.00 | 990.00 | | 990.00 |
| (2) Labor and Supervision: | | | | | | |
| Labor | | 150.00 | 150.00 | | 150.00 | 150.00 |
| Supervision | | | | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | 105.84 | | 105.84 | | | |
| Explosives | 117.33 | | 117.33 | | | |
| Pipe | | | | | | |
| Track | | | | | | |
| Small Tools | | 11.40 | 11.40 | | 11.40 | 11.40 |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 1,213.17 | 1,561.40 | 2,774.57 | 990.00 | 1,561.40 | 2,551.40 |

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 6-3-53 *Payee Grigg and West
Per B W Grigg Title Partner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

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

$ 891.00

Signature Ora L. Piper
(Authorized Certifying Officer)

Date JUN 9 1953 Vou. No. 171

(See other side)

Small 99.00

(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-E435 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date June 5, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

# UNITED STATES
# DEPARTMENT OF THE INTERIOR

## DEFENSE MINERALS EXPLORATION ADMINISTRATION

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May 1953 Docket No. DMEA 2677 Contract No. IDM E-435
Operator's Name Grigg and West Minerals Mica
Address Mars Hill, N. C.

| OPERATION | UNIT | COSTS THIS MONTH | UNITS THIS MONTH | COSTS TO DATE | UNITS TO DATE | UNIT COSTS TO DATE | AUTHORIZED BY CONTRACT | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Units | Unit Costs |
| Drifting | | | | | | | | |
| Crosscutting | | | | | | | | |
| Raising | | | | | | | | |
| Shafts | Ft. | 990.00 | 22 | 990.00 | 22 | 45.00 | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | Cu.yd. | | | 1550.00 | ~~1080~~ 4680 | .331 | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| | | | | | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| TOTAL DISTRIBUTED COSTS | | 990.00 | | 2540.00 | | | | |
| Operating Equipment Purchased | | | | 11.40 | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| Opr. Mt'ls. & supplies | | 223.17 | | 223.17 | | | | |
| TOTAL COSTS | | 1213.17 | | 2774.57 | | | | |

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 30~~ 6-3-53 Operator Grigg and West

Per B W Grigg Title Partner

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

# NARRATIVE REPORT FOR WORK PERFORMED AT THE GRASSY KNOB MINE DURING MONTH OF MAY, 1953

Contract # IDM E-435 Docket # DMEA 2677

Work began on the Grassy Knob Mine on May 15, 1953, with the 15th, 18th, and 19th being consumed in the construction of a bunkhouse, erection of a boom-pole, and the moving in of equipment.

Actual work began on the shaft on May 20, and at the close of the work period of May 29 the shaft had been sunk a distance of 22 feet. The shaft was sunk through fairly solid rock and it is believed that five to eight feet of timbering will be all that will be required for the collar. There is no indication of mica being found in the walls of the shaft.

COPY

June 9, 1953

Mr. B. W. Grigg
Grigg & West
Mars Hill, N. C.

Re: DMEA-2677, Idm-E435 (mica)
Granny Knob Mine

Dear Mr. Grigg:

Your May monthly report and voucher has been received by this office and has been forwarded to the Finance Office for payment.

The items of $105.84 for timber and $117.33 for explosives have been disallowed because the contract allows you $45.00 per foot for shaft sinking on a unit basis and specifically states under Stage II of the contract that "The Government will contribute to the cost of the various items of work enumerated below on the basis of the agreed estimated unit cost in Lieu of actual costs. These agreed unit costs cover all costs whatsoever of the work."

We are returning your receipts for the above deletions.

Verty truly yours,

Wm. A. Beck, for R. A. Laurence
Executive Officer, DMEA
Region 7

WAB/sm
cc:
Beck
Lynch
Laurence
Finance Office-3

UNITED STATES
DEPARTMENT OF THE INTERIOR
~~DEFENSE MINERALS EXPLORATION ADMINISTRATION~~
~~WASHINGTON 25, D.C.~~
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII
HAMILTON BANK BUILDING

June 10, 1953

Memorandum

To: J. L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington, 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-420 Everette L. Poston and R. W. Poston
DMEA Docket No. 2561
4th payment - month of May
Amount $270.00

✓Idm-E-435 Grigg and West
DMEA Docket No. 2677
2nd payment - month of May
Amount $891.00

Idm-E-461 Zeb Angel
DMEA Docket No. 2582
5th payment - month of May
Amount $578.70

Idm-E-469 Macon Mica Miners
DMEA Docket No. 2467
1st payment - month of May
Amount $576.00
Starting Date: 5/11/53

Idm-E-503 HRH, Inc.
DMEA Docket No. 2832
2nd payment - month of May
Amount $877.50

Idm-E-512 B. G. Thomas, Mark Hall, Charlie Hall
DMEA Docket No. 2790
1st payment - month of May
Amount $1957.50
Starting Date: 5/13/53

Enclosures

Helen

February 9, 1953

Memorandum

DMEA-2677 - Mica
Grigg & West Co. Mine
Yancey County, North Carolina
Contract No. Idm-E435

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 nine months instead of six months for completion.

Recommendation: Concurrence

Justification: Property is practically inaccessible during the winter months and a winter recess is necessary.

/s/

Stanley A. Feitler
Nonmetallic Minerals Division

SAFeitler:gad 2/9/53

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

# REFERENCE SLIP

DATE 2-5

REFERRED TO:

1. ~~Mr. Johnson 466-24~~
2. ~~Code 900~~
3. ~~Code 600~~
4. Mr. Fertler

FOR:

| | |
|---|---|
| ..... Action | ..... Recommendation |
| ..... Approval | ..... Record of ..... |
| ..... Comment | ..... Referring to ..... |
| ..... Conference | ..... Reply for signature of ..... |
| ..... Consideration | ..... Rewriting |
| ..... Filing | ..... Signature |
| ..... Instructions | ..... Suggestions |
| ..... Investigation | ..... Your information |
| ..... Initials | |
| ..... Mailing | |
| ..... Previous correspondence | |

REMARKS: .....

Check (X) before the items needing attention.

ROBERT E. ADAMS

*Initials of sender.*

GPO 16—63815-1

BW

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII

OFFICE OF
REGIONAL DIRECTOR

P. O. BOX 217
NORRIS, TENNESSEE

February 3, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 5 1953

Memorandum

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

From: Administrative Officer, Region VII, Norris, Tennessee

Subject: Monthly Reports and Vouchers

We are enclosing the following monthly reports and vouchers:

Idm-E-392 Callahan Zinc-Lead Company, Inc.
Docket No. DMEA-2576
4th payment - month of December
Amount $6051.70

Idm-E-435 Crigg and West
Docket No. DMEA-2677 ✓
1st payment - month of December
Amount $486.00

Helen R. Miller

Enclosures
HRM:AG:hbm
CC: R. A. Lawrence
W. A. Beck
Region Files
Day Files

NOTE: Mr. Beck - please advise starting date on Contract Idm-E-435, Crigg and West, Docket No. 2677. Thanks. Helen

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

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1953

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 1952 Docket No. DMEA 2677 Contract No. IDM E-435
Operator's Name ~~[illegible]~~ Grigg & West Minerals Mica
Address Mars Hill, N.C.
Contract Amount, $ 9,650.00 Government Participation: 90 % Amount, $ 8,685.00

| 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 | 490.00 | 910.00 | 1400.00 | 490.00 | 910.00 | 1400.00 |
| Crosscutting | | | | | | |
| Drifting | | | | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | 50.00 | 100.00 | 150.00 | 50.00 | 100.00 | 150.00 |
| Supervision | | | | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Track | | | | | | |
| Small Tools | | 11.40 | 11.40 | | 11.40 | 11.40 |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 540.00 | 1,021.40 | 1,561.40 | 540.00 | 1,021.40 | 1,561.40 |

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

Date Jan. 23, '53 *Payee ~~[illegible]~~ Grigg & West

Per H. Cline West Title Partner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

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

$ 486 00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date FEB 3 1953 Vou. No. 97

(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 E435 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. Date Jan. 28, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Beck Title ACTING EXECUTIVE OFFICER DMEA REGION VII Date JAN 30 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 53-38476

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 5 1953

# OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1953 Docket No. DMEA 2677 Contract No. IDM E-435

Operator's Name Grigg & West Minerals Mica

Address Mars Hill, N.C.

| OPERATION | UNIT | COSTS THIS MONTH | UNITS THIS MONTH | COSTS TO DATE | UNITS TO DATE | UNIT COSTS TO DATE | AUTHORIZED BY CONTRACT Units | AUTHORIZED BY CONTRACT Unit Costs |
|---|---|---|---|---|---|---|---|---|
| Drifting | | | | | | | | |
| Crosscutting | | | | | | | | |
| Raising | | | | | | | | |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | C.Yds | 540.00 | 1080 | 1,550.00 | 4680 | .331 | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | 540.00 | 1080 | 1,550.00 | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | | | 11.40 | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| TOTAL COSTS | | 540.00 | | 1,561.00 | | | | |

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. 23, 1953 Operator Grigg & West

Per H. Cline West Title Partner

REMARKS: Work suspended as of Dec. 16,1952 until April 1, 1953 due to weather conditions usually experienced during this period of year, and due to inaccessibility of location. Suspension of work met with the approval of owner and DMEA.

