DMEA-2790
Mica
Region VII

S. W. PRESNELL MICA MINERS, SPRUCE PINE, NORTH CAROLINA. S. W. Presnell Mine, Yancey County, North Carolina. 7-10-53
Letter to the Field forwarding Amendment No. 1, signed by the Administrator, for execution. Approved for referral.

DMEA-2790
Mica
Region VII

S. W. PRESNELL MICA MINERS, SPRUCE PINE, NORTH CAROLINA. 4-3-53
S. W. Presnell Mine, Yancey County, North Carolina. No. 198
Letter to the Field advising the procedure to be followed in lieu of obtaining an "Owner's Consent to Lien."

4-22-53 No. 206
DMEA-2790
Mica
Region VII

S. W. PRESNELL MICA MINERS, SPRUCE PINE, NORTH CAROLINA. S. W. Presnell Mine, Yancey County, North Carolina.
Letter to the Field forwarding a contract, signed by the Administrator, for execution. A guaranty was also referred to the Field to be signed. Approved for referral.

DMEA-2790
Mica
Region VII

S. W. PRESNELL MICA MINERS, SPRUCE PINE, NORTH CAROLINA. 198
S. W. Presnell Mine, Yancey County, North Carolina. 4-3-53
Letter to the Field advising the procedure to be followed in lieu of obtaining an "Owner's Consent to Lien."

☑ Audited RP 1-20-54 WORK ANALYSIS SHEET - DMEA PROJECT ☑ Actual Cost

☐ Certified Analysis as of 12-8-54 ☐ Agreed Unit Costs

Incl. Voucher for Dec. 1953

Name S. W. Presnell Mica Mineral Docket No. 2790

State N. C. Commodity Mica Idm-E No. 51.2

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	130	4550.00	90.14	3154.90	3154.90
Raising					
Shafts	61.36	3375.00	61.36	3374.80	3374.80
Winzes					
Drilling (Specify) Jackhammer long holes	300	300.00	68	68.00	68.00
Surface Excavation		1475.00		1425	1425.00
Underground Excavation					
Roads and Trails		1500.00		1500.00	1500.00
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		11,200.00		9,522.70	9,522.70

Prepared by James Hopkins

71626

vision Copy

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

It is agreed this 31st day of December 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter call the "Government," and B. G. Thomas, Mark Hall, and Charlie Hall, partners, doing business as S. W. Presnell Mica Miners, c/o B. G. Thomas, Mgr. Spruce Pine, North Carolina, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E 512, Docket No. DMA-2790, dated 23rd day of April 1953, that the said contract shall be and is hereby terminated as of the first date above written.

The Operator shall promptly render to the Government a full and final report and final accounting of units of work performed under the contract to and including the date first above written. Any units of work performed after the date first above written shall be for the sole account of the Operator, without contribution by the Government.

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.

S. W. PRESNELL MICA MINERS.

BY B G Thomas

BY Mark Hall

BY Charlie Hall

UNITED STATES OF AMERICA

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

Mr. Anderson

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

B. G. Thomas, Mark Hall, and Charlie Hall
d/b/a S. V. Pressnell Mica Mineral
Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. Idm-2512, Docket No. DMEA-2790, including Amendments Nos. 1 and 2, for the months of May, 1953 to December, 1953, inclusive, covering a project for the exploration of mica on property known as the S. V. Pressnell Mine, located in Yancey County, North Carolina.

My review included an examination of the Monthly Reports (Forms MF-304) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Executive Officer of the Regional Field Team, and a determination of the reasonableness and propriety of the costs.

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

(a) the administrative cost to the Government of an audit would be excessive in relation to 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 ($8,847.70) 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		$9,522.70
Exceptions:		
By DMEA Finance Officer	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$9,522.70

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 Eight thousand five hundred seventy and 43/100 Dollars

"$8,570.43"

is considered valid and proper.

January 28, 1954

E. D. Tallent, Auditor

Division Copy

DEFENSE MINERALS EXPLORATION ADMINISTRATION

CONTRACT AMENDMENT NO. 2

DMEA Docket No. 2790, Idm-E 512 (mica) S. W. Presnell Mica Miners.

Contract Idm-E 512, Docket DMEA-2790, dated 23rd April 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and B. G. Thomas, Mark Hall, and Charlie Hall, partners, d/b/a S. W. Presnell Mica Miners, Spruce Pine, North Carolina is hereby amended as follows:

1. Article 3 is amended to read, ".....; and shall bring the project to completion within a period of ten months (10) from date of this contract,....." instead of [illegible] months as written in the original contract.

This amendment is necessary due to slow progress of the work. Most of the drilling has been in rock.

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.

Dated November 20, 1953

S. W. PRESNELL MICA MINERS

By B. G. Thomas
Partner

By Mark Hall
Partner

By Charlie Hall
Partner

THE UNITED STATES OF AMERICA

By W. T. Beck
Acting Executive Officer
DMEA Field Team, Region VII

MM

Division Copy

EXPLORATION PROJECT CONTRACT
S. W. PRESNELL MICA MINERS
DOCKET NO. DMEA-2790

AMENDMENT NO. 1

It is agreed this 10th day of July, 1953, between the United States of America, acting through the Defense Minerals Exploration Administration, and B. G. Thomas, Mark Hall, and Charlie Hall, partners, doing business as S. W. Presnell Mica Miners, that Contract No. Idm-E-512 (Docket No. DMEA-2790), dated April 23, 1953, is amended as follows:

1. In Exhibit "A", under the heading "Description of the Work":

(a) Add to Item 2 the following:

From a pegmatite exposure which is located approximately 30 feet north of the west portal, and which is at a level 15 feet lower than the west portal, excavate, southerly, a trench on the pegmatite which is 30 feet long, 10 feet wide at the bottom, and 15 feet deep at the south end of the excavation.

(b) In item 3, substitute 61.36 feet for 75 feet.

2. In Exhibit "A", under the heading "Agreed Unit Costs":

(a) Delete the second item entirely, and substitute the following:

Sink shaft 61.36 feet @ $55.00/ft.	$3,375.00

(b) Add the following item:

30 linear feet of excavation @ $25.00/ft.	$ 750.00

(c) In the third line of the paragraph immediately following "Total Agreed Unit Costs," add the word "excavation" immediately before the word "and".

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor to increase any allowable maximum item.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By C O Mittendorf
Administrator, Defense Minerals
Exploration Administration

Putin
Hoffman
Hook
Chandler

S. W. PRESNELL MICA MINERS

By B G Thomas (Partner)

By Wm Hall (Partner)

By Charlie Hall (Partner)

Extra Copy

EXPLORATION PROJECT CONTRACT
S. W. FRESNELL MICA MINERS
DOCKET NO. DMEA-2790

AMENDMENT NO. 1

It is agreed this 10th day of July, 1953, between the United States of America, acting through the Defense Minerals Exploration Administration, and B. G. Thomas, Mark Hall, and Charlie Hall, partners, doing business as S. W. Fresnell Mica Miners, that Contract No. Idm-E-512 (Docket No. DMEA-2790), dated April 23, 1953, is amended as follows:

1. In Exhibit "A", under the heading "Description of the Work":

(a) Add to Item 2 the following:

From a pegmatite exposure which is located approximately 30 feet north of the west portal, and which is at a level 15 feet lower than the west portal, excavate, southerly, a trench on the pegmatite which is 30 feet long, 10 feet wide at the bottom, and 15 feet deep at the south end of the excavation.

(b) In item 3, substitute 61.36 feet for 75 feet.

2. In Exhibit "A", under the heading "Agreed Unit Costs":

(a) Delete the second item entirely, and substitute the following:

Sink shaft 61.36 feet @ $55.00/ft.	$3,375.00

(b) Add the following item:

30 linear feet of excavation @ $25.00/ft.	$ 750.00

(c) In the third line of the paragraph immediately following "Total Agreed Unit Costs," add the word "excavation" immediately before the word "and".

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be required to contribute, nor to increase any allowable maximum item.

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

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

S. W. PRESNELL MICA MINERS

By _____ (Partner)

By _____ (Partner)

By _____ (Partner)

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

DOCKET NO. D[redacted]A 2790

COMMODITY Mica

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

Idm-E-512

EXPLORATION PROJECT CONTRACT[1]

IT IS AGREED this 23rd day of April, 195 3, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] S. G. Thomas, Mark Hall, and Charlie Hall, partners, doing business as S. M. Presnell Mica Mines c/o S. G. Thomas, Manager, Spruce Pine, 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 the mining rights in that certain land situated in the State of North Carolina, County of Yancey, described as follows:[3] set forth in Annex I

the Operator represents and undertakes:[4]

(a) That the Owner is the owner in fee simple of the land described in the following instrument and that the Owner's Consent to Lien is attached.

Operator's Guaranty in lieu of

(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 30 days from the date of this contract shall commence work on a project of exploration for[5] Mica

in or upon the described land; and shall bring the project to completion within a period of 7 mos. 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: and also the costs referred to in Article 13.

(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 payment 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 [illegible] percent of the allowable costs incurred, as they accrue, in an aggregate total amount not in excess of $[illegible], which is [illegible] percent of $[illegible], 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.* To the extent that costs are set forth in Exhibit "A" as "agreed unit costs," they are in lieu of the actual costs that would otherwise be allowable costs of the project as provided in Article 6(a) of the contract form.

Executed in sextuplicate the day and year first above written.

S. W. PRESNELL MICA MINERS
B. G. Thomas
(Operator) Partner
W. M. Hall Partner
By Charlie Hall Partner

THE UNITED STATES OF AMERICA
By C. O. Mittendorf
Administrator, [illegible]efense Minerals Exploration Administration
[illegible] Ramsler

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
S. W. PRESNELL MICA MINERS
DOCKET NO. DMEA-2790

EXHIBIT "A"

Description of the Work

Exploration at the S. W. Presnell Mine is intended to discover adjacent pegmatite dikes and additional mica shoots in the pegmatite dike previously mined.

The project as indicated on the attached map shall consist of the following work:

1. Construct approximately 2500 feet of access road from the Balsam Mine to the site of the proposed shaft, at the S. W. Presnell Mine.

2. With a bulldozer prepare the site for the proposed shaft and excavate a ditch, if necessary, to divert surface water.

3. Sink a 5 by 7 foot shaft with necessary timbering 75 feet deep in the pegmatite.

4. From the 70-foot level in the shaft, drift 80 feet, 5 by 7 feet in cross section, along the pegmatite.

5. Drill not more than 300 feet of long jackhammer holes from the shaft and drift at points specified by the Government to explore for adjacent pegmatite dikes.

6. Explore pegmatite indicated by the long holes with not more than 50 feet of crosscut and drift, 5 by 7 feet in cross section, in a manner mutually agreeable to the Operator and the Government.

The location, direction, and extent of all work shall be specified by the Government.

Estimated Costs of the Project
(*Indicates allowable maximum)

Agreed Unit Costs

Construct access road - 2500 feet @ $.60/ft.	$1,500.00

Sink shaft 75 feet @ $55.00/ft.	$4,125.00	
Drift and crosscut 130 feet @ $35.00/ft.	4,550.00	
Drill long jackhammer holes 300 feet @ $1.00/ft.	300.00	
Total Agreed Unit Costs		$10,475.00

The Government will contribute to the cost of the above construction of the access road, shaft sinking, drifting, and crosscutting, and drilling long jackhammer holes on the basis of the agreed unit costs per foot as they accrue for units of work actually performed in lieu of actual costs. These agreed unit costs include all costs of the work including supervision, consultants, sampling, surveying, and all other necessary technical work involved. Work to the costs of which the Government will contribute on the basis of agreed estimated unit costs may be performed by independent contractor without reference to the provisions relating to independent contracts and contractor in Articles 4(a), 4(b), and 6(a)(1) of the contract form.

