DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Idm-E NO. 495

DMEA NO. 2793

Application
- [ ] Denied
- [ ] Withdrawn

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

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

Folder No. 1:

Left Side

- [x] Royalty Audits
- [x] Certification of Discovery
- [ ] Closing Letter
- [x] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [x] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] Application and attachments

Right Side

- [x] Project summary (final)
- [x] Work Completed analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [x] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

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

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

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty material

17963

December 5, 1962 E. D. Talbert, OMB Auditor

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Washington office pertaining to Contract Idm-2495, Docket DMEA-2793 (mica), dated March 2, 1953, with

Robert O. Burns and Robert Spangler
d/b/a Burns-Spangler Construction Company
600 Peach Street
Shelby, North Carolina

for the purpose of determining the amount of royalty payable to the U. S. Government on sales of minerals from property referred to as the Lee Cornwell Mine located in Cleveland County, North Carolina, during the period January 27, 1956, through November 27, 1962.

A certification of discovery or development was issued on May 20, 1955, and, in accordance with Article 6 of the contract, royalty is payable on all minerals produced from the land described in Article 2 of the contract for a period of 10 years from the date of the contract or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first. A Report of Review dated March 9, 1955, indicated accepted costs under the exploration contract amounting to $5,110.00 with the Government's contribution on a 90 percent basis being $4,599.00.

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

This review established the total sales subject to the Government's royalty for the period to be $136.44. Royalty payable to the Government at the rate specified in the contract is $6.83.

A prior Report of Royalty Review found the sales subject to the Government's royalty through January 26, 1956, to be $270.68, which added to the sales for this subsequent period make a total of $407.12. The royalty account as of January 26, 1956, was:

Total Royalty Payable	$13.52
Total Royalty Paid	13.52
Balance of Royalty Due	$ -0-

As of November 27, 1962, the royalty account of this project was found to be:

Total Royalty Payable	$20.35
Total Royalty Paid	20.35
Balance of Royalty Due	$ -0-

E. D. Talbert

December 5, 1962 — E. D. Talbert, OME Auditor

Idm-8495 Burns-Spangler Construction Company DMEA-2793

STATUS OF PROJECT, SCOPE OF REVIEW AND REASONS THEREFOR

This contract provides that the Operator or its successor in interest shall pay to the Government a percentage royalty on any minerals produced from the land thereunder. The land is an 800' x 500' plot in No. 6 Township about 5 miles northeast of Shelby. At the time the contract was executed the Operator was in possession by virtue of a November 14, 1952, lease granted by Lee and Helen H. Cornwell, Route 5, Shelby, North Carolina. In consideration of the contract the lessors executed an Owner's Consent to Lien on November 17, 1952. The exploration project contract contains the so-called "abandonment" provision.

Exploration work under the contract was completed on November 22, 1954. Production during the exploration period resulted in the sale of 13.34 lbs. of trimmed mica to the G.S.A. Mica Purchase Depot in Spruce Pine, North Carolina. This sale, on which the proceeds were $270.48, is covered by a prior Report of Royalty Review dated February 1, 1956.

The Operator abandoned the property shortly after completion of the exploration work. Semi-annual examinations through June 11, 1958, by a DMEA regional representative found no evidence of further work except for nine days of unproductive operations in early 1958 by Jater Stamey, Arthur Buchanan, and Claude Buchanan. On the basis of these examinations and a Check Sheet of Examining Engineer dated May 7, 1959, a Report of Royalty Review dated May 13, 1959, found no additional royalty due the Government. This finding was in error.

A review during June 1962 of the Mica Purchase Depot records by a representative of this Division disclosed the sale during 1958 of 13.60 lbs. of trimmed mica, for which Ed Burlason, Box 265, Bakersville, North Carolina, received $136.64 in proceeds. Lee Cornwell, the landowner, paid the Government's 5% royalty of $6.83 in September 1962.

In a November 27, 1962, reply to a DMEA Form 63 inquiry Mr. Cornwell advised that neither change in property status nor production from the property had occurred since September 15, 1958.

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

(1) The files indicate that all production from the property since the date of the contract has been accounted for and proper royalty thereon paid; and

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

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Division of Nonmetallic Minerals, Office of Minerals Exploration, Washington, D. C., pertaining to Contract No. Idm-4495, Docket No. DMEA-2793 (Mica), dated March 2, 1953, with

Robert O. Burns and Robert Spangler
d/b/a Burns-Spangler Construction Company
600 Peachtree Street
Shelby, North Carolina

for the purpose of determining the amount of royalty due the U. S. Government on sales of minerals from property referred to as Lee Cornwell Mine located in Cleveland County, North Carolina, during the period January 27, 1956, through May 7, 1959.

A certification of discovery or development was issued on May 20, 1955, and accordingly royalty is payable on all production from the land described in Article 2 of the contract for a maximum period of 10 years from the date of the contract. A Report of Review in lieu of final cost audit dated March 9, 1955, indicated accepted costs under the exploration contract amounting to $5,110.00 with the Government's contribution, on a 90 percent basis, being $4,599.00.

A prior report of royalty review dated February 1, 1956, indicated total sales subject to Government royalty amounting to $270.48 for the period March 2, 1953, through January 26, 1956, and that the royalty due the U. S. Government amounting to $13.52 had been paid. No royalty has been received by the Government applicable to this project since the latter date.

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

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

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

C. E. Fisher

C. E. Fisher, OME Auditor

May 13, 1959

MME Form 22
April 59

DEPARTMENT OF THE INTERIOR
Office of Minerals Exploration

CHECK SHEET OF EXAMINING ENGINEER

Operator's Name Burns & Splanger Construction Co.

Address 600 Peach Street

Shelby, North Carolina

Exploration Contract No. Idm-E495 Docket No. 2793

		Check One Yes	Check One No.
1.	(a) Does the Operator stockpile ore subject to royalty repayment?		✓
	(b) If so, is segregation and identification procedure adequate?		
2.	(a) Does Operator commingle production subject to DMEA or OME royalties with exempt production?		✓
	(b) If so, do you consider the allocation of the commingled production equitable?		
3.	(a) Does the Operator stockpile mine or mill rejects (low grade ore, tailing, middlings, etc.) that may have potential value within the royalty payment period?		✓
	(b) If so, are adequate records maintained on such material to protect the Government's interest?		
4.	Do you consider the assay controls in effect are adequate?	✓	
5.	Do you consider that the manner of disposing of production gives the Government its fair royalty returns?	✓	
6.	Do your periodic examinations of operations indicate the Operator is properly reporting his production of ores subject to DMEA or OME royalties?	✓	
7.	Does the Operator buy from or sell to other Operators?		✓
8.	Comment on any item 2 (b) to 6 if answer is No.		

5/7/59
Date

N. J. Lynch
Mining Engineer

53362

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF ROYALTY REVIEW

I have reviewed the files of the Executive Officer, DMEA Field Team, Region V, Knoxville, Tennessee, pertaining to Contract Idm-2495, Docket No. DMEA-2793, dated March 2, 1953, with

Robert O. Burns and Robert Spangler
d/b/a Burns-Spangler Construction Company
Lawndale, North Carolina

for the purpose of determining the amount of royalties due the United States Government on sales of mica from property referred to as the Lee Cornwell Mine located in Cleveland County, North Carolina, during the period March 2, 1953, to January 26, 1956.

A certification of discovery or development was issued on May 20, 1955, and, in accordance with the contract, royalty is payable on all production from the land described in Article 2 of the contract for a maximum period of 10 years from the date of the contract. A Report of Review in lieu of final cost audit dated March 9, 1955, indicated accepted costs under the exploration contract amounting to $5,110.00 with the Government's contribution, on a 90 percent basis, being $4,599.00.

My review included a verification of the royalty paid in connection with the sale of 15.34 pounds of trimmed mica recovered during the exploration period. In addition, a conference was held with Mr. William A. Beck, Mining Engineer, Knoxville, Tennessee, who is thoroughly familiar with the project.

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

(a) The production involved was incidental to the exploration operations.
(b) The property has been idle since completion of the exploration work.
(c) The administrative cost to the Government of an on-site royalty audit at this time would be excessive in relation to the amount of possible additional royalty which might be disclosed.

The review established the total sales of mica to be $270.48. Royalty due the United States Government at the contract rate of 5 percent is $13.52. The royalty paid and balance due are as follows:

Total Royalty Due	$13.52
Total Royalty Paid	13.52
Balance of Royalty Due	$ -0-

C. E. Fisher, Auditor

February 1, 1956

DOCKET FILE
Surname:
Houk
Anderson
Talbert
Selfridge
Johnson

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

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

To: Robert O. Burns and Robert Spangler
(Partners) d/b/a
Burns-Spangler Construction Company
600 Peach Street
Shelby, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Idm-8495, dated March 2, 1953 (Docket No. DMEA-2793), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

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

A disconformable pegmatite in weathered mica schist and gneiss was exposed by trenching, vertical shaft and drifts. Indicated reserves of mica may be calculated.

THE UNITED STATES OF AMERICA

By C. Mittendorf
Administrator, Defense Minerals
Exploration Administration

Dated MAY 2 0 1955

WCAnderson:ad 5/19/55
Copy to: Mr. Lee Cornwell and wife, Helen B. Cornwell
(attached to field team copies for forwarding)
Mr. Clarence A. Fredell, EPS, GSA
Docket
Admr. R. File
Mr. Chambers
Mr. Johnson
Operating Committee
Finance Office
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Hedges, 3612
Mr. Houk

DOCKET FILE
Surname:
Anderson
Houk
Rutan
Chambers

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

INTERIOR DEPT.
MAY 10 1955
SOLICITOR

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

To: Robert O. Burns and Robert Spangler
(Partners) d/b/a
Burns-Spangler Construction Company
600 Peach Street
Shelby, North Carolina

Pursuant to the provisions of Exploration Project Contract No. Idm-E495, dated March 2, 1953 (Docket No. DMEA-2793), hereinafter called the "contract" between you and the United States of America, hereinafter called the "Government"; to establish and fix the Government's percentage royalty on production and its lien thereon and on the land described in the contract, the Government considers and therefore certifies that discovery or development from which production may be made has resulted from the exploration work.

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

A disconformable pegmatite in weathered mica schist and gneiss was exposed by a vertical shaft and drifts. Indicated reserves of mica may be calculated.

THE UNITED STATES OF AMERICA

By_____
Administrator, Defense Minerals
Exploration Administration

Dated_____

WCAnderson:ad 5/6/55
Copy to: Mr. Lee Cornwell and wife, Helen B. Cornwell
(attached to Field Team copies for forwarding)
Mr. Clarence A. Fredell, EPS, GSA
Docket
Admr. R. File
Mr. Johnson
Mr. Chambers
Operating Committee
Finance Office
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. ~~Dietrich, 3061~~
Mr. Houk

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Robert O. Burns and Robert Spangler
d/b/a Burns-Spangler Construction Company
Lawndale, North Carolina

pertaining to Exploration Project Contract No. Idm-E495, Docket No. DMEA-2793, including Amendment Nos. 1 and 2, for the months of May, 1953, to January, 1955, inclusive, covering a project for the exploration of mica on property, known as the Lee Cornwell Mine, located in Cleveland County, North Carolina.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with representatives of the Field Team, Region V, 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 reason:

all of the costs incurred were under a contract provision for payment by the Government on the basis of agreed estimated costs of units of work actually performed.

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

Total cost as billed by Contractor		$5,110.00
Exceptions:		
By DMEA Finance Officer	$ - 0 -	
Herewith	- 0 -	-0-
Total Accepted Cost		$5,110.00

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

$4,599.00

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

C. E. Fisher

C. E. Fisher, Auditor

March 9, 1955

Docket Copy

3/24/55

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 11 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION
AMENDMENT No. 3
DOCKET DMEA-2793, Idm-E495
BURNS & SPANGLER, Oprs.

Contract Idm-E 495, Docket No. DMEA-2793, dated 2nd day of March, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration and Robert O. Burns and Robert Spangler, d/b/a as Burns & Spangler Company of Lawndale, North Carolina, as amended, is hereby further amended as follows:

1. Article 3 is further amended to read..."...and shall bring the project to completion within a period of twenty-two (22) months from date of the contract, instead of twenty (20) months as written in Amendment No. 2 dated September 1, 1954.

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 pay, nor the amount of any item designated as 'allowable maximum.'

February 2, 1955.

Robert A. Laurence
ROBERT A. LAURENCE
EXECUTIVE OFFICER, DMEA
FIELD TEAM, REGION V.

BURNS & SPANGLER

By Robert O. Burns
Partner

BY Robert E. Spangler
Partner

DOCKET COPY

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Defense Minerals Administration
RECEIVED
OCT - 1 1954

EXPLORATION PROJECT CONTRACT

AMENDMENT No. 2

Contract Idm-X 495, Docket No. DMEA-2793, dated 2nd day of March, 1953 between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration and Robert O. Burns and Robert Spangler, d/b/a as Burns & Spangler Construction Company of Lewisville, North Carolina, as amended, is hereby further amended as follows:

1. Article 3 is amended to read....;" and shall bring the project to completion with a period of twenty (20) months from the date of the contract, instead of eighteen(18) months as stated in Amendment No. 1, dated August 31, 1953."

2. Work which is now recessed, shall be resumed not later than October 11, 1954.

September 1, 1954.

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 pay, nor the amount of any item designated as 'allowable maximum.'

BURNS AND SPANGLER

By: Robert O. Burns
Robert O. Burns (Partner)

By: Robert Spangler
Robert Spangler (Partner)

THE UNITED STATES OF AMERICA

By: Robert A. Lawrence
Executive Officer, DMEA
Region VII

Docket Copy

Parker
3/pm/54

DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT

AMENDMENT NO.1

Exploration Project Contract Idm-E 495, Docket No. DMEA-2793, (mica) Robert O. Burns and Robert Spangler, partners, d/b/a Burns and Spangler Construction Company, Lawndale, North Carolina, dated the 2nd day of March 1953, is hereby amended as follows:

Item 3 is amended to read, " The Operator.....; and shall bring the project to completion within a period of eighteen (18) months from the date of the contract," instead of six (6) months as written in the original contract.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of the cost which the Government may be obligated to pay, under the provisions of Article 4 of the contract form.

August 31, 1953

THE UNITED STATES OF AMERICA

By Robert A. Lawrence
EXECUTIVE OFFICER
DMEA REGION VII

BURNS-SPANGLER CONSTRUCTION CO.

By Robert O. Burns
Partner

By Robert Spangler
Partner

SM

MF-200 (A)
(February 1952)

DOCKET NO. DMEA 2793

COMMODITY Mica

Docket Copy

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

IDM-E 495

EXPLORATION PROJECT CONTRACT[1]

(Short Form)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 8 1953

IT IS AGREED this 2nd day of March, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] Robert O. Burns and Robert Spangler, partners, doing business as Burns-Spangler Construction Company, Lawndale, North Carolina

hereinafter called the "Operator," as follows:

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

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of North Carolina, County of Cleveland, described as follows:[3] as set forth in Annex I

the Operator represents and undertakes:[4]

(*a*) ~~That the Operator is the owner in possession and entitled to possession, and that the property is subject and free to the following liens, encumbrances, and rights of which the subordination agreement and lien holders consent check~~

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

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

ARTICLE 3. *Exploration project.*—The Operator, within 60 days from the date of this contract shall commence work on a project of exploration for[5] Strategic Mica

in or upon the described land; and shall bring the project to completion within a period of six (6) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. 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 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay ninety (90) percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $6,030.00, which is 90 percent of $6,700.00, the agreed, estimated total cost of the project in which the Government will participate. *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or 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. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed 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 units of work performed 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.

[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*) *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 the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, 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 and statement of work performed to accompany his final report.

ARTICLE 6. *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 the 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 7. *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 8. *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.

ARTICLE 9. *Changes and added provisions* .....

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Burns-Spangler Construction Company
(Operator)

By Robert O. Burns

By O. Whittenberg
Administrator, Defense Minerals Exploration Administration

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—66329-1

EXPLORATION PROJECT CONTRACT
BURNS-SPANGLER CONSTRUCTION COMPANY
DOCKET NO. DMEA-2733

ANNEX 1

The land referred to in Article 2 is in No. 6 Township, Cleveland County, North Carolina, about five miles northwest of Shelby, on the east side of N. C. Hwy. No. 20, and was leased to the operator by Lee Cornwell and Helen C. Cornwell, his wife, under lease dated November 14, 1952, and is described as follows:

"Beginning at a point in line of Albert Eskridge at the place it intersects the line of Dan Gold, and runs thence, with the Dan Gold line, a distance of 500 feet; thence South, a line parallel with the Albert Eskridge line, 800 feet; thence in a westerly direction, a line parallel with the first line above, 500 feet to a stake in the line of Albert Eskridge; thence with the Eskridge line, approximately 800 feet to the place of Beginning, on which parcel of land has been dug five (5) holes for the purpose of mining mica."

EXPLORATION PROJECT CONTRACT
BURNS-SPANGLER CONSTRUCTION COMPANY
DOCKET NO. DMEA-2793

EXHIBIT "A"

Description of the Work

The project shall be worked in two stages.

Stage I

Stage I is to consist of cutting a trench 10' x 20' x 150' to strip and expose a mica-pegmatite showing on the property, as indicated on the map attached hereto and made a part hereof and entitled "Lee Cornwall Property, Cleveland Co., N. C. DMEA-2793(Mica)."

Stage II

Stage II is to consist of sinking a 75-foot timbered exploratory (5' x 7') shaft at the site approved by the Field Team, Region VII, and then drifting 75 feet along the pegmatite zone from the bottom of the shaft.

AGREED UNIT COSTS

Stage I

1 Trench excavation 1/	$ 700.00	$ 700.00

Stage II

75 feet timbered shaft @ $45/ft.	3,375.00	
75 feet drift (or crosscut) @ $35/ft.	2,625.00	6,000.00
Agreed Unit Cost of Stages I and II		$6,700.00
Government Participation @ 90%		$6,030.00

1/ The unit here shall be the completed excavation of the trench.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Cleveland, described as follows: 1/ Lying and being in No. 6 Township, about five miles Northwest of Shelby, on the East side of N.C. Highway No. 26, and Beginning at a point in line of Elbert Eskridge, at the place it intersects the line of Dan Gold, and runs thence, with the Dan Gold line, a distance of 500 feet; thence South, a line parallel with the Elbert Eskridge line, 800 feet; thence in a Westerly direction, a line parallel with the first line above, 500 feet to a stake in the line of Elbert Eskridge; thence, with the Eskridge line, approximately 800 feet to the place of Beginning.

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

2/ Burns and Spangler Construction Company

hereinafter called the "Operator"; and

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

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

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

2. To secure the payment to the Government of the percentage royalty on production 3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 11256.61, or ten years have elapsed from the date of the contract.

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

Dated this 17 day of Nov., 1952.