→ 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

DMEA 2677 Contract IDM E-435

Narrative Report on work performed at Grassy Knob Mine, Yancey County, North Carolina. Month of December 1953.

The work accomplished during this period was in the stripping off the overburden on pegmatite B with a bulldozer and blade. 49 hours of bulldozing was done to remove an estimated 1080 cu.yds. of dirt and shale.

| | |
|---|---|
| Dec. 1 thru 5 | Bad weather- repairing bulldozer |
| Dec. 6 | Bulldozing |
| Dec. 7 | Sunday no work |
| Dec. 8 | Bulldozing |
| Dec. 9 | Bulldozing |
| Dec. 10 & 11 | Bad weather - no work |
| Dec. 12 | Bulldozing |
| Dec. 13 | Bulldozing |
| Dec. 14 thru 16 | Removing bulldozer from mountain - bad weather. |

COPY

RECEIVED
JAN 30 1953
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

RECEIVED
JAN 30 1953
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

DMEA 2677 Contract IDM E- 435

Pay Roll For Grassy Knob Mine - December 1953

C.C. Fisher - Miner 40 hrs @ 1.25 ——— $50.00

COPY

Certified true copy of payroll.

R Cline West

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 31 1952

INTERIM REPORT

IMEA-2677 Idm-2435 (mica) GRIGG & WEST MINE

OPERATORS: B. W. Grigg and H. C. West, Mars Hill, N. C.

LOCATION: 2.4 miles due east of Pensacola, Yancey County, North Carolina; 600 - 800 feet due west of Grassy Knob and 1600 feet due west of the Cattail Mine.

This mine was visited in the company of B. W. Grigg. Bulldozing on the "Southeast Pegmatite" has been completed. Approximately 143 hours of bulldozing was necessary to explore fully the pegmatite as set up in Stage I of the Contract. The cut exposing the "Southeast Pegmatite is approximately 150 feet long, 50 feet wide and 15 feet deep.

Location of Shaft was made and Stage II of the Contract reviewed with the operator. Due to inaccessibility and winter weather operator may not begin this Stage of the work until sometime in the spring of 1953. Progress on this project is satisfactory.

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

December 17, 1952

noted 1/22/53

Mr. Hearne

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 1 3 1952

Interim Report

DMRA-2677 Idm-E435 (mica) GRIGG & WEST MINE

OPERATORS: B. W. Grigg and H. C. West, Mars Hill, North Carolina.

LOCATION: 2.4 airline miles due east of Pensacola, Yancey County, North Carolina; 600' - 800' due west of Grassy Knob and 1600' due west of Cattail Mines

B. W. Grigg accompanied the Field Team on this visit to the mine. Bulldozing on the "Southeast Pegmatite" continues and is nearing completion. Pegmatite material is same as that reported in Interim Report of November 21, 1952. Mica recovered during exposure of this pegmatite is weathered and badly stained by Iron Oxide and contains some biotite specks. Some of this mica may be processed. The Field Team believes at this time that some additional exploration will be necessary as outlined in Stage II of Exhibit "A" of the contract, after completion of bulldozing of the "Southeast Pegmatite".

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

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

December 8, 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
SOUTHEASTERN REGION
REGION VII

OFFICE OF
REGIONAL DIRECTOR

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 10 1952

P. O. BOX 217
NORRIS, TENNESSEE

December 8, 1952

Mr. Fuller

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-435 Grigg and West Company
Docket No. DMEA-2677
1st Payment - Amount $919.26
November report and voucher

Idm-E-433 W. Harley Roper
Docket No. DMEA-2620
1st Payment - Amount $668.25
November report and voucher

Helen R. Miller
Helen R. Miller

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
Budget Bureau No. 42-R1080.3.
Approval expires 6-30-53.
RECEIVED
DEC 10 1952

# OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1952 Docket No. DMEA 2677 Contract No. IDM E-435
Operator's Name Grigg and West Minerals Mica
Address Mars Hill, N. C.
Contract Amount, $ 9,650.00 Government Participation: 90 % Amount, $ 8,685.00

| 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 | 910.00 | None | 910.00 | 910.00 | | 910.00 |
| Crosscutting | | | | | | |
| Drifting | | | | | | |
| (2) Labor and Supervision: | | | | | | |
| Labor | 100.00 | None | 100.00 | 100.00 | | 100.00 |
| Supervision | | | | | | |
| Technical Services | | | | | | |
| (3) Operating Mat'ls. and Supplies: | | | | | | |
| Timber | | | | | | |
| Explosives | | | | | | |
| Pipe | | | | | | |
| Track | | | | | | |
| Small Tools | 11.40 | None | 11.40 | 11.40 | | 11.40 |
| (4) Operating Equipment: | | | | | | |
| Rental | | | | | | |
| Purchase | | | | | | |
| Depreciation | | | | | | |
| (5) Initial Rehabilitation and Repairs | | | | | | |
| (6) New Bldgs., Improvements, etc. | | | | | | |
| (7) Miscellaneous: | | | | | | |
| Repairs to Equipment | | | | | | |
| Sampling and Analysis | | | | | | |
| Payroll Taxes | | | | | | |
| Liability Insurance | | | | | | |
| (8) Contingencies (specify): | | | | | | |
| TOTALS | 1,021.40 | None | 1,021.40 | 1021.40 | | 1021.40 |

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 12-1-52 *Payee Grigg and West
Per H. C. West Title Partner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

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

$ 919.26

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. Tdm-E-435 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Dec. 3, 1952

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title Executive Officer Date DEC 5 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.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 10 1952

## OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 195 2 Docket No. DMEA 2677 Contract No. DMEA-435
Operator's Name Grigg and West Minerals Mica
Address Mars Hill, N. C.

| OPERATION | UNIT | COSTS THIS MONTH | UNITS THIS MONTH | COSTS TO DATE | UNITS TO DATE | UNIT COSTS TO DATE | AUTHORIZED BY CONTRACT | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | Units | Unit Costs |
| Drifting | | | | | | | | |
| Crosscutting | | | | | | | | |
| Raising | | | | | | | | |
| Shafts | | | | | | | | |
| Winzes | | | | | | | | |
| Drilling: Core | | | | | | | | |
| Churn | | | | | | | | |
| Auger | | | | | | | | |
| Stripping | Cu.yds. | 1010.00 | 3600 | 1010.00 | 3600 | .28 | | |
| Trenching | | | | | | | | |
| Test Pits | | | | | | | | |
| Roads and Trails | | | | | | | | |
| TOTAL DISTRIBUTED COSTS | | | | | | | | TOTAL COSTS AUTHORIZED BY CONTRACT |
| Operating Equipment Purchased | | ~~11.40~~ | | ~~11.40~~ | | | | |
| Initial Rehabilitation and Repairs | | | | | | | | |
| New Buildings, Improvements, etc. | | | | | | | | |
| TOTAL COSTS | | 1,021.40 | | 1,021.40 | | | | |

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

Date 12-2-52 Operator Grigg and West

Per H. C. West Title Partner

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

REMARKS: Approximately 1000 lbs. block mica found scattered out with no indication of column found. Books would be about 2 to 3 feet underground with none beyond 5 feet.