Estimated Actual Costs of Shaft Site Preparation

(1) **Independent Contracts**

Bulldozer including operator, transportation to and from site, repairs and all operating expenses - complete, 50 hrs. @ $12.00*/hr.	$ 600.00*

(2) **Labor, Supervision, Consultants**

Supervisor, 50 hrs. @ $1.50*/hr.	75.00*

(3) **Operating Materials and Supplies**

None

(4) **Operating Equipment**

None

(5) **Rehabilitation and Repairs**

None

(6) New Buildings, Improvements, Installations

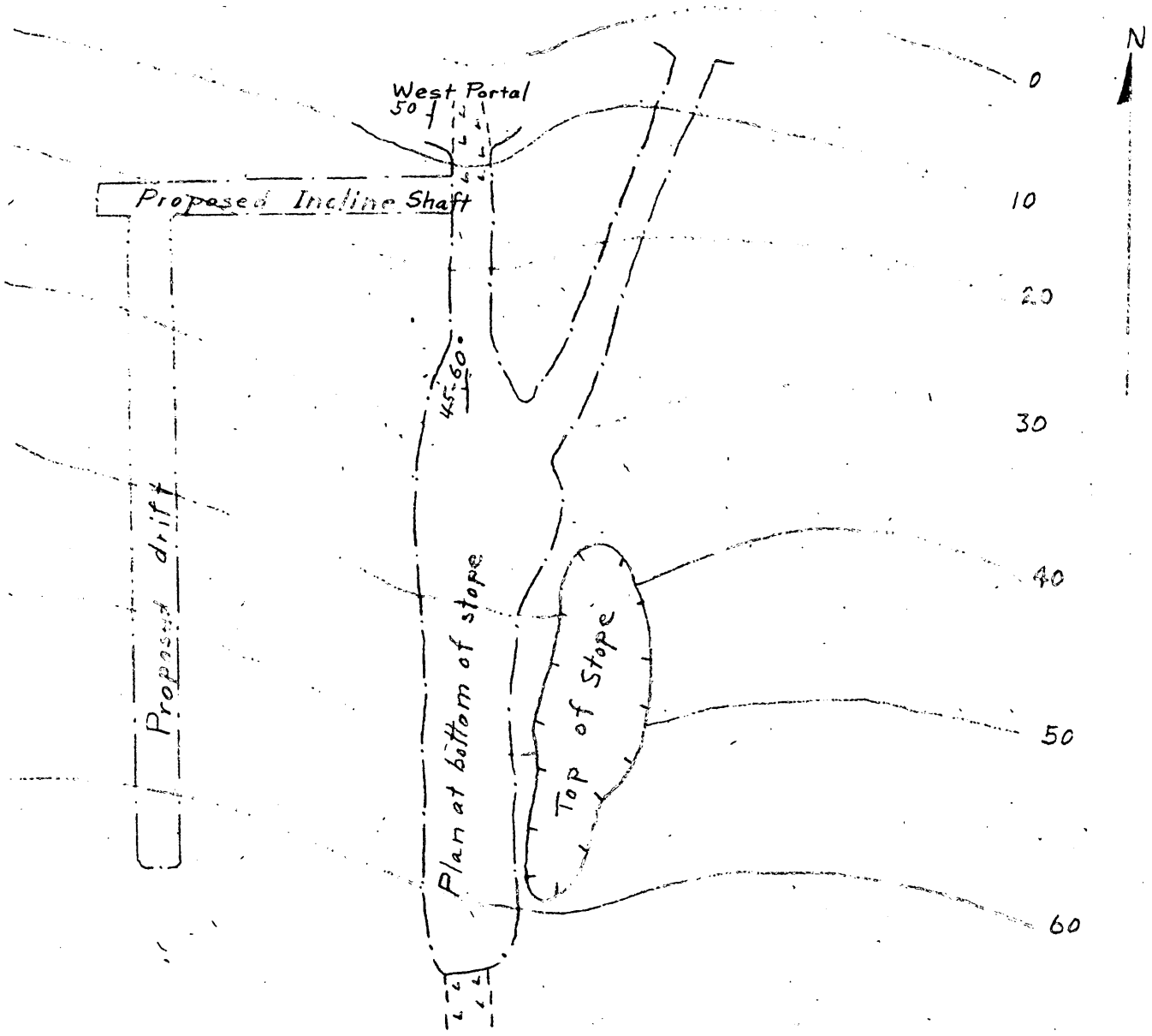
None

(7) Miscellaneous & (8) Contingencies	$50.00	
Total Estimated Actual Costs		$ 725.00*
Total Estimated Cost of Project		$11,200.00*
Government Participation @ 90%		$10,080.00*

EXPLORATION PROJECT CONTRACT
S. W. PRESNELL MICA MINERS
DOCKET NO. DMEA-2790

ANNEX I

A part of the tract of land in Yancey County, North Carolina, known as the Ray Boundary on Bolens Creek, described more particularly in Book 6 of Deeds, page 224 in Yancey County, N. C., consisting of an area 200 feet in all directions from the center of the opening of the S. W. Presnell Mine which is located on the south side of the head of Bolens Creek about 6.5 miles southeast of Burnsville, Yancey County, North Carolina. This opening is indicated as "West Portal" on the map entitled "Sketch of the S. W. Presnell Mine, Yancey County, North Carolina, DMEA-2790 (Mica)" attached hereto and made a part hereof.



Sketch of
S. W. Presnell Mine
Yancey Co., N.C.

0 20' 40'
Scale

DMEA - 2790 (Mica)

G U A R A N T Y

In consideration of the waiver by the United States of America of the requirement of the Owner's Consent to Lien, as set forth in paragraph 2(b) of the attached Exploration Project Contract, the undersigned hereby jointly and severally guarantee payment to the United States of America of any royalties as specified in said Contract and any future amendment thereof upon any and all ore which is mined within ten years of the date of said Contract from the land described in Article 2 thereof, regardless of whether the undersigned have any interest in the property covered by the said Contract or any part in the mining operations at the time said ore is mined. If for any reason the net smelter returns or other net amounts from operations that would be subject under the said Contract and any amendment thereof to such payments to the United States of America are not available as a means of measuring the amount of such payment, then the undersigned agree and undertake jointly and severally to make such payment according to the best estimates of the amount that can reasonably be made; and, in the event of dispute as to such estimate, the undersigned agree that the determination thereof by either the Administrator of Defense Minerals Exploration Administration or his designee shall be final and binding upon the undersigned.

Dated May 4, 1953.

B. G. Thomas (Seal)
B. G. Thomas

Wm. Hall (Seal)
Mark Hall

Charlie Hall (Seal)
Charlie Hall

600

MAR 12 1954

Mr. B. G. Thomas, Manager
S. W. Presnall Mica Mines
Spruce Pine, North Carolina

Re: Docket No. DMEA-2790 - Mica
S. W. Presnall Mine
Yancey County, North Carolina
Contract No. Idm-2512

Dear Mr. Thomas:

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	$9,522.70
Total Government contribution at 90 percent	$8,570.43

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,

C. O. Mittendorf

Administrator

WCAnderson:gad 3/8/54
Copy to: Admr. R. File
Docket File
Field Team, Reg. 7
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

Project Summary Report

By: Walter G. Anderson March 8, 1954

1. DMEA Docket No. 2790 - Mica
   Contract No. LMa-8512
   S. W. Presnell Mine
   Yancey County, North Carolina

   Operators: R. G. Thomas, Mark Ball and Charlie Ball, d/b/a
   S. W. Presnell Mica Miners
   C/o R. G. Thomas, Manager
   Spruce Pine, North Carolina

   Operator's Property Rights -
   Lease and Option - dated June 29, 1951.
   Guaranty of payments, signed by partners - 5/4/53

2. Contract - dated April 23, 1953

   Work authorized:

Bertal - bulldozer - 50 hrs @ $12.00/hr.	$600.00
Supervisor - 50 hrs. @ $1.50/hr.	75.00
Miscellaneous and contingencies	50.00
Access road - 2,500 ft. @ $0.60/ft.	1,500.00
75 feet of shaft @ $55.00/ft.	4,125.00
130 ft. of drift and crosscut @ $35.00/ft.	4,550.00
300 ft. of long jackhammer holes @ $1.00/ft.	300.00
Total estimated cost	$11,200.00

Government participation @ 90% $10,080.00

Amendments: No. 1 - 7/10/53. Shaft sinking was changed from 75 feet to 61.36 feet and 30 linear feet of excavation at $25.00 per foot was added to the contract. No change in total estimated cost.

No. 2: 11/20/53 - Extended completion date from seven months to ten months.

Work completed:

Bulldozing 50 hrs. @ $12.00/hr.	$600.00
Supervisor - 50 hrs. @ $1.50/hr.	75.00
Access road - 2,500 ft. @ $0.60/ft.	1,500.00

61.36 ft. of shaft @ $55.00/ft.	3,374.80
90.14 ft. of drift @ $35.00/ft.	3,154.90
68 ft. of jackhammer holes @ $1/ft.	68.00
30 linear ft. of excavation @$25/ft.	750.00
Total accepted cost	$9,522.70
Government participation @ 90%	$8,570.43

Work began on May 13, 1953, and was terminated by agreement after commencement but before completion of the work on December 31, 1953.
Final Field Team Report - dated February 1, 1954.

3. Audit certificate: Issued January 20, 1954 (no exceptions)

4. Certification of Discovery - None issued.

5. Comments:

How conducted -
1. Good supervision.
2. Progress satisfactory at all times, except when workers left to harvest tobacco.

Operation - good.

Engineering - Reports submitted promptly and were better than average.

Geological premise - The premise that the pegmatite continued down below old workings was wrong. Only a few scattered books of ruby mica were found in the upper part of the exploration work the results of which suggested that all the good mica ore was removed during previous mining.

Geological criteria upon which work was based -
1. Unzoned pegmatite 3 to 8 feet thick.
2. Mica distributed throughout the pegmatites.
3. Past operations have yielded more than $60,000 worth of mica.

Criteria developed during project - none.

Future possibilities - no additional work warranted.

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

WCAnderson:gad 3/9/54
Copy to: Admr. R. File
Docket File
Mr. Houk

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

February 12, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2790

Contract Number: Idm-E512

Applicant: Presnell Mica Miners

Name and Location of Property: S. W. Presnell Mine
Yancey County, North Carolina

Date of Field Team Report: February 2, 1954

Date Rec'd by Ceramic & Fert. Mats. Branch: February 8, 1954

Field Team Recommendation:

1. No certification of discovery or development.

Comments:

1. Strategic mica was not encountered.
2. Expenditures:

Total approved	$11,200.00
Total costs	9,522.70
Government's share	8,570.43
Value	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-C[illegible]

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

Defense Minerals Administration
RECEIVED
10 1954

February 9, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2790 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: S. W. Presnell Mica Miners, Spruce Pine, N. C.
Name of property: Presnell (Presley) Mine
Location of property: Yancey Co., N. C.
Date of final field team report: Feb. 1, 1954
Authorship of field team report: K. H. Teague, L. E. Shirley, and D. H. Amos.
Field team's recommendation: No certification be issued.
Comments: No significant pegmatite found.

RECOMMENDATION: Follow field team's recommendation.

D. M. Larrabee

Copy to: DMEA (3)

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

COPY

February 2, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region 7

Subject: Final reports. DMEA-2790, Idm-E 512 (mica)
S. W. Presnell Mica Miners, Spruce Pine, N. C.

Enclosed herewith are 4 copies each of the Operator's final engineering and geologic report, and the Field Team final report on the subject exploration contract.

The Field team agrees with the recommendation that certification of discovery should not be issued

(signed)
Robert A. Laurence
Executive Officer
DMEA region VII

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

Reviewed by
DMEA OPERATING COMMITTEE
2-8-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
ON

DMEA-2790, Idm-E 512, (mica)

S. W. PRESNELL MICA MINERS, Spruce Pine, N. C.
Yancey County, N. C.

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

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

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

February 1, 1954

Reviewed by
DMEA OPERATING COMMITTEE
2-8-54
(date)

FINAL REPORT
ON
DMEA-2790, S. W. PRESNELL MINE
(mica)
Contract Idm-E 512

Operators: B. G. Thomas, Mark Hall, and Charlie Hall, Partners
d/b/a S. W. Presnell Mica Miners, Spruce Pine, N. C.