Lee W Cornwell [Seal]

Helen B Blanton Cornwell [Seal]

[Seal]

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

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

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

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

RELEVANT CONTRACT PROVISIONS

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

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

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

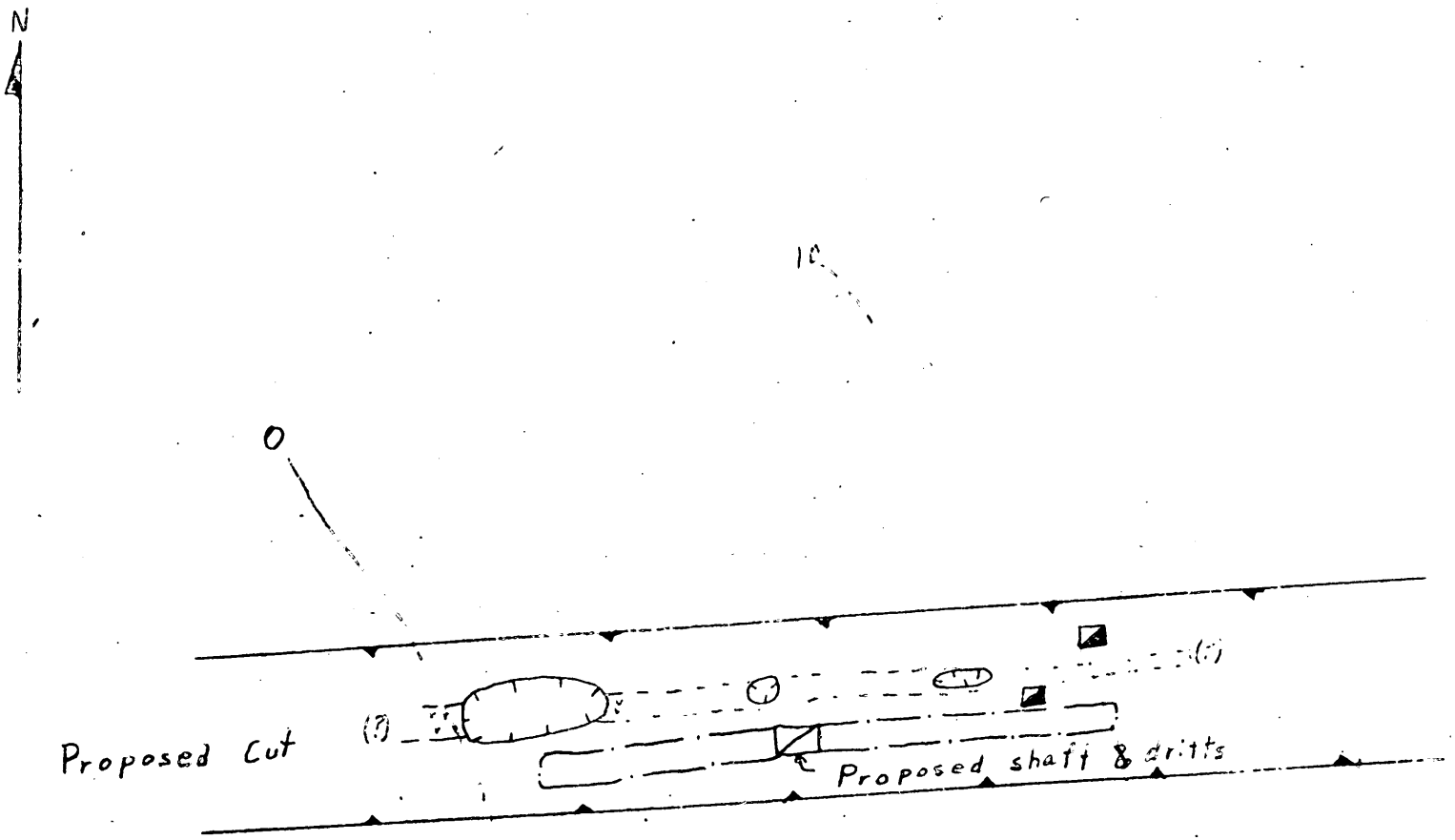
(For instance: the percentage royalty on a net amount of five dollars ($5.00) per ton, would be one and one-half (1½) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) per cent.)

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

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

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

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



Lee Cornwall Property
Cleveland Co., N.C.

0 20 40
Scale

DMEA - 2793 (Mica)

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Form Approved.
Budget Bureau No. 42-R1035.2.

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 2 0 1952

Not to be filled in by applicant

Docket No. dmea-2783
Metal or Mineral
Date Received 11/28/52
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: Burns and Spangler Construction Company
Lawndale, North Carolina
Robert Burns and Robert Spangler -- partnership
Lawndale, North Carolina

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized.

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract
Explained on additional sheet

(*b*) State any mine name by which the property is known. no name ✓

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise
lesee

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property. attached to this application

(*e*) If you own the land, describe any liens or encumbrances on it

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice.

4. *Physical description.*—(*a*) Describe in detail any mining or exploration operations which have been or now are being conducted upon the land, including existing mine workings and production facilities. State your interest, if any, in such operations. Also describe accessibility of mine workings for examination purposes. On additional sheets

(*b*) State past and current production, and ore reserves, if any, giving quantities and grades.

(*c*) Describe the geologic features of the property, including mineralization, type of deposit (vein, bedded, etc.), and your reasons for wishing to explore. Illustrate with maps or sketches. Send with your application (but not necessarily as a part of it) any geologic or engineering report, assay maps, or other technologic information you may have, indicating on each whether you require its return to you.

(*d*) State the facts with respect to the accessibility of the project: Access roads, distances to shipping, supply and residence points.

(*e*) State the availability of manpower, materials, supplies, equipment, water, and power.

5. *The exploration project.*—(a) State the mineral or minerals for which you wish to explore mica and quartz

(*b*) Describe fully the proposed work, including a map or sketch of the property showing a plan (and cross sections if needed) of any present mine workings, and the location of the proposed exploration work as related to such features as contacts, veins, ore-bearing beds, etc. on additional pages

(*c*) The work will start within 30 days and be completed within 6 months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. on additional page

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.). None

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants. page 2

(*c*) *Operating materials and supplies.*—Furnish an itemized list, including items of equipment costing less than $50 each, and power, water and fuel. additional page

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be. page 3

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project. page 3

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project. none

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of 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. page 3

(*h*) *Contingencies.*—Give an estimate of any necessary allowances for contingencies not included in the costs stated above.

NOTE.—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 the contract, should be included in the estimate of costs.

7. (*a*) Are you prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation (Sec. 7, DMEA No. 1)? yes

(*b*) How do you propose to furnish your share of the costs?

[X] Money [ ] Use of equipment owned by you [ ] Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated Nov. 17, 1952

Robert O. Burns
(Applicant)

By for Burns & Spangler

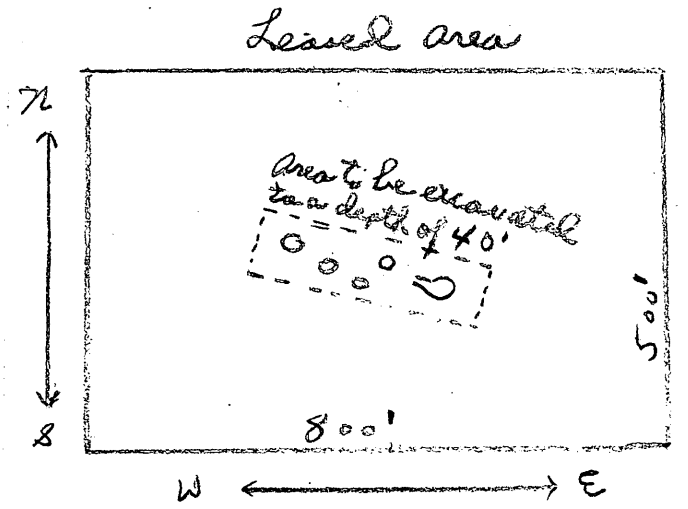
Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

3. Applicant's property rights. (a) Land leased from Lee Cornwell and wife, Helen D. Cornwell. Beginning at a point in line of Elbert Eskridge at the place it intersects the line of Dan Gold, and run thence, with the Dan Gold line a distance of 500 ft. thence South, a line parallel with the Elbert Eskridge line 800 feet, thence in a westerly direction a line parallel with the first line above 500 ft. to a stake in the line of Elbert Eskridge; thence with the Eskridge line approximately 800 feet to the place of beginning, on which parcel of land has been dug five holes (5) for the purpose of mining.

4. (a) and (b).- This property was worked in 1916. A shaft was dug 40 feet deep, then a tunnel was dug beside a wall of flint stone. At this time the mine was worked profitably. A good grade of ruby mica was being mined when the tunnel began to cave in and operations were stopped.

(c). This mine is located on the side of a hill. The overburden can be disposed of at a low cost. I have heavy equipment and plan to strip an area 24 feet by 300 feet following the old tunnel beside the flint wall.

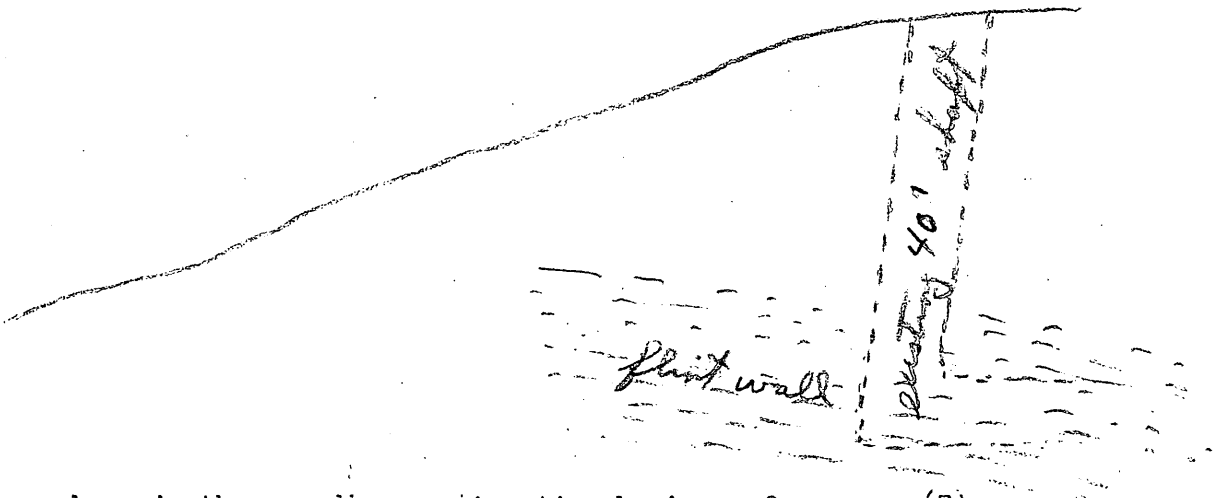


(d).- This site is approximately 3000 feet from a good public road and is 80 miles from the Government Purchasing Depot at Spruce Pine, N.C.

(e).- There is an abundant supply of good labor in this area. We would have no problem with materials, etc.

5. (b).- I propose to strip an area 24 ft. wide and 300 ft. long and 40 to 50 ft. deep. When this is stripped, I should be down to the level of the vein and in good position to begin mining.

Cross section sketch



(d).- I have been in the grading construction business for seven (7) years. My partner and I have done many types of grading, on roads, housing projects, etc. I plan to oversee this mining work myself. I will have a man working with me who has mined mica for 35 years.

6. (a) None.

(b) Estimate of cost of project --- Labor and supervision

2 tractor operators @ $1.75 per hour total time to complete job, 400 hours each	$1400.00
2 laborers at $1.00 per hour , 400 hours each	800.00
1 supervisor at $1.50 per hour, total time to complete job, 400 hours	600.00
Total labor	$2800.00

(c). Operating materials and supplies:

6800 gal. fuel oil @ $. 13½	$ 238.00
128 gal. motor oil @ . 71	88.88
200 lbs. roller grease @.18½	37.00
10 gal. gear oil @ .84	8.40
16 gal. oil for wench @.71	11.36
75 lbs. grease @ .29	21.75
½ doz. shovels @ $2.12	12.72
½ doz. picks @ $3.01	18.06
½ doz. 2 ft. pieces drill steel @ $4.35	26.10
½ doz. 4 ft. pieces drill steel @ 6.05	39.30
½ doz. 6 ft. pieces drill steel @ 7.65	45.90
½ doz. 8 ft. pieces drill steel @ 9.35	74.80
10 doz. drill bits at .48 each	57.60
20 cases dynamite @ 9.75	195.00
5 boxes caps @ 7.50	37.50
250 gal. gas for compressor @ .26	65.00
10 gal. oil for compressor @ .71	7.10
Total	$984.07

(d). Operating equipment:

2 TD 18 International Crawler Tractors @ $713 per month 2 months' rent - $1426.00 each tractor ------- total -------	$2852.00
2 double drum power control units @ $85.00 per month 2 months' rent ---- $170.00 eanh ---------- total -------	340.00
1 angle dozer blade @ $160 per month -- total for 2 months ----	320.00
1 eight yard scraper @ $450.00 per month -- Total for 2 mo. ---	950.00
1 air compressor @ 185.00 per month ---- for two months ------	370.00
2 air hammers @ $30.00 per mpnth -- 2 months' rent -$60.00 each hammer -- total ----------	120.00
Total	$4952.00

(g). Estimated repairs on equipment used on this job ----------	$1250.00
Federal Unemployment Sec. Com. and Social Security ----------	50.40
N.C. Unemployment Security Com. ----------	75.60
N.C. Sales Tax on supplies ----------	29.54
Total	$1405.54

7. (a) Yes.
   (b). Burns and Spangler Construction will furnins our share of the cost of the proposed project out of funds that we have on hand at this time.

NORTH CAROLINA,

CLEVELAND COUNTY.

THIS LEASE, Entered into this the 14th day of November, A. D. 1952, by and between Lee Cornwell and wife, HELEN B. CORNWELL, Parties of the First Part, and Robert O. BURNS and ROBERT SPANGLER, Trading under the Firm Name of BURNS-SPANGLER CONSTRUCTION COMPANY, Parties of the Second Part:

WITNESSETH:

1. That the parties of the first part, in consideration of One($1.00) Dollar, and other valuable consideration hereinafter expressed, do hereby rent and lease unto the said parties of the second part, the following described lot or parcel of land, to-wit:

Lying and being in No. 6 Township, Cleveland County, North Carolina, about five miles Northwest of Shelby, on the East side of N.C. Highway No. 26, and,

BEGINNING at a point in line of Elbert Eskridge, at the place it intersects the line of Dan Gold, and runs thence, with the Dan Gold line, a distance of 500 feet; thence South, a line parallel with the Elbert Eskridge line, 800 feet; thence in a westerly direction, a line parallel with the first line above, 500 feet to a stake in the line of Elbert Eskridge; thence, with the Eskridge line, approximately 800 feet to the place of BEGINNING, on which parcel of land has been dug five (5) holes for the purpose of mining Mica.

2. The purpose of this lease is to give said parties of the second part the right to prospect and mine any and all minerals on the aforesaid parcel of land for a period of five (5) years from date hereof, and the parties of the second part shall have the privilege of renewing this lease for an additional period of five (5) years provided they give written notice to the parties of the first part thirty (30) days before the expiration of the date of this lease.

3. As a condideration for this lease, the parties of the second part shall pay unto the said parties of the first part, one-eighth (1/8th) of all the Mica or Minerals mined on the aforesaid premises, or one-eighth (1/8th) of the sales price of all Mica or Minerals obtained from said premises, settlement to be made with the parties of the first part within thirty (30) days after the sale of said Minerals. The parties of the first part reserve the right to check and weigh the Mica or Minerals obtained from said lands before the sale thereof, if they so desire.

4. This lease or rentall contract shall not be transferred or assigned except upon the written consent of the parties of the first part.

5. After this loan is approved the parties of the second part will work this mine continously until both parties are satisfied that there is no mica that is worth digging. Sixty days after the work is stopped the lease will expire.

5. The parties of the second part shall have the right of ingress and egress over and throung the lands of the parties of the first part.

IN WITNESS WHEREOF, THE parties hereto have executed this instrument in duplicate originals under their hands and seals, the day and year first above written.

Lee Cornwell (SEAL)
Lee Cornwell

Helen B Cornwell (SEAL)
Helen B. Cornwell

PARTIES OF THE FIRST PART.

Robert O. Burns (SEAL)
Robert O. Burns

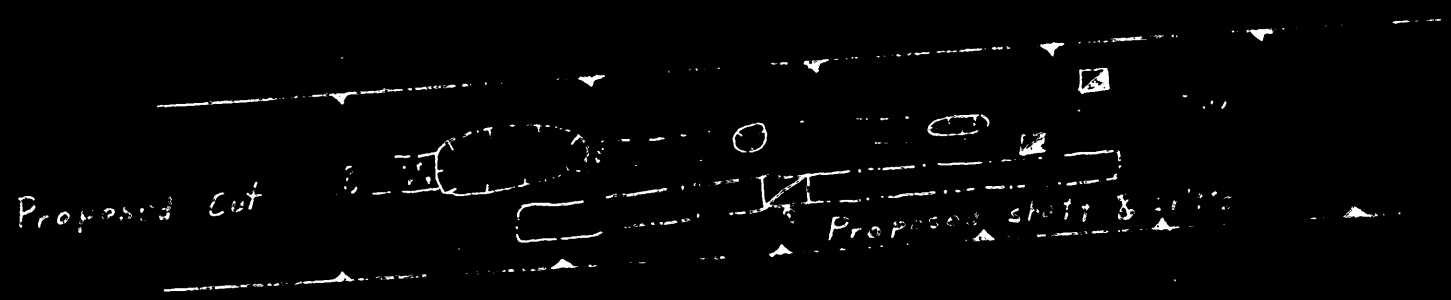
Robert Spangler (SEAL)
Robert Spangler

Trading under the firm name of
Burns-Spangler Cohstruction Company

PARTIES OF THE SECOND PART.

Witness:

Mrs Juanita Burns



Lee Corriher Property
Cleveland Co. N.C.

0 20 40
Scale

DMEA - 2793 (Mica)

Project Summary Report

By: Walter C. Anderson May 2, 1955

1. Docket No. DMEA-2793 - Mica
   Contract No. Idm-E495
   Lee Cornwell Mine
   Cleveland County, North Carolina

   Operator: Burns-Spangler Construction Company
   600 Peach Street, Shelby, North Carolina

   Application: Form MF-103 (April 1952) received November 28, 1952.
   Work proposed: Surface strip an area 24 feet wide by 300 feet long and 40 to 50 feet in depth.
   Amount requested: $10,141.61

   Operator's property rights:
   Lease for 5 years with option to renew for 5 years, dated November 14, 1952, on the Cornwell property, covering about 9 acres.
   Owner's Consent to Lien dated November 17, 1952.

2. Contract: Form 200 A (February 1952) dated March 2, 1953.
   Work authorized:

Trench excavation	$ 700.00
75 feet timbered shaft @ $45/ft	3,375.00
75 feet of drift and/or crosscut	2,625.00
Agreed unit cost of project	$ 6,700.00
Government participation @ 90%	$ 6,030.00

   Amendments: No. 1 - 8/31/53 - Extends completion date from 6 months to 18 months.
   No. 2 - 9/1/54 - Extends completion date from 18 months to 20 months.
   No. 3 - 2/2/55 - Extends completion date from 20 months to 22 months.