(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

GRIGG AND WEST
DOCKET NO. DMA 2677
CONTRACT IDM E-435

Payroll ending November 30, 1952

B. W. Grigg Bulldozer Operator

91 hrs. @ $10/hr. $ 910.00

Chester L. Fisher Miner

80 hrs. @ 1.25/hr. 100.00

$1,010.00

COPY

CERTIFIED TRUE COPY OF PAYROLL

H C West

H. C. West

DMEA 2677—CONTRACT IDM E-435
GRASSY KNOB MINE
DAILY REPORT

| | |
|---|---|
| Wednesday, November 12, 1952<br>Moved in and bulldozed on Pegmatite A. | 9 hrs. |
| Thursday, November 13, 1952<br>Bulldozed on Pegmatite A. | 8 hrs. |
| Friday, November 14, 1952<br>Bulldozed on Pegmatite No. A | 9 hrs. |
| Saturday, November 15, 1952<br>Bulldozed on Pegmatite No. B | 4½ hrs. |
| Monday, November 17, 1952<br>Bulldozed on Pegmatite No. B | 6 hrs. |
| Tuesday, November 18, 1952<br>Bulldozed on Pegmatite No. B | 6½ hrs. |
| Wednesday, November 19, 1952<br>Bulldozed on Pegmatite No. B | 4 hrs. |
| Friday, November 21, 1952<br>Bulldozing on No. B | 8 hrs. |
| Saturday, November 22, 1952<br>Bulldozing on No. B | 4 hrs. |
| Monday, November 24, 1952<br>Bulldozing on No. " | 8 hrs. |
| Tuesday, November 25, 1952<br>Bulldozing on No. B | 8 hrs. |
| Thursday, November 27, 1952<br>Bulldozing on No. B | 8 hrs. |
| Friday, November 28, 1952<br>Bulldozing on No. B | 8 hrs. |
| | 91 hrs. |

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.
Room 1, Post Office Building
Knoxville, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 10 1952

December 5, 1952

Mr. H. C. West
Grigg & West
Mars Hill, N. C.

Re: IMEA-2677, Idm-3 435 (mica)

Dear Mr. West:

Your November Operator's Monthly Report & Voucher has been received by this office and has been sent to the Norris, Tennessee for payment.

Your payroll should not have shown bulldozer operator 91 hours @ $10.00 per hour - $910.00. This item should have been documented by an invoice from B. W. Grigg for Bulldozer rental. Please supply us with this invoice properly certified and on your future reports follow the same procedure.

Very truly yours,

Wm. A. Beck, for R. A. Laurence
Executive Officer, IMEA-Region 7

WAB/mm

Norris-3
Beck
Lynch
Laurence

INTERIM REPORT

DMEA-2677 Idm-E435 (mica) GRASSY KNOB MINE

Mr. Hearne

OPERATOR: Grigg and West Company, c/o H. Cline West, Mars Hill, North Carolina.

LOCATION: 2.4 airline miles due east of Pensacola, Yancey County, North Carolina; 600 to 800 feet due south of Grassy Knob and 1600 feet due west of Cattail Mine.

B. W. Grigg and H. C. West accompanied the Field Team on this visit. Approximately 55 hours of bulldozing has been completed on the two prospects as outlined in the contract. The exploration of the "Northwest Pegmatite" by bulldozer cut exposed only scattered pegmatite stringers, whose extent does not indicate that additional exploration is warranted. Exploration by bulldozer cuts on the "Southeast Pegmatite" has not been completed, but two pegmatites striking N 50° W, dipping 60° SW and zoned have been exposed for 25 - 30 feet, each, along their strikes.

Material of these pegmatites consist of feldspar with quartz lenses and muscovite mica which is ruby colored. The mica that has been recovered is badly stained with iron oxide and an unknown greenish stain and contains biotite specks. It appears that the "Southeast Pegmatite" will warrant further exploration. This project is progressing satisfactorily.

L. E. Shirley

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

K. H. Teague

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

November 21, 1952

October 24, 1952

Memorandum

To: Administrator

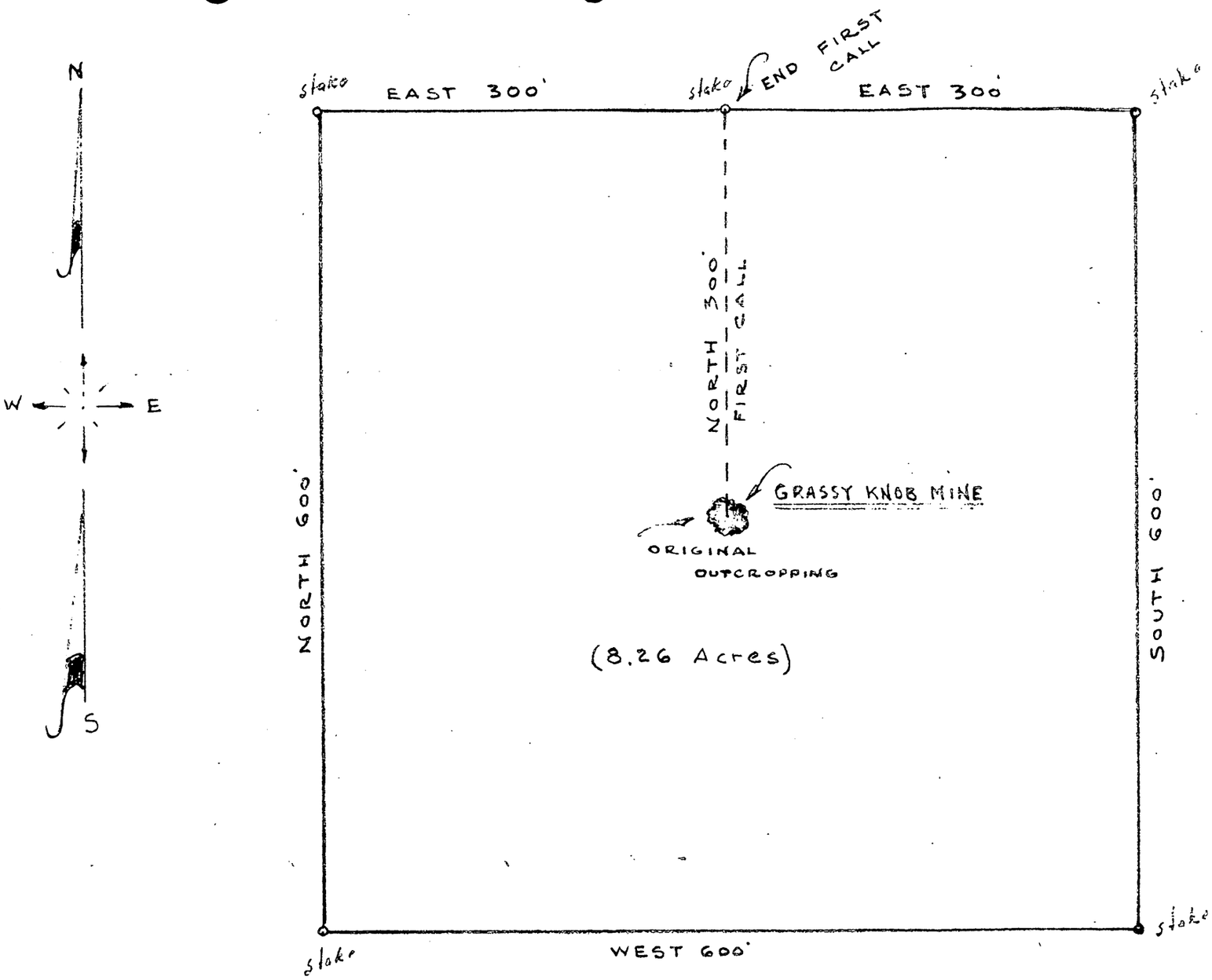
From: Nonmetallic Minerals Division

Subject: Review of Docket No. DMEA-2677 - Mica
Grigg and West Co.
Grassy Knob Mine
Yancey County, North Carolina

| | |
|---|---|
| Aug. 25, 1952 | Memorandum to Operating Committee from Region VII transmitting application dated Aug. 23, 1952. |
| Aug. 28, 1952 | Memorandum from USGS recommends field referral. |
| Sept. 3, 1952 | Memorandum from USBM recommends field referral. |
| Sept. 8, 1952 | Letter from Operating Committee to Region VII requesting field examination. |
| Oct. 6, 1952 | Received field report dated Oct. 2, 1952. |
| Oct. 17, 1952 | Memorandum from Chief Counsel to Administrator approving legal form of contract subject to attachment of Owner's Consent to Lien. |
| Oct. 20, 1952 | Memorandum from USBM concurs in field team recommendation of contract. |
| Oct. 23, 1952 | Memorandum from USGS suggests following field recommendation. |

Laurance F. Hearne
Nonmetallic Minerals Division

LFHearne:gad
Copy to: Docket File
Adm. R. File
Mr. Houk




PLAT OF GRASSY KNOB MINING LEASE
ON CATTAIL CREEK
YANCEY COUNTY, N. C.
B.W. GRIGGS & H. CLINE WEST, LESSEES.