The S. W. Presnell (Presley) Mine is located on the south side of the head of Bowlens Creek about 6.5 miles southeast of Burnsville, Yancey County, North Carolina.

Work done under contract consisted of 2500 feet of access road, an open cut 30 feet long, shaft site preparation, a 61.36 foot incline shaft, 90.14 feet of lateral work, and 68 feet of test drill holes. No pegmatite of commercial significance was discovered and when it became apparent that the pegmatite did not extend downward to the level from which the lateral work was conducted, the contract was terminated by mutual agreement effective December 31, 1953. No certificate of discovery should be issued.

Work began on May 13, 1953 and ended on November 5, 1953. An access road of approximately 2500 feet was constructed from the Balsam Mine to subject mine. While preparing a shaft site, unweathered pegmatite was exposed 30 feet to the north of the shaft site proposed in the contract and 15 feet lower in elevation. To explore this extension of the pegmatite and to collar the shaft in unweathered rock, a 30 foot open cut was made at this location under Amendment No. 1, dated July 10, 1953. A 35° incline shaft trending S 5° W was sunk from the bottom of the open cut to an incline depth of 65 feet. A drift was then extended to the south for 71.64 feet and a crosscut was driven in a S 80° E direction for 18.5 feet starting at a point 7 feet from the face of the drift. Test holes totaling 68 feet were drilled as follows:

(1) 15 foot test hole in east wall of drift at 13 foot,
(2) 10 foot test hole in west wall of drift at 34 foot,
(3) 4 foot vertical test hole in roof of drift at 36 foot,
(4) 15 foot test hole in east wall of drift at 39 foot,
(5) 15 foot test hole in west wall of drift at 65 foot,
(6) 9 foot test hole in face of crosscut.

An unweathered pegmatite was exposed in the open cut. It strikes N-S and dips about 40° west. Pegmatitic material occurs in the first 37 feet of the inclined shaft, but pinches out at this point. The

The material consists of quartz, feldspar, and scattered books of ruby mica. The mica is of good quality and is up to 4 inches in diameter. Only country rock, a biotite kyanite gneiss, with scattered quartz stringers was encountered in the remainder of the shaft, all of the lateral work and all of the drill holes. It appears that the pegmatite bottoms above the level of the lateral work conducted in this exploration and that almost all vein material was removed during previous mining.

Expenditures:

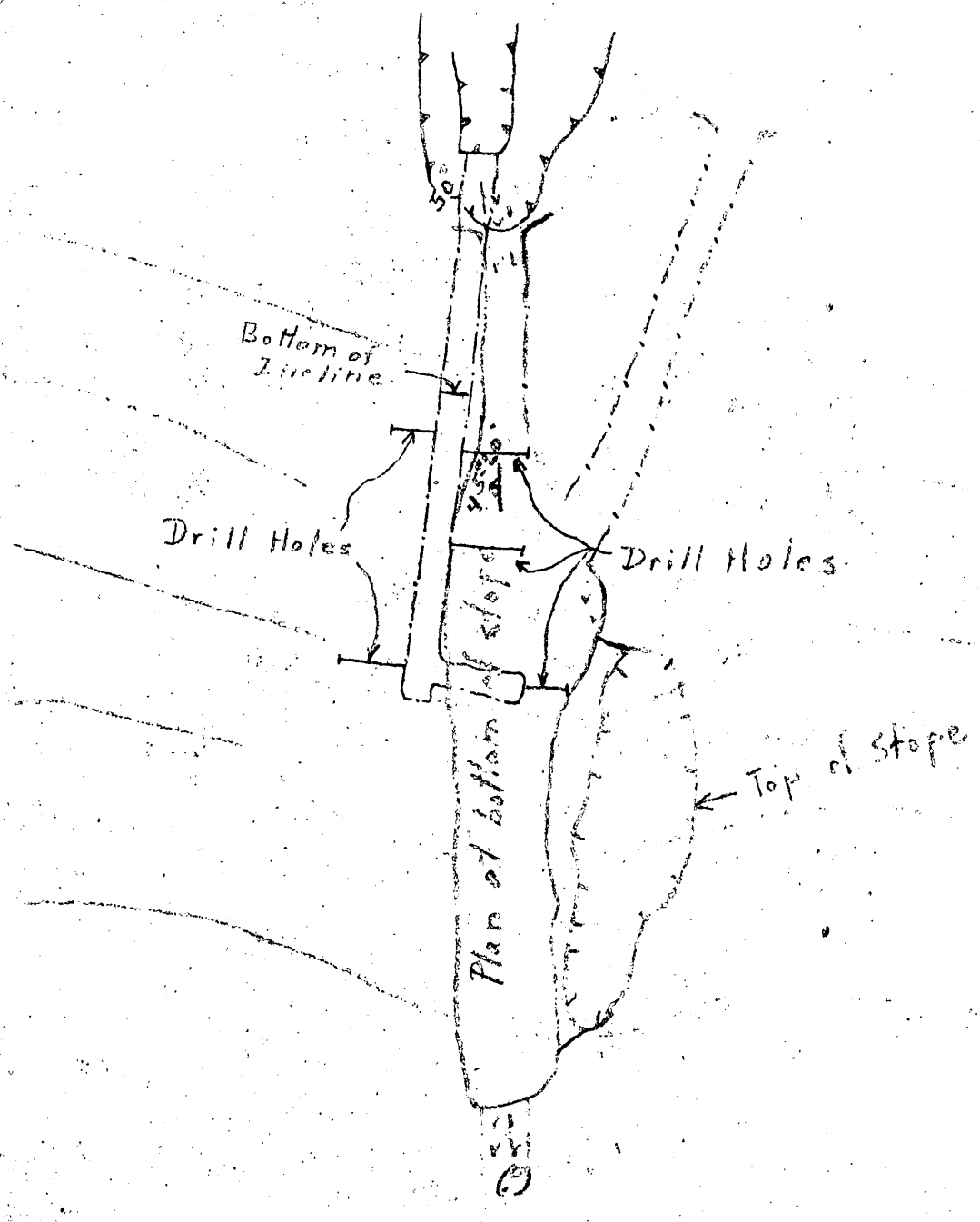
(a)	Total approved	$ 11,200.00
(b)	Total cost of project	9,522.70
(c)	Government's share of cost	8,570.43
(d)	Government's share unexpended	1,509.57
(e)	Value of production during operation - none	

The operation was conducted in an efficient and satisfactory manner. No equipment was purchased for the project.

Kefton H. Teague, U. S. G. S.

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

D. H. Amos, U. S. G. S.



Sketch of
S. W. Presnell Mine
Yancey Co., N.C.

DMEA-2710(Micro)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 3 1954

FINAL REPORT

Spruce Pine, North Carolina
January 20, 1954

Mr. Robert A. Laurence, Executive Officer
DMEA Field Team, Region 7
Room 13, Post Office Bldg.
Knoxville 2, Tenn.

Re: DMEA - 2790, Idm-E 512
S. W. Presnell Mica Miners
S. W. Presnell Mine, Yancey Co., N. C.

Dear Sir:

Work was commenced on the above name exploration contract May 13, 1953, and work was terminated December 12, 1953.

The work on this contract was carried on in a satisfactory manner and no serious difficulty was encountered in the work which was done. The applicants sank a 40 degree incline approximately 61½ feet and no vein of mica bearing pegmatite was encountered. Then the applicant drove a drift 71½ feet south and no mica bearing pegmatite was contacted. The applicant then drove a crosscut 18½ feet all of which was part of the contract and all this work was done in slate. Then the applicant drove a crosscut on his own expense for a distance of 18 feet east with the same results as the other works. Sixty-eight feet of test drill holes was drilled at various places in the underground workings as pointed out by the DMEA Field Team, and no vein materials was contacted.

The applicant here with submits 5 copies of the map showing the underground workings of the S. W. Presnell Mine.

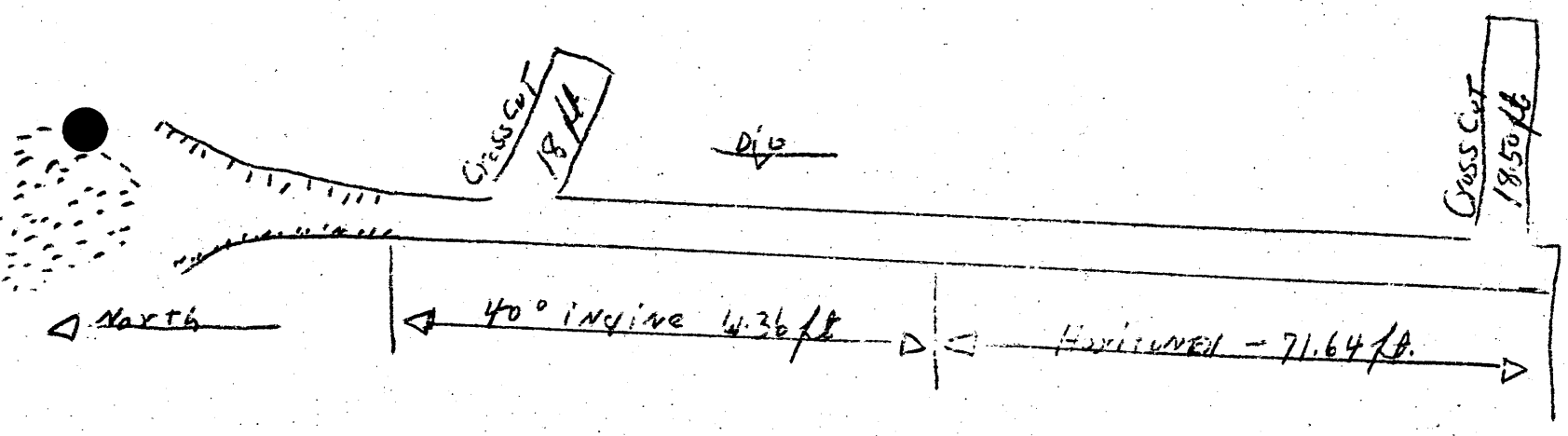
We wish to take this opportunity to thank the DMEA for their cooperation in the exploration of this mine. If there is any further information that your office desires please let us hear from you.