   Work completed

Trench excavation	
41 feet timbered shaft @ $45/ft	$ 640.00
75 feet of drift @ $35/ft	1,845.00
	2,625.00
Total accepted cost	$ 5,110.00
Government participation @ 90%	$ 4,599.00

Work began about May 1, 1953 and was completed November 22, 1954
Field Team Final report received April 15, 1955.
Operator's Final Report received April 15, 1955.
About 1,000 pounds of "mine-run" mica recovered during project.

3. Audit - Report of Review issued March 9, 1955.

Accepted cost	$5,110.00
Government participation	$4,599.00

4. Certification of discovery issued May 20, 1955
   Ore reserves - Indicated, about 5,000 pounds of "mine-run" mica, will yield 200 pounds trimmed mica.

5. Comments:
   How conducted - Badly, poor mining practice, inefficient and non-cooperative.
   Operation - Bad
   Engineering - Reporting by Operator was very inadequate, vouchers inaccurate and narrative portions of monthly reports were not informative.
   Geological premise - The premise that a considerable deposit of strategic mica would be found did not materialize as the ore reserve estimate amounts to only about 5,000 pounds of "mine-run" mica.
   Geological criteria upon which work was based:
   1. Well zoned pegmatite 4 to 8 feet thick.
   2. Medial quartz core 1 to 5 feet thick.
   3. Mica - ruby colored, hard, clear, flat and flat "A", and splits well.
   4. Past production not large.

   Criteria developed during project:
   1. Disconformable vertical pegmatite 8 to 15 feet thick enclosed in weathered mica schist and gneiss.
   2. Massive quartz core 3 to 8 feet thick.
   3. Post-pegmatite movement and faulting .
   4. Limited quantity of strategic mica.

   Future possibilities - Not very promising.
   Recommendations: The Nonmetallic Minerals Division concurs in the Field Team's recommendation that a certification of discovery or development should be issued. The Commodity Specialists of the Bureau of Mines and the Geological Survey agree.

   Because of the unsatisfactory manner in which the project was conducted, the Government should be reluctant to enter into any future contract with these Operators.

Walter C. Anderson

Walter C. Anderson, Mining Engineer

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
		500
3/26	Talbert	800
	Jeffredge	120
3/26	Johnson	110
3/26	Fumich	100
		220

Mr. Lee W. Cornwell
Route 5
Shelby, North Carolina

MAR 2 6 1963

Re: DMEA-2793 (Mica)
Burns-Spangler Construction Company
Lee Cornwell Mine
Cleveland County, North Carolina
Contract Idm-E495

Dear Mr. Cornwell:

Thank you for returning the completed MMM Form 63, relating to the subject contract.

By the terms of the subject Exploration Project Contract, as amended, and the certification of discovery or development dated May 20, 1955, all minerals mined or produced from March 2, 1953, to March 2, 1963, were subject to the Government's royalty as set forth in said contract.

As the period during which production was subject to royalty has now expired, the Government according to its present records retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this contract.

The above relates to the Owner's Consent to Lien signed by you and Mrs. Cornwell on November 17, 1952, under the Defense Minerals Exploration Administration program.

Sincerely yours,

George Fumich, Jr.

Director

MMerrithew/mm
3/26/63
cc: Director's Reading File
CA&A Division
Region IV (2) w/copy of Form 63 dated 3/18/63
Docket
Code 500

8623

MME Form 63
Revised 3-62

DMEA-2793
Idm-E495

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since November 27, 1962, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since November 27, 1962, has there been any production from the land subject to the contract? Yes ☐ No ☒

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

	Quantity	Value

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

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name Lee W Lemmell Title Owner

Address B-5 Shelby NC Date 3-14-63

4511

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

March 18, 1963

Re: DMEA-2793 (Mica)
Burns-Spangler Construction Company
Lee Cornwell Mine
Cleveland County, N. C.
Contract Idm-E495

Mr. Lee W. Cornwell
Route 5
Shelby, North Carolina

Dear Mr. Cornwell:

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

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

If you will kindly bring us up to date we expect to be able to remove the Government lien against production from your property.

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E
RECEIVED MAR 20 1963

DATE	INITIALS	
3/20		800
3/20		100
3/20		110
	Griswold	500

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
12/11	Selfridge	120
		220

DEC 1 1 1962

Memorandum

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

From: Chief, Division of Field Operations, OME

Subject: DMEA-2793 (Mica)
Burns-Spangler Construction Company
Lee Cornwell Mine
Cleveland County, North Carolina
Contract Idm-8495

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

George C. Selfridge (gla)

Enclosure

GCSelfridge/gla (12-11-62)
cc to: Docket DMEA-2793
Director's Reading File
CA&A Division
G. C. Selfridge
R. A. Laurence, USGS, Reg. IV, w/cy of Report of Royalty Review dtd 12/5/62 and orig. cy of memo dtd 12/5/62 to Chief, Division of Field Operations, from CA&A Division.
Avery Reed, USBM, Reg. IV, w/cy of ea. item sent to Mr. Laurence.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
		220

December 5, 1962

Memorandum

To: Chief, Division of Field Operations

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

Subject: DMEA-2793 (Mica)
Burns-Spangler Construction Company
Lee Cornwell Mine
Cleveland County, North Carolina
Contract Idm-E495

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

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

(b) Two copies to Region IV files.

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

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

Enclosures

EDTalbert/ama 12-5-62

cc:
Docket
Director's Reading File
CA & A Division
Fiscal Section

43683

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

November 19, 1962

Re: DMEA-2793 (Mica)
Burns-Spangler
Construction Company
Lee Cornwell Property
Cleveland County, N. C.
Contract Idm-E495

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Mr. and Mrs. Lee W. Cornwell

Shelby, North Carolina

Dear Mr. and Mrs. Cornwell:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 28 1962

DATE	INITIALS	CODE
11/28		800
11-28		100
11/28		140
11/28		500

MME Form 63
Revised 3-62

DMEA-2793
Idm-E495

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **September 15, 1958**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☒

2. Since **September 15, 1958**, has there been any production from the land subject to the contract? Yes ☐ No ☒

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

	Quantity	Value

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

Type	Quantity		Estimated Grade	Location
Ore		Tons		
Concentrates		Tons		
Other		Tons		

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

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

Disposition of Material	Quantity	Value

Submitted by:

Name Lee W Russell Title Property owner

Address R-5 Shelby NC Date 11-27-62

4511

OFFICIAL FILE COPY
O. M. E
RECEIVED NOV 28 1962

DATE	INITIALS	CODE
11/28	[illegible]	800
11/29	[illegible]	500
		320

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee ☐ Show address where delivered

(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

Lee W Cornwell 2793

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

Mrs Lee W Cornwell

DATE DELIVERED

11-26-62

ADDRESS WHERE DELIVERED *(only if requested in item #1)*

C55—16—74548-4 GPO

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

November 19, 1962

Re: DMEA-2793 (Hice)
Burns-Spangler
Construction Company
Lee Cornwell Property
Cleveland County, N. C.
Contract Idm-E495

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Mr. and Mrs. Lee W. Cornwell

Shelby, North Carolina

Dear Mr. and Mrs. Cornwell:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-2793
Idm-E495

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since September 15, 1958, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since September 15, 1958, has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
_____		
_____	_____	_____

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

Type	Quantity	Estimated Grade	Location
Ore	_____ Tons	_____	_____
Concentrates	_____ Tons	_____	_____
Other	_____ Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10/1	eyl	220

October 1, 1962

Memorandum

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

From: E. D. Talbert, Chief /s/ E. D. Talbert/ama
Contract Administration and Audit Division

Subject: DMEA-2793 (Mica)
Burns-Spangler Construction Co.
Lee Cornwell Property
Cleveland County, North Carolina
Contract Idm-E495

Enclosed for deposit to the subject DMEA account under symbol 14X4401 as a royalty receipt is a September 25, 1962, check drawn in the amount of $6.83 by Lee W. Cornwell, Route 5, Shelby, North Carolina, on the Union Trust Company, Shelby, North Carolina.

This check is in payment of royalty delinquently due the Government on mica produced from the property under the subject contract and sold by Ed Burleson during 1958.

Enclosure

AMAlley/ama 10-1-62

cc:
Docket
Director's Reading File
CA & A Division
Region IV Files (2)

43683

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

September 25, 1962

Re: DMEA-2793 (Mica)
Burns-Spangler
Construction Company
Lee Cornwell Property
Cleveland County, N. C.
Contract Idm-E495

Mr. and Mrs. Lee W. Cornwell

Shelby, North Carolina

Dear Mr. and Mrs. Cornwell:

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

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

Sincerely yours,

W. R. Griswold

W. R. Griswold, Chief
Division of Minerals

MME Form 63
Revised 3-62

DMEA-2793
Idm-E495

REQUEST FOR INFORMATION ON CERTIFIED PROJECT AND PROJECT UNDER ROYALTY AGREEMENT

1. Since **September 15, 1958**, has there been a change in ownership, lease, or sublease? If yes, please state details of the transaction below and provide a true or signed copy of the pertinent documents, unless they have been provided before. Yes ☐ No ☐

2. Since **September 15, 1958**, has there been any production from the land subject to the contract? Yes ☐ No ☐

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

	Quantity	Value
_____		
_____	_____	_____

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

Type	Quantity		Estimated Grade	Location
Ore	_____	Tons	_____	_____
Concentrates	_____	Tons	_____	_____
Other	_____	Tons	_____	_____

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

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

Disposition of Material	Quantity	Value
_____	_____	_____

Submitted by:

Name _____ Title _____

Address _____ Date _____

4511

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver *ONLY* to addressee.

☐ Show address where delivered

(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE *(must always be filled in)*

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

Lee W Romnell

DATE DELIVERED	ADDRESS WHERE DELIVERED *(only if requested in item #1)*
8-16-62	DMEA-2793

C55—16—71548-4 GPO

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/14	Talbert	800
"	Holt	500
	Hinrichs	500
8/14	Dwbear	120
"	Johnson	110
8-14	Fumich	100
		220

AUG 14 1962

REGISTERED MAIL
RETURN RECEIPT REQUESTED

Mr. and Mrs. Lee W. Cornwell
Shelby, North Carolina

Re: DMRA-2793 (Mica)
Burns-Spangler Construction Co.
Lee Cornwell Property
Cleveland County, North Carolina
Contract Idm-E495

Dear Mr. and Mrs. Cornwell:

The remittance requested by my July 10 letter, a copy of which is enclosed, has not been received. Your prompt remittance, by check or money order payable to the Office of Minerals Exploration, is solicited.

Your immediate attention to this matter will alleviate the need for further collection action such as legal steps to enforce the Government's lien on your property. Any collection action found necessary by the Government probably will result in additional costs to you.

Sincerely yours,

George Fumich, Jr.

Director

(RH)

Enclosure

EDTalbert/ama 8-14-62

cc:
Docket
Director's Reading File
CA & A Division
Region IV Files (2)

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/9	Talbert	800
7/10	Holt	500
	Bruzynski	500
7/10	GCS	130
11	Johnson	110
7/10	Funk	100
		220

JUL 1 0 1962

Memorandum

To: Robert A. Laurence, U. S. Geological Survey

From: Chief, Division of Field Operations

Subject: DMBA-2793 (Mica)
Burns-Spangler Construction Company
Lee Cornwell Property
Cleveland County, North Carolina
Contract Idm-8495

Your July 5 memorandum supplying the address of the owners of the land under the subject contract is appreciated.

Neither the landowners nor Operator have questioned liability for payment of the royalty. In fact, Mr. Beck's January 8, 1958, memorandum advises that Mr. Lee Cornwell stated that the then current lessees were cognizant of the Government's lien and would pay royalty on any production.

Mr. Beck's June 19, 1958, memorandum states that these same lessees worked the mine but did not produce any mica. He further indicates that about a thousand dollars worth of mica sold in New Hampshire was produced from part of Lee Cornwell's farm not covered by the contract.

George C. Selfridge (242)

EDTalbert/ama 7-9-62

cc:
Docket
Director's Reading File
CA & A Division
Review Committee

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
7/9	Talbert	800
7/10	Holt	500
	[illegible]	500
7/10	Selfridge	120
"	Johnson	110
7/10	Fumich	100
		220

JUL 10 1962

Mr. and Mrs. Lee W. Cornwell
Shelby, North Carolina

Re: DMEA-2795 (Mica)
Burns-Spangler Construction Co.
Lee Cornwell Property
Cleveland County, North Carolina
Contract Idm-5495

Dear Mr. and Mrs. Cornwell:

Reference is made to an Owner's Consent to Lien executed by you on November 17, 1952, wherein, as an inducement to the Government to enter into the referenced exploration project contract, you granted to the Government a lien upon the described land and upon any production of minerals therefrom. This lien was to cover the Government's claim for royalty on production from the land in the amount of the Government's contribution to the exploration costs or until a period of ten years from the date of the contract had elapsed. The exploration contract was dated March 2, 1953, and the Government's contribution to exploration costs amounted to $4,599.00, no portion of which has been repaid to date.

My attention has been directed to a purchase of 13.60 pounds of trimmed mica made by the G.S.A. Mica Purchase Depot, Spruce Pine, North Carolina, sold by Ed Burleson, Box 265, Bakersville, North Carolina, and represented as coming from the property under the referenced contract. This purchase is identified as Depot lot No. SPAR-157(a), for which final settlement in the amount of $136.64 was approved on September 15, 1958.

Under terms of the exploration contract and the lien granted by you royalty at 5 percent on such sale is payable to the Government. Accordingly, your prompt remittance of $6.83 in settlement of royalty due on this transaction is requested. Also, if there were any proceeds realized from the sale of scrap or punch mica or from other sales of production from the property subject to the exploration contract, royalty due thereon should be computed and paid. Remittance by check or money order should be made payable to the Office of Minerals Exploration.

EDTalbert/ama 7-9-62

Sincerely yours,

George Fumich, Jr.

Director

cc:
Docket
Director's Reading File
CA & A Division
Region IV Files (2)

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E
RECEIVED JUL 9 1962
DATE 7/9 800 500

July 5, 1962

Memorandum

To: George C. Selfridge, Chief, Division of Field Operations
Office of Minerals Exploration, Washington, D. C.

From: Robert A. Laurence

Subject: DMEA-2793 (Mica)
Burns-Spangler Construction Company
Lee Cornwell Property
Cleveland County, North Carolina
Contract Idm-E495

The only address we have for Lee W. and Helen Blanton Cornwell is Shelby, North Carolina. They live on the Cornwell property, about five miles from Shelby on a rural mail route.

I note that this contract (Idm-E495) was written on the February 1952 form which contains the "abandonment provision," and therefore wonder if the owner is liable for mica produced and sold by Ed Burleson, after abandonment of the original lease by Burns and Spangler. If so, then what about the mica reportedly sold in New Hampshire, as reported by Mr. Beck in his June 1958 semi-annual report?

Robert A. Laurence

Robert A. Laurence

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
6/29	Fisher	800
7/2	Talbot	800
"	Brown	500
"	Holt	500
7/2	[illegible]	130
"	Johnson	110
7/2	Finch	100
		220

JUL 2 1962

Memorandum

To: Mr. Robert A. Laurence, U. S. Geological Survey

From: Chief, Division of Field Operations

Subject: DMEA-2793 (Mica)
Burns-Spangler Construction Company
Lee Cornwell Property
Cleveland County, North Carolina
Contract Idm-E495

Please advise the address of Lee W. Cornwell and Helen Blanton Cornwell who executed an Owner's Consent to Lien in connection with the subject exploration project contract. This information is not available in the Washington office files. It is noted that when certification was issued the copy for the landowner was sent to the Field Team for forwarding.

A recent check of the Spruce Pine Mica Purchase Depot by a representative of the Contract Administration and Audit Division disclosed a sale of trimmed mica by Ed Burleson, Box 265, Bakersville, North Carolina, from the Lee Cornwell Mine. Total payments by the Depot amounted to $136.64 under lot No. SPAR-157(a), approved September 15, 1958.

We wish to contact the landowners in an attempt to collect the royalty due on this sale and any other sales that may have been made of production from the property.

George C. Selfridge (GCS)

CEFisher/ama 6-29-62

cc:
Docket
Director's Reading File
CA & A Division
Review Committee

43683

June 27, 1962

[illegible]

[illegible] S. D. Talbert, Acting Chief
Contract Administration and Audit Division

[illegible] G. E. Fisher, GSA Auditor

[illegible] Audit Trip to Spruce Pine, North Carolina

I left Washington, D. C., via Southern Railway train No. 47 at [illegible] p.m., EST, June 17, 1962. Arrival in Asheville, N. C., was [illegible] a.m., June 18. There I secured an automobile [illegible] and drove to Spruce Pine, N. C. Left Spruce Pine at [illegible] a.m., June 29, and arrived back in Washington at [illegible] June 29, via Southern Railway train No. 16.

Most of the time in Spruce Pine was spent in reviewing the purchase records of the G.S.A. Mica Purchase Depot for the purpose of determining whether any unreported purchases had been made by firms [illegible] of production from mines on which USBA had entered into [illegible] subject contracts. A total of 57 contracts were assigned for [illegible] investigation.

The last purchase by the Depot under the Mica Purchase Program was made on June 7, 1962. Mr. J. F. McKinney, Depot Superintendent, stated that processing the mica on hand and making final settlements with vendors will take another 60 to 90 days before the Depot is finally closed. Mr. McKinney also advised that 2,972 Participation Certificates were issued and 21,609 lots of mica were purchased during the program. As of June 18 the yield of strategic mica amounted to $[illegible],316,785.72 gross. This will increase some when all [illegible] are completed. As of June 1 the total payments to vendors amounted to $[illegible],326,000. This amount will be increased when final settlements have been completed.

My review of the Depot records disclosed 13 contracts under which the Government may be entitled to royalty as hereinafter discussed. The investigation failed to disclose any purchases of production from the properties covered by the remaining 44 contracts. Memorandums for the files have been prepared for this latter group of contracts.

During the early stages of the exploration program, that is until 1957/8, two or more Government representatives were supervising exploration work in this mica region. They made frequent inspections of the various properties and were aware of what was happening. Mr. Beck made regular trips through the area and reminded the various parties of their royalty obligations. He checked the Depot records and often collected royalty. Several audit trips were made by representatives of this office, the last being my trip in February 1958. Mr. Beck continued his visits to the Depot and to the various operators through 1959 and subsequent investigations have been made by Messrs. Lynch and Lesure.

I believe that the reduction in royalty collections in the past 3 or 4 years may be accounted for by several circumstances:

First, a typical contract resulted in production during the exploration period and sometimes a little longer. Most of the mica exploration contracts were completed prior to 1958.

Second, nine of the mica exploration contracts had repaid their entire Government advance prior to 1958 and, of course, had no further royalty obligation. (For example, Sinkhole Miners, Idm-E364, DMEA-2379, operated right up to the day the Depot stopped buying.)