Scale 1" = 100'  Aug. 27th, 1952
D. M. Sholes, Engineer
Burnsville, N.C.

OMEA-2677-Mica
Grigg and West Co.
Grassy Knob Mine
Yancey County, N.C.

Review of Docket

Aug. 25, 1952 - Memorandum to Operating Committee from Region VII transmitting application dated Aug. 23, 1952

Aug. 28, 1952 - Memorandum from U.S.G.S recommends field referral.

Sept. 3, 1952 - Memorandum from U.S.B.M. recommends field referral

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Oct. 23, 1952 - Memorandum from U.S.G.S. suggests following field recommendation

MF-200
(June 1951)
(Revised Feb. 1952)

DOCKET NO. DM 2677

COMMODITY Strategic Mica

RECEIVED
OCT 10 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

# EXPLORATION PROJECT CONTRACT [1]

IT IS AGREED this _____ day of _____, 195__, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] GRIGG AND WEST COMPANY, a partnership composed of B.W. Grigg and H.C. West, MARS HILL, NORTH CAROLINA.

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 Yancey as set forth in Exhibit A: ~~described as follows:~~ Starting on the original outcropping of what is known as the Grassy Knob mine located on the top of Bear Pen Ridge, just below the Grassy Knob and below the old trail leading to and from the Cat Tail Mine; thence north 300 feet; thence east 300 feet; thence south 600 feet; thence west 600 feet, thence north 300 feet; thence east 300 feet to the end of the first call, same being a piece of land 600 feet square with the original opening as the center, as described in lease recorded in Book 109 at page 629 of the public records of Yancey County, North Carolina.

the Operator represents and undertakes: [4]

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

(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 thirty days from the date of this contract shall commence work on a project of exploration for [5] Strategic mica

in or upon the described land; and shall bring the project to completion within a period of 6 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 initial 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 ninety percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $8,685.00, which is ninety percent of $9,650.00, 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 _____

GRIGG AND WEST COMPANY
(Operator)

By Partner

By Partner

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

4.

Exhibit "A"

Description of the Work

The work is to be carried out in two stages in accordance with the projection on the sketch map entitled "Sketch of Grassy Knob Prospect, Yancey County, N.C., OMEA-2677 (mica), 10/2/52", ~~which is~~ attached hereto and made a part hereof.

Stage I

Expose the "Northwest Pegmatite" between the "200-foot Cut" and the "Old Cut" by a bulldozer trench. This "Proposed Cut" shall be approximately 200 feet long, 15 feet wide and 6 to 10 feet deep.

Expose the "Southeast Pegmatite" by a bulldozer cut 150 feet long, 30 to 50 feet wide, and 6 to 10 feet deep.

Stage II

If, in the opinion of the Government, exposures made under Stage I so warrant, (A) a 50-foot shaft, 5 ft. by 7 ft. in the clear, shall be sunk on the "Northwest Pegmatite", with a 50-foot drift, 5 ft. by 7 ft. in cross-section, at its bottom, and (B) a 50-foot shaft, 5 ft. by 7 ft. in the clear, shall be sunk on the "Southeast Pegmatite" with a 50-foot drift, 5 ft. by 7 ft. in cross-section, at its bottom.

4.

# Exhibit "A"

## Estimate of Costs

Stage I

(1) Independent Contracts

None

(2) Labor, Supervision, Consultants

Wages for 1 miner, 120 hrs. @ $1.25 per hr. $ 150.00

(3) Operating Materials and Supplies

Supplies 235.00

(4) Operating Equipment

To be purchased

None

To be rented

1- Bulldozer/blade, 140 hrs. @ $10 per hr. $1,400.00

1- 105 CFM Air Compressor, ½ mo. @ $200 per mo. 100.00

1- Jackhammer Drill, ½ mo. @ $30 per mo. 15.00 1,515.00

To be furnished by the Operator

None

(5) Rehabilitation and Repairs

None

(6) New Buildings, Improvements, Installations

None

(7) Miscellaneous

None

(8) Contingencies

None

Total estimated cost, Stage I $1,900.00*

Stage II

The Government will contribute to the cost of the various items of work enumerated below on the basis of the agreed estimated unit costs in lieu of actual costs. These agreed unit costs cover all costs whatsoever of the work

2- Fifty-foot* shafts @ $45 per ft. $4,500.00

2- Fifty-foot* drifts @ $35.50 per ft. 3,850.00 8,350.00*

Total estimated cost $10,250.00*

Government's participation @ 90% $9,225.00*

$1,685.10

600

NOV 4 1952

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

Subject: Docket No. DMEA-2677 - Mica
Grigg and West
Grassy Knob Mine
Yancey 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,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

A. R. Kinkel Jr
Member, Geological Survey

LFHearne:gad 10/24/52
Copy to: Adm. R. File
Docket File
Operating Committee (2)
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

Enclosures 6

P. S. A copy of the contract is also enclosed for use of your field representative.

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

Subject: Docket No. DMA-2677 - Mica
Grigg and Neal
Grassy Knob Mine
Yancey 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,

Chairman, Operating Committee

Approved:

LFHearne:gad 10/24/52
Copy to: Adm. R. File
Docket File
Operating Committee (2)
Mr. Dietrich, 3526
Mr. Morton, G-52 Old Bldg.
Mr. Houk

Member, Bureau of Mines

Member, Geological Survey

Enclosures: 6

October 24, 1952

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Review of Docket No. DMEA-2677 - Mica
Grigg and West Co.
Grassy Knob Mine
Yancey County, North Carolina

| | |
|---|---|
| Aug. 25, 1952 | Memorandum to Operating Committee from Region VII transmitting application dated Aug. 23, 1952. |
| Aug. 28, 1952 | Memorandum from USGS recommends field referral. |
| Sept. 3, 1952 | Memorandum from USBM recommends field referral. |
| Sept. 8, 1952 | Letter from Operating Committee to Region VII requesting field examination. |
| Oct. 6, 1952 | Received field report dated Oct. 2, 1952. |
| Oct. 17, 1952 | Memorandum from Chief Counsel to Administrator approving legal form of contract subject to attachment of Owner's Consent to Lien. |
| Oct. 20, 1952 | Memorandum from USBM concurs in field team recommendation of contract. |
| Oct. 23, 1952 | Memorandum from USGS suggests following field recommendation. |

Laurance F. Hearne
Nonmetallic Minerals Division

LFHearne:gad
Copy to: Docket File
Adm. R. File
Mr. Houk

IN REPLY REFER TO:
G-MD-CNM

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

October 23, 1952

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2677 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration.
From: R. E. Van Alstine, U. S. Geological Survey.
Applicant: Griggs and West Company, Mars Hill, North Carolina.
Name of property: Grassy Knob prospects.
Location of property: 600-800 feet S. of Grassy Knob; 1,600 feet W. of Cattail mine; 2.4 airline miles E. of Pensacola, Yancey County, North Carolina.
Date of field team report: October 2, 1952.
Authorship of field team report: K. H. Teague and L. E. Shirley.
Field team's recommendation:
Approve program recommended (total cost $10,400)
Stage 1:
Bulldozer cut 200' x 15' x 6'-10' deep on northwest pegmatite.
Bulldozer cut 150' x 30'-50' x 6'-10' deep on southeast pegmatite.
Stage 2: (Contingent on results of stage 1):
Two 50-foot shafts and 100 feet of drifts.
Comments: None.
ACTION SUGGESTED: Follow field team's recommendation.

R. E. Van Alstine

Van Alstine:jeh
G-10/23/52
cc: Dir. read. file 4212
Branch " " "
DMEA
Norton files G-228
Van Alstine G-230

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

October 20, 1952

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2677, Mica, Grassy Knob Prospects,
Yancey County, Mars Hill, North Carolina

I concur in the field team's recommendation for a two stage exploration program in the amount of $10,400.

W. F. Dietrich

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

October 17, 1952

Memorandum

To: Administrator

Through: L. G. Houk

From: Chief Counsel

Subject: Grigg and West Company, Docket No. DMEA-2677

There is attached, in satisfactory legal form for execution, a contract covering the above-described project, subject to the attachment of the Owner's Consent to Lien to the contract.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

Attachment

140 FILE COPY
SURNAME:

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

October 17, 1952

Memorandum

To: Administrator

Through: L. G. Houk

From: Chief Counsel

Subject: Grigg and West Company, Docket No. DMEA-2677

There is attached, in satisfactory legal form for execution, a contract covering the above-described project, subject to the attachment of the Owner's Consent to Lien to the contract.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

Attachment

AEKane/em/mef
cc to: mails and ~~fixix~~ files
Mr. Hofflund
Mr. Kane
Chron.