Very truly yours,

B. G. Thomas

B. G. Thomas

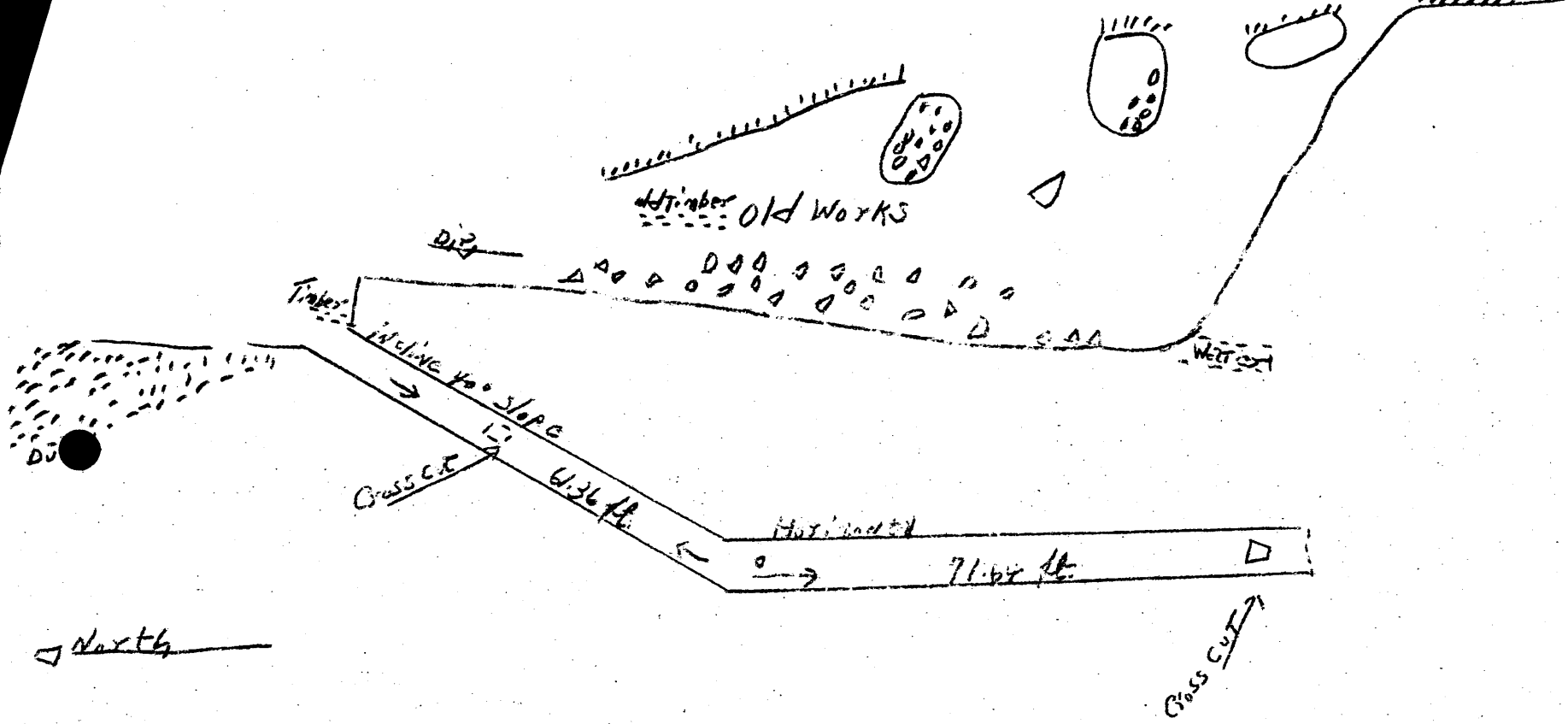
B. GT/ lc



S. W. Presnell Mine
Underground Section

Scale 1-20

Plan



S. W. Presnell Mine

Longitudinal section of the East Wall

Scale 1-20

January 25, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 2 - Docket No. DMEA-2790 - Mica
S. W. Presnell Mica Mines
S. W. Presnell Mine
Yancey County, North Carolina
Contract No. Idm-E512

The purpose of this amendment is to extend the completion date from November 23, 1953, to February 23, 1954. This amendment is necessary due to slow progress of the work and it is in the Government's interest to complete the project.

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

/S/
W. C. Anderson
Nonmetallic Minerals Division

WCAnderson:ag 1/25/54

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

[redacted]MF-104 (Rev.)
(April 1952)

Mr. Anderson

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

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

176

ON VOUCHER & SCHEDULE
MENTS K- 39

OPERATOR'S MONTHLY REPORT AND VOUCHER

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 18 1954

Month of December, 195 3 Docket No. DMEA 2790 Contract No. [redacted] 312
Operator's Name D. G. Thomas, Mark Hall, Charlie Hall Minerals Mica
Address Spruce Pine, North Carolina
Contract Amount, $ 11,200.00 Government Participation: 90 % Amount, $ 10,080.00

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	$28.00	840.00	868.00			
Bulldozing		600.00	600.00			
Crosscutting		750.00	750.00			
Drifting	297.50	2,857.40	3,154.90			
Shafting		3,374.80	3,374.80			
(2) Labor and Supervision:						
Labor Roads & Trails		1,500.00	1,500.00			
Supervision		75.00	75.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$325.50	$9,197.20	$9,522.70	325.50	9,197.20	9,522.70

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

Date 12-11-53 *Payee D. G. Thomas, Mark Hall, Charlie Hall

Per D. G. Thomas 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:

$ 292.95

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JAN 13 1954 Vou. No. 176
(See other side)

82.47

32.55

C - 12/4/53

(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-E512 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.D.I. Date Dec. 12, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. M. Beck Title ACTING EXECUTIVE OFFICER DMEA REGION VII Date JAN 6 1954

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-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 18 1954

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 195 3 Docket No. DMEA 2790 Contract No. Idm-S 512
Operator's Name B. G. Thomas, Mark Hall, Charlie Hall Minerals Mica
Address Spruce Pine, 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	Ft.	$297.50	8.50	$3,154.90	90.14	$35.00	130	$35.00
Crosscutting	Hr.			600.00	.50	12.00	50	12.00
Raising								
Shafts	Ft.			3,374.80	61.36	55.00	61.36	55.00
~~Winzes~~ Open Cut	Ft.			750.00	30	25.00	30	25.00
Drilling: ~~Core~~								
Churn	Ft.	28.00	28	68.00	68	1.00	300	1.00
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Ft.			1,500.00	25.00	.60	25.00	.60
Supervision	Hr.			75.00	.50	1.50	.50	1.50
TOTAL DISTRIBUTED COSTS		325.50		9,522.70				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$325.50		$9,522.70				

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 12-11-53 Operator B. G. Thomas, Mark Hall, Charlie Hall

Per B. G. Thomas 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
JAN 18 1954

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of December 1953

DMEA No. 2790

Work Accomplished:

We have drifted 8.5 feet and drilled 28 feet of test holes.

Daily Notes:

December 1 - 4. Mucked and drilled each day.

December 5. Drilled 28 feet of test holes.

JAN - 2 1954

600

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

Subject: Docket No. DMEA-2790 - Mica
J. W. Presnell Mica Miners
J. W. Presnell Mine
Yancey County, North Carolina
Contract No. Idm-3512

Dear Mr. Laurence:

Reference is made to your memorandum to the Operating Committee dated December 11, 1953 and the Interim Report dated December 4, 1953, requesting permission to terminate the subject contract by mutual agreement.

You may terminate the subject contract by mutual agreement using the regular forms and making the usual distribution of copies.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved

J. H. Hedges
Member, Bureau of Mines

D. M. Larrabee
Member, Geological Survey

LGHouk:gad 1/5/54
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. 600

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

Subject: Docket No. DMEA-2790 - Mica
S. W. Prosnell Mica Miners
S. W. Prosnell Mine
Yancey County, North Carolina
Contract No. Idm-E512

Dear Mr. Laurence:

Reference is made to your memorandum to the Operating Committee dated December 11, 1953 and the Interim Report dated December 4, 1953, requesting permission to terminate the subject contract by mutual agreement.

You may terminate the subject contract by mutual agreement using the regular forms ~~if it is probable that no production will be made from the subject mine. If there is doubt as to production possibilities, you may use the enclosed forms which gives the Government the right to royalty on all production without certification. Six copies of mutual termination agreement, with royalty repayment clause and signed by the Administrator are enclosed for the Operator's signature if you deem this procedure advisable.~~

making the regular usual distribution of copies

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

R. M. Landaker
Member, Geological Survey

Enclosures 6

January 5, 1954

Mr. Robert E. Lawrence
Acquisition Officer
RFC Field Area, Region VII
U. S. Post Office Building
Knoxville, Tennessee

Docket No. [illegible] (Pilot)
U. S. Arsenal #1 & Pinero
U. S. Arsenal Mine
Yancey County, N.
Contract [illegible]

Docket No. [illegible] (Miss)
Course Pass Inter
Liberty Mine
Randolph County, Ala.
Contract [illegible]

Dear Mr. Lawrence:

Reference is made to letters of the Operating Committee of this date in which it is indicated that termination of the subject contracts may be made on what is referred to as "the regular mutual termination agreement." This termination-agreement form is attached to each letter reference and is entitled "Termination of Exploration Project Contract by Agreement after Commencement but before Completion of the Work."

The form referred to was devised before multi-year contracts were in use, and requires some modification when such a contract is the subject of the termination agreement. Inasmuch as both of the subject contracts are of the multi-year variety, you should make the following changes in the "regular form" termination agreement:

1. Replace the second paragraph, which starts with the words: "Any work prosecuted or costs incurred . . ." with the following paragraph:

> "The operator shall promptly render to the Government a full and final report and final accounting of units of work performed under the contract to and including the date first above written. Any units of work performed after the date first above written shall be for the sole account of the operator, without contribution by the Government."

Mr. Hook

2. In the case of Boerne Associates, which it is my understanding probably will be certified, add the following paragraph:

> "None of the Government's rights under the contract with respect to a percentage royalty and lien for the payment thereof are prejudiced or in any way affected by this termination agreement."

I am taking this action to save time, in that the letters of the Operating Committee to you are already signed, and if I advised you through the Operating Committee it would take several days to get the letters signed over again.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

JLHofflund:ep

Copy to: Docket
Admr. Reading File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 OSA Bldg.
Mr. Houk
Mr. Hofflund
Chron.

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

C
O
P
Y

December 15, 1953

Mr. B. G. Thomas

Spruce Pine, N. C.

Re: DMEA-2790, Idm-E 512 (mica)
S. W. Presnell Mica Miners

Dear Mr. Thomas:

Your December Voucher, marked "final" has been received.

We have requested, but not yet received, authorization to terminate the Presnell contract as of December 6. Until this authorization is received, we will hold the final voucher. As soon as we receive it, forms for termination by mutual agreement will be sent to you for signature. I must emphasize that, until we receive such authorization to terminate, the contract is considered to be active.

Yours very truly,

Robert A. Laurence
Executive Officer
DMEA, Region VII

C
O
P
Y

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

Room 13, Post Office Bldg.
Knoxville 2, Tenn.

December 11, 1953

Memorandum

To: Operating Committee, DMEA- Washington

From: Executive Officer, DMEA - Region 7

Subject: Completion dates: DMEA-2733 and DMEA-2790

Reference is made to your letter of December 4.

DMEA-2733, Idm-E 526 (Balsam Mica Miners) was completed long before the expiration date, but we have been unable to get a final voucher and final report from the Operator.

DMEA-2790 Idm-E 512 (Presnell Mica Miners). Amendment sent to Operator on November 23 for signature; has not yet been returned. Letter is being written to Operator today asking for return of signed copies.

/s/ Robert A. Laurence

C
O
P
Y

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

December 11, 1953

Memorandum

To: Chairman, Operating Committee, DMEA, Washington

From: Field Team, Region VII

Subject: DMEA-2790, Idm-E512 (mica)
S. W. Presnell Mica Miners, Yancey County, N. C.
Request for authorization to terminate

Please refer to Interim Report dated December 4, 1953, recently mailed to your office.

It appears obvious that further work will not be justified, and we agree with the field examiners' conclusions.

Therefore, we request authorization to terminate this contract by mutual agreement with the Operator.

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

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

C
O
P
Y

December 11, 1953

Mr. B. G. Thomas

Spruce Pine, North Carolina

Re: DMEA-2790, Idm-E512 (mica)
S. W. Presnell Mica Miners

Dear Mr. Thomas:

On November 23, Mr. Beck sent you six copies of Amendment No. 2 to the subject exploration contract extending the completion date 90 days, to be signed and returned to this office. We have not yet received it.

Will you please give this your immediate attention? All three partners in the company should sign all six copies, and the original and four copies should be returned to me.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA Region VII

Mr. Anderson

INTERIM REPORT

DMEA-2790 Idm-5512 (mica) S. M. PRESNELL MINE

OPERATOR: S. M. Presnell Mica Miners, c/o B. G. Thomas, Spruce Pine, North Carolina.

LOCATION: On the south side of the head of Bowlens Creek about 6.5 miles southeast of Burnsville, Yancey County, N. C.