Third, there was a tendency on the part of the individual miners and some of the larger operators to work properties not subject to the Government lien for royalty. I noticed some instances where the name of the mine indicated that the production came from properties where DMEA had issued letters of no discovery. If the Government was not paying most of the mining expense in the form of contributions to exploration costs, why not work a property not subject to the Government's 5% royalty?

I visited the Spruce Pine Mica Company and met Mr. Lawrence Conley, who has been with that company and in the mica business for many years. He informed me that the only mica from the White Face Mine (Contract Idm-E662, DMEA-3255) his company had purchased were the two lots sold by John Carroll in 1954. Mr. Beck and I collected $13.34 royalty applicable to these sales from the property-owner, W. Howard Simpson, president of Non-Metallic Minerals Corp., on March 16, 1955. Mr. Conley expressed the opinion that no work had been done on the property since John Carroll was there.

The Spruce Pine Mica Company operates a fabricating plant. They primarily depend upon imported mica and this was especially true during the Government purchase program when everyone was

concentrating strategic mica. Their comments not only the local material that was not eligible for purchase by the Depot. Mr. Conley stated that several of the local miners had been in to "talk" about the possibility of continuing mining, and are "considering" the matter. He indicated that he expected some land-owner farmers would probably bring in punch from time to time as they felt the need for cash, just another crop from the land.

B-K Associates (Contract Idm-E557, DMEA-3000) sold punch to the Spruce Pine Mica Company. Mr. Conley hopes they will continue operations as the Bryson Mine is a good source of supply and, further, he would like to see a North Carolina operation continued. He stated that B-K Associates own a couple of punch presses (presumably in Baltimore), but that so far as he knew they had not used them on Bryson Mine production.

Sam Phillips met with me for an hour or so on Friday afternoon at the Baker Motel. This was after the rest of my investigation had been completed and I was satisfied that there was not much to be gained by such a meeting. Our talk was very general and limited mainly to projects in which he had been interested. He called my attention to the fact that a projects in which he was interested had repaid the Government advance in full. I carefully refrained from mentioning that in at least 10 times as many projects, he, and his associates, had stopped mining almost as soon as the Government contributions ceased. He mentioned the McKinney Mine (Contract Idm-[illegible], DMEA-[illegible]) but I did not see any profit in a discussion of that case.

Mr. Phillips told me that all feldspar operations in the area were large open-cut mechanical operations and that it is practically impossible for the small operator to sell feldspar. The big operators have their own adequate supplies and do not wish to be bothered. The price is so low that the little fellow cannot afford to mine and haul his supply. Of course, when most of the mining expense was an exploration cost, some of the feldspar was sold. For example, Contract Idm-E412, DMEA-2277, Earle John Mica Miners, was certified because of feldspar discovery. According to Mr. Phillips the property has not been operated since completion of the exploration project.

My review of the Depot records indicated possible unpaid royalty in connection with 13 contracts as follows:

Contract Idm-E311, DMEA-2377, [illegible] Minerals, Inc.

I secured for our files a copy of the final settlement statement for lot No. SPBR-149(a), approved May 14, 1954, covering purchase from

Frank W. Phillips of 1,315 pounds of block mica, yielding 51.74 pounds of trimmed mica, for which payments aggregated $396.50. A Report of Royalty Review dated April 23, 1959, indicated $19.73 unpaid royalty applicable to this sale. A copy of the document was obtained to complete the DMEA files. This sale was made from production subsequent to "abandonment" by the original operators under the contract. Under a ruling by the Solicitor's office royalty is not collectible unless the original operators should again mine the property during the repayment period.

Contract Idm-E349, DMEA-2375, Douglas M. Robinson & H. Cline West

Final settlement statement for lot No. SPAR-12(a), approved July 20, 1956, under which Robert H. Redus, Jr., 4½ Wall Street, Asheville, N. C., received a net settlement of $35.20, shows the mine name as "Summer" but does not give the location of the mine. This contract covered exploration at the Swannanoa Mine. According to the contract and the Landlord's Subordination Agreement executed by T. B. Sumner, that mine is located in Buncombe County, N. C. Asheville is the county seat of Buncombe County. It is believed that the sale by Mr. Redus covered production from Swannanoa Mine, reported by him under the mine owner's name, and erroneously shown as Sumner Mine on the settlement sheet.

On March 11, 1955, Mr. Beck and I called upon Mr. Sumner whose address is Sumner & Foster, Inc., Haywood Building, Asheville, N. C., and found him to be very cooperative in furnishing information about sales from the Swannanoa Mine on which he had received royalty as owner of the property. I suggest that he be contacted regarding the sale by Redus and asked if there is any other production on which the Government is entitled to royalty. This project was certified because of reserves of feldspar.

Contract Idm-E431, DMEA-2610, Dixie Minerals, Inc.

Final settlement statement was obtained for lot No. SPAR-229(a), approved August 6, 1956, under which Jackson Mining Company, Box 962, Sylva, N. C., received payments aggregating $272.12. This settlement statement shows the mine name as Shell Ridge, but does not give the location of the mine. Contract Idm-E431 covered exploration at the Shell Ridge Mine located in Jackson County, N. C., of which Sylva is the county seat.

Contract Idm-E459, DMEA-2579, Mica Industries, Inc.

Final settlement sheets SPBR-47(a), approved December 2, 1960, and SPBR-68(a), approved December 23, 1960, covered payments aggregating

$206.08 and $865.20, respectively, for mica sold by Baird Cove Mining Company, Route 3, c/o Ralph Cunningham, Franklin, N. C. The name and location of the mine are shown as Baird Cove Mine, Macon County, N. C., which is in agreement with the description of the mine in which exploration was performed.

Contract Idm-E495, DMEA-2793, Burns-Spangler Construction Co.

Final settlement sheet SPAR-157(a), approved September 18, 1958, covered payments aggregating $136.64 to Ed Burleson, Box 268, Kings-ville, N. C. The name and location of the mine are shown as Lot. Cornwell, Cleveland County, N. C., which is in agreement with the description of the mine in which exploration was performed.

Contract Idm-E548, DMEA-2921, Fred Taylor, Julian Greene & Johnnie Greene

Final settlement sheet SPAR-547(a), approved May 8, 1959, covered payment of $214.14 to Lewie Aldridge, Spruce Pine, N. C. The name and location of the mine are shown as Cow Camp, Avery County, N. C., which is in agreement with the description of the mine in the exploration contract.

Contract Idm-E557, DMEA-3000, B. T. R. Mining Company

Check dated June 14, 1962, from B-K Associates brought royalty receipts under this contract up to $4,279.39 or within $130.61 of the total Government contribution.

The Depot records indicated additional purchases from B-K Associates as follows:

Date	Lot No.	Amount	
6/7/62	SPAR-496	$2,145.16	Final
6/15/62	" -512	1,214.58	"
4/5/62	" -523	1,100.98	Preliminary
4/12/62	" -530	1,181.30	"
4/19/62	" -537	950.82	"
4/26/62	" -542	875.89	"
5/3/62	" -547	966.57	"
5/10/62	" -560	842.03	"
5/18/62	" -566	917.21	"
6/1/62	" -591	435.49	"
6/5/62	" -599	256.26	"
6/7/62	" -607	279.04	"
4/5/62	SPAO-156	222.24	"
4/12/62	" -161	296.28	"

Contract Idm-8618, DMEA-3132, Dixie Mines, Inc.

Royalty has not been paid to the Government in connection with the following settlement statements:

Lot No.	Date Approved	Seller	Amount
SPAR-257(a)	11/5/58	S. P. Lett, Rt. 3, Linville, Ala.	$2,019.20
" -270(a)	12/30/58	" " " "	455.37
" -333(a)	12/19/58	" " " "	861.37
" -414(a)	3/16/59	L. T. Rounds, Rt. 2, Columbiana, Ala.	157.82
" -511(a)	3/25/59	" " "	649.37
" -780(a)	6/23/59	" " "	356.95

Contract Idm-8664, DMEA-3247, Newland Buchanan, et al.

Final settlement sheet for lot No. SPBR-163(a), approved August 24, 1960, covered payments aggregating $854.94 to M. E. Burleson & Frank W. Phillips Co., c/o Mitchell Lumber Co., Spruce Pine, N. C. The name and location of the mine are shown as Johnson Mine, Mitchell County, N. C., which is in agreement with the description of the mine in which exploration was performed.

Contract Idm-8814, DMEA-3740, Roy Grindstaff, et al.

Final settlement sheet for lot No. SPAO-154(a), approved January 27, 1960, covered payments aggregating $263.65 to Persley & Grindstaff, Route 3, c/o Roy Grindstaff, Bakersville, N. C. The name and location of the mine are shown as Conley, Mitchell County, N. C., which is in agreement with the description of the mine in which exploration was performed.

Contract Idm-8977, DMEA-4337, Hawk Mining Company

Royalty has not been paid to the Government in connection with the following settlement statements:

Lot No.	Date Approved	Seller	Amount
SPAO-475(a)	4/18/59	J. E. Wilson, c/o Mitchell Lumber Co., Spruce Pine, N.C.	$ 114.80
" - 12(a)	7/24/59	" " " "	594.62
" - 51(a)	8/24/59	" " " "	1,070.73*
" - 89(a)	1/9/62	" " " "	302.37*

* Includes production from various mines. Amounts applicable to Hawk Mine are $195.57 and $9.48, respectively.

Contract Idm-E665, DMEA-3216, Hector Mining Company

Final settlement sheets for lots SPAO-10(a) and SPAO-14(a), approved September 7, 1960, covered payments aggregating $195.70 and $141.11, respectively, to Dan Allen, Route 2, Burnsville, N. C. The name and location of the mine are shown as Hector Mine, Yancey County, N. C., which is in agreement with the description of the mine in which exploration was performed.

Contract Idm-E734, DMEA-3452, Howard Boone & John Jarrett

Final settlement sheet for lot SPAR-359(a), approved December 1, 1959, covered payments aggregating $101.31 to Persley & Grindstaff, c/o Roy Grindstaff, Route 3, Bakersville, N. C. The name and location of the mine are shown as Putman, Mitchell County, N. C., which is in agreement with the description of the mine in which exploration was performed.

The following is furnished for your use in the unlikely event you may find it necessary to secure additional information regarding purchases by the Spruce Pine Depot.

Mr. McKinney stated that he does not know what is to become of the Spruce Pine Depot records when the Depot is finally closed. He is recommending that the copies of settlement statements and supporting papers maintained at the Depot be destroyed as they are duplicates of original documents on which disbursements were made. The original documents are in the custody of:

General Services Administration, Region 3
Office of Regional Comptroller
Document Control and Collections Section
Room 6238, Regional Office Building
7th and D Streets, S. W.
Washington 25, D. C.

During the purchase program it was the practice to furnish copies of all settlement sheets to:

Mr. Avery H. Reed, Jr., Chief
Knoxville Field Office
Division of Mineral Industries
Bureau of Mines
404 Hamilton Bank Building
Knoxville 2, Tennessee

I understand that these copies were used by the Bureau of Mines to compile statistical data relating to production from the various mines. I do not have any information regarding the ultimate disposition made of these copies.

CW/Isher/hmm 6-27-82

cc:
Mail and Files
Director's Reading File
QA & A Division
Region IV Files (2)

[illegible]
(Lee [illegible])

[illegible]

[illegible] Mic[illegible]
([illegible])

537 W. [illegible] Br[illegible]
(Dream [illegible])

560 Murphy Mining [illegible]
([illegible] Mine)

636 Willis & [illegible]
(Byrd Mine)

[illegible] Sparks & Pu[illegible]
(Hector [illegible])

639 Willis & Snyder
(Lutz Mine)

694 W. B. Christensen
(Westall Mine)

664 Buchanan & Cook
(Johnson Mine)

[illegible] Non-Metallic Mineral[illegible]
(White [illegible] Mine)

[illegible] Bryan & [illegible]
(Fox [illegible])

692 Phillips & Carpenter
(W.A. Hankinney Mine)

575 J. R. Bean & H. Beede
(Ingram Mine)

[illegible] Phillips & Carpenter
([illegible] Cut Mine)

712 Rock Mining Co.
(Rock Mine)

DMEA EXPLORATION PROJECT

RECEIVED JUN

Semi-Annual Report of Certified Project 6/23 C 220
6/23 COM 100
" FEP 110
6/25 C.E.F. 800
600

DMEA-2793, Idm-E495(mica) LEE CORNWELL MINE
Cleveland County, North Carolina

Reporting Period: December 16, 1957 to June 11, 1958

Operators: Burns and Spangler Construction Co.
600 Peachtree St., Shelby, North Carolina

This property was visited June 11, 1958. No one was working at the mine when visited and the machinery that was there when visited in December has been removed. Mr. Lee Cornwell, the property owner, told the writer that Jeter Stamey, Arthur Buchanan and Claude Buchanan worked the mine for nine days but did not produce any mica. They are now working another pegmatite on the Lee Cornwell farm that is not on property covered by the contract. Have produced about a thousand dollars worth of mica here and are selling it in New Hampshire.

W. A. Beck

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

June 19, 1958

z

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 10 1958

DATE	INITIALS	CODE
1/10	C	220
1/13	Com	100
15	Hush	

DMEA EXPLORATION PROJECT

Semi-Annual Report of Certified Project

DMEA-2793, Idm-E495 (mica) LEE CORNWELL MINE

Reporting Period: June 12, 1957 to December 16, 1957.

Operators: Burns and Spangler Construction Co. 600 Peachtree St.
Shelby, North Carolina

This property was visited December 16, 1957. Mr. Lee Cornwell, the property owner told the writer the property is now leased to Jeter Stamey, Arthur Buchanan and Claude Buchanan, of the Spruce Pine, Area. He stated they were cognizant of the Government's lien on the mine and said they would pay the royaty on any production.

No one was working at the mine when visited. A stiff leg and boom had been erected and there was a compressor and hoist at the site. A new shaft was being sunk about 20 feet east of the caved DMEA shaft. No mica had been produced.

Wm. A. Beck, Mining Engineer
Bureau of Mines

January 8, 1958

z

OFFICIAL FILE COPY
DMEA
RECEIVED 1957

DATE		CODE
7-8	C	220
9	Corr	100

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

ON

DMEA-2793, Idm-E495, LEE CORNWELL MINE
(mica)

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

Operator: Burns & Spangler Construction Company, 600 Peachtree St., Shelby, North Carolina

Location: 4.5 airline miles N 10°W of Shelby, Cleveland County, N. C. The deposit lies between the First Broad River and N. C. Highway No.26.

The property was visited by the writer June 21, 1957. It was noted that no work had been done on the property since the last visit on January 24, 1957.

June 21, 1957

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

z

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 4 1957

DATE	INITIALS	CODE
2-5	C	220
		225

SEMI-ANNUAL REPORT ON CERTIFIED PROJECT
INTERIM REPORT

ON

DMEA-2793, Idm-E495-mica.

LEE CORNWELL MINE

Operator: Burns & Spangler Construction Co.
600 Peachtree St. Shelby, North Carolina

Location: 4.5 airline miles N 10° W of Shelby, Cleveland County, N. C. The deposit lies between the First Broad River and N. C. Highway No.26.

The property was visited by the writer January 24, 1957. There were no indications that work had been done since the last visit on July 4, 1956.

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

2/1/57

z

RECEIVED
JUL 18 1956

SEMI-ANNUAL REPORT OF CERTIFIED PROJECT

Reporting Period: July 1, 1955 to July 1, 1956. Examination: July 4, 1956

Operator: Burns & Spangler Construction Company, Shelby, N. C.

Mine Name: Lee Cornwall Mine

County and State: Cleveland County, North Carolina

Docket Number & Commodity: DMEA-2793, Mica

Contract No.: 495

Date of Contract: March 2, 1953

Date of Cerfification: May 20, 1955

Expiration Date of Royalty Payment: March 2, 1963

Total Amount of Contract: $6790.00

Total Expenditures under Contract: $5,110.00

Amount of Government Participation at 90% -- $4,599.00

Royalty Payments this Bariod: None

Total Royalty Payments: $13.52

Percent Government Participation Repaid: 0.29%

Royalty Due on Production to Date: None

Royalty Remarks: Royalty has been paid on all production sold.

Original Estimate of Reserves (from final Engr - Geol. Report)
Indicated reserves of "mine-run" mica are estimated to be about 5000 pounds which should yield about 200 pounds of trimmed mica of strategic grade.

Production this Period: None. Mine has not been in production since close of Government contract.

Other Remarks: Property was visited on July 4th. It was noted that no work had been done on the deposit since DMEA contract was terminated.

July 4, 1956

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

z

ACTION ON AND
ON FINAL FIELD TRIP REPORT
Date 7-18

Referred to:

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

Note comments in report regarding:

1. Inactive since DMEA days
2.
3.
4.

and take appropriate action.

- - - - - - - - - -

Action taken by Division:

Robert E. Adams

RECEIVED
JUL - 8 1955

REPORT OF INSPECTION OF CERTIFIED PROJECT

DMEA#2793, Idm-E495 (mica) LEE CORNWELL MINES

Operator: Burns-Spangler Construction Co., Shelby, North Carolina

Location: 4.5 airline miles N. 10° W. of Shelby, Cleveland County, N. C. The deposit lies between the First Broad River and N. C. Highway No. 26.

The subject mine was visited on June 29, 1955. All the equipment has been removed from the property, the timber has been removed from the shaft and it has filled up from caving banks.

Date of Inspection: June 29, 1955

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

z

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 415 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
JUN 29 1955

June 27, 1955

Messrs. Robert O. Burns & Robert Spangler
Burns-Spangler Construction Company
600 Peach Street
Shelby, North Carolina

Re: DMEA-2793, Idm-E495 (mica)
Joe Cornwell Property
Cleveland County, N. C.

Gentlemen:

A recent check at the Government Mica Buying Depot in Spruce Pine, N. C., disclosed that on March 21, 1955 you sold 15.34 pounds of mica in Lot No. 1750, for which you received $270.48. As the Government has issued a Certification on this contract, you are obligated to pay it a royalty on the sale of any production from the property described in the contract. In the case of mica the royalty will amount to 5 percent. The royalty on the above sale is $13.52. Please send your check in this amount made payable to the Defense Minerals Exploration Administration to this office at your earliest convenience. A copy of the settlement sheet should accompany your check. Royalty is also due on sales of any other material such as scrap, punch, etc.

Very truly yours,

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

WAB/sm
cc:
Lynch
Opr. Com.-2
Laurence

DOCKET FILE
Surname:
Anderson
Houk
Ontin
Chamber
Hedges
Kilsgaard
Selfridge
Johnson

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

600

MAY 23 1955

Messrs. Robert O. Burns and Robert Spangler
Burns-Spangler Construction Company
600 Peach Street
Shelby, North Carolina

INTERIOR DEPT.
MAY 10 1955
SOLICITOR

Re: Docket No. DMEA-2793 - Mica
Robert O. Burns and
Robert Spangler
Burns-Spangler Construction Company
Lee Cornwell Property
Cleveland County, North Carolina
Contract No. Idm-E495

Gentlemen:

Transmitted herewith is a certification of discovery or development on Contract No. Idm-E495 on the Lee Cornwell Property, Cleveland County, North Carolina.