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
OCT 6 1952

Mr Pearne

October 2, 1952

Memorandum

To: Operating Committee, DMEA- Washington

From: Field Team, DMEA - Region 7

Subject: DMEA-2677, Griggs & West Co. (mica) Grassy Knob Prospects.

Enclosed are 4 copies of the field examination report on the subject application, and 6 extra copies of the map. The Field Team is in agreement with the recommendations.

Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA
Region 7

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration
RECEIVED
OCT 6 1952

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DMEA- 2677, GRASSY KNOB PROSPECTS, (Mica)

Applicants: Griggs and West Company, c/o B. W. Griggs
Mars Hill, North Carolina

By

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

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

October 2, 1952

Reviewed by
DMEA OPERATING COMMITTEE

10-10-52
(date)

Report of Field Examination on

IMEA-2677 - GRASSY KNOB PROSPECTS, (Mica)

Applicant: Griggs and West Company, c/o B. W. Griggs
Mars Hill, North Carolina

Approximately 2500 pounds of surface-stained block mica has been recovered recently by shallow bulldozer stripping. Although most of this mica is too badly stained and broken from frost action to work, 10 pounds of strategic mica was trimmed. Two pegmatites occur on the tract under lease. The Field Team is of the opinion that these pegmatites merit exploration.

These prospects were examined on September 25, 1952. B. W. Griggs and W. Cline West accompanied the Field Team on the examination which required five hours.

The Grassy Knob Prospects are located 600 to 800 feet due south of Grassy Knob, and 1600 feet due west of the Cattail mine. The prospect is 2.4 airline miles due east of Pensacola, Yancey County, North Carolina. Access is from Pensacola via gravel and mine road up Cattail Creek, 4.5 miles of which are accessible only by truck or jeep.

Both Applicants are competent and appear able to conduct the exploration project.

There are no buildings or facilities on the property at present. Old workings consist of a cut 75 feet long by 30 feet wide and 15 feet deep, that has been cleaned out recently and a 10 foot test pit from the bottom of the cut.

Recent work has consisted of cutting a trench 200 feet long, 6 feet deep, and 15 feet wide located 250 feet northeast of the old cut and a cut 25 feet wide, 5 feet deep and 30 feet long, located about 100 feet southeast of the 200-foot cut (see attached sketch map).

The old cut and the new 200-foot cut exposes pegmatite which trends in N.20° - 30° E, dipping steeply southeast. In the 200-foot cut the pegmatite is about four feet thick and is fine grained, consisting essentially of fine quartz, plagioclase feldspar, and muscovite. Most of the mica is less than two inches in diameter.

In the old cut and pit therefrom, the pegmatite is about two feet thick and fine grained. The applicants report that the pegmatite pinches out completely in the bottom of the 15-foot test pit. Mica

books up to six inches across occur in the old dump, but it is generally of poor quality.

Pieces of float pegmatite, coarser than any of that observed in either the 200-foot trench or the old cut, occurs between the two openings. This float suggests that the pegmatite may be continuous between the two exposures.

In the 25 x 30 foot cut, approximately 2000 pounds of mica have been recovered from the soil and saprolite. Weathered schist and two small pegmatite pods, with a strike to the north and a low dip to the west occur. Books of mica up to 15 inches across can be dug from the pegmatite pods. At present exposures at this place are insufficient to permit proper appraisal; however, they are sufficient to justify additional exploration work.

All of the wall rock exposed is a contorted biotite kyanite gneiss, which in general has its schistosity parallel with the strike and dip of the pegmatite.

The mica in the northwest pegmatite is of poorer quality than that from the southeast exposure. The northwest mica is hard and generally flat. Some contains reeves, cracks, and lock spots. Most of it is ruby colored, but a little is green.

At the southeast exposure, the mica is mostly of good quality, except for surface staining. All of it is ruby colored and hard. It is generally flat and most splits well. Some of the books contain brown stains but the staining appears to be related to its nearness to the surface.

The Field Team believes that both pegmatites exposed at this place offer promise for exploration, with the southeastern one being the better.

The following program is recommended:

Stage I:

Expose the northwest pegmatite between the 200-foot cut and the old cut by a bulldozer trench. This proposed cut should be approximately 200 feet long, 15 feet wide and 6 - 10 feet deep.

Expose the southeastern pegmatite by a cut 150 feet long 30 - 50 feet wide, and 6 - 10 feet deep.

Stage II:

Stage II should be based on results of Stage I. If mica-bearing pegmatite is exposed in either cut it is recommended that a 50-foot shaft be sunk on the pegmatite and 50 feet of drifts driven from the shaft, thus the maximum of Stage II would be two 50-foot shafts and a total of 100 feet of drifts.

Estimated Costs:

Stage I

| | | |
|---|---|---|
| Rental: | Bulldozer/blade, 140 hrs. @ $10/hr. | $1400.00 |
| | 105 Compressor, 1/2 mo. @ $200/mo. | 100.00 |
| | Jackhammer drill, 1/2 mo. @ $30/mo. | 15.00 |
| Supplies: | 1 - miner, 15 shifts @ $1.25/hr. | 150.00 |
| Supplies - | | 235.00 |
| | Stage I Estimated Cost<br>Estimated time - 15 shifts | $1,900.00 |

Stage II

| | |
|---|---|
| 2 - 50-foot shafts @ $50/ft. | $5,000.00 |
| 100 feet of drifts @ $35/ft. | 3,500.00 |
| Stage II, Estimated Cost<br>Estimated time - 85 shifts | $8,500.00 |
| Estimated total cost of Stages I and II | $10,400.00 |

Estimated total time of Stages I and II, 100 shifts

The area covered by the Applicant's lease is adequate to provide sufficient working and dumping space for the proposed exploration.

K.H. Teague, USGS

L.E. Shirley, USBM

October 2, 1952

zm

600

SEP 8 1952

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

Subject: Docket No. DMEA-2677 - Miss Grigg & West Company
Yancey County, North Carolina

Dear Mr. Laurence:

Reference is made to the above-captioned docket, and a Field Team examination of the property is requested.

Although the map accompanying the application shows the location of the original outcrop, there is no information as to the site or extent of the proposed bulldozing or the location of the shaft.

If the Field Team's recommendation is favorable, it might be preferable to draw up a contract on a unit basis.

Memoranda from the U. S. Bureau of Mines and the U. S. Geological Survey are enclosed.

Sincerely yours,

H. F. Keller

ACTING Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

T. P. Thayer

Member, Geological Survey

Enclosures 2

LHearns:gad 9/5/52

Copy to: Admin. Reading File
Docket File
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Operating Committee (2)
Mr. Houk

600

SEP 8 1952

Mr. E. M. Grigg
Grigg and West Company
Mars Hill, North Carolina

Subject: Docket No. DMSA-2677 - Mica
Grigg & West Company
Yancey County, North Carolina

Dear Mr. Grigg:

Your application, as captioned above, is being referred to Mr. Robert A. Lawrence, Executive Officer, DMSA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for field examination.

Your interest in the exploration program for mica is appreciated.

Sincerely yours,

C. O. Mittendorf

Acting Administrator

LFHearne:gad 9/5/52

Copy to: Admin. Reading File
Docket File
Operating Committee (2)
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

Form MF-103
(Revised June 1951)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.1.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 27 1952

MF-103 Should Be Filed With General Technical Data Form MF-100

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

*Not To Be Filled in by Applicant*

Docket No. DMEA-2677
Metal or Mineral
Date Received 8-27-52
Amount $
Participation (Government %)

Name and address of applicant

Grigg and West Company
Mars Hill, North Carolina

Date August 23, 1952

If you have already filed MF-100, give date filed Yes, type of assistance requested Exploratory loan

DMA Docket Number (if available)

## INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four copies each, of the signed application form, General Technical Data Form MF-100, and answers to questions as specified, to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive office thereof, with your name and address on each sheet of the application and all accompanying papers. If you have previously filed MF-100, it is not necessary to file it again. However, you should indicate in space provided above the type of assistance previously applied for (loans, procurement contracts, etc.) and DMA Docket Number, if available. *When a question is inapplicable it should be so stated in the form.* Additional sheets should be attached in answering any questions or in supplying additional information. IF YOU CANNOT ANSWER A QUESTION, SO STATE.