It is suggested that no additional work be authorized at this mine and that permission be given to terminate the contract. An incline was sunk for a distance of 61.36 feet to the south, at which point the incline was leveled off and an additional 71.64 feet of drift or crosscut was driven to the south without intercepting pegmatite material. An 18.5 foot lateral was driven from this drift at a point 7 feet from the face which trends S 80° E. A 9 foot horizontal test hole was drilled in this face; no pegmatite was encountered. A 15 ft. test hole was drilled in the ~~east~~ west wall of the main drift at 84.64 feet which did not pick up pegmatite. Apparently this pegmatite does not extend downward to the level from which the work was conducted. Work accomplished places the position of the present face far beyond the extent of the old workings to the south as observed on the surface.

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

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

December 4, 1953

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

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 34

145

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

Month of November, 195 3 Docket No. DMEA 2790 Contract No. Idm- E 512
Operator's Name B. G. Thomas, Mark Hall & Charlie Hall Minerals Mica
Address Spruce Pine, N. C.
Contract Amount, $11,200.00 Government Participation: 90% Amount, $10,080.00

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		40.00	40.00			
Bulldozing		600.00	600.00			
~~xxxxxxx~~ Open Cut		750.00	750.00			
Drifting	735.00	2122.40	2857.40			
Shafting		3374.80	3374.80			
(2) Labor and Supervision:						
~~xxxx~~ Roads & Trails		1500.00	1500.00			
Supervision		75.00	75.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$ 735.00	$ 8462.20	$ 9197.20	735.00	8462.20	9197.20

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

Date 12-1-53 *Payee B. G. Thomas, Mark Hall & Charlie Hall

Per B. G. Thomas 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:

$ 661.50

Signature Cora A. Piper
(Authorized Certifying Officer)

Date DEC 9 1953 Vou. No. 145

(See other side)

73.56

7

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idn-E512 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Dec. 4, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1953 Docket No. DMEA 2790 Contract No. Idm- E 512
Operator's Name B. G. Thomas, Mark Hall & Charlie Hall Minerals Mica
Address Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting	Ft.	735.00	21	2857.40	81.64	35.00	130	35.00
~~Crosscutting~~ Bulldozing	Hr.			600.00	50	12.00	50	12.00
Raising								
Shafts	Ft.			3374.80	61.36	55.00	61.36	55.00
~~Winze~~ Open Cut	Ft.			750.00	30	25.00	30	25.00
Drilling: Core	Ft.			40.00	40	1.00	300	1.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Ft.			1500.00	2500	.60	2500	.60
Supervision	Hr.			75.00	50	1.50	50	1.50
TOTAL DISTRIBUTED COSTS		735.00		9197.20				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$735.00		$9197.20				

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 12-1-53 Operator B. G. Thomas, Mark Hall & Charlie Hall

Per B. G. Thomas 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

DMEA No. 2790

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of November, 1953

Work Accomplished

We have drifted 21 feet for the month of November.

Daily Notes

November 2 - 6	Mucked each morning and did some more drifting.
November 9 - 13	Mucked each morning and did some more drifting.
November 16 - 20	Mucked each morning and did some more drifting.
November 23 - 25	Mucked each morning and did some more drifting.
November 27 & 30	Mucked and did more drifting.

600

DEC 4 1953

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

Dear Mr. Laurence:

We wish to call your attention to the following dockets, the completion dates of which may require extension by amendment:

Docket	Contract	Completion date
DMEA-2733	Idm-E526	November 21, 1953
DMEA-2790	Idm-E512	November 23, 1953

Where this will be necessary and you approve, will you please furnish us copies of such amendment.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

D. M. Larrabee

Member, Geological Survey

WCAnderson:ag 12/2/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232, GSA Bldg.
Mr. Houk

INTERIM REPORT

IMEA-2790 Idm-2512 (mica) S. W. PRESNELL MINE

OPERATOR: S. W. Presnell Mica Miners, c/o B. G. Thomas, Spruce Pine, North Carolina.

LOCATION: On the south side of the head of Bowlens Creek about 6.5 miles southeast of Burnsville, Yancey County, N. C.

Crosscutting continues on this contract and is now at 55 feet from the incline bottom. Most of the material encountered continues to be hard biotite gneiss. Present face shows quartz stringers cutting the gneiss, but no definite pegmatite material. The operator was advised to drill test holes in both walls before pulling another heading.

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

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

November 20, 1953

Mr. Anderson

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

Budget Bureau No. 42-R1036.4
Approval expires 6-30-53.

126

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

AID OF DEFENSE MINERALS ADMINISTRATION OF THE INTERIOR
RECEIVED NOV 12 1953
DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED NOV 12 1953
VOUCHER & SCHEDULE
28

Month of October, 1953 Docket No. DMEA 2790 Contract No. Idm-E 512
Operator's Name B. G. Thomas, Mark Hall & Charlie Hall Minerals Mica
Address Spruce Pine, N. C.
Contract Amount, $ 11,200.00 Government Participation: 90 % Amount, $ 10,080.00

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	20.00	20.00	40.00			
Bulldozing		600.00	600.00			
~~Construction~~ Open Cut		750.00	750.00			
Drifting	700.00	1422.40	2122.40			
Shafting		3374.80	3374.80			
(2) Labor and Supervision:						
~~Intax~~ Roads & Trails		1500.00	1500.00			
Supervision		75.00	75.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$720.00	$7742.20	$8462.20	720.00	7,742.20	8,462.20

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

Date 11-4-53 *Payee B. G. Thomas, Mark Hall & Charlie Hall

Per B.G. Thomas 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:

$ 648.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date NOV 12 1953 Vou. No. 126
(See other side)

6

72.00

(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. Tdm-E572 in accordance with the terms of the contract.

Signature Lawrence C. Shirley Title Mining Engr. U.S.B.M. Date Nov. 6, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date NOV 9 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 16 1953

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of October 1953 Docket No. DMEA 2790 Contract No. Idm-E 512
Operator's Name B. G. Thomas, Mark Hall, & Charlie Hall Minerals Mica
Address Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	700.00	20	2122.40	60.64	35.00	130	35.00
~~Xxxxxxxxg~~ Bulldozing	Hr.			600.00	50	12.00	50	12.00
Raising								
Shafts	Ft.			3374.80	61.36	55.00	61.36	55.00
~~Xxxxx~~ Open Cut	Ft.			750.00	30	25.00	30	25.00
Drilling: ~~Core~~	Ft.	20.00	20	40.00	40	1.00	300	1.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Ft.			1500.00	2500	.60	2500	.60
Supervision	Hr.			75.00	50	1.50	50	1.50
TOTAL DISTRIBUTED COSTS		$720.00		$8462.20				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$720.00		$8462.20				

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

Date 11-4-53 Operator B. G. Thomas, Mark Hall & Charlie Hall

Per B. G. Thomas 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

DEPARTMENT OF THE INTERIOR
Territorial Administration
RECEIVED
NOV 1 5 1953

DMEA No. 2790

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of October, 1953

Work Accomplished

We have drifted 20 feet for this month. We have advanced 20 feet of drilling for the month of Ocotber.

Daily Notes

October 1 - 9 Mucked each morning and did more drifting.

October 12 -16 Mucked each morning and did more drifting and did some drilling.

October 19 -23 Mucked each morning and did more drifting and did some drilling.

October 26 - 30 Mucked each morning and did more drifting and did more drilling.

Mr. Gandy

INTERIM REPORT

DMRA-2790 Idm-E512 (mica) S. W. PRESNELL MINE

OPERATOR: S. W. Presnell Mica Miners, c/o B. G. Thomas, Spruce Pine, North Carolina.

LOCATION: On the south side of the head of Bowlens Creek about 6.5 miles southeast of Burnsville, Yancey County, N. C.

Crosscutting continues and is now at 46.5 feet. Test holes that have been drilled to date at intervals as crosscutting advanced from the inclined bottom are as follows: 15 ft. horizontal holes on the left wall at 13 ft. and 39 ft., one 10 ft. hole in the right wall at 34 ft. and one 4 ft. vertical hole in the roof at 36 ft. No pegmatite was encountered in any test holes drilled to date. The present face consists of biotite schist and quartz stringers.

Recent progress on this contract has been slow, but it is expected to speed up now that the harvesting season is ending and all labor is returning to the job.

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

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

October 12, 1953

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

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

109

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of September, 1953 Docket No. DMEA 3780 Contract No. Idm-k 512

Operator's Name B. G. Thomas, Mark Hall & Charlie Hall Minerals Mica

Address Spruce Pine, N. C.

Contract Amount, $ 11,200.00 Government Participation: 80% Amount, $ 10,000.00

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		20.00	20.00			
Bulldozing		600.00	600.00			
~~Crosscutting~~ Open Cut		750.00	750.00			
Drifting	770.00	652.40	1422.40			
Shafting		3374.80	3374.80			
(2) Labor and Supervision:						
~~Labor~~ Roads & Trails		1500.00	1500.00			
Supervision		75.00	75.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	770.00	6972.20	7742.20	770.00	6972.20	7742.20

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

Date 10-6-53 *Payee B. G. Thomas, Mark Hall & Charlie Hall

Per B. G. Thomas 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:

$ 693.00

Signature Cora A. Piper (Authorized Certifying Officer)

Date OCT 19 1953 Vou. No. 109

(See other side)

77.00

5

(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-E512 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature W. A. Beck ACTING Title EXECUTIVE OFFICER DMEA REGION VII Date OCT 15 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Se tember 195 3 Docket No. DMEA 2720 Contract No. Idm-E 512
Operator's Name B. G. Thomas, Mark Hall & Charlie Hall Minerals Mica
Address Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	770.00	22	1422.20	40.64	35.00	130	35.00
Crosscutting Bulldozing	Hr.			600.00	50	12.00	50	12.0
Raising								
Shafts	Ft.			3374.80	61.36	55.00	61.36	55.00
Winzes Open Cut	Ft.			750.00	30	25.00	30	25.00
Drilling: Core	Ft.			20.00	20	1.00	300	1.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Ft.			1500.00	2500	.60	2500	.60
Supervision	Hrs.			75.00	50	1.50	50	1.50
TOTAL DISTRIBUTED COSTS		$770.00		$7742.20				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$770.00		$7742.20				

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

Date 10-6-53 Operator B. G. Thomas, Mark Hall & Charlie Hall

Per B. G. Thomas 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

DMEA No. 2790

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of September, 1953

Work Accomplished

We have drifted a total of 22 feet for this month.

Daily Notes

September 1 - 11 Mucked each morning and did more drifting.

September 14 - 18 Mucked each morning and did more drifting.

September 21 - 25 Mucked each morning and did more drifting.

September 28 -30 Mucked and did more drifting.

Mrs. Anderson

INTERIM REPORT

MEA-2790 Idm-2512 (mica) S. R. PRESNELL MINE

OPERATOR: S. R. Presnell Mica Miners, c/o R. G. Thomas, Spruce Pine, North Carolina.

LOCATION: On the south side of the head of Howlens Creek about 6.5 miles southeast of Burnsville, Yancey County, N. C.

Crosscutting continues on this contract and is now at 31 feet from the inclined shaft bottom. Present face shows stringers of quartz 6-8" in width and mica schist. No additional test holes have been made, but it was suggested that more test holes be drilled as soon as possible. No change in the target is anticipated and crosscutting will continue in the same direction for the present.

Mr. Robert A. Laurence, Executive Officer of [illegible], Region VII, accompanied the field examiners on this visit to the mine.

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

MAD

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

September 25, 1953

Form MF-304 (Rev.)
(April 1952)

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

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 17

88

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

RECEIVED

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of August, 1953 Docket No. DMEA 2790 Contract No. DMEA-R 1233

Operator's Name B. G. Thomas, Mark Hall & Charlie Hall Minerals Mica

Address Spruce Pine, N. C.