By the terms of the Exploration Project Contract and of the certification, all production from the property from the date of the Exploration Project Contract, March 2, 1953, is subject to the Government's percentage royalty as set forth in the contract until the sum of $4,599.00 is paid or until March 2, 1963, whichever occurs first.

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

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

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

Sincerely yours,

C. O. Mittendorf
Administrator

Enclosure

WCAnderson:ad 5/6/55
Copy to: Mr. Lee Cornwell and wife, Helen B. Cornwell (attached to field team copies for forwarding)
Admr. R. File
Docket
Mr. Johnson
Mr. Houk
Mr. Chambers
Operating Committee
Field Team, Region V
Mr. Kilsgaard, 5222
Mr. ~~Dietrich, 3061~~

Docket File
Surname:
Houk
Talbert
Hedges
Kiilsgaard
Selfridge
Johnson

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

MAY 23 1955

Mr. Clarence A. Fredell, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
7th and D Streets, S. W.
Washington 25, D. C.

Re: Docket No. DMEA-2793 - Mica
Robert O. Burns and
Robert Spangler
Burns-Spangler Construction Company
Lee Cornwell Property
Cleveland County, North Carolina
Contract No. Idm-R495

Dear Mr. Fredell:

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

The exploration contract was signed March 2, 1953, with the Government participating to the extent of 90% of $6,700.00 or $6,030.00. The project was started about May 1, 1953, and completed November 22, 1954, after the expenditure of $5,110.00 which is the total net and accepted cost according to the Audit Review. The Government paid 90% of the total accepted cost, or $4,599.00.

The work performed on this project consisted of trench excavation, 41 feet of timbered vertical shaft and 75 feet of drift. A disconformable pegmatite 8 to 15 feet thick is exposed in the cut, the shaft and part of the levels. About 1,000 pounds of "mine run" mica were recovered during the project. The exploration furnished sufficient data to calculate a reserve of about 5,000 pounds of "mine run" mica which will yield 200 pounds of trimmed mica.

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

Sincerely yours,

C. O. Mittendorf (for)
Administrator

Enclosure

WCAnderson:ad 5/9/55
Rewritten WCAnderson:gad 5/18/55
Copy to: Admr. R. File
Docket
Mr. Johnson
Mr. Chambers
Mr. Houk
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Hedges, 4604

P.C.S.

DOCKET FILE
Surname:
Anderson
Houk
Chambers

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

INTERIOR DEPT. MAY 10 1955 SOLICITOR

Mr. Clarence A. Fredell, Acting Director
Materials Division
Emergency Procurement Service
General Services Administration
7th and D Streets, S. W.,
Washington 25, D. C.

Re: Docket No. DMEA-2793 - Mica
Robert O. Burns and
Robert Spangler
Burns-Spangler Construction Company
Lee Cornwell Property
Cleveland County, North Carolina
Contract No. Idm-E495

Dear Mr. Fredell:

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

The exploration contract was signed March 2, 1953, with the Government participating to the extent of 90% of $6,700.00 or $6,030.00. The project was started about May 1, 1953, and completed November 22, 1954, after the expenditure of $5,110.00 which is the total net and accepted cost according to the Audit Review. The Government paid 90% of the total accepted cost, or $4,599.00.

The work performed on this project consisted of trench excavation, 41 feet of timbered vertical shaft and 75 feet of drift. A disconformable pegmatite 8 to 15 feet thick is exposed in the cut, the shaft and part of the levels. About 1,000 pounds of "mine run" mica were recovered during the project. The exploration furnished sufficient data to calculate a reserve of about 5,000 pounds of strategic grade trimmed mica.

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

Sincerely yours,

Administrator

Enclosure

Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. ~~Dietrich, 3061~~ Mr. Hodges
Mr. Houk

WCAnderson:ad 5/9/55
Copy to: Admr. R. File
Docket
Mr. Johnson
Mr. Chambers

IN REPLY REFER TO:

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

May 2, 1955

Re: DMEA-2793
Burns & Spangler
Construction
(Lee Cornwell Mine)
Cleveland Co., N. C.
$5,110 - Mica

Memorandum

To: L. G. Houk, Defense Minerals Exploration Administration

From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of Final Field Team report

The Field Team has recommended the project be certified as a discovery. Inasmuch as the work was carried out in an unsatisfactory manner, no further DMEA assistance is feasible.

Although only a limited amount of strategic grade mica has been found, indicated reserves of "mine run" mica are estimated to be about 5000 pounds. Some of these reserves can be expected to yield a few pounds of strategic grade mica.

I concur with the Field Team and recommend the contract be certified as a discovery.

E. L. Newcomb

E. L. Newcomb

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

April 26, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Donald R. Irving, Acting for
Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-2793 (mica)

Applicant: Burns & Spangler Construction Co.

Name and Location of Property: Lee Cornwell Mine
Cleveland County, North Carolina

Contract Number: Idm-E 495

Date of Field Team Final Report: April 13, 1955

Date Rec'd. by Br. of Ceram. & Fert. Mat.: April 20, 1955

Field Team Recommendation:

1. Certification.

Comments:

1. Above 1,000 pounds of "mine-run" mica was recovered.

2. Indicated reserves are estimated at 5,000 pounds of "mine-run" mica.

3. Expenditures -

Total approved	$6,700.00
Total cost	5,110.00
Gov't. share of cost	4,599.00
Value of production during operation	?

Recommendation:

I concur in the field team's recommendation to issue a certificate of discovery or development.

Donald R Irving

Donald R. Irving

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

April 13, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region V - Knoxville, Tenn.

Subject: DMEA-2793, Idm-E495 (mica) Burns & Spangler Constru Co.
Lee Cornwell Mine, Cleveland County, N. C.
Final Operator's and Field Team Reports.

Enclosed are four copies each of the Operator's and Field Team final reports on the subject exploration contract.

We are in agreement with the Examiners' conclusions, and we recommend certification.

Because of the unsatisfactory manner in which the project was carried out, we would be reluctant to enter into any future contract with these Operators.

Robert A. Laurence
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch
V. J. Lynch, Member
DMEA Field Team, Region V

BURNS And SPANGLER

Grading Contractors

Phone 7451 600 Peach Street

SHELBY, NORTH CAROLINA

DEPARTMENT OF THE INTERIOR
Bureau of Mines Administration
RECEIVED
APR 15 1955

field con. memo
to Pl. P. 4-15

Final report on Lee Cornwell mine
Cleveland County, N.C.
DMEA - 2793
IDM - E495 (Mica)

Operator's Final Rpt.

Dear Sir:

We completed work on the above project November 22, 1954. On May 4, 1953 work was started on this mica mine --- the Lee Cornwell mine. We cleared off the overburden to a depth of 12 feet. Then we set up a boom and started digging the shaft.

At 10 feet we found a small quantity of mica of good quality. The next 20 ft. we blasted through a layer of flint rock. At 30 ft. we ran out of the mica vein. We dug to a depth of 45 ft.

The shaft caved in and we cleaned it out to a depth of 30 ft. We put in new 2 inch oak timbers. A tunnel was started due north from the shaft, and we dug 18 feet in this direction. No mica was found.

We branched off with a new tunnel due east. This tunnel was dug in this direction for thirty feet. At 22 ft. we ran into a vein of mica that looked good. This vein was followed straight down for five feet, but it played out.

At the end of the 30 ft. tunnel another tunnel was dug in a northeasterly direction for 11 ft. No mica was found. Also at the end of the 30 ft. tunnel we dug a 6 ft. tunnel due south. We came back to the end of the first 18 ft. tunnel and started a new one due west. This one was dug for ten ft., but no mica was found.

We have 800 lb. of block mica which will probably be worth about $400,00 when sheeted. We are sheeting this mica now abd should have it for sale in several weeks. We have not sold any mica from the mine. We plan to dig in the last tunnel another 20 or 30 ft. at our own expense.

Yours very truly,

Robert Burns

Robert Burns, Partner
Burns and Spangler

RB:jb

RECEIVED
MAR 3 - 1955
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
BY
FIELD TEAM, REGION V

ON

DMEA-2793, (mica) LEE CORNWELL MINE

Final Field Team Rpt.

By

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

and

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

April 12, 1955

Reviewed by
DMEA OPERATING COMMITTEE
4-20-55
(date)

FINAL REPORT
ON
DMFA-2793, Idn-E495 (mica) LEE CORNWELL MINE

Operator: Burns & Spangler Construction Company, Lawndale, North Carolina

Location: 4.5 airline miles N. 10° W. of Shelby, Cleveland County, N. C.

Work completed under the contract consisted of bulldozing a trench, sinking a 41-foot vertical shaft and driving a total of 75 feet of laterals. A limited quantity of strategic mica was discovered by this work; thus, it is recommended that a certification of discovery be issued. Additional exploratory work which the Operator plans to do at his expense is warranted to the southwest of the shaft bottom.

Work began about May 1, 1953 and was completed November 22, 1954. An east-west trending trench about 150' x 24' x 12' deep was bulldozed. A 41-foot, two-compartment vertical shaft was sunk from the bottom of this trench. It caved due to inadequate timbering and was then retimbered to a depth of 28.5 feet at the Operator's expense. From this latter level a total of 75 feet of laterals were driven (see attached map).

A disconformable pegmatite 8-15 feet thick is exposed in the cut, the shaft and part of the levels. Where seen, it is thickest northeast of the shaft in the laterals. The body is essentially vertical and strikes N. 85° E. in the trench bottom and N. 60° E. at the 28.5 foot level. A massive quartz core 3-8 feet thick is present. The pegmatite consists of kaolinized feldspar, quartz and muscovite. Mica is of larger size and more abundant adjacent to the quartz core. Abundant slickensides and contortions in and adjacent to the pegmatite indicates considerable post-pegmatite movement. The northeast end of the body is truncated by a fault in the northeastern-most lateral. This fault strikes east-west and dips 50° to the north. The enclosing counrty rock is weathered mica schist and gneiss. It foliation and layering strikes N. 40° W. and dips 55° N. E.

About 1000 pounds of "mine-run" mica were recovered from the dozing and the lateral work. Some will yield trimmed mica of strategic quality. Limited amounts of mica will probably be produced intermittently from this deposit; thus, certification is probably warranted.

Indicated reserves revealed by work done under this contract are estimated to be about 5000 pounds of "mine-run" mica which should yield about 200 pounds of trimmed mica of strategic grade.

Expenditures:

(a)	Total approved	$6700.00
(b)	Total cost of project	5110.00
(c)	Government's share of cost	4599.00
(d)	" " unexpended	1431.00
(e)	Value of production during opr.	?

The work done under the contract was not conducted in an efficient, satisfactory, or workman like manner. The original shaft was lost primarily because of inadequate and improper trimbering. Completion of the project resulted only after continued and repeated insistance by the field team.

April 12, 1955.

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

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

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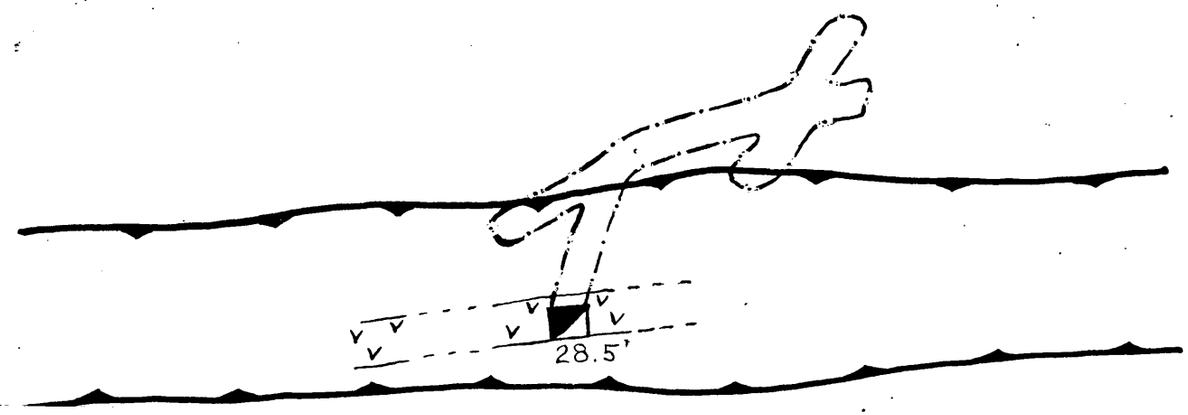

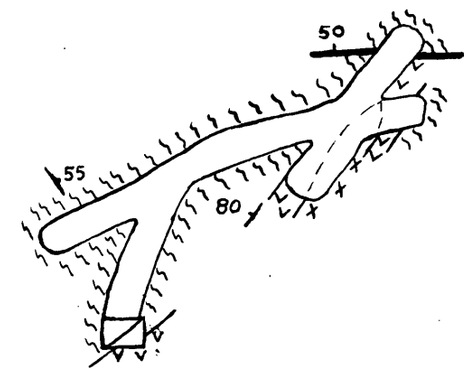

PLAN 28.5' LEVEL

- MICA GNEISS
- PEGMATITE
- QUARTZ
- SHAFT
- STRIKE & DIP OF FOLIATION
- STRIKE & DIP OF CONTACT
- CONTACT, APPROX. WHERE DASHED
- CUT
- OUTLINE OF UNDERGROUND WORKINGS
- FAULT W/ DIP OF FAULT PLANE

0 20' 40'
SCALE

SKETCH OF
LEE CORNWELL MINE
CLEVELAND CO., N.C.

DMEA-2793

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

March 28, 1955

Mr. Robert Burns
Burns & Spangler Construction Company
600 Peach Street
Shelby, North Carolina

Re: DMEA-2793, Idm-E495 (Mica)
Lee Cornwall Mine
Cleveland County, North Carolina

Dear Mr. Burns:

Your final voucher has been approved for payment, after receipt of the Form NF104A, last week.

If the Government issues a certification of discovery and development, all sales of mica from the Lee Cornwall property since March 2, 1953 will be subject to payment of 5% royalty to the Government. Until you receive notification of such certification, there is no obligation on your part to pay regalties to the Government. You will be notified before September 23 whether this certification is to be issued. (See Article 6a of the contract). Although it is probable that such certification will be made, the final decision is made by our Washington office, and therefore I cannot give you a definite answer to your question.

Very truly yours,

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

RAL/mg
cc - Operating Committee (2)
Mr. Ellsman
Mr. Shirley
Mr. Lynch
Files

Talbert

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

MAR 2 5 1955

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

Dear Mr. Laurence:

Enclosed are the originals and two copies of Reports of Review covering the following completed or terminated Exploration Project Contracts:

Contract No.	Docket No.	Operator
Idm-E495	DMEA-2793	Burns-Spangler Construction Co.
Idm-K705	DMEA-3248	South Toe Mining Co., Inc.
Idm-E714	DMEA-3329	Henry Lee Robinson
Idm-B684	DMEA-3244	Alex Teague

If you concur with the facts stated therein, the original and one copy of each Report of Review should be forwarded to the Certifying Officer and one copy of each should be retained in your files. If, for any reason, a Report of Review does not have your concurrence please return all copies to this Division with your comments thereon.

The Report of Review covering Contract Idm-E495 was drafted by Mr. Fisher during his recent visit to Region V. Copies of Field Team reports and correspondence received in this office have provided a means of verification of the work performed under the other three contracts for which Reports of Review have been prepared.

Sincerely yours,

(Signed) E. D. Talbert

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

Enclosures

EDTalbert/ama
March 25, 1955

Copy to: Docket - 2793
~~Norris~~
Mr. Chambers
Helen Miller
Admr. Reading File

R.C.S.

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

March 25, 1955

Memorandum

To: Miss Curtin, Statistics and Control Division

From: Hazel Berry, Operating Committee
By 257

Subject: Amendments to Contracts

Attached are the following docket copies of amendments to contracts which have been reviewed and approved by the Commodity Divisions, Contract Administration and Audit Division, and the Legal Division. The officials dockets are attached.

BURNS-SPANGLER CONSTRUCTIONS CO., DMEA-2793, Idm-E495, Amendment No. 3.

MID-CONTINENT URANIUM CORP., DMEA-3360, Idm-E723, Amendment No. 3.

TRIUMPH MINING CO., DMEA-3394, Idm-E696, Amendment No. 1.

Attachments 3

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

March 17, 1955

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 3 - Docket No. DMEA-2793 - Mica
Burns-Spangler Construction Company
Lee Cornwell Property
Cleveland County, North Carolina
Contract No. Idm-E495

The Nonmetallic Minerals Division concurs in Amendment No. 3 to the subject contract as written and executed in the field. This amendment extends the completion date from November 2, 1954, as provided in Amendment No. 2, to January 2, 1955.

This amendment is necessary since the contract was not completed until after November 2, 1954. It was justified since it was in the Government's interest to provide additional time to complete the contract.

Walter C. Anderson
Walter C. Anderson
Nonmetallic Minerals Division

RECEIVED
MAR 23 1955
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 11 1955

March 9, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Amendment No. 3 -on DMEA-2793, Idm-E495, Burns & Spangler
Lee Cornwell Mine, (mica) North Carolina

Transmitted are three signed copies of the subject Amendment. The usual distribution of the other copies has been made by this office.

Robert A. Laurence

Robert A. Laurence

RECEIVED
MAR 23 1955
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Bureau Mines Mineral
RECEIVED
JAN 26 1955

INTERIM REPORT

DMEA-2793, Idm-E 495(mica) LEE CORNWELL MINE

Operator: Burns-Spangler Construction Co., Lawndale, N. C.

Location: 4.5 airline miles N. 10° W. of Shelby, Cleveland County, N. C. The deposit lies between the First Broad River and N. C. Highway No. 26.

This contract has been completed. Recent work to the southwest from a point 14.5 feet in the original crosscut completes all drift and crosscut footage allowable under contract. A crosscut was driven for a distance of 11 feet in a S 65° W. direction in mica gneiss and stringers. The Operator, it is reported, plans to further advance this work at his own expense in the near future.

Examined: January 4, 1955.

L. E. Shirley By: [illegible]
L. E. Shirley, Mining Engineer
U. S. Bureau of Mines

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

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

December 13, 1954

Mr. Robert Burns
600 Peach Street
Shelby, N. C.

Re: DMEA-2793, Idm-E 495(mica)
Burns & Spangler Construction Co.
Lee Cornwall Mine

Dear Mr. Burns:

In October, you signed and returned to me an amendment providing additional time in which to complete the exploratory work at the Lee Cornwall Mine. Since that time, we have had no progress reports from you. The work should have been resumed before October 11 and completed by November 2.

Please let me know when you plan to resume work. Another amendment will now be needed and will be prepared only if you show serious intention of resuming work.