1. (*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*) If you are not the owner of the property, submit a copy of the lease, purchase option, or other agreements under which you are authorized to operate the property with each copy of your application.

   (*c*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

   NOTE: (1) 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 (*c*) 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.

   (2) If applicant is not the owner of the property or if there are any liens or encumbrances against the property, copy of agreements of claimants, lienors, encumbrances, and lessors subordinating their interests in the property to the interest of the Government under the Exploration Project Contract will be required for attachment to the Contract.

2. (*a*) What metals or minerals do you expect to find?

   (*b*) Furnish statement of the geologic features of your property, giving type of ore deposit and reasons for expecting to find commercial ore bodies. Illustrate with maps or sketches. If you have a geologic or engineering report, or assay maps showing width and grade, please send them with application, stating whether or not you wish to have them returned.

The information requested in questions 3, 4, 5, 6, 7, 8, and 9 below should be answered specifically and in detail, as this information will be attached to and incorporated as part of the Exploration Project Contract, if such contract is entered into with you by the Government.

ANSWER EACH QUESTION ON SEPARATE SHEETS OF PAPER AND SUBMIT A COPY OF EACH ANSWER FOR EACH COPY OF YOUR APPLICATION.

3. (*a*) Describe fully the proposed work and give the total cost of the project.

   (*b*) State the time required to start the project and to complete it.

4. Submit a map or sketch of the property involved showing a plan (and cross section, if needed) of the present mine workings and the *location of the proposed exploration work* as related to geologic features, such as contacts, veins, ore-bearing beds, etc.

5. Furnish an itemized list of existing facilities, buildings, installations, and fixtures with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition.

6. Furnish a detailed list of additional facilities, buildings, and fixtures to be purchased, installed, or erected by you, with the estimated cost of each item.

7. Furnish a detailed list of operating equipment, separated into items to be—

   (*a*) Rented

   (*b*) Purchased

   (*c*) Furnished by you

   with the rental, purchase price, or depreciation of each item, as the case may be, to be charged as a cost of the project.

8. Furnish an itemized schedule of labor, by numbers and classes (miners, muckers, etc.) and of supervisors by numbers and positions, with the maximum wages or salaries to be paid to each.

9. Furnish a detailed list with estimated cost of each item for materials, supplies, engineering, assaying, accounting, power, water, utilities, and any other items not provided for above.

10. (*a*) How much are you prepared to invest in the proposed project?

    (*b*) Is this amount sufficient to pay your part of the cost of the project, in accordance with the regulations on Government participation (Sec. 9 of MO-5)?

11. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

## 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.

Griggs and West Company
(Name of company)

By B W Griggs
(Signature of authorized official)

August 23, 1952
(Date)

Partner
(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—64067-2

03

# 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 Yancey, described as

Starting on the original opening of what is known as the Grassy Knob Mine

follows:1/ located on the top of Bear Pen Ridge just below the Grassy Knob and below the old trail leading to and from the Cat Tail Mine;thence north 300 feet;thence east 300 feet thence south 600 feet;thence west 600 feet;thence north 600 feet;thence east 300 feet to end of the first call,same being a piece of land 600 feet square with the original opening as the center, as described in lease recorded in Book 109 at page 629 of the public records of Yancey County North Caroline.

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/ B.W.Griggs and H.Cline West

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/$ _____, 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 26th day of August, 1952.

[illegible] [Seal]

Ethel M. [illegible] [Seal]

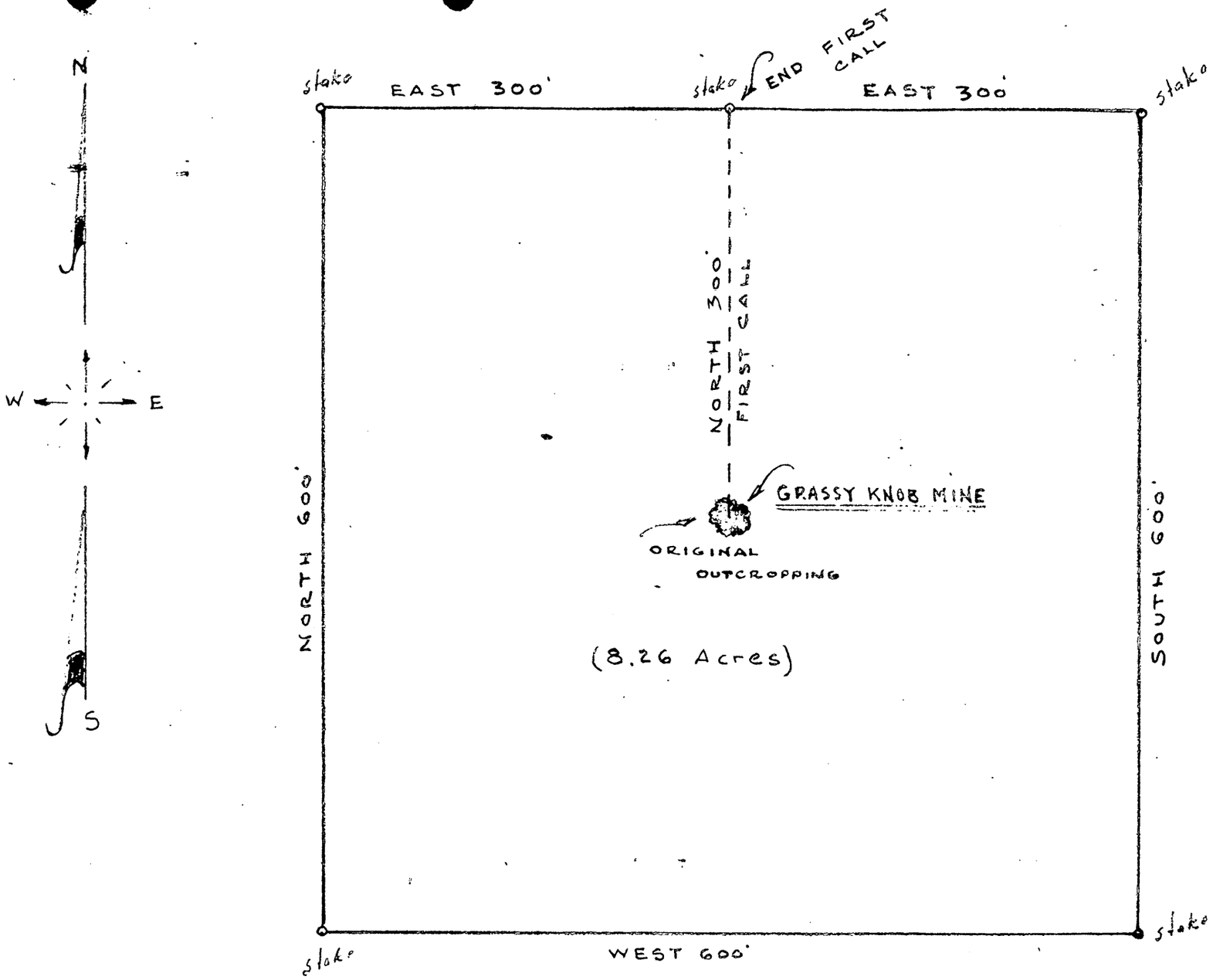
_____ [Seal]

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.




PLAT OF GRASSY KNOB MINING LEASE
ON CATTAIL CREEK
YANCEY COUNTY, N. C.
B.W. GRIGGS & H. CLINE WEST, LESSEES.

Scale 1" = 100' Aug. 27th, 1952
D. M. Sholes, Engineer
Burnsville, N.C.

Form MF-103

1. (a) See copy of lease and plat. - NOT RECEIVED IN R+R, 8-27-52. SD

(b) Copy of lease attached to original Form MF-103.

(c) See copy of lease and plat. Both areas are the same.
No liens or encombrances are against the property. Copy of Landlord's Subordination Agreement attached. - NOT RECEIVED IN R+R, 8-27-52. SD

2. (a) Strategic mica.

(b) Property near Isom or Cattail mine and has produced some ruby mica from a shaft during colonial days. Column was lost, but there are two good pegmatite that could be explored. Ground-hog operations have located small pockets of ruby mica near the surface.

COPY

Form MF-103

3. (a) Work should consist of two stages as follows:

Stage 1 Bulldozing overburden so as to examine the pegmatite. cost $ 2,455.00

Stage 11 Sinking shaft and drifting along pegmatite so as to explore findings. cost $ 7,137.00

Total Cost Stage 1 and 2 $ 9,592.00

(b) Work can be started within 30 days after contract is signed and can be completed in four months.