Contract Amount, $ 11,200.00 Government Participation: 90 % Amount, $ 10,080.00

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 Test Holes	20.00	None	20.00			
Bulldozing		600.00	600.00			
Crosscutting Open Cut		750.00	750.00			
Drifting	652.40	None	652.40			
Shafting	514.80	2860.00	3374.80			
(2) Labor and Supervision:						
Labor Roads & Trails		1500.00	1500.00			
Supervision		75.00	75.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS $	1187.20	5785.00	$6972.20	1,187.20	5,785.00	6,972.20

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

Date 9-11-53 *Payee B. G. Thomas, Mark Hall & Charlie Hall

Per B G Thomas 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:

$ 1,068.48

Signature Cora A. Piper
(Authorized Certifying Officer)

Date SEP 28 1953 Vou. No. 88

(See other side)

118.72

4

(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-E512 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date Sept. 14, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Laurence Title EXECUTIVE OFFICER DMEA REGION VII Date SEP 16 1953

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.1
Approval expires 6-30-53.

Defense Minerals Administration
RECEIVED
OCT 2 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 195 3 Docket No. DMEA 2790 Contract No. DMEA-1 512
Operator's Name R. G. Thomas, Mark Hall, Charlie Hall Minerals Mica
Address Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting	Ft.	652.40	18.64	652.40	18.64	35.00	130	35.00
Crosscutting Bulldozing	Hrs.			600.00	50	12.00	50	12.00
Raising								
Shafts	Ft.	514.80	9.36	2374.80	61.36	55.00	61.36	55.00
Winzes Open Cut	Ft.			750.00	30	25.00	30	25.00
Drilling: ~~Core~~ Test Holes	Ft.	20.00	20	20.00	20	1.00	300	1.00
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Ft.			1500.00	2500	.60	2500	.60
Supervision	Hrs.			75.00	50	1.50	50	1.50
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		1187.20		6972.20				

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

Date 9-11-53 Operator R. G. Thomas, Mark Hall & Charlie Hall

Per R. G. Thomas 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
OCT 2 1953

DMEA No. 2790

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of August, 1953

Work Accomplished

We have completed the shafting and began drifting , and drilling. Drifting a total of 18.64 feet for the month and 20 feet of drilling.

Daily Notes

August 3 - 7 Mucked and drilled

August 10 - 14 Mucked and did some drifting.

August 17 - 21 Mucked each morning and did more drifting.

August 25 - 31 Mucked each morning , drifting and drilled.

Mr. Carlson
600

INTERIM REPORT

MLA-2790 Idm-2512 (mica) S. W. FRESNELL MINE

OPERATOR: S. W. Fresnell Mica Miners, c/o B. G. Thomas, Spruce Pine, North Carolina.

LOCATION: On the south side of the head of Bowlens Creek about 6.5 miles southeast of Burnsville, Yancey County, North Carolina.

Crosscutting continues on this contract in the same general direction and heading has been advanced 22.64 ft. from the inclined shaft bottom. Test holes completed in the left wall total 15 feet. Last drill holes in the face picked up quartz and/or feldspar at a point 25 feet from the shaft, but results cannot be obtained until after the next heading is pulled. It was suggested that additional test holes be made as soon as possible. Progress has been impeded recently on this project because workers have been harvesting tobacco.

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

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

September 10, 1953

[illegible]

[illegible] REPORT

[illegible] Mica (mica) [illegible]

[illegible] Roswell [illegible], [illegible] Thomas, Spruce Pine, [illegible]

[illegible] On the south side of the [illegible] of [illegible] Creek about [illegible] miles southeast [illegible] Roswell, Mitchell County, North Carolina.

[illegible] shaft sinking has been completed on this contract and after leveling off, a crosscut is being driven straight ahead. Drill steel in long lengths has been obtained and one 15 ft. test hole has been completed in the [illegible] wall. No pegmatite material has been encountered, but a 3-4 ft. quartz zone was observed in the area of the first test hole. [illegible] crosscut footage totals 77 feet. It was suggested that additional long test holes be drilled as soon as possible in the advancing face, at an angle of 45° in the roof and in hanging and footwalls as advance is made on the crosscut. Material encountered with exception of the quartz, has been biotite schist.

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

August 20, 1953

[illegible]
[illegible]
Received
[illegible]

INTERIM REPORT

LMEA-2790 Idm-2512 (mica) S. N. PRESNELL MINES

OPERATOR: S. N. Presnell Mica Miners, c/o S. G. Thomas, Spruce Pine, North Carolina.

LOCATION: On the south side of the head of Bowlens Creek about 0.5 miles southeast of Burnsville, Yancey County, N. C.

Inclined shaft sinking continues on this contract and is now at 61.3 feet. Present heading is in biotite schist with occasional stringers or pods of granitic material. Sinking has been on a 35° angle, to the west. At 36 feet a small pod was encountered, but this produced no mica. Crosscutting will begin in the near future.

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

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

August 14, 1953

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE
PAYMENTS K-8

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July, 1953 Docket No. DMEA 2790 Contract No. IDM-E 512
Operator's Name B. G. Thomas, Mark Hall, & Charlie Hall Minerals Mica
Address Spruce Pine, N. C.
Contract Amount, $11,200.00 Government Participation: 90 % Amount, $10,080.00

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~~ Shafting	2035.00	825.00	2860.00			
Bulldozing		600.00	600.00			
Crosscutting						
Drifting						
Open Cut		750.00	750.00			
(2) Labor and Supervision:						
Labor						
Supervision		75.00	75.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Roads & Trails		1500.00	1500.00			
(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	2035.00	3750.00	5785.00	2,035.00	3,750.00	5,785.00

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

Date 8-3-53 *Payee B. G. Thomas, Mark Hall & Charlie Hall

Per B G Thomas 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:

$ 1,831.50

Signature Cora A. Piper
(Authorized Certifying Officer)

Date AUG 13 1953 Vou. No. 38

(See other side)

3

203.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E572 in accordance with the terms of the contract.

Signature Lawrence C. Shirley Title Mining Engr. U.S.B.M. Date Aug. 5, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date AUG 6 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 July 195 3 Docket No. DMEA 2790 Contract No. DMI-E 512

Operator's Name B. G. Thomas, Mark Hall, & Charlie Hall Minerals Mica

Address Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
~~Drifting~~ Bulldozing	Hrs.			600.00	50	12.00	50	12.00
Crosscutting								
Raising								
Shafts	Ft	2035.00	37	2860.00	52	55.00	63.36	55.00
~~Winzes~~ Open Cut	Ft.			750.00	30	25.00	30	25.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Ft.			1500.00	2500	.60	2500	.60
Supervision	Hrs.			75.00	50	1.50	50	1.50
TOTAL DISTRIBUTED COSTS		2035.00		5785.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2035.00		5785.00				

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 8-4-53 Operator B. G. Thomas, Mark Hall & Charlie Hall

Per B. G. Thomas 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

DMEA No. 2790

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of July, 1953

Work Accomplished

We have advanced 37 feet of shafting this month.

Daily Notes

July 1 - 3	Drilled advancing 3 feet.
July 6 - 7	Did some shooting and mucking.
July 8 - 9	Drilled advancing 6 feet.
July 10 - 13	Did some shooting and mucking.
July 14 - 16	Drilled advancing 10 feet.
July 17	Did some shooting and mucking.
July 20 - 22	Drilled advancing 9 feet.
July 23 - 24	Did some shooting and mucking.
July 27 - 28	Drilled advancing 6 feet.
July 29	Did some shooting and mucking.
July 30 - 31	Drilled advancing 3 feet.

Bou

[illegible]
[illegible]
Received
AUG 12 1953

[illegible]

[illegible]-2790 [illegible]-1312 (mica) [illegible]

OPERATOR: [illegible] Crosnell Mica Miners, c/o S. G. Thomas, Spruce Pine, N. C.

LOCATION: On the south side of the head of Lowlens Creek about 3.5 miles southeast of Burnsville, Yancey County, N. C.

Inclined shaft sinking continues on this contract and is now at 51.5 feet. No pegmatite material has been encountered in the last 15 ft. of advance which has been in mica schist. It was suggested that the degree of incline be leveled off at or near this footage in an effort to pick up the body.

Progress on this contract has been satisfactory.

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

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

July 31, 1953

SECRETARY OF THE INTERIOR
Bureau of Mines's Publication
RECEIVED
JUL 28 1953

INTERIM REPORT

LMM-2790 Idm-2512 (mica) T. L. MITCHELL, INC

OPERATOR: T. W. Crosnell Mica Miners, c/o T. L. Thomas, Spruce Pine, North Carolina

LOCATION: On the south side of the head of Bowlens Creek about 5.5 miles southeast of Burnsville, Yancey County, N.C.

Inclined shaft sinking is in progress on this contract and is now at 56 feet. Coarse pegmatite material was showing in the heading composed of quartz, feldspar and occasional pieces of ruby mica. Material encountered up to 54 feet was mica schist. Progress on this contract is satisfactory.

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

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

July 17, 1953

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

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

PAID ON VOUCHER AND SCHEDULE
PAYMENTS NOT - K-S

22

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

Month of June, 195 3 Docket No. DMEA 2790 Contract No. DM-E-512
Operator's Name B. G. Thomas, Mark Hall, Charlie Hall Minerals Mica
Address Spruce Pine, N. C.
Contract Amount, $ 11,200.00 Government Participation: 90% Amount, $ 10,080.00

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~~ Shafting	825.00	None	825.00			
Bulldozing		600.00	600.00			
~~Crosscutting~~ Open Cut	750.00	None	750.00			
Drifting						
Roads & Trails		1500.00	1500.00			
(2) Labor and Supervision:						
Labor						
Supervision		75.00	75.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$1575.00	$2175.00	$3750.00	1,575.00	2,175.00	3,750.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 7-17-53 *Payee B. G. Thomas, Mark Hall Charlie Hall
Per B.G. Thomas 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:

$ 1,417.50

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JUL 23 1953 Vou. No. 22
(See other side)

157.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E5/2 in accordance with the terms of the contract.

Signature Lawrence E. Shirley Title Mining Engr. U.S.B.M. Date July 20, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date JUL 22 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 June 1953 Docket No. DMEA 2790 Contract No. IDM-E-512
Operator's Name B. G. Thomas, Mark Hall, Charlie Hall Minerals Mica
Address Spruce Pine, N. C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
~~Drifting~~ Bulldozing	Hrs.			600.00	60	12.00	50	12.00
Crosscutting								
Raising								
Shafts	Ft.	825.00	15	825.00	15	55.00	53.36	55.00
~~Winzes~~ Open Cut	Ft.	750.00	30	750.00	30	25.00	30	25.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Ft.			1500.00	2500	.60	2500	.60
Supervision	Hrs.			75.00	50	1.50	50	1.50
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		$1575.00		$3750.00				

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 7-17-53 Operator B. G. Thomas, Mark Hall, Charlie Hall

Per B. G. Thomas 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

DMEA No. 2790

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of June, 1953

Work Accomplished

We have moved in machinery and set it up. In the open cut we have advanced 30 feet this month. We have advanced 15 feet in the incline shaft.

Daily Notes

June 1 - 5	Brought in machinery and set it up.
June 8 -10	Drilled advancing 16 feet in open cut.
June 11-12	Did some shooting and mucking.
June 13-15	Drilled advancing 14 feet in open cut.
June 18-20	Put in loft.
June 22-23	Drilled advancing 7 feet in the incline shaft.
June 24	Did some more shooting and mucking.
June 25-26	Drilled advancing 8 feet.
June 29-30	Drilled advancing 2 feet and did some more mucking.

INTERIM REPORT

[illegible]-2790 Ib.-2512 (mica) S. C. [illegible]

OPERATOR: R. W. Fremell Mica Mines, c/o B. L. Thomas, Spruce Pine, North Carolina.

LOCATION: On the south side of the head of Bowlens Creek about 0.5 miles southeast of Burnsville, Yancey County, N. C.

The preparation of a shaft site by removal of approximately 30 feet of weathered country rock and pegmatite material has been completed. A loftin has been erected over the incline entrance and has been lowered satisfactorily to insure safe conditions. Inclined shaft sinking has begun and is now at 4 feet. Timbers will be used where needed during sinking. It was suggested that certain sections of the loftin be extended and that both vertical sides of the open cut be scaled to prevent loose rock falls.