Very truly yours,

Robert A. Laurence,
Executive Officer, DMEA - Reg. VII

RAL/
ZM.
cc:
Opr. Com.-2
Lynch
Beck
Files

Docket Copy
Surname:
Anderson
Hedges
Selfridge
Johnson
Mitchenson

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

DEC - 9 1954

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

Subject: Docket No. DMEA-2793 - Mica
Burns-Spangler Construction Company
Lee Cornwell Property
Cleveland County, North Carolina
Contract No. Idm-E495

Dear Mr. Laurence:

We wish to call your attention to the subject contract the completion date of which is November 2, 1954, and may require extension by amendment.

If this is necessary, and you approve, will you please furnish us copies of such amendment.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JB)

Approved:

J. H. Hedges
Member, Bureau of Mines (JB)

Thor H. Kiilsgaard
Member, Geological Survey (JB)

WCAnderson:gad 12/7/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

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

ATTACHED ON VOUCHERS & SCHEDULE OF PAYMENTS K- 5

OPERATOR'S MONTHLY REPORT AND VOUCHER

Defense Minerals Administration RECEIVED APR 6 1955

Month of November, 1954 Docket No. DMEA 2-495 Contract No. IDM-E495
Operator's Name Burns + Spangler Construction Co. Minerals Mica
Address Shelby N.C.
Contract Amount, $6780.00 Government Participation: 90 % Amount, $6030.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent / Short Form Contracts:						
Drilling						
Bulldozing		640.00	640.00			
Crosscutting						
Drifting						
Shaft		1845.00	1845.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Tunnel	525.00	2100.00	2625.00			
(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	525.00	4585.00	5110.00	525.00	4585.00	5110.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 3-7-55 *Payee Burns + Spangler Const. Co.
Per Robert Burns 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:

$ 472.50

Signature Helen R. Miller (Authorized Certifying Officer)
Date April 1, 1955 Vou. No.
(See other side)

52.50

(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. E 495 in accordance with the terms of the contract.

Signature V. J. Lynch Title Mining Engineer Date 3/31/55

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date 3-31-55

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-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 6 1955

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Nov. 1954 Docket No. DMEA 2793 Contract No. IDM-E495
Operator's Name Burns & Spangler Const. Co. Minerals Mica
Address 600 Peach St. Shelby, 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		525.00	15	2625.00	75	35.00	75	35.00
Crosscutting								
Raising								
Shafts				1845.00	41	45.00	75	45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	Cu. yds			640.00	1600	40		700.00
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		525.00	15	5110.10				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 3-21-55 Operator Burns & Spangler Const. Co.

Per Robert Burns 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 872894

Department of the Interior
Bureau of Mines
Received
APR 6 1955

Peach Street
Shelby, North Carolina
March 19, 1955

Mr. Robert A. Laurence
Executive Officer
DMEA Region V
Post Office Building
Knoxville 2, Tenn.

Final Report on Lee Cornwell Mine
Cleveland County, N.C.
DMEA - 2793, MDL-4195 (Mica)

Dear Mr. Laurence:

We completed work on the above project November 22, 1954. On May 4, 1953 work was started on the Cornwell mine. We cleared off the overburden to a depth of 12 feet. We set up a boom and started digging the shaft. At ten feet we found a small quantity of mica of good quality. The next 20 feet we blasted through a layer of flint rock.

At 30 feet we ran out of the mica vein. We dug to a depth of 45 feet. The shaft caved in and we cleaned it out to a depth of 30 feet. We put in new 2 in. oak timbers. A tunnel was started due north from the shaft. We dug 18 feet in this direction. No mica was found. We branched off with a new tunnel due east. This tunnel was dug in this direction for 30 feet. At 22 feet we ran into a vein of mica that looked good. This vein was followed straight down for five feet and played out.

At the end of the 30 ft. tunnel another tunnel was dug in a north easterndirection for 11 feet. No mica was found. Also at the end of the 30 ft. tunnel we dug a 6 ft. tunnel due south. We came back to the end of the first 18 ft. tunnel and started a new one due west. This one was dug for 10 feet. No mica was found.

We have 800 pounds of block mica. This mica will probably be worth about $400.00 when sheeted. We are sheeting this mica now and should have it ready for sale in several weeks.

We have not sold any mica from the mine. We plan to dig in the last tunnel another 20 or 30 feet at our own expense.

Yours very truly,

Robert Burns

Robert Burns, Partner
Burns and Spangler Construction Company

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

October 5, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 2 - Docket No. DMEA-2793 - Mica
Lee Cornwell Property
Burns-Spangler Construction Company
Cleveland County, North Carolina
Contract No. Idm-E495

The Nonmetallic Minerals Division concurs in Amendment No. 2 to the subject contract as written and executed in the field. The date for completion of the contract has been extended from September 2, 1954 to November 2, 1954.

The amendment is justified since, while the Operator failed to complete the work by the specified date, it is in the Government's interest to provide additional time to complete it.

W. C. Anderson

W. C. Anderson
Nonmetallic Minerals Division

RECEIVED
OCT 7 - 1954
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

Department of the Interior
Defense Minerals Administration
RECEIVED
OCT - 1 1954

September 29, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: DMEA-2793, Idm-E495, Burns & Spangler. Amendment No. 2 (mica)

Transmitted are three signed copies of the subject amendment. The usual distribution of the other copies has been made.

The amendment was necessary because the Operator failed to complete the work by the specified date, and it is in the Government's interest to provide additional time to complete it.

Robert A. Laurence

Robert A. Laurence

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 22 1954

September 20, 1954

Mr. Robert Burns
600 Peach Street
Shelby, North Carolina

Re: DMEA-2793, Idm-E 495 (mica)
Lee Carmenell Mine

Dear Mr. Burns:

As requested in your letter of September 16, I enclose an amendment to the subject contract which provides that work shall be resumed by October 18, 1954 and completed by December 2, 1954.

Please sign all six copies, keep the one marked "Operator's Copy", and return all the others to me. All copies should be signed by both Mr. Spangler and yourself.

Very truly yours,

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

RAL/mm

cc:
Book
Lynch
Files
Opr. Com.-2

C
O
P
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C
O
P
Y

BURNS & SPANGLER
Grading Contractors
SHELBY, N. C.

September 16, 1954

U. S. Fept. of the Interior
Room Post Office Bldg.
Knoxville, Tenn.

Re: DMEA-2793, Idm-E 495 (mica)
Lee Cornwell Mine

Dear Mr. Laurence:

We would like to file a request for an extension to the contract for work on the Lee Cornwell Mine. Work was stopped temporarily, but is now being lined up and should be in full operation within two weeks. Probably two weeks of continuous work will complete the job, so a month should be sufficient time for the extention.

Yours very truly,

s/s

Robert Burns
Partner, Burns and Spangler Const. Co.

COPY

cc:
Opr. Com.-2
Beck
Lynch

Defense Minerals Administration
RECEIVED
SEP 16 1954

September 14, 1954

Burns and Spangler Construction Co.
c/o Robert Burns
Peach Street

Shelby, North Carolina

Re: DMEA-2793, IGm-R 495 (mica)
Lee Cornwall Mine-mica

Dear Mr. Burns:

The exploration contract for work at the Lee Cornwall Mine, as amended, should have been completed by September 2, 1954. This is 18 months to complete a job originally planned for six months.

Our records show that, although no request for suspension has been received, no work has been done since April 19, 1954, and our field examiners report that the project was inactive when they visited it on September 7, 1954.

Please let me know immediately when you plan to resume work. If you plan to resume promptly and carry out the work diligently, an amendment will be prepared extending the completion date. Otherwise, we will be compelled to recommend to our Washington office that the contract be terminated for breach of contract, with demand for repayment of all Government contributions to the cost of the work.

Very truly yours,

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

RAL/sm
cc:
Beck
Lynch
Opr. Con.-2
Files

INTERIM REPORT

DMEA-2793 Idm-E495 (mica) LEE CORNWELL MINE

OPERATOR: Burns-Spangler Construction Company, Lawndale, N. C.

LOCATION: 4.5 airline miles N 10° W of Shelby, Cleveland County, N. C. The deposit lies between the First Broad River and N. C. Highway #26.

No progress has been made on this contract since that reported on May 19, 1954. The operator accompanied the examiners on this visit and stated that additional drift work remaining under contract will be completed in the near future.

L. E. Shirley

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

K. H. Teague + D. H. Amos

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

July 14, 1954

DOCKET FILE COPY
Surname:

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

600

JUN 1 8 1954

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

Subject: Docket No. DMEA-2793 - Miss Lee Cornwell Property
Burns-Spangler Construction Company
Cleveland County, North Carolina
Contract No. Idm-R495

Dear Mr. Laurence:

Reference is made to the Operator's narrative statement with the April MF-104.

The advance as indicated by the monthly report of 5 feet of tunneling per day and 12 feet of timbering per day is especially good progress.

Please forward the information you have requested in the letter of June 1, 1954, to the Operator to this office when it is received.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (24B)

Approved:

J. H. Hedges (24B)
Member, Bureau of Mines

Philip W. Guild (24B)
Member, Geological Survey

IGHouk:gad 6/16/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.S.

INTERIM REPORT

DMEA-2793 Idm-E495 (mica) LEE CORNWELL MINE

OPERATOR: Burns-Spangler Construction Company, Lawndale, N. C.

LOCATION: 4.5 airline miles N 10° W of Shelby, Cleveland County, N. C. The deposit lies between the First Broad River and N. C. Highway No. 26.

Crosscutting and drifting on this contract is nearing completion and now totals 65 feet. Turnoff from the shaft was made to the NW and 51.5 feet was driven in country rock and pegmatite which intercepted the east wall. Drifts have been driven to the northeast and southwest and total 16.5 feet. The body appears to strike about N 40° E at this level and is dipping rather steeply. It contains a massive quartz core and most of mica recovered has come from beneath this core. Faulting is evident in this area, trending E-W and dipping 50° N. The contact and wall zone area is made up of badly mixed material. Remaining footage will be driven to the northeast with an attempt at mica recovery from below the quartz core.

Recent progress on this contract has been good. The crosscuts and drifts have been timbered adequately. It was suggested that extreme care be exercised in continuing the under cutting of the material below the quartz.

L. E. Shirley

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

D. H. Amos

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

May 19, 1954

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

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

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

JUN 10 1954

Month of [illegible], 1954 Docket No. DMEA [illegible] Contract No. [illegible]
Operator's Name [illegible] Minerals [illegible]
Address [illegible]
Contract Amount, $ [illegible] Government Participation: 90 % Amount, $ [illegible]

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		610.00	610.00			
Crosscutting						
Drifting						
Shaft		1845.00	1845.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Diesel	2200.00		2200.00			
(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	2200.00	2455.00	4655.00	2,100.00	2,485.00	4,585.00

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-69

I certify that the above bill is correct and just and that payment therefor has not been received.
Date [illegible] *Payee Burns & Scanlon Construction Co.
Per Robert Burns 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:

$ 1,890.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JUN 3 1954 Vou. No. 298
(See other side)

210.00

Form MF-104A
(April 1952)

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

Defense Minerals Administration
JUN 10 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of April 195[illegible] Docket No. DMEA 2722 Contract No. [illegible]
Operator's Name Burns & Spangler Construction Co.
Address Roach Street, Shelby, N.C.
Minerals Mica

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts *		2100.00	60 ft.	2100.00	60 ft.		75 ft.	35.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS				2100.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 5-23-54 Operator Burns & Spangler Constr. Co.

Per Robert Burns 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)

* Operator failed to include previous expenditure
Items above should have been under drifting instead of shafts.

W A Beck

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

DLEA NO. 2793

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of APRIL 1954

Work Accomplished

Dug and timbered tunnel 60 feet.

Daily Notes

April 2. Tunneled 4 feet.
3. Tunneled 5 feet.
6. Timbered tunnel 6 feet.
7. Tunneled 4 feet.
8. Tunneled 4 feet.
9. Tunneled 6 feet.
12. Timbered tunnel 12 feet.
13. Tunneled 5 feet.
14. Tunneled 5 feet.
21. Timbered tunnel 12 feet.
22. Tunneled 6 feet.
23. Tunneled 5 feet.
26. Timbered 12 feet.
27. Tunneled 5 feet.
28. Tunneled 5 feet.
29. Tunneled 6 feet.
30. Timb ered 18 feet.

Burns and Spangler Construction Co.
Peach Street, Shelby, N.C.

Robert Burns
Robert Burns, Partner

DLEV NO. 5383

INTERIM REPORT

DMEA-2793 Idm-E495 (mica) LEE CORNWELL MINE

OPERATOR: Burns-Spangler Construction Company, Lawndale, N. C.

LOCATION: 4.5 airline miles N 10° W of Shelby, Cleveland County, N. C. The deposit lies between the First Broad River and N. C. Highway #26.

Shaft rehabilitation has been completed on this contract to a depth of 28.5 feet. All old timber has been pulled and replaced with 2" sawed oak to depth. A separated manway, with ladders and landing at 12 feet intervals, has been installed. Cross cutting is underway in a N 20° W direction, which has been advanced about 19 ft. This crosscut has been side and top lagged solid for its entire distance, which has been necessary because of weathered country rock, a mica schist. The operator was advised that it was necessary to make a turn to the north in order to intersect the pegmatite. It was suggested that the void areas around the timber at surface level and below be back filled and tamped to prevent washing around the shaft.

Recent progress on this contract has been very good.

L. E. Shirley

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

K. H. Teague - D. H. Amos

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

April 7, 1954

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

March 3, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 1 - time extension - Docket No. DMEA-2793 - Mica
Lee Cornwell Property
Burns-Spangler Construction Company
Cleveland County, North Carolina
Contract No. Idm-E495

Amendment No. 1 changes Article 3 to read 18 months or September 2, 1954, as the completion date for the contract. The Nonmetallic Minerals Division concurs in the amendment as written and executed in the field.

RECEIVED
MAR 18 1954
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

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

Defense Minerals Administration
RECEIVED
FEB 26 1954

February 25, 1954

Memorandum

To: Operating Committee, D.M.E.A. Washington

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

Subject: Amendment No. 1. DMEA-2793, Idm-E 495 (mica)
Burns & Spangler Constr. Co. Lawndale, N. C.

Enclosed are 3 copies of the subject Amendment. The usual distribution of the other copies has been made.

The project was seriously delayed last August, due to collapse of timbers near the bottom of the shaft, and subsequent slumping of the near-surface timbering (see interim report of Oct. 6, 1953). An amendment was sent to the Operators in September but was never signed by them; during the fall and winter we kept urging them to resume work under the contract, which they finally did in December. A new amendment was prepared and it has just been returned with the Operators' signatures.

The extension of time is in the Government's interest, as it will take at least six months more to complete the project as originally approved.

Robert A. Laurence
Robert A. Laurence

RECEIVED
MAR 18 1954
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

Bureau of Mines
RECEIVED
1954

INTERIM REPORT

DMEA-2793 Idm-E495 (mica) LEE CORNWELL MINE

OPERATOR: Burns-Spangler Construction Company, Lawndale, N. C.

LOCATION: 4.5 airline miles N 10° W of Shelby, Cleveland County, N. C. The deposit lies between the First Broad River and N. C. Highway #26.

This project has resumed work after a long delay. The removal of collapsed timbers from the existing shaft is under way and necessary timbers for recribbing are at the mine site. As soon as rehabilitation is completed, level work will begin.

Mr. W. A. Beck, member of the DMEA Field Team, Region VII, accompanied the examiners on this visit to the mine.

L. E. Shirley

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

K. H. Teague & Dewey H. Amos,
Geologists, U. S. Geological Survey

February 24, 1954

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

Defense Minerals Administration
RECEIVED
FEB 17 1954

February 15, 1954

Mr. Robert O. Burns
c/o Burns-Spangler Construction Co.
P.O. Box 35
Lawndale, North Carolina

Re: DMEA-2793, Idm-E 495 (mica)
Lee Cornwell Mine

Dear Mr. Burns:

We are sending you six copies of an amendment extending completion date on the above subject mine for six additional months from March 2. Please sign all six copies, keep the one marked "Operator's Copy," and return the other to this office as soon as possible.

If you should find the other copies mailed in September, please return all those copies to this office.

Yours very truly,

Robert A. Laurence

xx

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

January 21, 1954

Mr. Robert O. Burns
Burns & Spangler Const. Co.
P.O. Box 35
Lawndale, North Carolina

Re: DMEA-2793, Idm-E 495 (mica)
Lee Cornwell Mine
Cleveland County, N. C.

Dear Mr. Burns:

On September 3, 1953, we sent you for signature, 6 copies of an amendment extending the completion date of the subject exploration contract, and on November 17 we again wrote you, asking for these papers. Please return the original and 4 copies, signed by both you and Mr. Spangler keeping the one marked "Operator's Copy" for your own files.

Please advise me how soon you expect to resume work. When our field examiners visisted the mine recently, no work had been done since the previous visist on December 2, 1953.

Very truly yours,

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

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

INTERIM REPORT

DMEA-2793 Idm-E495 (mica) LEE CORNWELL MINE

OPERATOR: Burns-Spangler Construction Company, Lawndale, N. C.

LOCATION: 4.5 airline miles N 10° W of Shelby, Cleveland County, N. C. The deposit lies between the First Broad River and N. C. Highway No. 26.

No progress is reportable on this contract, but operations are expected to resume in the near future. This visit to the mine was made with the operator and his foreman, and conditions affecting the reopening of the mine were discussed. If additional work is attempted, the operator states that all old timbers will be pulled and replaced with acceptable cribbing. Electric power is now available to the mine and if procured, will be an asset in any future work attempted.

Mr. Robert A. Laurence, Executive Officer of DMEA, Region VII, accompanied the Field Examiners on this visit to the mine.

L. E. Shirley

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

K. H. Teague

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

December 2, 1953

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

EXECUTIVE OFFICER
REGION VII

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 18 1953

November 17, 1953

Mr. Robert O. Burns
Burns-Spangler Construction Company
P. O. Box 35
Lawndale, North Carolina

Re: DMEA-2793, Idm-E 495 (Mica)
Lee Cornwell Mine

Dear Mr. Burns:

According to our field examiners, no work has been done since August 7, 1953 under the subject exploration contract.

An amendment, extending time for completion of the work until March 2, 1954, was sent to you for signature, on September 3, but has not been returned to this office. Please return the signed amendment (original and 4 copies) immediately, and also let us know how soon you plan to resume work.

Very truly yours,

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

RAL/mg
cc
Beck
Lynch
Operating Committee
files

RECEIVED

INTERIM REPORT

DMEA-2793 Idm-E495 (mica) LEE CORNWELL MINE

OPERATOR: Burns-Spangler Construction Company, Lawndale, N. C.

LOCATION: 4.5 airline miles N 10° W of Shelby, Cleveland County, N. C. The deposit lies between the First Broad River and N. C. Highway No. 26.

No work has been accomplished on this contract since August 7, 1953 and operator could not be contacted to learn when work would resume. No attempts have been made to rectify the collapsed timbers in the shaft.

L. E. Shirley

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

November 4, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 19 1953

INTERIM REPORT

DMEA-2793 Idm-E495 (mica) LEE CORNWELL MINE

OPERATOR: Burns-Spangler Construction Company, Lawndale, N. C.