COPY

MF-103

4. None available. We do not know how to make the map.

COPY

MF-103

5. There are no existing facilities on property.

COPY

MF-103

| | | | |
|---|---|---|---|
| 6. | Stage 1 | None | |
| | Stage 11 | Magazine | $100.00 |
| | | Tool House | 200.00 |
| | | Bunk House and Toilet | 275.00 |

COPY

MF-103

7. (a) Rented Stage 1

| | |
|---|---|
| Bulldozer with blade | $1,200.00 |
| Air Compressor | 150.00 |
| Hammer | 25.00 |
| | $1,375.00 |

Stage 11

| | | | |
|---|---|---|---|
| Air compressor | 3 mos. @ | $200.00 | $600.00 |
| Air Hammer | 3 mos. @ | 25.00 | 75.00 |
| Hoist | 3 mos. @ | 75.00 | 225.00 |
| Mine car | 2 mos. @ | 15.00 | 30.00 |
| Sump Pump | 2 mos. @ | 50.00 | 100.00 |
| Motor generator | 2 mos. @ | 15.00 | 30.00 |
| | | | $1,060.00 |

(b) Purchased Stage 1

| | |
|---|---|
| Hand tools | $50.00 |
| Drill Steel | 90.00 |
| Air hose & pipe | 75.00 |
| Dynamite & supplies | 50.00 |
| | $265.00 |

Stage 11

| | |
|---|---|
| Dynamite & supplies | $350.00 |
| Housing facilities | 575.00 |
| 12 M Timbering 4x8 @ $60 | 720.00 |
| Fan | 350.00 |
| Railing 160' @ $1.25 | 200.00 |
| Misc. supplies | 100.00 |
| | $2,295.00 |

(c) Some small tools and miscellaneous items.

COPY

MF-103

8. Stage 1

| | | | |
|---|---|---|---|
| 1 Foreman | 160 hrs. | @ $1.50 | $240.00 |
| 1 Miner | 160 hrs. | @ $1.25 | 200.00 |
| 1 Mucker | 160 hrs. | @ $1.00 | 100.00 |
| Insurance | | | 250.00 |
| Engineer 1 day @ $25 | | | 25.00 |
| | | | $815.00 |

Stage 11

| | | | |
|---|---|---|---|
| 1 Foreman | 60-8 hr. dys | @ $1.50/hr. | 720.00 |
| 2 Miners | 60-8 hr. dys. | @ 1.25/hr. | 1200.00 |
| 2 Muckers | 60-8 hr. dys. | @ 1.00/hr. | 960.00 |
| 1 Hoist Main | 60-8hr. dys. | @ 1.25/hr. | 600.00 |
| 1 Carpenter | 4-8 hr. dys. | @ 1.50/hr. | 48.00 |
| 1 Laborer | 30-8 hr. dys. | @ .85/hr. | 204.00 |
| 1 Engineer | 2 days @ $25/day | | 50.00 |
| | | | $3,782.00 |

MF-103

9. Materials, supplies and engineering set forth in items 7 & 8 with exceptions of material and supplies that can be unforeseen. This material will be supplied by applicant as an addition contribution on the project.

COPY

10. (a) $ 1,000.00

(b) Yes

COPY

MF-103

11. No

COPY

Form MF-100
(March 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-2677

Date received 8-27-52

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 27 1952

Grigg and West Company
Mars Hill, North Carolina

Name and address of applicant

Date August 23, 1952

## INSTRUCTIONS

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

## GENERAL TECHNICAL DATA

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

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

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

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

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

| Name and Address (a) | Official Title (If officer is also director indicate by "D") (b) | Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c) | Estimated Net Worth Outside of Interest in Applicant (d) | Number of Shares Held in Applicant Corporation: Common (e) | Number of Shares Held in Applicant Corporation: Preferred (f) | Life Insurance Carried for Benefit of Applicant: Amount (g) | Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h) |
|---|---|---|---|---|---|---|---|
| B. W. Grigg | Partner | None | $25,000 | | | | |
| H. C. West | Partner | None | $35,000 | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | 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) |
|---|---|---|---|---|---|
| Common stock | $ | $ | $ | | |
| Preferred stock | $ | $ | $ | | |

*Indicate period covered.

10. Production:

| 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.

12. Ore or Mineral Reserves:

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

GRIGG AND WEST COMPANY
MARS HILL, NORTH CAROLINA

MF-100

1. (a) Strategic mica
   (b) Feldspar

2. (a) 60 feet
   (b) 90 feet
   (c) None
   (d) Bulldozing over burden to expose pegmatite mine. Mine is not flooded but may require a sump pump at bottom of shaft or in stope.

3. (a) 18 miles South of Burnsville, North Carolina.
   (b) Spruce Pine area
   (c) Pensacola Township
   (d) Yancey County, North Carolina

4. (a) Property is not in operation
   (b) Lessee

5. (a) Some production in colonial mica days, but we do not have a record of production. Operation can begin within 30 days after exploration contract is signed and approved.

6. (a) H. C. West has had 15 years experience in electrical construction as electrician and superintendent of construction.
   B. W. Grigg has had 20 years experience in heavy dirt moving construction including tunnel work. For the past five years owned and operated bulldozer, pans, trucks and shovels.

   (b) John Gouge has had 12 years experience in Feldspar and Mica mining.
   Lewis Edge has had 16 years experience in mica mining.

7. (a) An old shaft was dug approximately 18 feet and a small amount of ruby mica was obtained. Work suspended at closing of colonial mica buying program.
   (b) Property is close to the Isom or Cattail Mine.
   (c) None available to knowledge of applicant.

8 & 9. See Form 100.

10. Not applicable.

11. 500 to 1000 lbs. of mica could be produced per day providing the mica column is located.

COPY

12. There has never been a study made by Geologist or Mining Engineer to determine the ore reserves.

13. Mine locates 1/4 mile from Isom Mine. Access road buildozed out around mountain but not graveled.

14. Water will be available at all seasons, but will have to be pressure pumped during extreme dry seasons.

15. Power will be supplied during exploration period by portable motor generator.

16. Not applicable.

17. Not applicable.

18. Mine is not in operation at present time.

COPY

(*b*) If deposit is other than placer:

(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) | | | | | |
| 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:

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.

Grigg and West Company
(Name of company)

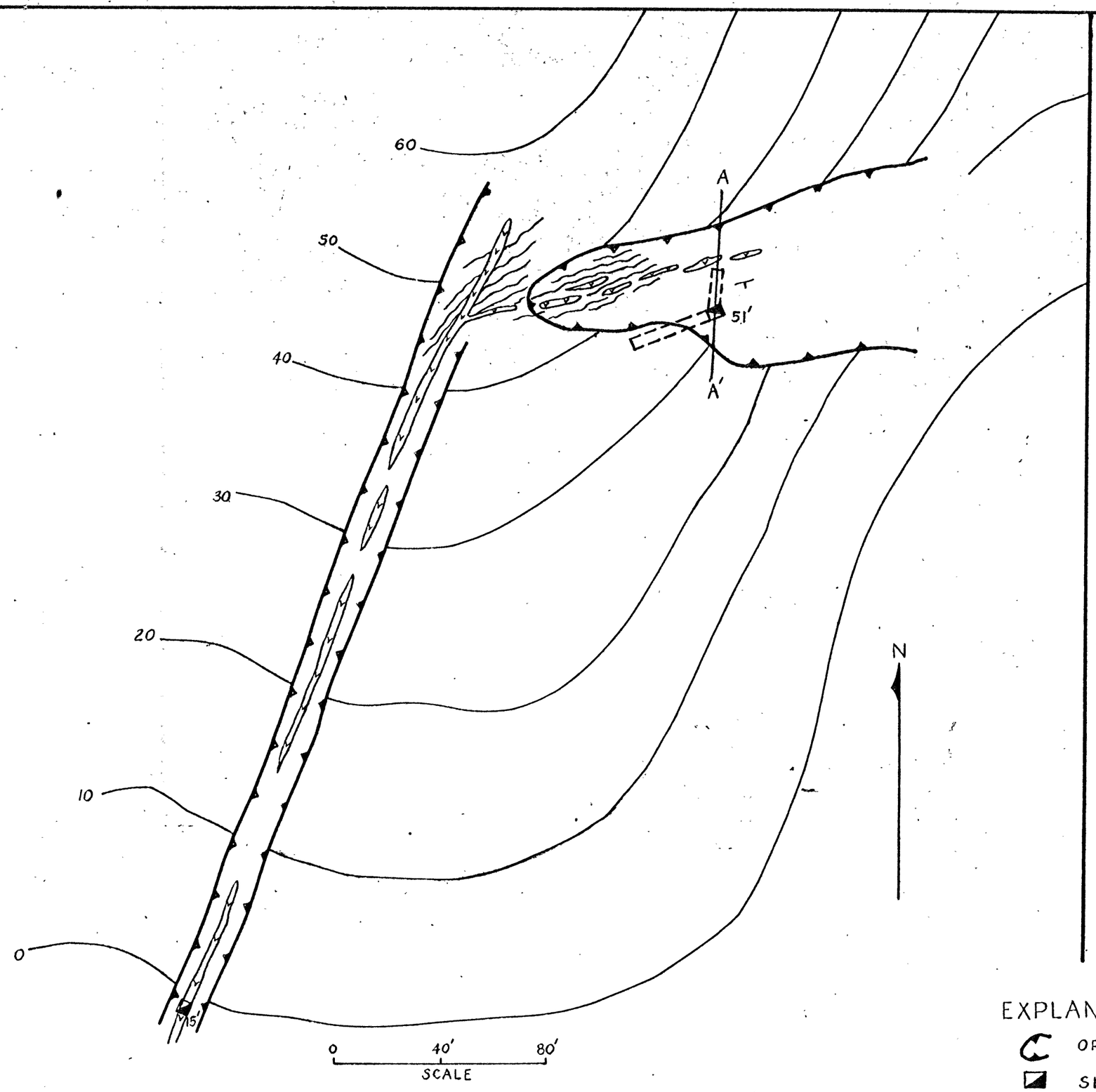
By B W Grigg
(Signature of authorized official)