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

A. L. Teague, Geologist
U. S. Geological Survey

June 29, 1953

2790

INTERIM REPORT

IdRA-2790 Idm-2512 (mica) S. W. FRESNELL MINE

FRESNELL

OPERATOR: S. W. Fresnell Mica Miners, c/o B. G. Thomas, Spruce Pine, North Carolina

LOCATION: On the south side of the head of Bowlens Creek about 6.5 miles southeast of Burnsville, Yancey County, N. C.

Further preparation of a shaft site, in addition to bulldozing, by benching and shooting an open cut to proposed site is almost completed. As soon as removal of muck is completed the site will be ready to begin sinking a 40° incline on the pegmatite body. Benching was necessary for 29 feet and was carried to the point where vein material was exposed.

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

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

June 18, 1953

July 6, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Review of Amendment No. 1 - Docket No. DMRA-2790 - Mica
S. W. Presnell Mica Miners
S. W. Presnell Mine
Yancey County, North Carolina
Contract No. Idm-E512

Purpose: To provide for a trench 15 feet deep in lieu of 14 feet of shaft sinking.

Justification: The proposed change will provide additional surface exploration and the shaft will be collared in better ground. The maximum depth explored will be slightly greater at no additional cost.

Recommendation: The Nonmetallic Minerals Division concurs with the Field Team and recommends approval of the attached amendment which has been prepared to conform to the recommendations in the memorandum submitted by the Field Team on June 24, 1953.

SIGNED

Stanley A. Feitler
Nonmetallic Minerals Division

SAFeitler:gad 7/6/53
Copy to: Admr. R. File
Docket File
Mr. Houk

600

JUL 1 0 1953

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

Subject: Docket No. DMA -2790 - Mica
S. W. Presnell Mica Miners
S. W. Presnell Mine
Yancey County, North Carolina
Contract No. Icm-8512

Dear Mr. Laurence:

Please find herewith the original and five copies of Amendment No. 1 to the subject contract which have been signed by the Administrator.

If the amendment meets with your approval, present it to the Operator for its approval and signature. If any part of this amendment does not have either your approval or that of the Operator, the original and all copies are to be returned to this office together with the proposed changes for consideration.

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

Enclosures 6

SAFeitler:dec 7/8/53
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.

June 24, 1953

Memorandum

To: Operating Committee, D M E A - Washington

From: DMEA Field Team, Region VII

Subject: Recommended Amendment to Contract No. DMEA-2790, Idm-E512 (mica)
S. W. Presnell Mica Miners, Yancey County, N. C.

During an inspection of the subject contract on June 19 by the Field Examiners, K. H. Teague, and L. E. Shirley, it was observed that after completion of the preparation for the shaft site as set up in the contract, unweathered pegmatite was exposed approximately 30 feet further north and 15 feet lower in elevation than the west portal. In order to explore this portion of the pegmatite and to secure safe unweathered rock for the inclined shaft collar, it is recommended that the contract be amended to allow for making a 30-foot open cut approximately 10 feet in width at the bottom. Money for this item may be taken from the money allotted for shaft sinking.

This change will not alter the depth to be reached by the incline, as the reduction in footage of the incline will be gained by the open cut and no change in the total amount of the contract will be needed.

It is suggested that the "Estimated Costs of the Project" Agreed Unit Costs in Exhibit "A" be revised to read as follows:

Construct access road-2500 feet @ .60¢ per foot	$1,500.00
Excavate 30 feet open cut @ $25/ft.	750.00
Sink shaft 61.36+ feet @ $55/ft.	3,375.00
Drift and crosscut 130 ft. @ $55.00/ft.	4,550.00
Drill long jack hammer holes 300 feet @ $1/ft.	300.00
Total Agreed Unit Costs.....	$10,475.00

The field team is in accord with the above recommended changes.

$35.00

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

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

WAB/sm

INTERIM REPORT

DMEA-2790 Idm-2512 (mica) S. W. PRESNELL MINE

OPERATION: S. W. Presnell Mica Miners, c/o B. G. Thomas, Spruce Pine, North Carolina

LOCATION: On the south side of the head of Bowlens Creek about 3.5 miles southeast of Burnsville, Yancey County, N. C.

Road construction to the mine site began on May 13, 1953 and required footage in excess of that allowable under contract. This construction has been completed satisfactorily and required approximately 180 hours of machine work and 50 hours of supervision.

Preparation of the mine site by bulldozing has also been completed, but additional work will be necessary before shafting can begin. Equipment for drilling and shooting will be moved in shortly for benching to the proposed shaft location.

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

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

June 1, 1953

Noted 6/18/53 SF

Form MF-194 (Rev.)
(April 1952)

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER AND SCHEDULE OF PAYMENTS NOR - 63

170

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of May, 1953 Docket No. DMEA 2790 Contract No. IDM-E-512
Operator's Name B. G. Thomas, Mark Hall, Charlie Hall Minerals Mica
Address Spruce Pine, N. C.
Contract Amount, $11,200.00 Government Participation: 90 % Amount, $ 10,080.00

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	600.00	None	600.00			
Crosscutting						
Drifting						
Roads & Trails	1500.00	None	1500.00			
(2) Labor and Supervision:						
Labor						
Supervision	75.00	None	75.00			
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$2175.00		$2175.00	2,175.00		2,175.00

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

Date 6-3-53 *Payee B. G. Thomas, Mark Hall, Charlie Hall

Per B. G. Thomas 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:

$ 1,957.50

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JUN 9 1953 Vou. No. 170
(See other side)

217.50

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. Idm-E512 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER 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 2790 Contract No. IDM-E-512
Operator's Name B. G. Thomas, Mark Hall, Charlie Hall Minerals Mica
Address Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Bulldozing	Hr.	600.00	50	600.00	50	12.00		
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails	Ft.	1500.00	2500	1500.00	2500	.60		
Supervision	Hr.	75.00	50	75.00	50	1.50		
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$2175.00		$2175.00				

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 6-3-53 Operator B. G. Thomas, Mark Hall, Charlie Hall

Per B. G. Thomas 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

DMEA No. 2790

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of May, 1953

Work Accomplished

We have bulldozed to mine and are now ready to go to work in the mine.

Daily Notes

May 13.	Started into the S. W. Presnell Mine with bulldozing, encountering some difficulty in getting across the creek.
May 14-20	Satisfactory progress on the road was made on these dates.
May 21	Progress was slowed down bulldozing in rock.
May 22-23	Satisfactory progress was made and no major difficulty was encountered.
May 25	Encountered a rock ledge.
May 26.	Satisfactory progress was made and we reached the mine site.
May 27	Began bulldozing of the dump at the mine site and satisfactory progress was made.
May 28-29	Large bolders of rock was encountered and slowed down our progress.
May 30	Mine dump was moved and the overburnden was moved in preparation for the mine site.

UNITED STATES
DEPARTMENT OF THE INTERIOR
~~DEFENSE MINERALS ADMINISTRATION~~
~~WASHINGTON, 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 R. Miller

600

APR 23 1953

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

Subject: Docket No. DMEA-2790 - Mica
S. W. Presnell Mica Miners
S. W. Presnell 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 the Government with register number and effective date as shown.

If the contract meets with your approval, insert the starting time and time for completion in Article 3 of the contract and present it to the Operator for approval and signature by each of the partners. If any part of this contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, the the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

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

Please point out to the partners before they execute the contract that each is personally responsible for royalty payments in the event a certification is issued.

Sincerely yours,

George B. Selfridge

Chairman, Operating Committee

Approved:

J. A. Krug

Member, Bureau of Mines

A. R. Hunkel, Jr.

Member, Geological Survey

Enclosures 6

SAFeitler:gad 3/23/53

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

P. S. The personal guarantee attached to each copy of the Contract should be signed by all of the partners.

April 17, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Waiver of MF-203 - Docket No. DMEA-2790 - Mica
S. W. Presnell Mica Miners
S. W. Presnell Mine
Yancey County, North Carolina

Recommendation: It is recommended that the Administrator accept the Applicants' personal guarantees of royalty payments in lieu of an Owner's Consent to Lien as the data presented below indicates that the resources and reputations of the individuals are adequate.

Data and conclusions:

The Applicants, B. G. Thomas, Mark Hall, and Charlie Hall, are unable to obtain an Owner's Consent to Lien from the lessors. B. G. Thomas, Manager of the partnership, has requested that the Owner's Consent to Lien be waived. The partners are willing to give personal guarantees of repayment to the Government and have submitted the attached financial statements. The stated net worth of each partner is as follows:

W. M. Hall	$14,000.00
B. G. Thomas	27,149.00
Charlie Hall	10,000.00
Total	$51,149.00

The field report by Kefton Teague of the USGS states, "As no 'Owner's Consent to Lien' can be obtained, the credit reputation of the applicants was investigated. All enjoy an excellent credit rating in the Spruce Pine - Burnsville Area." (North Carolina)

The estimated total cost of the proposed project is $11,200.00 and Government participation, at 90%, is $10,080.00. Their aggregate networth, $51,149.00 as

stated by the Applicants, together with the favorable report of the field examiner, indicate that the Administrator would be justified in accepting personal guarantees in lieu of an Owner's Consent to Lien.

The Legal Division will make the necessary alteration in the contract and attach a personal guaranty to each copy after the Administrator has approved the waiver.

Stanley A. Feitler
Nonmetallic Minerals Division

SAFeitler:gd 4/17/53

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

UNITED STATES
DEPARTMENT OF THE INTERIOR 140
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

March 18, 1953

Memorandum

To: Administrator

Through: Mr. Houk

From: Chief Counsel

Subject: S. W. Fresnell Mica Miners - Docket No. DMEA-2790

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. If the Owner's Consent to Lien is unobtainable, it may be waived if you are furnished with satisfactory proof of the financial ability of the operator or a guaranty is signed by a responsible third party.

J. L. Hofflund

J. L. Hofflund
Chief Counsel

Attachment

cc: Mails & Files
L. G. Houk
A. E. Kane
J. L. Hofflund
Chron.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 10 1953

February 9, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2790, Mica, S. W. Presnell Mine,
Yancey County, North Carolina

I concur in the field team's recommendation for an exploration program in the amount of $10,100.00.

Signed

W. F. Dietrich

IN REPLY REFER TO:
G-MD-CNM

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

February 5, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2790 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: J. J. Norton, U. S. Geological Survey
Applicant: S. W. Presnell Mica Miners, c/o B. G. Thomas, Spruce Pine, North Carolina.
Name of property: S. W. Presnell (Presley).
Location of property: 6.5 miles southeast of Burnsville, Yancey County, North Carolina.
Date of field team report: January 15, 1953.
Authorship of field team report: K. H. Teague.
Field team's recommendation:

1. Access road connecting with road to Balsam mine (DMEA-2733).
2. 75-foot incline.
3. 80 feet of drifts.
4. 300 feet of 15-foot jackhammer holes in foot and hanging wall.

ACTION SUGGESTED:
Follow field team's recommendation.

J. J. Norton

Norton:jeh
G-2/5/53
cc: Director's reading 4212
Branch " "
DMEA ✓
Norton G-230

MEF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 1/23/53

REFERRED TO:

1. ~~Operating Committee~~
2. ~~Miss Lanahan, Rm. 4538~~
3. Mr. Leder 600: Rm. 4637
4. Mr. Feitler

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: ~~Field Examination Report. For Agenda 1/26/53.~~

No owners consent

Check (X) before the items needing attention.

George C. Selfridge

(GCS) *Initials of sender.*

GPO 16—63815-1

Room 13, Post Office Bldg.
Knoxville 2, Tenn.

COPY

January 20, 1953

Memorandum

To: Operating Committee, D M E A - Washington

From: Field Team, D M E A - Region 7

Subject: Field Examination Report, D M E A - 2790 (mica). S. W. Presnell Mica Miners, c/o B. G. Thomas, Applicant. S. W. Presnell Mine, Yancey County, N. C.