LOCATION: 4.5 airline miles N 10° W of Shelby, Cleveland County, North Carolina. The deposit lies between the First Broad River and N. C. Highway No. 26.

This mine has been idle during the past few weeks because of harvesting season. No work has been done since August 7, 1953. Examination of the shaft disclosed that timbers near the bottom had collapsed, supposedly during a heavy rain, and since proper support of timbers near the surface had not been afforded, the structure slipped several feet into the shaft from surface level. It was suggested several times in the past that timbers be safely anchored and that the open spaces around the timbers be back filled with muck. Some back filling had been accomplished, but the job was never completed. Before any additional work can be attempted, collapsed timbers will have to be removed and an adequate cribbing job completed.

L. E. Shirley

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

K. H. Teague

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

October 6, 1953

FILE COPY
SURNAME:

Houk
Ellis

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

600

SEP 4 1953

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

Subject: Docket No. DMEA-2793 - Mica
Lee Cornwell Property
Burns-Spangler Construction Company
Cleveland County, North Carolina
Contract No. Idm-R495

Dear Mr. Laurence:

Reference is made to the subject contract for exploration assistance on the Lee Cornwell Property, Cleveland County, North Carolina.

It is noted that the expected completion date is September 2, 1953. Please execute an amendment to allow sufficient time to complete the work program.

Sincerely yours,

Ernest Wm. Ellis
ES7
ACTING Chairman, Operating Committee

Approved:

J. H. Hedges
ES7
Member, Bureau of Mines

R. Kinkel, JE
ES7
Member, Geological Survey

LGHouk:gad 9/3/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.B.
9-4-53

Bureau of Mines
AUG 1 1953

INTERIM REPORT

DMEA-2793 Idm-E495 (mica) LEE CORNWELL MINE

OPERATOR: Burns-Spangler Construction Company, Lawndale, N. C.

LOCATION: 4.5 airline miles N 10° W of Shelby, Cleveland County, North Carolina. The deposit lies between the First Broad River and N. C. Highway No. 26.

Shaft sinking is at a standstill on this contract and will remain so until proper pumping facilities can be provided. The operators plan to use an electric pump and have acquired both a pump and generator, which were at the mine, but not rigged for use.

After the shaft is sunk to a depth of 50 feet, a short exploratory crosscut will be driven to the north in an effort to prove that the body continues to depth.

L. E. Shirley

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

K. H. Teague

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

August 12, 1953

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

Budget Bureau No. 42-R1036.2
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAYMENT VOUCHER & SCHEDULE OF PAYMENTS K-10

52

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of July 1953 Docket No. DMEA 2793 Contract No. Idm E 495
Operator's Name Burns & Spangler Minerals Mica
Address Shelby, N.C.
Contract Amount, $ 6700.00 Government Participation: 90 % Amount, $

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		$640.00	$640.00			
Crosscutting						
Drifting						
Shaft lin. ft	1035.00	810.00	1845.00			
(2) Labor and Supervision:						
Labor						
Supervision						
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	$1035.00	$1450.00	$2485.00	1,035.00	1,450.00	2,485.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 8-10-53 *Payee Burns & Spangler Const. Co
Per Robert Burns 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:

$ 931.50

Signature Ora A. Piper
(Authorized Certifying Officer)

Date AUG 20 1953 Vou. No. 52
(See other side)

183.51

(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-E495 in accordance with the terms of the contract.

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

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION VII Date AUG 17 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 1953 Docket No. DMEA 2793 Contract No. Idm-E-495
Operator's Name Burns & Spangler Minerals Mica
Address Shelby, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Lin. ft.	$1035.00	23	$1845.00	4500	41	75	$45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching				$640.00				
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS				2485.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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 8-10-53 Operator Burns and Spangler
Per Robert Burns 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.

U. S. GOVERNMENT PRINTING OFFICE 205676

DMEA NO. 2793

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of July
1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 4 1953

Daily Notes

Monday July 13.	Started back to work in mine, mucked about 2 ft. Got about 150 lbs. lf Mica. Broken up very bad.
Tuesday July 14.	Built shaft 6 ft. blasted one round and went 2 ft. deep.
Wednesday July 15.	Rained, worked on pump motor.
Thursday July 16.	Moved muck, went 3 ft. got very little Mica.
Friday July 17.	Cribed shaft and moved 2 ft. of muck
Saturday July 18.	Struck water and mucked 1 ft.
Monday July 20.	Installed pump.
Tuesday July 21.	Cribed shaft and moved 2 ft. of muck. One man hired on night duty to pump water.
Wednesday July 22.	Sunk shaft 2 ft. saw no sign of Mica. Rained.
Thursday July 23.	Sunk shaft 2 ft. and cribed shaft.
Friday July 24.	Sunk shaft approximately 2½ ft.
Saturday July 25.	Sunk shaft 1½ ft. and cribed, still no sign of Mica.
Monday July 27.	Sunk shaft 2 ft.
Tuesday July 28.	Worked on pump, sunk shaft 1½ ft.
Wednesday July 29.	Worked on pump until 11:30 o'clock. Still no sign of Mica

Burns & Spangler Construction Co.
Robert Burns

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 13 1953

INTERIM REPORT

DMEA-2793 Idm-E495 (mica) LEE CORNWELL MINE

OPERATOR: Burns-Spangler Construction Company, Lawndale, N. C.

LOCATION: 4.5 airline miles N 10° W of Shelby, Cleveland County, N. C. The deposit lies between the First Broad River and N. C. Highway No. 26.

Shaft sinking continues on this contract and is now at 41 feet. The mine is beginning to make a substantial amount of water and contained 4-5 feet at time of this visit. A gasoline pump was reported being used from about the 25 foot level, however, the pump was not in the shaft upon inspection. Later contact with the foreman confirmed this report and he stated that on the previous day a break had occurred in the exhaust, and two men working in the shaft became sick from fumes. The foreman was instructed not to use a gasoline pump in the shaft at any time and that failure to comply with safety instructions would result in recommendation of termination of the contract.

Reported material in the shaft bottom was biotite schist.

L. E. Shirley

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

K. H. Teague

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

July 29, 1953

910

INTERIM REPORT

DMEA-2793 Idm-E495 (mica) LEE CORNWELL MINE

OPERATOR: Burns-Spangler Construction Company, Lawndale, N. C.

LOCATION: 4.5 airline miles N 10° W of Shelby, Cleveland County, North Carolina. The deposit lies between the First Broad River and N. C. Highway No. 26.

Shaft sinking continues on this contract and is now at 26.5 feet. This visit was made just after a heavy rainfall and the shaft contained a few inches of water; the bottom was not examined. Dump material observed consisted of weathered mica schist and large amounts of small, scrap mica.

Some back filling had been accomplished around the shaft timbers and two sides appeared to be taking weight. Recent progress on this contract has been slow.

L. E. Shirley

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

K. H. Teague

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

July 15, 1953

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

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

PAID ON VOUCHER AND SCHEDULE
PAYMENTS NOR K6

24

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

Month of May - June, 1953 Docket No. DMEA 2793 Contract No. Jdm-E.445
Operator's Name Burns & Spangler Minerals Mica
Address Shelby, N.C.
Contract Amount, $ 6700.00 Government Participation: 90 % Amount, $ 6030.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing Cub. yds	640.00		640.00			
Crosscutting						
Drifting						
Shaft Lin. ft.	810.00		810.00			
(2) Labor and Supervision:						
Labor						
Supervision						
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	1450.00		1450.00	1,450.00		1,450.00

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

Date 7/7/53 *Payee Burns & Spangler Grading Contractors

Per Robert Burns Title Partner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing company or corporate name, as well as the capacity in which he signs, must appear. For example: "John 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 statement or representation to any department or agency of the United States as to any matter within its

(Instructions on reverse)

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

$1305.00

Signature Cora A. Piper
(Authorized Certifying Officer)

Date JUL 29 1953 Vou. No. 24
(See other side)

145.00

4/20/53

(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. Tdm-E495 in accordance with the terms of the contract.

Signature Laurence E. Shirley Title Mining Engr. U.S.B.M. Date July 10, 1953

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

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

MONTHLY REPORT OF OPERATOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GPO 83-38476

Form MF-104A
(April 1952)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 6 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of May-June 1953 Docket No. DMEA 2793 Contract No. Idm. E. 495
Operator's Name Burns + Spangler Minerals Mica
Address Shelby, N.C.

OPERATION	Unit	Costs This Month	Units This Month	Costs to Date	Units to Date	Unit Costs to Date	Authorized by Contract: Units	Authorized by Contract: Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Lin. ft.	810.00	18'	810.00	18 ft.	45.00	75	$45.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching Cub. yds.	1600	640.00		640.00	1600	.40		.40
Test Pits								
Roads and Trails								
Total Distributed Costs								Total Costs Authorized by Contract
Operating Equipment Purchased		~~646.42~~		~~646.42~~				
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
Total Costs		~~$646.42~~ 1450.00		~~$646.42~~ 1450.00 LES				

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 7/7/53 Operator Burns + Spangler
Per Robert Burns 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.

U. S. GOVERNMENT PRINTING OFFICE 205676

DMA NO. 2703

Department of the Interior
Bureau of Mines
Minerals Administration
RECEIVED
AUG 3 1953

OPERATORS
MONTHLY PROGRESS REPORT
for the
Month of May and June 1952

Work Accomplished

Set up Boom Pole, and hoist. Started shaft, hired 5 men, bought powder and fuse. Drilled and blasted, removed rock about 10 ft. Blasted each day. Advance about 18 ft. for the entire months.

Daily Notes

May 4. Set up compressor and blasted once.
5. Drilled and blasted once and went 2 ft.
6. Drilled and blasted twice and went 3 ft.
7. Drilled and blasted once and went 2 ft. and got about 100 lbs. mica.
11. Timbered shaft about 8ft.
12. Drilled and Blasted and went 2 ft. and got about 150 lbs. mica.
13. Drilled and Blasted solid rock and got about 50 lb. mica on the South Side.
19. Repaired Boom Pool, built muck bucket.

June 1. Hired 4 men at $ .75 per hour drilled one round and blasted about 2 ft.
2 Timbered shaft and built ladder, drilled and blasted once and went about 2 ft. and got about 100 lbs. mica.
3. Blasted and drilled about 2 ft. and got about 200 lbs. mica on the South Side.
4. Timbered shaft and built ladder.
8. Drilled one round and blasted.
9. Moved about 2 ft. rock and got about 300 lbs. mica in bottom of shaft.

Burns + Spangler Grading Contractors
Robert Burns

RECEIVED
JUL 13 1953
U. S. BUREAU OF MINES
DEF. MIN. ADM.
Knoxville, Tennessee

July 22, 1953

Re: DMEA-2793, Idn-5495 (mica)

Wm. A. Beck
Room 13, Post Office Bldg.
Knoxville 2, Tenn.

Dear Mr. Beck,

In regard to your letter on July 14th about cutting a trench [redacted] your stated that the contract called for cutting a trench 10' x 20' x 150' to strip and expose pigment. For this work a sum of $700.00 was set up. We realize that the contract called for those specification. According to conditions we thought it necessary to cut it 12'x24'x150' which would equal to 1600 cu.yds. at 40¢ a yard which will equal $640.00. Which is shown on the form MF-104 and MF-104A.

Yours very truly,

Robert Burns

Burns & Spangler Construction Co.

P.S. The above trenching was done the last week in April and the first week in May.

OZF:bf

INTERIM REPORT

DMEA-2793 Idm-E495 (mica) LEE CORNWELL MINE

OPERATOR: Burns-Spangler Construction Company, Lawndale, N. C.

LOCATION: 4.5 airline miles N 10° W of Shelby, Cleveland County, North Carolina. The deposit lies between the First Broad River and N. C. Highway No. 26.

Shaft sinking continues slowly on this contract and is now down to 21.5 feet. Most of the recent work has consisted of back filling around the timbered shaft, which was left in a dangerous condition, and anchoring timbers properly. Material encountered during sinking has been pegmatite, consisting of massive quartz, feldspar and ruby mica.

L. E. Shirley

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

K. H. Teague

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

June 30, 1953

9B

INTERIM REPORT

DMEA-2793 Idm-E495 (mica) LEE CORNWELL MINE

OPERATOR: Burns-Spangler Construction Company, Lawndale, N. C.

LOCATION: 4.5 airline miles N 10° W of Shelby, Cleveland County, North Carolina. The deposit lies between the First Broad River and N. C. Highway No. 26.

Shaft sinking is in progress on this contract and is now down to 18.5 feet. The shaft is 6' x 8' in cross section and has been timbered to 17 feet with 1" x 6" sawed boards. Material encountered has been predominantly quartz, but some flat, hard, ruby mica has been recovered while sinking.

Machinery on the job consists of an upright metal hoisting frame, a gasoline power hoist, and a 105 c.f.m. air compressor with necessary drilling equipment.

Suggestions made to the foreman included general safety requirements and points for shaft improvement.

L. E. Shirley

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

K. H. Teague

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

June 17, 1953

INTERIM REPORT

DMEA-2793 Idm-E495 (mica) LEE CORNWELL MINE

OPERATOR: Burns-Spangler Construction Company, Lawndale, N. C.

LOCATION: 4.5 airline miles N 10° W of Shelby, Cleveland County, North Carolina. The deposit lies between the First Broad River and N. C. Highway No. 26.

Stage I of this contract has been completed and shaft sinking has begun on Stage II. Work accomplished consisted of a pit, about 4 ft. deep, located between two large quartz boulders. Equipment on the job consists of a gasoline powered hoist and hand tools. No timbering has been done to date.

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

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

June 2, 1953

DEPARTMENT OF THE INTERIOR
Release Information
MAY 18 1953

INTERIM REPORT

IMEA-2793 Idm-E495 (mica) LEE CORNWELL MINE

OPERATOR: Burns-Spangler Construction Company, Lawndale, N. C.

LOCATION: 4.5 airline miles N 10° W of Shelby, Cleveland County, North Carolina. The deposit lies between the First Broad River and N. C. Highway No. 26.

Actual work on this project began on or about May 1, 1953. Stage I of the contract, consisting of trenching, is in progress and about 21 hours of machine work has been accomplished. A shallow trench approximately 125 feet long, 30 feet wide and 2 - 4 feet deep, has been made along the strike of the pegmatite with a bulldozer. The project operators could not be contacted, but workers were advised to concentrate efforts nearer the pegmatite. During trenching large quartz boulders were moved, [redacted] pegmatite material was observed and field examiners picked up several blocks of strategic grade muscovite mica.

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

K. H. Teague

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

May 5, 1953

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

March 16, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 18 1953

Memorandum

To: Operating Committee, D M E A - Washington

From: Executive Officer, DMEA Field Team, Region 7

Subject: Signed Contract. DMEA-2793, Idm-E495 (mica) Burns & Spangler. Lawndale, N. C.

Transmitted herewith are three signed copies of the above subject report. One copy has been retained by this office, one by the Operator and one sent to the Finance Officer.

Robert A. Laurence
Robert A. Laurence

cc
3-18

FILE COPY
SURNAME:

Robertson
Houk
Chapman
Selfridge

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

MAR 3 1953

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

Subject: Docket No. DMEA-2793 - Mica
Lee Cornwell Property
Burns-Spangler Construction Company
Cleveland County, North Carolina

J.C. 3/3/53

Dear Mr. Laurence:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by this office for the Government with register number and effective date as shown.

If the contract meets with your approval present it to the Operator for his approval and signature. If any provisions are unsatisfactory to the Operator, return all copies to this office along with suggested changes for consideration.

After signing of the contract, one copy is to be given to the Operator and the usual distribution of the other copies is to be made.

Sincerely yours,

George C. Selfridge (HB)

Chairman, Operating Committee

Approved:

J. H. Hedges (HB)
Member, Bureau of Mines

D. M. Lemmon (HB)
Member, Geological Survey

Enclosures 6

JTRobertson:gad 2/19/53
Copy to: Admr. R. File
Docket File
Operating Committee (2)
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

Robertson
Houk
Chandler

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

February 19, 1953

Memorandum

To: Mr. C. O. Mittendorf

From: Nonmetallic Minerals Division

JC 3/3/53

Subject: Review of application, Docket No. DMEA-2793 - Mica
Property: Lee Cornwell Property
5 miles northwest of
Shelby, Cleveland County, N. C.
Applicant: Burns-Spangler Construction Company
Robert O. Burns and
Robert Spangler, Partners
Lawndale, North Carolina

11/28/52 Received application MF-103
12/11/52 Referred to Field Team, Region VII, for field examination.
1/26/53 Received Field Team Report written by Kefton H. Teague, USGS, an exploration project is recommended in the amount of $6,675.50.
2/5/53 Memorandum - J. J. Norton, USGS, to Nonmetallic Minerals Division in which he concurs with the field team's recommendation.
2/9/53 Memorandum - W. F. Dietrich, USBM, to Nonmetallic Minerals Division - recommends project.
2/17/53 Memorandum - Chief Counsel to Administrator with prepared contract in amount of $6,700.

Comment:

The Nonmetallic Minerals Division has reviewed the project proposal and contract and concurs in recommending it as a satisfactory exploration project. The work will be performed in two stages - Stage I, surface trenching; and Stage II, 75 feet of shaft sinking and 75 feet of drifting.

J. T. Robertson
Nonmetallic Minerals Division

JTRobertson:gad 2/19/53
Copy to: Admr. R. File
Docket File
Mr. Houk

FILE COPY
SURNAME:

AEKane

140

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

February 17, 1953

Memorandum

n.s. in R.v.R.

To: Administrator

Through: L. G. Houk

From: Chief Counsel

Subject: Burns-Spangler Construction Company - Docket No. DMEA-2793 (Mica)

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

J. L. Hofflund

J. L. Hofflund
Chief Counsel

Attachments

AEKane/ema 2-17-53
cc: Mails & Files
L. G. Houk
J. L. Hofflund
A. E. Kane
Chron.

Dear Robertson

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-2793, Mica, Lee Cornwall Property, Cleveland County, North Carolina

I concur in the field team's recommendation for an exploration program in the amount of ~~$7,351~~.00. 6,675.00 — used $6,700

W F Dietrich

W. F. Dietrich

IN REPLY REFER TO:

G-MD-CNM

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

Mr. Robinson

RECEIVED
FEB 10 1953
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

February 5, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2793 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: J. J. Norton, U. S. Geological Survey
Applicant: R. O. Burns and Robert Spangler, Lawndale, North Carolina.
Name of property: Lee Cornwell.
Location of property: 4.5 miles N. 10 W. of Shelby, Cleveland County, North Carolina.
Date of field team report: January 14, 1953.
Authorship of field team report: K. H. Teague.
Field team's recommendation:
Stage 1: Bulldozer Trench 10 by 10 by 150 feet.
Stage 2: 75-foot shaft and 75 feet of drifts.
ACTION SUGGESTED:
Follow field team's recommendation.

J. J. Norton
J. J. Norton

gad

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 22 1953
McRobertson

Docket
Folder

January 20, 1953

Memorandum

To: Operating Committee, D M EA - Washington

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

Subject: Field Examination Report, DMEA-2793 (mica). Burns & Spangler, applicants, Lee Cornwall Property, Cleveland County, N. C.