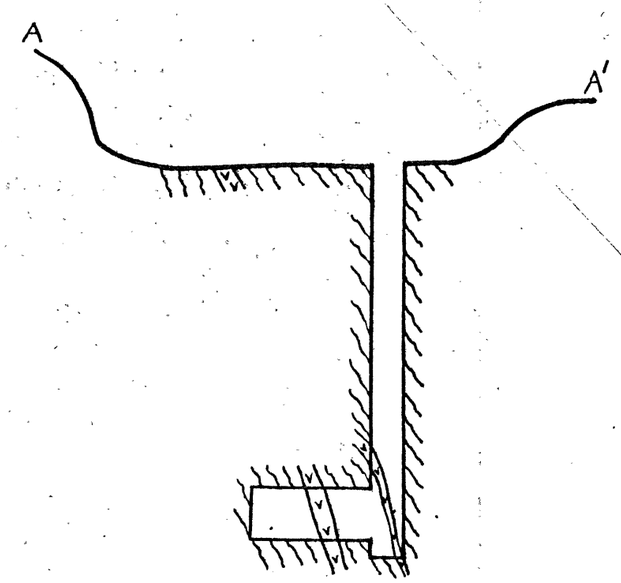
August 23, 1952
(Date)

Partner
(Title)

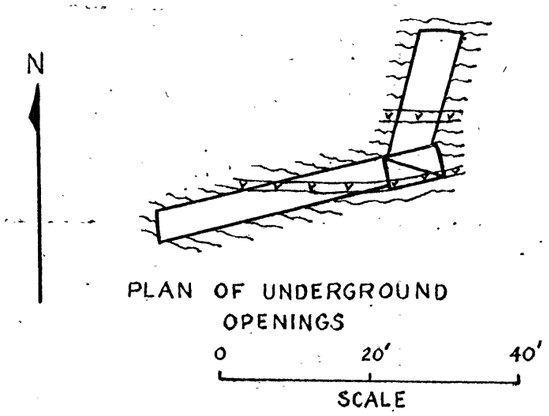
**Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.**

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1




SECTION ALONG A-A'
LOOKING EAST



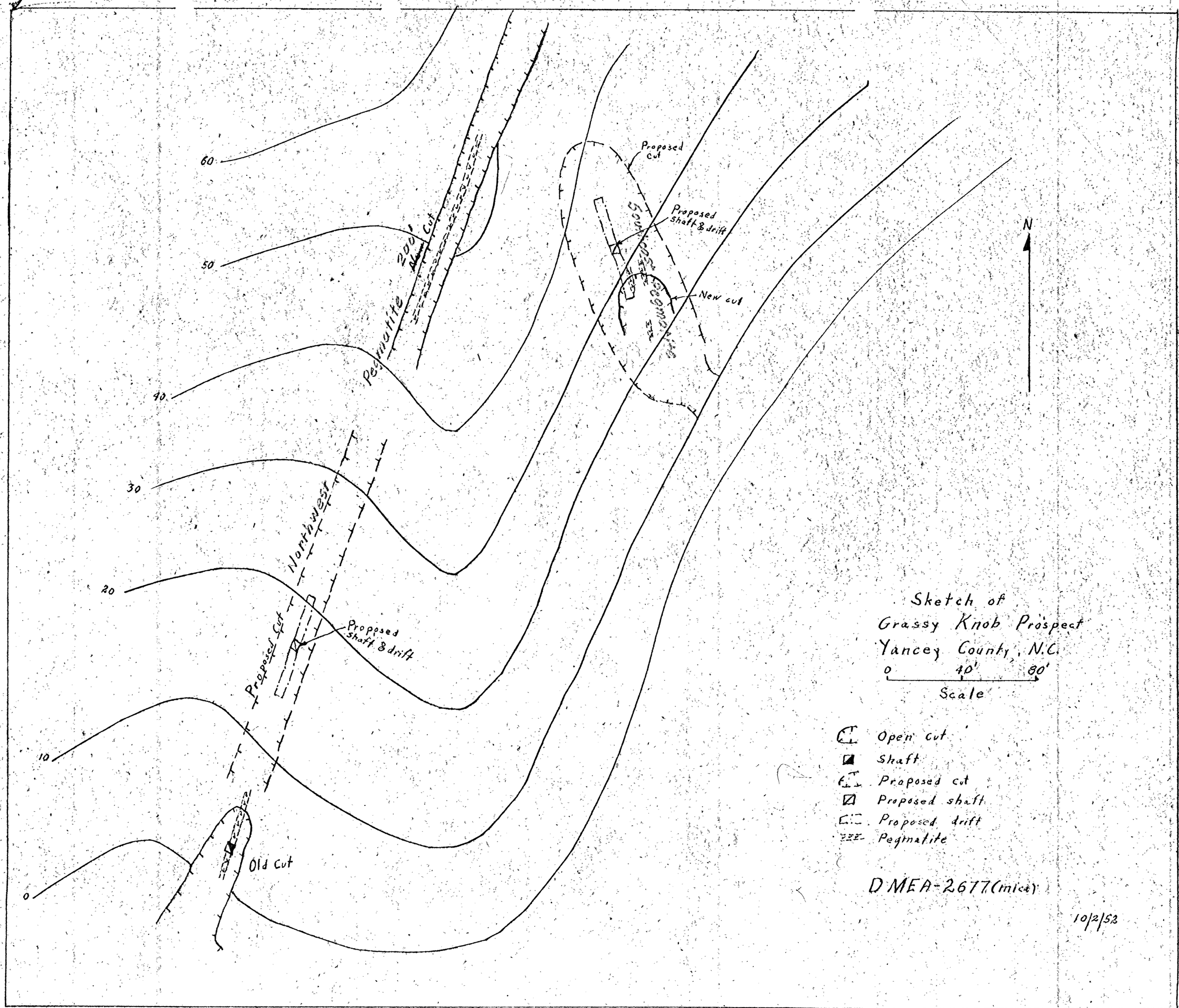

PLAN OF UNDERGROUND OPENINGS

EXPLANATION

- OPEN CUT
- SHAFT
- PEGMATITE
- BIOTITE GNEISS

SKETCH OF GRASSY KNOB PROSPECT
YANCEY CO., N.C.

DMEA-2677 (mica)


60
50
40
30
20
10
0
Pegmatite
200' Cut
Proposed Cut
Proposed Shaft & drift
New cut
Northwest
Proposed Cut
Proposed Shaft & drift
Old Cut
N
Sketch of
Grassy Knob Prospect
Yancey County, N.C.
0
40'
80'
Scale
Open cut
Shaft
Proposed cut
Proposed shaft
Proposed drift
Pegmatite
DMEA-2677 (mica)
10/2/52