Transmitted herewith are 4 copies of the field examination report on the above subject mine. The Field Team concurs in these recommendations.

The center of the leased area as referred to in the lease as "center of the opening of said mine" refers to the west portal.

Also attached are 6 extra copies of a sketch of the mine for your use.

/s/ Robert A. Laurence, Executive Officer
DMEA Field Team, Region 7

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

Reviewed by
DMEA OPERATING COMMITTEE

1-26-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DMEA-2790, S. W. PRESNELL MINE
(Mica)
Yancey County, North Carolina

By

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

January 15, 1953

Reviewed by
DMEA OPERATING COMMITTEE
1-26-53
(date)

Field Examination Report
on

S. W. PRESNELL MINE
IMEA-2790,(Mica).
Applicant: S. W. Presnell Mica Miners, c/o B. G. Thomas
Spruce Pine, North Carolina

The S. W. Presnell or Presley Mica Mine is located on the south side of the head of Bowlens Creek about 6.5 miles southeast of Burnsville, Yancey County, N. C. It is about 2000 feet southwest of the Balsam Mine, IMEA-2733 and 1.3 miles northwest of the Cattail Mine, IMEA-1876X.

This deposit produced considerable mica during the interval 1933-36. Since that date little work has been done. Mica from this deposit is of excellent quality, and dump material indicates that it occurs in association with soda feldspar. Although the old openings are too badly caved to permit examination of the pegmatite in place, information obtainable by a study of dump material suggests that a strong and persistant pegmatite has been mined. Also it would appear that the pegmatite is conformable to the schistosity of the wall rock which further suggests that the pegmatite may be persistant to depth.

The field examiner believes that the deposit offers possibilities for producing strategic mica and that exploration assistance is justified.. It is recommended that an inclined shaft (about 45°) 75 feet deep be sunk on the pegmatite and 80 feet of drifts be driven on the pegmatite. In addition to this work, it is recommended that long drill holes be driven in both the hanging and foot wall from both the incline and drift.

This deposit was examined on January 9, 1953. Mark Hall and S. L. Phillips accompanied the field examiner on the examination which required four hours.

Access to this mine is difficult. There is a foot trail up Bowlens Creek to the mine, but this route is too steep to permit construction of a road. The best access is via the Balsam mine road and a foot trail from that mine to the S. W. Presnell Mine. As the Balsam applicants plan to construct a new route to the Balsam mine, the Presnell mine operators will need to construct about one-half mile of new road from the Balsam mine to the Presnell Mine. As the Presnell and Balsam mines are at about the same level, the road between the two mines will follow more or less a contour. Should a contract be prepared for this project it will be better to delay the start of the operations until spring.

All three of the applicants appear to be competent to conduct the proposed operation.

The applicants hold the deposit by a lease from the heirs of the Ray Estate, Mued to which is recorded in Book 6, P. 224, Yancey County, North Carolina. There is no overlap between this lease and the one covering either the Wray Mine, DMEA-2647, or Balsam Mine DMEA-2733. As no "Owner's Consent to Lien" can be obtained, the credit reputation of the applicants was investigated. All enjoy an excellent credit rating in the Spruce Pine - Burnsville area.

There are no buildings or facilities on the property. Old workings consist of two drifts that connect to an underground stope which is about 80 feet long and extends from the drift levels to top of ground (about 50 feet at the south end).

These openings have exposed a north-south trending pegmatite body which has been worked along the strike about 100 feet. The pegmatite appeats to dip from 45° to 60° west. It appears to be from 3 to 8 feet thick and at the point where cut by the drifts a roll in the footwall increased the thickness to about 12 feet. Distribution of mica in the pegmatite cannot now be determined, but reports suggest that it occurred through the vein. Composition of the pegmatite appears to be uniformly coarse, being composed of plagioclase (albite), smoky quartz, and mica. No zoning is now apparent.

The mica is hard, flat, clear, splits, well and ruby colored. Reports suggest that much large mica was recovered when the mine was active.

This mine was worked during 1933-36 by Stanley E. Presnell who is reported to have sold in excess of $60,000.00 worth of mica when prices were low.

The following recommended program is essentially the same as the applicants.' The field examiner recommends that an access road be constructed from the Balsam mine to the Presnell mine and the site prepared for sinking the incline. Then an incline should be sunk following the pegmatite down the dip for approximately 75 feet. As both the biotite gneiss wall rock and the pegmatite are unweathered, little timber will be required except at the collar. About 80 feet of drifts are recommended from the bottom of the shaft. To test for possible parallel mica pegmatites, 15-foot jackhammer drill holes should be driven in both the hanging and foot wall at about 20-foot intervals from both the incline and the drift.

Estimated Costs:

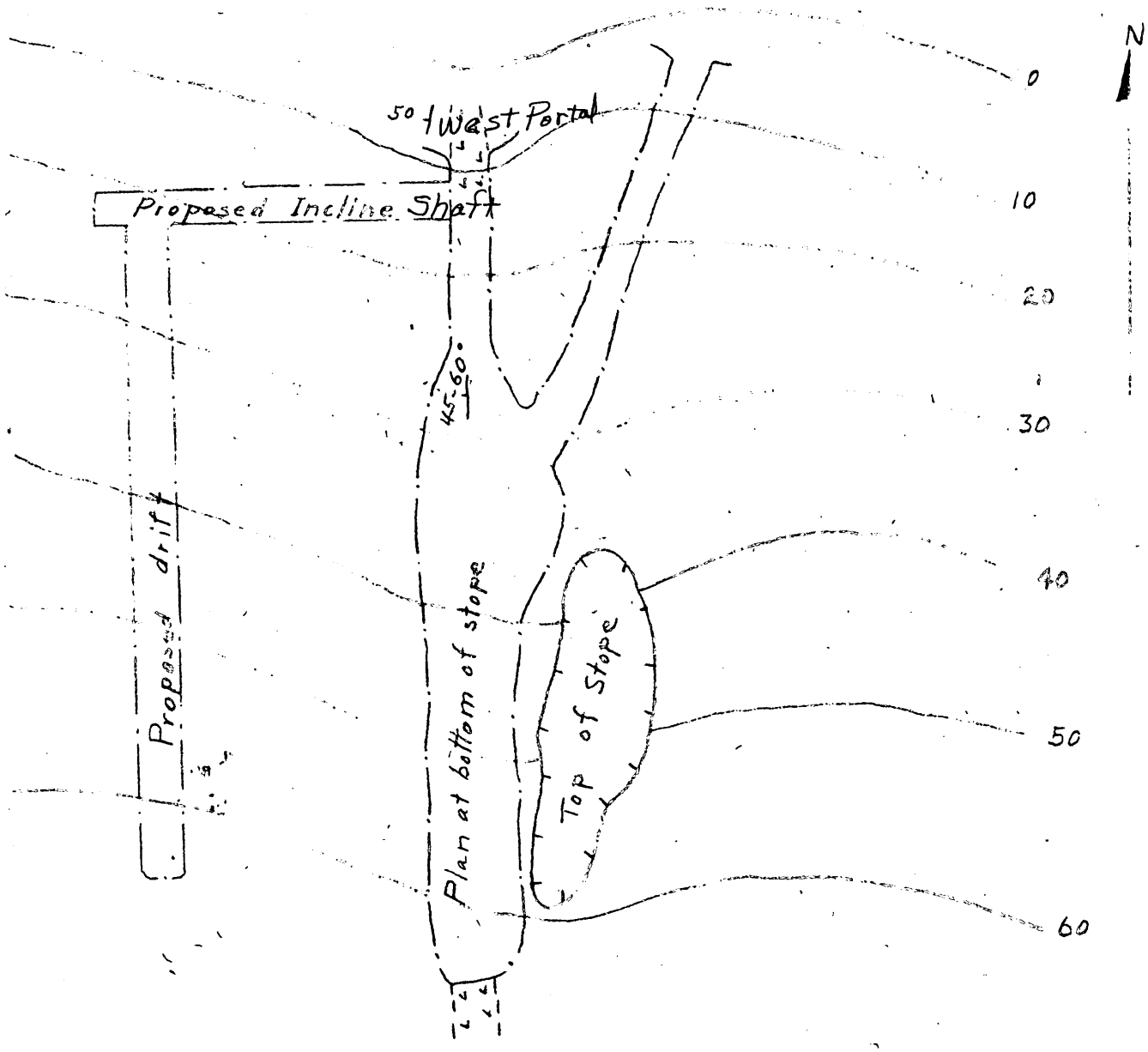
Construction of approximately 2500 ft. of excess road @ $.60 cents per liniar foot	$1500.00
To prepare site for incline	
Bulldozer, 50 hrs. @ $12/hr.	600.00
75 foot incline, 5' x7' @ $60.ft.	4500.00
80-feet of drifts @ $40/ft.	3200.00
300 feet of jackhammer holes drilled @ $1/ft.	300.00
Estimated total cost	$10,100.00

Estimated time required ..130 shifts.

January 15, 1953

Kifton H. Teague, Geologist
USGS.

zm



Sketch of
S. W. Presnell Mine
Yancey Co., N.C.

0 20' 40'
Scale

DMEA - 2790 (Mica)

600

DEC 16 1952

Mr. ... Pressnell ... Subject: ...
c/o ... Manager ... Pressnell Mine
... County, North Carolina

...

... our office ... Pressnell Mine ...

[illegible]

[illegible]

Sincerely yours,

C. O. Mittendorf

... Director

...

Copy ... file
... file
...
...
Mr. ...
...
Mr. ...

600

DEC 16 1952

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

Subject: Docket No. DMEA-2790 - Mica
S. W. Presnell Mica Mineral
S. W. Presnell Mine
Yancey County,
North Carolina

Dear Mr. Laurence:

Reference is made to the application for exploration assistance for strategic mica at the S. W. Presnell Mine in Yancey County, North Carolina.

A field examination is needed to determine whether the property has sufficient merit to warrant assistance by this agency. If favorable, the report should include a definite program with cost estimates.

The application states that the leased property is located within a few hundred feet of the Balsam Mine and the Gray Mine. A determination should be made of the location of the Presnell boundaries with respect to those of the Balsam and the Gray in order to make sure that the boundaries of these properties do not overlap. Please lay to the "center of the opening of said mine" mentioned in the amended lease, with respect to the boundaries of the Gray estate. The book and page number of the recording of the deed to the Gray estate should also be reported.

Since Owner's Consent to Lien is not obtainable, please comment on the local credit reputations of the three partners, B. O. Thomas, Mark Hall and Charlie Hall.

The Spruce Pine Mica Depot has reported that a sample of mica submitted by Mr. Thomas as coming from the Presnell Mine is acceptable for purchase.

Pertinent memorandum from the U. S. Geological Survey and U. S. Bureau of Mines is enclosed.

Sincerely yours,

(signed) FRANK E. JOHNSON

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

Enclosures (2)

LFiedurne:fle 12/10/52

Copy to: Adm. Asst. File
Docket File
Operating Committee (2)
Mr. Dietrich, 3526
Mr. Morton, G-3[illegible] Bldg.
Mr. Fouk

600

DEC 3 1952

S. W. Presnell Mica Miners
C/o Mr. B. G. Thomas, Manager
Spruce Pine, North Carolina

Subject: Docket No. DMEA-2790 - Mica
S. W. Presnell Mica Miners
S. W. Presnell Mine
Yancey County, North Carolina

Dear Mr. Thomas:

Reference is made to your application for exploration assistance at the S. W. Presnell Mine, Yancey County, North Carolina, Docket No. DMEA-2790.

Will you please submit a sample of your mica, preferably at least two inches square and 1/16 inch to 1/8 inch in thickness to the Spruce Pine Purchase Depot for evaluation as to strategic quality and request that the Depot report the results to this office?

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

LFHearne:gad 12/2/52

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