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

The six signed copies of "Owner's Consent to Lien" have been sent previously. Enclosed are 6 extra copies of the sketch map of the mine for your use.

Robert A. Laurence

Robert A. Laurence, Executive Officer
D M E A Field Team, Region 7

Wm. A. Beck

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

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

Pocket Copy

On-site Exam. Rpt.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, Region VII

DMEA-2793, LEE CORNWELL PROPERTY
(Mica)
Lawndale, Cleveland County, NC.

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

January 14, 1953

Reviewed by
DMEA OPERATING COMMITTEE

1-26-53
(date)

Field Team Examination Report
on
IMEA-2793, LEE CORNWELL PROPERTY, (mica).

Applicants: Robert O. Burns & Robert Spangler,
Lawndale, North Carolina

The Lee Cornwell mica property is located a short distance west of the First Broad River, 4.5 airline miles N. 10° W. of Shelby, N. C., in Cleveland County. The deposit is between N. C. Highway No. 26 and the river.

This deposit has not been worked recently. From the exposed evidence it appears that a considerable deposit of strategic mica may be found at this locality. It is recommended that exploration assistance be granted on this deposit and that the work consist of stripping the pegmatite to a depth of 10 feet, sinking a 75-foot 5' x 7' timbered shaft, and driving 75 feet of drifts.

This property was examined January 8, 1953. Mr. Robert O. Burns accompanied the writer on the examination which required three hours.

Access to the mine from Shelby is via N. C. Highway No. 26, and 1.5 miles of soil road which turns east from the highway. Access is good at all seasons of the year.

The applicants have no mica mining experience. Their business has been mainly in grading and construction. Mr. Burns informed the writer that the partners planned to employ a qualified mica miner to do the actual work under their general supervision.

The applicants hold the property by lease and the area covered by the lease is adequate for the proposed project. Signed MF-203's have been obtained and the amount applied for filled in. As this amount is larger than the Field Examiner's recommendation, these forms may be used when a contract is drawn.

There are no surface facilities on the property, and none are needed for the proposed project. Development at this place has been by several shallow test pits and three shafts with drifting on the pegmatite. The shafts are now partly caved and all but one are inaccessible. Reports indicate that none of them are more than 40 feet deep.

The workings have been made along a length of about 75 feet. The pegmatite mined is from 4 to 8 feet thick, striking N. 85° E, and

dipping near vertical. Where it is exposed it is well zoned, consisting of a medial quartz core 1 to 5 feet thick which is bounded on both sides by feldspathic pegmatite. The feldspar is weathered, thus its identity could not be determined. Some "burr" rock occurs along the southeast contact.

Mica occurs in the feldspathic pegmatite, mainly frozen to the quartz core. This mica is ruby colored, hard, clear, flat and flat-"A", and splits well. Some fairly large sizes are present.

The pegmatite is emplaced in a weathered biotite gneiss. It cuts the gneiss foliation on both the strike and dip.

Past history of mining at this place is unknown. It does not appear that there has been any production since 1920 and production before that time was not large.

The applicants proposal is not satisfactory. The topography is not suitable for the large bulldozer trench which he proposes.

The following recommendation was discussed with Mr. Burns and it meets his approval. It is recommended that a trench 10 feet deep, 20 feet wide, and 150 feet long be cut along the pegmatite to expose it. After it is exposed, the Field Team should examine the pegmatite and decide on the location of a shaft. This shaft should be about 75 feet deep and if possible located on the pegmatite. About 75 feet of drifts should be driven on the pegmatite from the shaft.

Estimated Costs: STAGE I

To consist of cutting a trench 10' x 20' x 150'

Rental:	
Bulldozer, 45 hrs. @ $12/hr.	$540.00
Purchase:	
Small Tools	50.00
Labor:	
2 Laborers, 45 hrs. @ $0.95/hr. each	85.50
Estimated Cost Stage I	$675.50

Estimated Cost; STAGE II

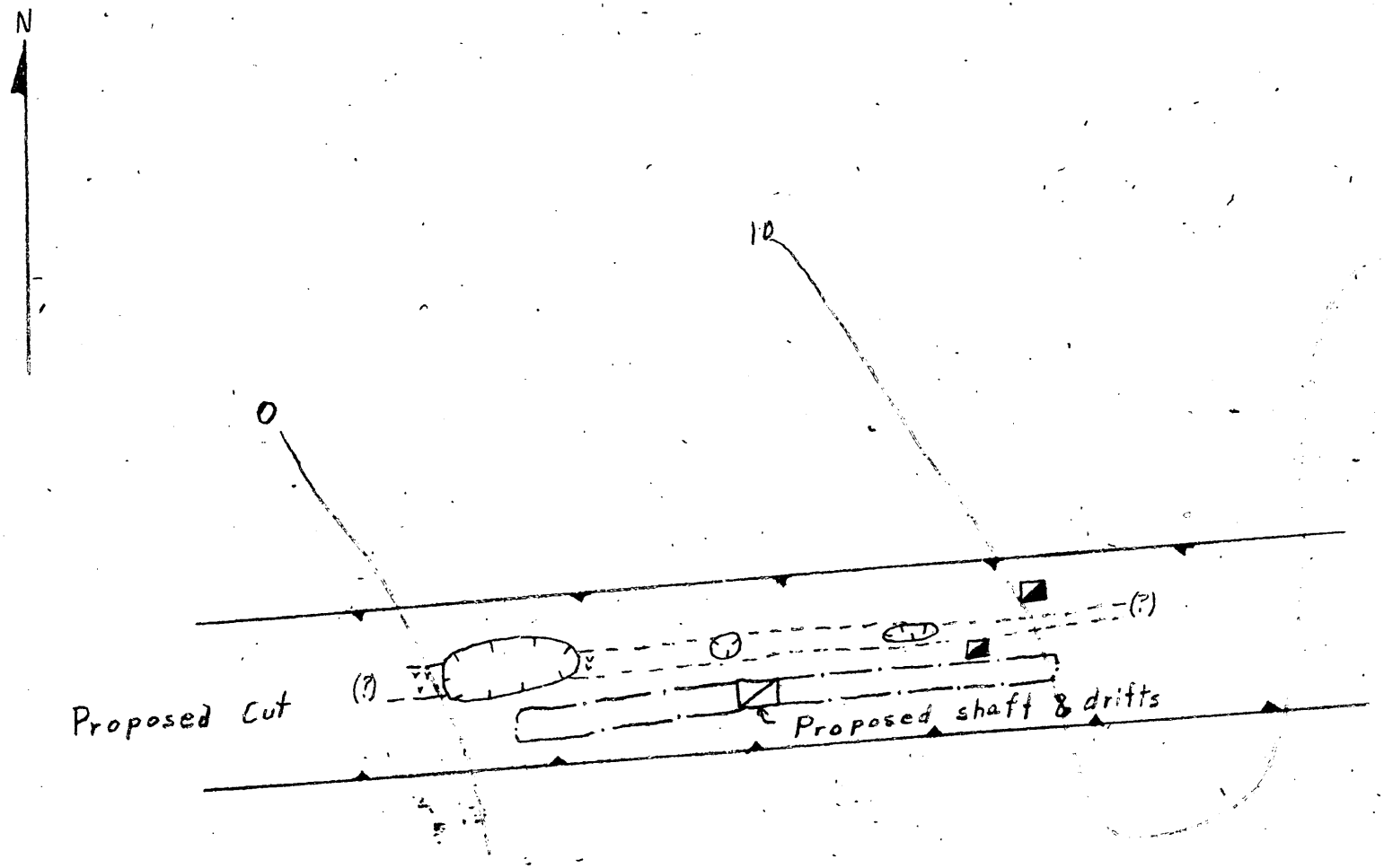
75-foot 5'x7' timbered shaft @ $45/ft.	$3,375.00
75-foot of drift @ $35/ft.	2,625.00
Estimated Cost of Stage 2	$6,000.00
Estimated Total Cost of Stages 1 & 2	$6,675.50
Estimated time required - 90 shifts.	
added for Insurance	24.50
	$6700.00

Used in Contract

J.J.R

January 14, 1953.

Kefton H. Teague, USGS



Lee Cornwall Property
Cleveland Co., N.C.

0 20 40
Scale

DMEA - 2793 (Mica)

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 31 1952

December 29, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 31 1952

Memorandum

To: Operating Committee, DMEA-Washington

From: Executive Officer, Field Team DMEA- Region 7

Subject: Burns & Spangler Construction Co. D,EA-2793 (mica)

Enclosed herewith are 3 copies of a list of equipment owned by the Applicant, and Applicant's valuation of same. A copy is being kept here with our copy of the application.

Also enclosed are 6 signed copies of form MF-203. The applicant has filled in the amount in item 2, to correspond with the amount applied for. We find that this is almost always the case, as the landowners are unwilling to sign forms containing blank lines to be filled in later.

Robert A. Laurence

Robert A. Laurence

Depreciation Schedule on equipment owned by Burns and Spangler Construction Company

	Value at present
2 T D 18 International Crawler Tractors	$24000.00
2 Burrus-Erie Power Control Units	1500.00
1 Burrus-Erie Angle dozer Blade	1200.00
1 LeTourneau L S Scraper	5000.00
1 air compressor	3000.00
2 air hammers	750.00
Total value	$33450.00
Two months' depreciation	$ 1115.50

600

DEC 11 1952

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

Subject: Docket No. DMEA-2793 - Miss Lee Cornwell Property (Robt. O. Burns and Robt. Spangler) No. 6 Township Cleveland County, North Carolina

Dear Mr. Laurence:

A Field Team examination is requested for the above-referred exploration assistance application.

The application contains numerous errors in the estimates of costs, and will require rechecking.

The project calls for an extremely deep and narrow trench; one that is 300 feet long, 24 feet wide and 40 feet deep. It seems impractical but its merit can be passed upon by the Field Team, and a new approach made, if deemed advisable.

Should an exploration assistance project be recommended, please make sure that we receive the required number of copies of signed "Owner's Consent to Lien.

Enclosed please find copies of memoranda on the subject by Mr. Dietrich, U.S.B.M., and Mr. Norton, U.S.G.S.

Sincerely yours,

Ernest Wm. Ellis

ACTING Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

Enclosures 2

JRobertson:gad 12/9/52
Copy to: Admr. R. File
Docket File
Operating Committee (2)
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

Robertson
Houk
Ellis

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

DEC 11 1952

Mr. Robert O. Burns
Burns and Spangler Construction Co.
Lawndale, North Carolina

Subject: Docket No. DMEA-279 - Miss
Lee Cornwell Property
No. 6 Township
Cleveland County, North Carolina

Dear Mr. Burns:

Reference is made to the subject application for exploration assistance at the Lee Cornwell Property in Cleveland County, North Carolina.

Your application is being referred to Mr. Robert A. Lawrence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for further information.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

J.H.
12-11-52

JTRobertson:gad 12/9/52

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

Field Team, Region VII

FILE COPY
SURNAME:

Robertson
Houk

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

DEC 11 1952

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

Subject: Docket No. DMEA-2793 - Miss Lee Cornwell Property (Robt. O. Burns and Robt. Spangler) No. 6 Township Cleveland County, North Carolina

Dear Mr. Laurence:

A Field Team examination is requested for the above-referred exploration assistance application.

The application contains numerous errors in the estimates of costs, and will require rechecking.

The project calls for an extremely deep and narrow trench; one that is 300 feet long, 24 feet wide and 40 feet deep. It seems impractical but its merit can be passed upon by the Field Team, and a new approach made, if deemed advisable.

Should an exploration assistance project be recommended, please make sure that we receive the required number of copies of signed "Owner's Consent to Lien.

Enclosed please find copies of memoranda on the subject by Mr. Dietrich, U.S.B.M., and Mr. Norton, U.S.G.S.

J.H. 12-11-52

Sincerely yours,

Ernest Wm. Ellis

(GWB)

ACTING Chairman, Operating Committee

Approved:

J. H. Hedges (GWB)
Member, Bureau of Mines

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

Enclosures 2

JRobertson:gad 12/9/52
Copy to: Admr. R. File
Docket File
Operating Committee (2)
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

IN REPLY REFER TO:
G-MD-GNM

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

December 4, 1952

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
DEC 8 1952

Memorandum

REVIEW OF APPLICATION DMEA-2793 (Mica and quartz).

To: L. G. Houk, Defense Minerals Exploration Administration.
From: J. J. Norton, U. S. Geological Survey.
Applicant: Burns and Spangler Construction Co., Lawndale, North Carolina.
Name of property: None given (Lee Cornwell).
Location of property: No. 6 Township, Cleveland County, North Carolina, about five miles northwest of Shelby, on the east side of North Carolina Highway 26.
Estimated cost of project: $10,752.31
Summary of applicant's proposal:
The applicant proposes to strip an area 24 ft. wide and 300 ft. long and 40 to 50 ft. deep, following the trend of the old caved-in tunnel.
Sources of information on applicant's property:
(1) Colonial Mica Corporation purchase records on the Lee Cornwell Mine.
(2) J. C. Olson's notes on miscellaneous prospects in Cleveland County, North Carolina
Comments:
(1) The Lee Cornwell Mine produced $650.36 of strategic ruby mica during World War II.
(2) In giving his estimate of cost (no. 6 of form MF-103) the applicant has not multiplied nor added his figures correctly.

RECOMMENDATION:
Refer to field team.

J. J. Norton
J. J. Norton

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 3 1952

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

December 2, 1952

Mr Robertson

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2793, Mica, Burns and Spangler Construction Company Prospect, Cleveland County, North Carolina

No data are available in this office on subject property. Sample submitted to the Government Mica Purchasing Depot, Spruce Pine, North Carolina has been classified as ruby mica. A field team investigation is recommended to ascertain if an exploration program is justified.

W. F. Dietrich

W. F. Dietrich

Mr. Robert Burns
Burns and Spangler Construction Co.
Lawndale,
North Carolina

November 28, 1952

Subject: DMEA-2793
Re: Exploration Assistance

My dear Mr. Burns:

The receipt of your application dated November 17, 1952 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-2793 and referred to the Nonmetallic Minerals Division.

Kindly refer to DMEA-2793 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams, Chief
Operation's Control and
Statistics Division

25451

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

November 28, 1952

Memorandum

To: Executive Officer, DMA- Field Team, Region VII

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Numbers DMA-2791, DMA-2792, DMA-2793

There is listed below the assigned Docket Numbers to applications recently received from Region VII.

DMA-2791 - Beloi, James V.

DMA-2792 - Tennant, Charles W.

DMA-2793 - Burns and Spangler Construction Company

ROBERT E. ADAMS

Robert E. Adams, Chief
Operation's Control and
Statistics Division

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Room 13, Post Office Building
Knoxville, Tennessee

November 25, 1952

Burns & Spangler Construction Co.
Lawndale, North Carolina

Gentlemen:

This will acknowledge receipt of your application, on form MF-103, for assistance in exploration of a mica prospect on land leased from Lee and Helen B. Cornwell. The application has been forwarded to our Washington office, in accordance with established procedure.

When application is made for work on leased land, it is necessary to submit an "Owner's Consent to Lien." I enclose 8 copies of form MF-203. Will you please have both Mr. and Mrs. Cornwell sign all 8 copies, and return 6 of them to me.

Under item 6d, you have not indicated whether this equipment is owned by you, or is to be rented. When the Operator's own equipment is used on a project, a depreciation allowance based on 60 months amortization is used. Please advise, therefore, status of ownership of equipment and present valuation, if owned by you.

Very truly yours,

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

RAL/mm.

cc:
Beck
Lynch
Opr.-3
Files-2

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

Room 13, Post Office Building
Knoxville, Tennessee

November 25, 1952

Memorandum

To: Operating Committee, D M E A - Washington

From: Field Team D M E A - Region VII

Subject: Burns & Spangler Construction Co., Lawndale, N. C. Application, MF-103, Cornwell Property (mica)

Enclosed are 3 copies of form MF-103, and 3 copies of Applicant's lease, received on November 24 from the Burns and Spangler Construction Company, and a copy of my letter to the Applicant.

One copy of the application is being retained here.

We are advised by Mr. W. S. Flynt, Supt. Spruce Pine Mica Depot, that a sample from this prospect is of ruby variety and with proper preparation would be acceptable on the present Government Purchasing program.

Robert A. Laurence
Robert A. Laurence
ExecutiveOfficer, DMEA
Region VII

POLLIE m. Cleveland Co., N.C.

Green		#1	#2	#2Inf
Small full	26.79	8	47	45
Large 3/4	6.49	12	42	46

Bob Rudasill

Total 33.28 $209.82

CLIPPARD p Cleveland Co.,N.C.

Ruby		#1	#2	#2Inf
Small full	6.11	1	56	43
Large 3/4	1.19			

Joe Price

7.30 $40.24

COSTNER m. Cleveland Co., N.C.

Ruby		#1	#2	#2Inf
Small full	67.99	2	60	38
Large 3/4	13.56	3	53	44

Hendricks and Kennedy

Total 81.55 $421.55

CLARK, WILL m. Cleveland Co., N.C.

Ruby		#1	#2	#2Inf
Large full	50.56	9	50	41
Punch	20.50			

W. R. Mozingo

71.06 $410.63

COOKE m. Cleveland Co., N. C.

Ruby		#1	#2	#2Inf
Small Full	39.35	22	52	26
Large 3/4	45.67	15	79	6
Large Full	4.05	22	60	18
Small 1/	9.31			
Punch	276.50			

Operator: Hendricks and Kennedy

Total 374.88 $452.66

DAVIS, WALTER m Cleveland Co., N.C.

Ruby		#1	#2	#2Inf
Small full	166.29	22	42	36
Large 3/4	80.98			

R. O. Buchanan and others

Total 247.27 $1,236.35

CLEVELAND p Cleveland Co.,N.C.

Green		#1	#2	#2Inf
Small full	.75		75	25

Frank Greene

$4.50

CORNWELL, LEE m. Cleveland Co., N.C.

Ruby		#1	#2	#2Inf
Small full	71.60	9	56	35
Large 3/4	37.49	4	53	43

J. R. Stamey

Total 109.09 $650.36

DOGGETT p Cleveland Co., N.C.

Ruby		#1	#2	#2Inf
Small full	14.42	21	52	27
Large 3/4	2.12			

J. W. Bowen

Total 16.54 $90.63

COPY

G E N E R A L S E R V I C E S A D M I N I S T R A T I O N

Spruce Pine Mica Depot

November 21, 1952

Mr. Robert A. Laurence
Executive Officer, DMEA
Field Team, Region 7
Room 13, Post Office Building
Knoxville, Tennessee

Dear Mr. Laurence:

I am in receipt of a letter, together with a sample of mica from a prospect on which the Burns & Spangler Grading Construction Company have applied to you for a loan.

I am pleased to advise that this mica is of ruby variety and with proper preparation would be acceptable on the present Government Purchasing Program.

Yours very truly,

s/ W. S. Flynt
Superintendent

COPY